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## Project information

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Project coordinator:	<b>Brigitte Zörweg</b>
Project coordinator organisation:	<b>MERIG</b>
Project coordinator telephone number:	<b>+43 316 948761</b>
Project coordinator email address:	<b>Dreierschützengasse 37</b> <b>8020 Graz</b> <b>Austria</b>



Education and Culture DG

## Lifelong Learning Programme

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## Executive Summary

The Lifelong Learning Programme, Leonardo da Vinci project Strategy-Train (Small Enterprise Strategic Development Training) started on the 1. November 2008 and had a duration of 24 months. Eight partners from 7 European countries participated in the project. The partners are universities, research institutions, companies and economic development agencies.

The Strategy-Train project aimed at developing a learning programme on enterprise strategy and strategic management for decision-makers in small enterprises which is based on a learning model, curriculum and (on-line-)learning content, which is flexible enough to address the specific needs of small enterprises (i.e. is flexible in terms of time and place), is adoptable and modular (i.e. addressing employees' different backgrounds, sectors) and reflects the practical needs of the decision-makers. Therefore, a blended learning approach is applied, containing on-line and face-to-face elements. Beyond enterprise decision makers, the second target group are trainers, tutors, coaches and consultants for whom guidelines on how to implement the training programme in order to meet the needs of decision-makers in small enterprises have been developed as elements of the learning model and curriculum.

The Strategy-Train project achieved its goals by delivering the foreseen studies, pedagogical background documents, learning materials and content.

The Cross-Cultural Analyses is based on a literature review and seven studies in the participating countries whereas in the survey (interviews and on-line) more than 250 representatives of small enterprises and training institutions participated. The analysis sets the basis for the Strategy-Train learning model.

The Learning Model (based on the survey and good practices) is a document which sets the methodological basis for the development of the Strategy-Train learning programme (organisation of learning, content, on-line phases) and which is a guideline for trainers/mentors who intend to work with the target group.

Based on the Learning Model the Strategy-Train curriculum has been developed focusing on learning organisation and content, including the definition of modules, the description of learning goals, learning path and timing.

The content (training / learning material) about enterprise strategy and strategic development has been elaborated, structured in units. In addition a "diagnostic tool" is available which helps users to identify areas / training materials which might be of special interest and guides the users to the respective units.

The Strategy-Train web platform ([www.strategy-train.eu](http://www.strategy-train.eu)) has been designed (based on the open source CMS TYPO3), where all materials are available accompanied by a user guide and clear introduction-information. The products are also available as offline versions on CD-Roms and USB-Sticks.

The research and development oriented work steps have been accompanied by an evaluation strategy which focused on processes as well as the quality of products and results, several dissemination activities (web, company and stakeholder contacts, conferences etc.) and an active management guided and monitored the implementation of the Strategy-Train project.

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# 1. Project Objectives

The Strategy-Train project aims at improving the competitiveness of small and micro enterprises by supporting management staff in strategic planning. To support this general aim the goal of the project was to provide an educational offer which

- is flexible enough to address the specific needs of the target group (e.g. the time and place flexibility which shall be considered by the vocational training offered),
- is adoptable and modular (e.g. to meet the very different backgrounds in terms of previous education of management staff in small enterprises and the possible different needs in different sectors),
- is practice oriented and
- provides also guidelines for trainers, mentors and counsellors who are also addressed by the project as user group of the results.

In general the project aims at raising awareness about the existing lack in strategic development and planning in small companies and the importance of this issue.

Therefore Strategy-Train intended to develop a training programme on strategic enterprise development which is based on a blended learning model combining e-learning and face-to-face modules, which is accepted by users and can be adapted and used in different countries and languages. There are still major concerns related to e-learning specifically in small enterprises. The Strategy-Train learning model should address these concerns with a strong focus on the potential end users of the project (decision makers in small companies) what allowed developing a learning model which is accepted by the target group.

The project basically targeted small enterprises of all sectors, whereas for the pilot tests the consortium concentrated on services oriented enterprises and implemented pilot tests in four countries (AT, BG, EL, IE) in spring 2010.

Finally the project aims to contribute innovatively to lifelong learning:

The basis for being innovative is the combination of target group, subject and methodology, since no tailor made programmes concerning enterprise strategy which take into consideration specific needs of small and smallest companies existed before. Also theoretical models about strategic taught in educational institutions mainly address bigger companies or medium sized enterprises. An indication for that is also that no case studies, best practice and training examples exist as demonstrators for micro enterprises what was a specific problem during the project and at the same time still is an improvement potential.

The second important group targeted by the Strategy-Train project are trainers/mentors, counsellors who work with decision makers in small enterprises. The project intended to address this group by highlighting how learners want to learn and by proposing a learning model and guidelines for trainers who “educate” decision makers in small enterprises and rose strong interest within this group.

## 2. Project Approach

The project was organised in nine work packages covering horizontal issues like management, evaluation, dissemination and exploitation and five research and development oriented work packages.

In the first half of the project the main issue was to develop content on the basis of a sound definition of needs and methodologies and to start the development / integration of online modules.

In the second half of the project test and modification cycles were implemented and the final version of the web-platform was developed.

End users have been early involved in the Strategy-Train project by their participation in the analyses phase and were addressed again during the test cycles of the materials.

Also dissemination and evaluation activities (as well as naturally management) started right from the beginning of the Strategy-Train project with detailed plans for both work packages and the early publication of the general project information-website (which was online from project month 2 on under [www.strategy-train.eu](http://www.strategy-train.eu) – now the general information site is available under: [www.meriq.org/strategy/en/](http://www.meriq.org/strategy/en/) because the strategy-train.eu URL is used for the final platform).

Basically the approach for all research and development oriented work packages was that at the beginning (according to the time plan) a framework document was elaborated by the responsible partner. In this framework document the detailed work plan for the respective work package is outlined and ideas, methods used, partners involved etc. are highlighted. These documents (which are also formally defined as deliverables) proved to be a very good basis for the following work phases and also clearly indicated the responsibility of the work package leader.

Following the project work packages (WP) are listed including the responsible partner and the type of activity:

WP 1: Project Management [MERIG] (Management)	finalised
WP 2: Cross-cultural Analyses [WESTBIC] (Development)	finalised
WP 3: Learning Model [AidLearn] (Development)	finalised
WP 4: Content Development [FHJ-MIG] (Development)	finalised
WP 5: Platform Integration [LINK-MV] (Development)	finalised
WP 6: Testing Products [ATLANTIS] (Development)	finalised
WP 7: Evaluation [LEVÓN] (Quality Assurance)	finalised
WP 8: Dissemination [REDA] (Dissemination)	finalised
WP 9: Exploitation [MERIG] (Exploitation)	finalised

### 3. Project Outcomes & Results

The main final project result is a training programme on strategic development and planning which is specifically targeting the needs of small enterprises. The programme is based on a blended learning model, combining online-learning and on site training which meets the organisational needs of the target group.

The main steps, outcomes and results have been implemented according to the project proposal:

#### **Analyses**

During the cross cultural needs analyses in seven partner regions the needs of small enterprises in terms of strategic planning have been assessed in detail whereby the focus was on how training is organised currently, which subjects are prioritised and how our target group wants to learn.

Methods: After a short literature review 60 personal “expert” interviews (based on an interview guide) were held with representatives from education institutions, SME associations and entrepreneurs. This step was followed by an online survey in which almost 200 decision makers from small companies participated.

The results of this step are one report from each country and one compiled cross cultural needs analyses report which integrates the results of all seven country studies.

#### **Learning Model**

Based on existing good practices and the analyses a learning model has been developed combining e-learning, coaching and on-site training. The blended learning model is a document which on the one side sets the methodological basis for the development of the content and the online materials for Strategy-Train, on the other side also is a guideline for trainers/mentors who intend to work with the target group. The Strategy-Train learning model reflects the users’ needs and requirements concerning learning methodology and preferred learning / training organisation. It describes three possible learning paths which can be combined: the individual path, the group path and the mentor/ed path.

The document is available in English language (like planned in the project application) and serves as linking part between the needs analyses and the curriculum development.

#### **Content Development**

Based on the learning model a detailed curriculum has been developed integrating the learning model but focusing also clearly on content including the definition of modules, the description of learning goals, learning path and timing. Based on the definition of the modules the elaboration of the online materials was implemented.

The content is organised in five modules containing 10 units plus the introduction:

#### I. Introduction

- Introduction to Strategy-Train Learning Programme

#### II. Strategic Analysis

- Foundations of Strategic Management

#### III. Strategic Diagnosis

- The external Environment
- The internal Environment

#### IV. Formulation of Strategy

- Business Level Strategy
- Vertical Integration for SMEs
- Internationalization for SMEs
- Diversification for SMEs
- Business development,

#### V. Implementation Strategy

- Strategy Implementation
- Quality Control and Quality Assurance

The main focus during content elaboration was to keep it as concise and meaningful for small enterprises as possible.

Already during the development of the learning model partners discussed the necessity of an introductory “test” for the users and agreed on developing a diagnosis tool which at least can help users to find their position within the topic enterprise strategy. This is an additional effort which has not been originally planned in the proposal but which was highly appreciated by the users.

The results of this work package are the Strategy-Train curriculum which available in the languages of the four countries where pilot tests are planned (BG, DE, EN, GR) plus PT and the content (all units / modules) in all partner languages (BG, DE, EN, FI GR, PT).

### **Platform Integration**

Based on the requirements the consortium decided that the “e-learning version” of the content will be integrated in a learning management system. This decision was made because of easy accessibility and because of functionalities which the open source content management system TYPO 3 offers.

The final result is the platform [www.strategy-train.eu](http://www.strategy-train.eu) (plus offline version). Interim results are the framework containing specifications and the test modules which have been pilot tested and consequently updated after the tests.

## **Testing Products**

The framework for pilot sessions has been developed outlining the time plan and main features of the test phase.

The pre-pilot testing took place in the second half of February 2010 where only the English version of the training package was assessed whereby nine evaluation forms were received where useful comments and ways of improvements have been stated.

The final pilot testing of the Strategy-Train training offer has been conducted in four out of the 7 partner countries of the consortium, Austria, Bulgaria, Greece and Ireland in May to July 2010. In total the representatives of 31 enterprises took part in the pilot phase and provided feedback to the Strategy-Train products, which was integrated in the final version of the platform / products.

## **Evaluation**

Evaluation activities started from the very beginning of the project. General progress, work relations and partners satisfaction which are formative evaluation components are assessed by evaluation sessions at the project meetings and evaluation forms filled in by partners.

The quality of the developed content was assessed in a first step by peer reviews (content of one content development partner was assessed by another partner and vice-versa) was finally assessed by two more partners (MERIG concerning content, WESTBIC concerning EN language) and after full platform integration tested in the pilot sessions with our target group.

The interim and final evaluation reports outline that partners are fully satisfied with the project progress (even if some minor delays appeared like in most projects) and that the risk of failure is at a minimum.

## **Dissemination**

Also dissemination activities started from the beginning of the project.

The project website as well as the flyer and a project presentation are available since project month 2 and partners also presented Strategy-Train at several events, promoted the project in their networks and to supporting partners.

An important step to raise visibility was also the analyses phase when Strategy-Train got the attention of many enterprise and most of them declared that they wish to be informed about project progress and results and the pilot tests with representatives of enterprises in four partner countries.

A final conference was organised in Stara Zagora / BG which raised large public interest.

The final result of the work package on dissemination is the final dissemination report describing the dissemination activities in detail.

## **Exploitation**

Exploitation is closely connected to dissemination. In Strategy-Train activities related to exploitation clearly focus on the time after the project running time and preparative actions for further developing and using the results have been set within the project.

The framework outlines main items how materials will be available after the project end and gives an overview about availability, accessibility and publicity of main results of the Strategy-Train project, with a clear focus beyond the project duration.

The partners agreed on publishing all learning / training materials without access restrictions for public use. Regulating questions of IPR and utilisation of the materials by the partners are addressed in the "Agreement of utilisation".

## **Project management**

**Communication:** The main communication channel used by the consortium members was e-mail. If necessary telephone or SKYPE were used for synchronous communication over distance. Partners agreed not to install a communication platform because the available "tools" (e-mail, phone, VoIP) were seen as sufficient for project implementation.

**Project meetings:** Approximately every six months meetings of all project partners were planned and held which were on the one hand important for in depth discussion of next steps and evaluation of previous steps but on the other hand also supported group processes and communication. In addition to these meetings also smaller workgroup meetings were scheduled on demand.

**Reporting:** In addition to monitoring if results (deliverables) have been produced on time and the "official" reporting structure required by the programme (interim and final report to EACEA) the instrument of six monthly management reports has been introduced. Thereby all partners reported their activities and costs to the project manager using the same structure like for the "official" reports but in a shorter period of time. This instrument allowed an earlier detection/discussion of possible inconsistencies specifically concerning expenditures but also helped all partners not to forget to report important facts.

## 4. Partnerships

The project team had the theoretical background as well as the practical experiences to implement the project successfully. Levón Institute at the University of Vaasa (Finland), WESTBIC (Ireland), ATLANTIS (Greece), IM at FH JOANNEUM (Austria), AidLearn (Portugal) and the Multidisciplinary European Research Institute Graz (Austria) have theoretical as well as practical backgrounds in enterprise strategy, human resources development and vocational training. LINK-MV (Germany) has on the one hand experiences in management consulting but on the other hand is also a relevant provider of e-learning technology. The Stara Zagora Regional Economic Development Agency (Bulgaria) also has broad knowledge on vocational training issues and acts as regional contact point for SMEs and so does WESTBIC.

The partnership included semi-public institutions, private non profit research centres, regional innovation and development agencies, training institutions and universities as well as small enterprises. The different backgrounds of the partners, all of them have experiences in different EU and national projects, and their ambitions within the project supported dissemination of the project results in different fields. All partners disseminated the project activities and results and participated on local and regional as well as on international level.

Through the wide acceptance of the partners on regional and international level as well as through the broad variance of the partners institutional background, a successful implementation of the project as well as a good dissemination – on local, regional and European level – was possible.

Furthermore the partnership was initially supported by numerous relevant public and semi-public institutions in all participating countries. Letters of Support for Strategy-Train have already been provided by Styrian Business Promotion Agency (SFG) / AT, Styrian Chamber of Commerce / AT, Chamber of Commerce and Industry Stara Zagora / BG, RADMI Stara Zagora Regional Association of Wood-processing Industries / BG, Hrantechmach Association for machines – building in Bulgaria / BG, Ostrobothnia Chamber of Commerce / FI, Vaasan Yrittäjät, [Entrepreneurs in Vaasa] / FI, Letterkenny Chamber / IE, Galway Technology Centre / IE and Chamber of Commerce Thessaloniki / GR. The supporting organisations were consequently informed about the project and partly involved in project activities.

## 5. Plans for the Future

The Strategy-Train platform ([www.strategy-train.eu](http://www.strategy-train.eu)) will be maintained at least for the next five years and will be available for free usage.

All partners agreed to use the materials in their own organisations according to the organisation profile. Those offering management training on regular basis or on demand will promote the direct use of the material in training programmes. Thereby the main target groups are internal and external trainers / consultants who partly or fully integrate the training model/s and curriculum in their training and who partly or fully use the training / learning materials.

In the medium term the accreditation of the Strategy-Train training programme is envisaged by the transition of the whole or parts of the materials to the regular study programme.

In addition to using the existing materials all partners agreed on the one hand to contribute to smaller corrections which might be necessary and on the other side to search for possibilities to further develop the materials. Ideas to adapt and enlarge the content have been discussed but therefore additional internal and external funds have to be raised, what is under discussion.

Usage of the Strategy-Train materials is regulated by the utilisation agreement signed by all partners.

## 6. Contribution to EU policies

Clear strategic planning is the most important indicator for innovation and development processes, for balanced growth and strengthening the company profile. To be able to plan strategically provides a competitive advantage to enterprises. It allows to not only react to market fluctuations but to analyse and develop medium and longer term concepts for entering new markets, develop new business models etc. which are bringing added value to the enterprise. Finally it is one requirement to keep innovative and to safeguard jobs of the individual employees.

In most medium sized and bigger enterprises the creation and implementation of strategic development processes is an important issue. But there exists a lack in strategic planning in most small and micro enterprises (< 50 employees). Even if small enterprises have business plans, "... there is less evidence of strategic thinking except among larger businesses"<sup>1</sup>. This observation is also supported by the analyses of needs of small and micro enterprises implemented in AT, BG, DE, EL, FI and other European countries<sup>2</sup> where a general gap of knowledge about strategic thinking and planning amongst the managers of small and micro enterprises has been identified and in the results of the cross cultural analyses of the Strategy-Train project. Also the Irish Small and Medium Enterprises Association outlines in the proceedings of the National Conference that strategic planning is one of the most important challenges for small enterprises to foster their internationalisation potential.

The reasons for the dilemma of enterprise strategy in small companies are manifold and can be summarised with the following statements:

- The issue of strategy is investigated insufficiently. Most studies are concentrating on SMEs (< 250 employees; turnover < € 50 mio.) but not directly on smaller enterprises (< 50 employees; < € 10 mio.) even if there are large differences specifically concerning the organisational structure between these enterprises. According to Eurostat more than 90% of the European enterprises are small enterprises (< 50 employees) and that approximately 50% of the European employees are working in small companies what underlines the importance of companies with this size for the European economy.
- There are no or less resources allocated to strategic planning in small enterprises compared to medium and larger enterprises.
- There is a lack on awareness for strategic development. Management staff is involved mostly very directly in the day-to-day business and has no knowledge to perform or assign and support strategic analyses.

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<sup>1</sup> Management Decision 40(9): 2007; p853-861.

<sup>2</sup> Vainio, A. et al.: Analyses of Training needs in European Small and Micro Enterprises; WP2 deliverable of the Leonardo da Vinci project TrainSME; 07/2005.

The Strategy-Train project directly addressed the needs of the target group by intending to elaborate content for training strategic planning and development which is directly reflecting the needs of management staff in small enterprises and also by developing an innovative blended learning model which best addresses this group.

The European Charter for Small Enterprises<sup>3</sup> outlines that business-related modules should be made an essential ingredient of education schemes. The report on the implementation of the charter<sup>4</sup> summarises that entrepreneurial topics have been included in the school curricula of some European countries (e.g. Finland) and that there are support mechanisms for small and micro companies in some of the project partners countries existing (e.g. Austria) but that there in general is a need “to further consolidate and expand training strategies for small business managers”<sup>5</sup> and “Also the promotion of entrepreneurship outside the formal school activity remains important.”<sup>6</sup>

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<sup>3</sup> The European Charter for small enterprises: [europa.eu.int/comm/enterprise/enterprise\\_policy/charter](http://europa.eu.int/comm/enterprise/enterprise_policy/charter) (20051220).

<sup>4</sup> European Commission: Report on the Implementation of the European Charter for Small Enterprises in the Member States of the European Union; Commission staff working paper (SEC(2005) 167).

<sup>5</sup> Recommendations of the 2005 Implementation Report of the Charter in the Member States.

<sup>6</sup> Recommendations of the 2006 Implementation Report of the Charter in Acceding and Candidate Countries.

