Research report for external body:
FROM LEADERSHIP TO GROWTH

LESSONS LEARNT FROM THE LEAD WALES AND LEADING GROWTH PROGRAMMES

The final report of the LEAD Wales and Leading Growth programmes 2010-2015

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THE LEAD WALES AND LEADING GROWTH PROGRAMMES HAVE BEEN PART FUNDED UTILISING EUROPEAN SOCIAL FUNDS PROVIDED THROUGH THE WELSH EUROPEAN FUNDING OFFICE.
FOREWORD

It is well known that small and medium enterprises in Wales are significant drivers of innovation and economic growth. The skills, ambition and passion of the owner-managers and leaders of these enterprises are critical to their success. Investing in these instrumental individuals, in turn, delivers step change in the performance and sustainability of their organisations, and creates wider benefit for the community through wealth and job creation.

Since 2010, Swansea University, in partnership with Bangor University, and with the financial support of the European Social Fund and the Welsh Government, has helped more than 900 individuals to develop their leadership capabilities. The University has been privileged to work with these SME managers and has reaped the benefits of long lasting business relationships, as well as made enhancements to the design of our academic programmes.

The outcomes recorded in this final report of the five year LEAD Wales programme and the recent Leading Growth programme are outstanding. Through the development of professional leadership skills these programmes have delivered revenue growth in excess of £52M and nearly 2,500 new jobs.

We congratulate the 900+ leaders who have engaged with the programme and wish them every success in their future endeavours. The dedicated team at the Institute for Entrepreneurial Leadership at Swansea is working to secure further funding which will enable us to engage with many more SMEs across Wales. Please join with us and transform the economy of Wales.

Professor Richard B. Davies, Vice-Chancellor, Swansea University

The authors would like to formally recognise and thank Gary Walpole for designing and developing the conceptual framework for the Leading Growth programme and acknowledge his significant contribution to the delivery of the Leading Growth programme.
ABOUT THIS REPORT

This report summarises the history of, and the lessons learnt during the LEAD Wales and Leading Growth leadership development programmes at Swansea and Bangor Universities between July 2009 and June 2015.

Section 1 (page 5) is a short introduction to the programme headlines and a history of the two programmes.

Section 2 (page 12) details the lessons learned as a result of ongoing research into the participants on the programme and their enterprises:

- Lesson 1 - Leaders learn together, but they are all unique (page 12)
- Lesson 2 - Focus on individual achievement (page 16)
- Lesson 3 - Enterprises benefit from good leaders (page 24)
- Lesson 4 - Leadership development teams must be responsive, credible and authentic (page 30)

Section 3 (page 32) outlines recommendations for enhancing leadership development programmes for SME leaders in Wales.

LEAD Wales, and subsequently Leading Growth, were created to address the gaps in knowledge and experience of the people that are taking up the challenge to grow the Welsh economy: the leaders of our Small- and Medium-sized Enterprises (SMEs). On the way we have learnt some important lessons.

When LEAD Wales was first commissioned in 2009, it was well known that leadership development could lead to improvements in the performance of enterprises but exactly what caused this to happen had not been identified. Nearly six years later we understand far better what really works, both during the programme and afterwards, due to dedicated research that helped measure and develop both programmes.

At the time of writing, we know that 906 LEAD Wales and Leading Growth delegates have contributed at least 2424 new job opportunities and an additional £52,433,908 to the Welsh economy. These are only headline numbers based on impacts achieved during the 10 months that each delegate was enrolled with us and don't tell the full story behind the impact on the individuals and their organisations beyond the programme.

This report details more about the impact of the combined programmes, but the headlines include:

- Changes that start during our leadership development programmes continue for years afterwards.
- Supportive networks have been built as a result of participating in the combined programmes which go on to play an important role in the ongoing development of enterprises.
- Our combined programmes have had a significant positive impact on the health and wellbeing of our delegates, ultimately leading to more sustainable enterprises capable of continued growth.
- Completing a qualification has allowed learners to structure their thoughts and keep a record of their development, which in turn has enhanced the capacity for change beyond what would be expected in the general population of leaders.
- The good habits that we encourage each leader to discover and adopt have been taken back to their enterprise and shared with the wider business community.
- Growing an entrepreneurial business starts with developing the leader.

Having identified the impact, we have also been able to pinpoint what makes the impact happen. These are our top four lessons:

1. Leaders learn together but they are all individual - Recognising the importance of diverse peer learning groups is an integral part of the programme, providing leaders of SMEs with the group of peers and role models that they need to drive self-improvement, resulting in improvement in their enterprises. We have learnt that a sector-specific group can be diverse, as long as there is a mix of personal experiences, backgrounds, gender and age as well as product or market bases of the firms.

2. Focus on individual achievement - Both personal and professional challenges motivate leaders to attend
programmes. Focussing, and where possible tailoring, the programme for the needs of the individual allows them to build the self-confidence and resilience that is needed to drive changes in their enterprises. By moving away from ‘enterprise growth’ and developing a leadership mindset in the individual, we see more and greater possibilities being pursued. Doing this over an extended period (up to ten months), and recognising the real life implications of change on the individual by providing a supportive environment, can also lead to improvements in well-being that are diffused into the workforce.

3. Enterprises benefit from good leaders - LEAD Wales and Leading Growth share the view that leadership is not just about the day to day management of staff, resources or sales. We don’t teach processes of business planning or strategy creation. Instead we promote creating and implementing a vision and culture based on clear values that are reflected by staff at every level. We do this initially by encouraging self-awareness, empathy with others and the ability to change. This is what drives sustained growth outside of and beyond the programme.

4. Leadership development must be responsive, credible and authentic - In our experience, successful leadership development results from creating practical learning experiences that the leaders of SMEs can individually relate to and encouraging them to take a more considered approach to implementing this straight away in their enterprises. Real and practical experiences create deeper emotional involvement, encourage leaders to reflect on their activities and ultimately create habits that can turn challenging situations outside of the classroom into positive learning environments and even business opportunities. All of this is only possible if the team responsible for delivering the learning opportunities are credible and authentic.

Where LEAD Wales and Leading Growth began

LEAD Wales is a 10 month programme of leadership development, delivered through a combination of experiential and situated learning*. The course was run at no cost to the delegates as a result of funding from the European Social Fund administered by the Welsh European Funding Office and the University partners. During each 10 month course, groups of up to 28 delegates (all decision makers in SMEs and often owner/managers) spent up to 17 days attending a diverse series of sessions which encouraged them to look at and often challenge their preferred leadership styles, re-evaluate their perceptions of effective practice in small business leadership, and help them address opportunities specific to their organisations, particularly focussing on their future aspirations.

This model had originally been designed by academics at Lancaster University based on work with leaders of small business and ran there successfully as the LEAD programme. Developing leadership skills for decision makers within SMEs had been identified by Welsh Government in 2008, as well as policy makers in UK and Europe, as vital to facilitate improvements in firm performance. Improvements in the strategic skills of small business was recognised as a keystone to the development of growth opportunities in the economy.
The LEAD Wales programme was based upon an accepted and published model of learning called the ‘integrated learning cycle’. This cycle is also seen in similar programmes such as the Goldman Sachs 10,000 small business programme, the LEADER programme in Northern Ireland, as well as the Leading Enterprise And Development (LEAD) programme in Lancaster, which formed the basis of the initial LEAD Wales programme.

Each element of the integrated cycle is designed to allow delegates to take part in experiences (experiential learning) that contribute to their learning in different ways. Whether they are participating in leading, either during role play or in their own businesses, observing leadership in other organisations during shadowing, or learning about how others view leadership in masterclasses, there are opportunities to stimulate thinking about leadership beyond previous perceptions or stereotypes and to reflect upon them.

The remainder of this report relies heavily on the various elements of the combined leadership development programmes to explain how and where the influence on leadership development has been experienced. These elements are shown in the following table.

![Figure 1. The original LEAD model](image-url)
Innovations in ‘Leading Growth’

This LEAD programme was built on a strong academic base and, though all elements of the cycle have been useful, certain elements such as the exchange and online forum were dropped in response to the needs of delegates. In addition, although it assumed that learning was happening outside of the programme, LEAD Wales hadn’t provided a way to formalise and capture this learning.

Leading Growth was developed as a structured programme, formally introducing the practice of reflection and reflective learning, as well as giving the learners the opportunity to complete a formal assignment in order to achieve a recognised qualification. This is a key difference - experience gained from LEAD Wales taught us that there are different levels of ‘experiential’ outcomes that can be thought of as a ladder of progression. At the bottom of the ladder is the superficial experience; it may be fun, it may jolt a few thoughts, but the wider implications of the learning are often lost. This is often described by those who have participated in role play, or team building exercises that didn’t reflect their real lives.

At the top of the ladder are the lived experiences, those that had real credibility and consequences and as a result are often learnt and remembered outside of or beyond formal learning environments.

Figure 2. The Ladder of Experiential Learning

- Superficial experiences: Artificially engineered experiences with little or no emotion or consequences in the content.
- Superficial role playing: Learning experiences, based on metaphors, designed to engage emotions and reflectivity i.e. team games in contrived situations.
- Simulations and practice: Simulations (real life or virtual). High levels of emotion and engagement but few consequences.
- Reflection on existing practice: Reflection in the workplace on existing practice. Authentic emotion - elevated level of consequence for self and others.
- Action learning in the workplace: Observation, experimentation and reflection in real life situations, where decisions have personal consequences for self and others.
SECTION 2: Lessons Learned

Throughout the five year period of funding, the LEAD Wales and Leading Growth programmes have collected data from their delegates about their intentions, aspirations, and the programme’s development and impact. During this time, the knowledge and understanding of leadership development programmes has improved, and alterations have been made to the questions asked and delivery styles used.

This section of the report presents data gathered at entry to the programme and at graduation to measure for changes in the delegates as a result of participation. This was analysed throughout the five years by a dedicated team of researchers and lessons passed to the leadership development team on a regular basis in order to influence delivery and design of the leading growth programme, as well as report against progress of LEAD Wales.

The remainder of this section of the report looks at the feedback we have received from surveys completed by delegates before and after they participated in one of our programmes. These give an insight into some of the lessons learned about the impact of the combined programmes on the individuals, their enterprises and how we encourage learning in order to facilitate real change.

LESSON 1: Leaders learn together, but they are all unique

The last five years of running the LEAD Wales and Leading Growth programmes have shown that there is no common characteristic amongst the individuals that self-select to undertake leadership development programmes. What they do have in common is that they have experienced challenges within their businesses and personal lives, motivating them to seek support in their personal development to allow them and their business to move forward.

The LEAD Wales and Leading Growth teams have delivered leadership development programmes to cohorts of business leaders. Cohorts have typically been made up of business owners from various business sectors, with varying years of experience in leading a business, and varying levels of prior education. Cohort members have consistently been of mixed age and gender throughout. However, in order to assess if there is more to be gained from single sector or single gender cohorts the Leading Growth programme trialled these options.

Following the completion of the LEAD Wales and Leading Growth programmes, analysis of the influence and outcomes of the programmes on the delegates indicates that the approach taken by the leadership development team is supportive and influential to all types of learners. Whilst it is evident from the analysis that different groups, cohorts and delegate types will respond differently, it is equally evident that the level of flexibility in the programme due to the mix of delivery and teaching styles offered, provides learning opportunities suitable to all these different types. Whilst sector, experience and position in
Leading Growth 6 was a sector-specific cohort made up of companies based in the convergence region of Wales specialising in the energy sector. Initially there was concern that a sector-specific cohort would be challenging to facilitate and also for the delegates to build a trusting and open relationship with their other cohort members. The same realisation became apparent for the owner-managers in this energy cohort as has been seen in mixed cohorts. Frequently heard phrases throughout the duration of their programme were:

“We are all in the same boat”

“We all have the same problems”

One obvious benefit was that Leading Growth facilitated open conversations between business owner-managers that would otherwise have considered themselves competitors and as a result these were able to join forces and tender for larger projects and support each other.

THE IMPACT OF GENDER SPECIFIC LEARNING

A women’s cohort was facilitated by the Swansea University team. The demand for this programme was the highest ever experienced by the team, supported by recommendations made by a network that the women already trusted, which helped reduce the concerns, barriers and uncertainty about committing to a new programme. The figure below illustrates the differences between how men and women are influenced by the various elements of the programme, and highlights how men and women learn in different ways.

The evidence suggests that women-only groups have a stronger preference for learning from peers and from the cohort leader, who is seen as a facilitator but not necessarily a role model or expert. This is different from the average feedback received from mixed-cohorts across the combined programmes who generally state a preference for one-to-one relationships such as those with the coach or the Facet 5 feedback person and roles models such as the masterclass presenters.
LESSON 2: Focus on Individual Achievement

CONTRIBUTION TO INDIVIDUAL ACHIEVEMENT

People who join LEAD Wales or Leading Growth are making a decision to join a programme aimed at supporting owner-managers who want to grow their enterprises. By graduation, over 80% of the delegates had fully or partially achieved their aims, whilst a further 19% succeeded in achieving aims that they had not initially highlighted for personal or business growth. The delegates identified their aims and objectives from the start. These aims were often both in terms of the business and for their personal work-life balance.

On entering the programme the delegates have their own expectations about what would be delivered and achieved via a leadership development programme. However 51.7% of LEAD Wales and Leading Growth delegates considered the programme to have exceeded their expectations. Given the varying levels of education, prior experience and training amongst the delegates, it suggests that the quality of the programmes offered is high and effective for a diverse population. On the whole, the programmes being offered by Bangor and Swansea University provided successful and beneficial programmes for businesses.

INDIVIDUALS AND STEREOTYPES

The combined programmes have worked with over 900 business owner-managers since 2010. Previous
GENDER BALANCE

The gender target for the overall programme was a 60/40 split in favour of men. As seen below, the family business owners conform to this, however in other stereotypes the gender balance differs, which is possibly a reflection of the changing demographic and policy drives across employment of all types.

The inexperienced business owners were considered to be those with less than five years’ experience of leading their enterprise, whilst the experienced business leaders were described as those with more than 11 years of experience. When we compare the different stereotype groups according to gender, we see that fewer women fell into the ‘experienced enterprise leader’ but an equal proportion of each were in the ‘inexperienced enterprise leader’ category - suggesting either that women enter leadership training earlier in their leadership journey, or that there are more women leading companies in the last few years than was the case 11 years ago.

The ‘training cynics’ were split quite equally between men and women; however the reason for their cynicism possibly differs. There are also more men registered as considering themselves as accidental business owners, however with the change in trends and as more women become business leaders, this level may alter over time.

AGE RANGE

As would be expected there were no experienced business leaders under 35 years of age, and the majority of the experienced business leaders were over 50 years old. Meanwhile 31.5% of the family business leaders were under 35 years old, whereas only 23% of the population of the overall programme was under 35 years old. The high proportion of young family business owners in this demographic suggests that LEAD Wales and Leading Growth are seen as supportive programmes for preparing businesses for succession. The majority of the 35-50 year old business leaders were in the experienced or accidental business owner demographics.

WHAT THESE STEREOTYPES SAY

INEXPERIENCED LEADER

At the beginning I felt answerable to everybody. Shadowing experiences helped me put things into perspective... the coaching made me realise that I was hindering business growth by not employing the staff I needed. That’s all led to confidence, it’s made me realise that there are downs and ups and if I stick with it during the downs I can ride the ups.

ACCIDENTAL ENTERPRISE LEADER

At the start I was confused.com. I think we’ve been carrying on like a hobby business. My partner came to me and said - you need to come on course. He talked me into it. My goal was to turn overnight into leader. I had many doubts and uncertainties, because of my ideas of what leaders were. I imagined ascertive people, which didn’t fit my character.

TRAINING CYNIC

What did I need to learn about leadership? I’d worked as a manager for over three years, had attended numerous leadership courses and even studied leadership as part of my MBA. What could they possibly teach me about leadership? Thankfully, my rather big head was turned that day. Thankfully this is no ordinary leadership course. What sets this apart? Too many things to cover.

FAMILY ENTERPRISE LEADER

It’s so different working with your family. Yeah, ok, there’s rows. I’ve already sacked [my daughter] once this year! But yeah there are definite advantages so all of us are in it now, so even my daughter’s boyfriend is doing the maintenance now.

EXPERIENCED ENTERPRISE LEADER

At the beginning I was unsure and anxious. I didn’t see myself as a leader, I didn’t know my own business - I was trying to make everyone harmonise and work together. Now I’m a lot more confident, more challenged at work in a good way. I’m more self-aware and I’m starting to see positive changes.
PRIOR EDUCATION ATTAINMENT

The education levels of delegates attending our programmes indicated that there was a wide variety of prior learning experience amongst the business leaders. Those leaders with the highest level of education were most likely to be from family businesses, training cynics, or were accidental business owners. These demographics were most likely to have viewed their prior education as being a foundation of knowledge prior to entering the business environment, and were most likely to question the value of a leadership programme. The majority of leaders across each of the identified demographics had a Bachelor’s degree; however there is a trend seen within the demographics that older, more experienced business leaders have only previously engaged in lower levels of educational attainment.

INFLUENCE OF OTHERS

Lead Wales and Leading Growth have both developed based on feedback from the delegates during the five years of the programmes. However continuous assessment of the programmes’ impact reveals that delegates’ different learning styles are influenced differently. The peer interaction within action learning sets is one of the most influential elements of the programme, especially amongst family business leaders, inexperienced business leaders and the training cynics. Family business and inexperienced leaders probably take comfort from the small and trusted group, whilst the training cynics are able to confirm their beliefs and confirm their confidence in what they do within a small group. The cohort leaders are also influential to the family businesses and inexperienced business leaders. The delegates in these demographics are younger and are more accustomed to the education environment, and therefore are more familiar with placing trust in such figures. The business coaches were the most influential element of the programme for the more experienced and accidental business leaders. These delegates were more likely to be older and it is likely that these delegates were enabled to make changes as a result of a one-to-one coaching relationship, because it addressed deep seated issues of leadership and may have allowed them to uncover assumptions and myths that had become entrenched over time.

CONFIDENCE

One of the main impacts of our programmes on the delegates has been to improve their confidence, their self-belief in what they do as leaders, and how their peers and their staff perceive them. Our programmes have a positive impact on how delegates feel about decisions they make in their personal and business lives. The programme also reduces their self-doubt and their need to question their decisions, in turn making them better leaders in changing environments.
BENEFITS OF PARTICIPATION

LEAD Wales and Leading Growth have aided delegates' knowledge or skills in a number of ways. There is consistency across all stereotypes of delegates in regard to the benefits of the programmes. Amongst the top benefits were those relating to delegation, managing staff, communication, continuous improvement and building effective relationships.

Participating in the LEAD Wales Programme helped me develop my knowledge and/or skills in the areas of:

- Building effective relationships
- Creating and communicating a vision for the enterprise
- Continuous improvement
- Delegating to employees/volunteers
- Managing staff
- Creating and communicating strategies
- Sharing or passing work to others
- Keeping the right people
- Improving efficiency of the enterprise
- Strategies for managing a growing enterprise
- Enabling growth in an established enterprise
- Recruiting the right people (either staff or volunteers)
- Dealing with conflict
- Improving sustainability of the enterprise for the long term
- Improving profitability
- Delivering against the enterprise’s targets
- Growing my customer base
- Improving my work/life balance
- Coping with stress
- Providing benefits for the community
- Seeking investment for growth
- Strategies for exiting an enterprise
- Better understanding of the regulatory environment
- Finding and achieving investment
- Managing volunteers
LESSON 3: Enterprises Benefit from Good Leaders

When individuals have joined LEAD Wales or Leading Growth, a period of change or a major event in the lives of the owner-manager has often taken place in the twelve months prior to joining. These events, such as ill health, divorce, or a loss of a major contract, or a sense of being out-of-control or overwhelmed by the business, can lead to the owner-managers seeking support in order to re-establish their position within their business and driving their next phase of growth.

Delegates are asked to consider what has happened to their enterprises within the 12 months prior to joining the programme, and again at graduation. The results indicate that the influence of the programme allows the delegates to effect changes in their businesses during the 10 months of the programme, enabling them to grow and develop post-graduation. In the figure below, it is possible to see how the occurrence of events impacting the business changes from uncontrolled events, such as loss of a major contract, to expansion into new markets or premises. By the time delegates graduate from one of our programmes, they are often employing more staff, expanding their premises and introducing new products or services. While this matches with our overall objective to encourage and support enterprises to grow, there is also a reduction in the number of companies reporting reduced turnover and employment. This suggests that the programme has a positive impact on maintaining enterprise size.

“The timing of the course was excellent, “when the student is ready the teacher will appear” springs to mind. At the time, if I am honest, my ability to lead and manage a team to the next level was hugely in question.

The experiential two days at the start of LEAD was such an eye opener and changed my approach to the business the staff and their enjoyment of work.”

BEN RUDDLE, FRANCHISE OWNER, LEAD WALES DELEGATE
TURNOVER AND EMPLOYMENT TRENDS

Results from the delegates that completed the programme suggest that the majority of participants’ enterprises either increased or maintained the level of their turnover. As can be seen in the table below, 53.5% of delegates were able to increase their turnover by up to or over 20%. Less than 10% of companies experienced a decline in turnover during the 10 months of the programme.

The same principle holds true for increases in employment, with 50% of participants reporting they had increased their employment levels during the period of the programme.
CONTRIBUTION TO LEADERSHIP DEVELOPMENT
PROGRAMME ELEMENT IMPACT

<table>
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<tr>
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The table above shows the correlation score (rather than percentage score) between the participants’ preferred elements of the programme and the positive changes in employment or turnover. This is used to indicate which parts of the programme had the most positive reaction and benefits for delegates.

The ‘positive’ data represents business owner-managers who reported the programme elements as being: a little helpful, helpful or very helpful, and also turnover and employment remaining the same, or growing by up to, and over 20%. The ‘negative’ data presents the business owner-managers who reported the programme elements as being unhelpful or neutral and their employment and turnover reducing by up to, and over 20%.

The overnight experiential and the peer-to-peer elements of the course are described as most helpful, and there is a high correlation between those who report this together with improvements in both turnover and employment. Over 80% of the business owner-managers providing data claimed that they found these two programme elements to be: a little helpful, helpful or very helpful, and that their turnover and employment benefited. Interestingly, those programme elements that were not considered to be as helpful (i.e. negative) had a lower correlation with negative changes on employment or turnover, showing that if delegates didn’t have a preference for a particular learning element, it was unlikely to have a negative impact on turnover or employment. The data supports the design of the programme as influencing the strong, facilitated relationships garnered as a result and supports the preposition that a) leaders of small businesses prefer learning in ways that involve others and have practical elements, and b) where the learning method is appropriate and preferred, there is a positive relationship with enterprise growth.

The findings presented in the table above indicate that each of the elements of learning have a positive influence on business development, either in impact on employment or turnover. Whilst there is a positive trend indicated for each element of the programme, some elements were more influential than others.
LESSON 4: The Leadership development team must be responsive, credible and authentic

As stated previously, LEAD Wales was experiential in nature and encouraged business owner-managers to review their leadership styles and focus on change to drive growth. In addition, Leading Growth added a formal element of reflection and planning to leadership processes. The combined programmes were both designed to facilitate more effective leadership styles to be adopted and to expose leaders to peers and role models that they would not otherwise have met. While the immediate outputs of this activity have been seen - delegates stating they are more able to think and act strategically and be more confident in their leadership - some less obvious learning outcomes have consistently been reported as a result of the programme, regardless of whether taught or introduced during the various learning element.

Practical skills such as time management, delegation, strategic planning, setting and maintaining consistent policy, or communicating vision were not directly introduced within the programme. However, those are considered to be the agents for improving business performance as a result of improving leadership, which delegates attribute to learning during the 10 month programme. This is also evidence that the course doesn’t need to be completed to have an impact. Business owner-managers are seen to diversify, enter new markets and re-profile business aims and ambitions prior to course completion, apparently catalysed by the course rather than waiting for the course to be completed to feel empowered engaging in change.

What appears to be happening is that the habits of learning introduced during the programme, those of learning through observation, from peers, by seeking insights from credible role models and through structured reflection, motivates or inspires delegates to seek and/or practise other skills.

Feedback from delegates during the combined programmes has confirmed to us that the role and status of the people delivering the programme is of prime importance. Delegates often state that they could trust the facilitators and coaches because ‘they had been there and done that’ as current or former owners of small businesses, and further that they (the participants and educators) could relate to each other, which aided communication and empathy. The credibility of the facilitators, coaches and speakers appears to be an important element in engaging the participants in the learning, but more accurately, lack of credibility led to quick disengagement. This had an impact on the peer-to-peer networking, action learning sets and the reflection supporting each masterclass. It is within these less structured learning environments that the knowledge was found to be cemented as a result of the masterclasses. The learning outcome was not that the participant had absorbed and could repeat the information presented to them, but rather that they had absorbed the information and considered how it could be relevant in their personal circumstances and business context.

The next section summarises the key aspects of this, together with the other lessons learned and states the recommendations suggested by the research.
SECTION 3: Recommendations for enhancing leadership development programmes for SME leaders

This report identified the lessons learned from five years of the LEAD Wales and Leading Growth programmes. As a result of this successful experience we have formed strong opinions, based on comprehensive research, of what makes leadership development programmes for SME leaders in Wales successful. We have listed these below alongside the specific challenges that they address.

LESSON 1: Leaders learn together, but they are all unique

As well as the mixed delegate cohorts, working with delegates from single sectors, genders and potential leaders has confirmed the ways in which leadership development can be effective. While the specific benefits vary between those groups, the value of learning from peers within and outside the delegates’ own group is undeniable.

Q1. How do you respect diversity and uniqueness whilst at the same time emphasising the common challenges that bond together SME leaders and ensure they have opportunities to collectively address them?

RECOMMENDATION 1: Work with sector and representative groups to identify specific development needs of SME leaders.

RECOMMENDATION 2: Create opportunities for networking sector specific groups with more diverse populations of delegates, through shared sessions and events.

RECOMMENDATION 3: Run programmes over relatively long periods, include credible experts and experiential activities and hold in environments conducive to entrepreneurial learning, effectively pushing participants towards becoming independent learners, at the top of the experiential learning ladder (see Figure 2).
**RECOMMENDATION 9:** Focus on the highly rated experiential and peer-to-peer programme elements. The learning outcomes can be directly implemented in the delegate’s enterprise and through positive reinforcement the good behavioural habits of continuous learning endure beyond the end of the programme. These experiential elements are generally more resource intensive and should not be discarded for the sake of short term financial savings.

**RECOMMENDATION 10:** Ensure integration with other business support mechanisms, such as those focussed on accelerated growth or specialist services, to enhance further enterprise development opportunities.

**LESSON 4:** Leadership development must be responsive, credible and authentic

During the course it was possible to see people whom at first were quiet and reserved, develop into more confident and interactive leaders by sharing and discussing each other’s experiences gained in our respective business’s. The Master classes in particular where well-presented and inspiring events that left you pondering how to implement the knowledge gained and applying it within your own business.

The business has been growing by circa 10% year on year since 2005 but the LEAD Programme has given me the confidence to aim higher for the future by expanding the business further (we have targeted to increase turnover by a further £3million in the next three years and hit the £10million zone), concentrating on the positives and finding a route around the barriers we may encounter along the way.

Perhaps one of the most memorable parts of the LEAD Wales Programme is the friends you will make along the way, people who are willing to share with you and build relationships that will last long after the initial journey had begun.

TONY PARRY, DELSOL. LEAD WALES DELEGATE

Q4. How can we maintain and improve the standards of leadership learning for the leaders of SMEs in Wales, whilst also remaining affordable?

**RECOMMENDATION 11:** Structured approaches and an emphasis on personal reflection should form the basis of any future leadership development programme of this type.