

# Know thy Customers

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# Effective Selling

Sell to buyer's needs

Who is now the buyer?

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# Business

Challenges in the South West

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## Challenging the Myths about Learning and Training in Micro and Small Enterprises

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University of Cardiff

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## Myth: Small firms provide less training and their reliance on informal learning is a weakness.

- The link between formal training and firm size is well established BUT
  - Link disappears when definition of training loosened
  - Formal training no indication of amount of learning or skill formation taking place. The tip of the iceberg

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## The distinctive characteristics of micro and small firms

- Characteristics of micro and small firms
  - Dominated by external problems
  - Personalised relationships
  - Little differentiation of functions
- After 30-50 employees “ management systems” introduced and characteristics of large firms adopted.

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## Why formal training is not effective in micro and small firms

- Cost of disruption in micro and small firms
- Cost of training courses
- Many formal courses irrelevant to their needs

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## The process of learning and skill formation in micro and small firms

- Informal and incidental - context bound
- Immediacy of training needs analysis and evaluation
- Training and learning an integral part of everyday activities

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## The process of learning and skill formation in medium and large firms

- Training a formal activity which often takes place outside the workplace in classrooms and training centres
- Training specialised activity, budgets, specialised training officers
- Formalisation of relationships involved in learning: formal techniques for TNA, evaluation, appraisals, PDPs, coaching, mentoring

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## Our experience of learning/training

In large organisations training/learning is experienced as a separate activity, synonymous with attendance at courses which take place outside the workplace.

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## Myth: formal training more effective than informal learning

Individuals see learning that is located in the workplace as more effective in enhancing their performance than learning on formal courses

Trainers see training methods (e.g.coaching, OJT) that are closer to the workplace as more effective in enhancing performance than formal courses.

Research indicates that some types of knowledge more effectively transmitted through the workplace, others through formal courses.

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## Policy Implications: formal v informal training

Formal training not necessarily more effective than informal learning in delivering skills.

Can have poor formal learning as well as poor informal learning.

Need better knowledge of how to improve the effectiveness of learning, both formal and informal.

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## Policy Implications: the needs of the individual employee.

Individual needs different from those of employers in important respects.

Individuals require some form of certification for their learning to ensure that it has value in the market.

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## Policy Implications: the end of one-size fits all - the start of customised delivery

**Need to identify which forms of training delivery (formal or informal) are most appropriate and then advise on how these can be improved.**

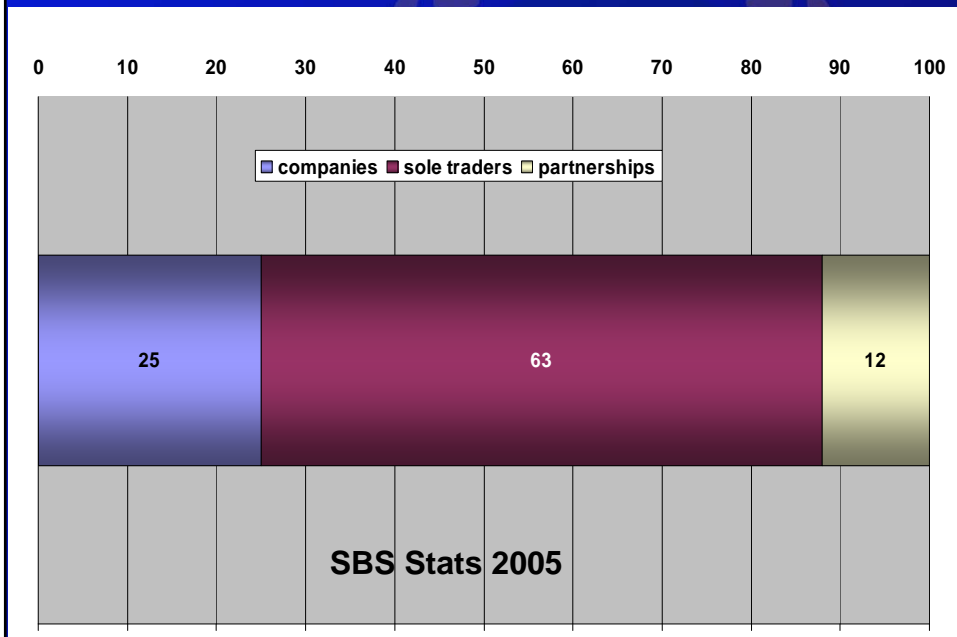
**Means tailoring delivery of help to the specific needs of the firm.**

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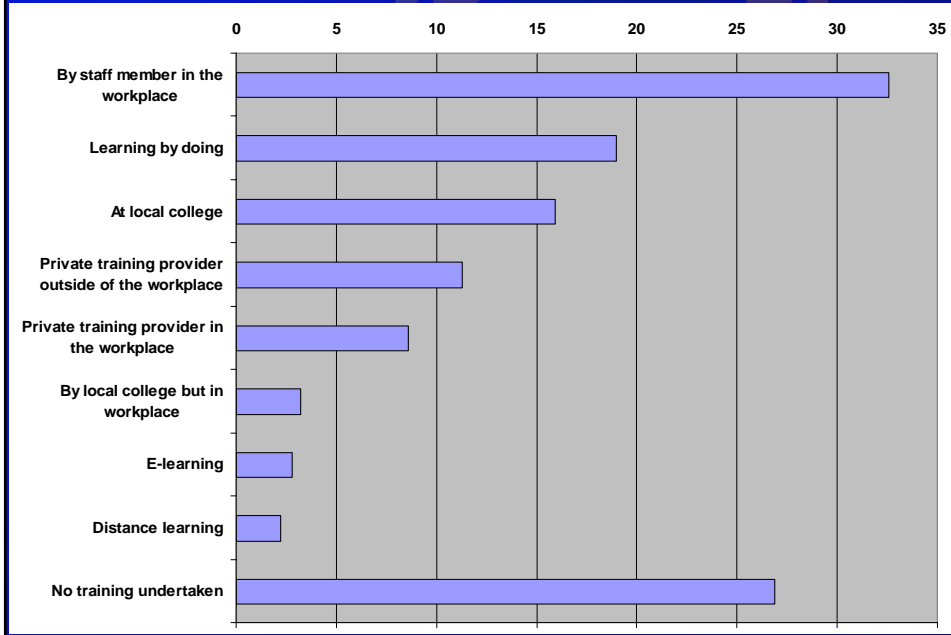
# Think small - think micro



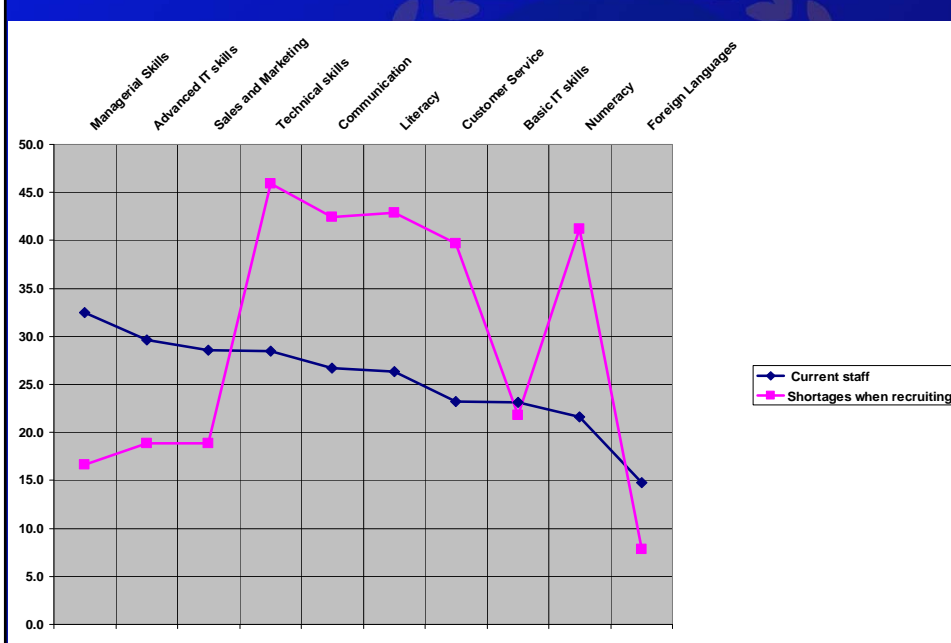
# Legal Structure



# Training in the last year



# Skill shortages – current staff vs recruiting



# Think small - think micro



## References

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