

**EXAMINATION OF THE OPERATIONALISATION OF THE  
SMALL FIRM LEARNING NETWORK MODEL IN THE  
FÁILTE IRELAND *MERGO* CBTLN NETWORK**

**Anthony Foley**

Lecturer in Marketing, Waterford Crystal Centre for Marketing Studies,  
School of Business, Waterford Institute of Technology, Cork Road, Waterford

Email: [afoley@wit.ie](mailto:afoley@wit.ie)

Telephone: +353 051 302411

**Anne-Marie Frampton**

Programme Manager, Failte Ireland *mergo* Tourism Network, School of Business, Waterford  
Institute of Technology, Cork Road, Waterford

Email: [amframpton@wit.ie](mailto:amframpton@wit.ie)

Telephone: +353 51 845636

**Dr Felicity Kelliher**

Lecturer in Management, School of Business  
Waterford Institute of Technology, Cork Rd., Waterford

Email: [fkelliher@wit.ie](mailto:fkelliher@wit.ie)

Telephone: +353 51 845602

**Ann Marie Lally**

Lecturer in Hospitality Management, School of Humanities,  
Waterford Institute of Technology, Cork Rd., Waterford

Email : [amlally@wit.ie](mailto:amlally@wit.ie)

Telephone : +353 51 302224

**Dr Susan Whelan**

Lecturer in Marketing, Waterford Crystal Centre for Marketing Studies,  
School of Business, Waterford Institute of Technology, Cork Road, Waterford

Email: [swhelan@wit.ie](mailto:swhelan@wit.ie)

Telephone: +353 51 302438

*The authors wish to acknowledge the support and cooperation of Failte Ireland*

**EXAMINATION OF THE OPERATIONALISATION OF THE  
SMALL FIRM LEARNING NETWORK MODEL IN THE  
FÁILTE IRELAND *MERGO* CBTLN NETWORK**

This paper examines the implementation of the Small Firm Learning Network Model (Foley, Harrington & Kelliher, 2006), in particular, its operationalisation within the *mergo* Tourism Network. This model emerged from multiple calls for training interventions to be based on helping entrepreneurs to learn rather than imposing prescribed solutions (see for example, Deakins & Freel, 1998, Zinatelli et al., 1996). Irish businesses have called for more flexible, accessible development programmes, with networks emerging as the essential support structure (De Faoite et al., 2004), and network activity positively affects the quality of experiential learning (Deakins & Freel, 1998). This networking philosophy is core to the learning network model, and has been given active support within the Irish tourism context by the Fáilte Ireland County-Based Tourism Learning Networks (CBTLN) initiative.

The Small Firm Learning Network model has been adapted for operationalisation in the *mergo* CBTLN programme, based in the south-east and the south-west. A single indepth case study is used as a suitable research context. The model and its incumbent learning approach is based on an action learning ethos, involving small business operators and support agencies and incorporating local learning sets, a web community, and a series of learning interventions. Representing a marked departure from traditional training delivery in this sector; the approach has resulted in active and substantial involvement in the network among participating tourism enterprises. As the network facilitates the individual tourism business in developing key capabilities, this approach has an incremental and augmented impact through the larger network, thereby working towards achieving the ultimate objective of improved competitiveness in the Irish tourism sector.

Key words: learning networks, small firms, Fáilte Ireland, capabilities

## **INTRODUCTION**

This paper examines the implementation of the Small Firm Learning Network Model (Foley, Harrington & Kelliher, 2006), in particular, its operationalisation within the *mergo* Tourism Network. This model emerged from multiple calls for training interventions to be based on helping entrepreneurs to learn rather than imposing prescribed solutions (see for example, Deakins & Freel, 1998, Zinatelli et al., 1996). Irish businesses have called for more flexible, accessible development programmes, with networks emerging as the essential support structure (De Faoite et al., 2004), and network activity positively affects the quality of experiential learning (Deakins & Freel, 1998). This networking philosophy is core to the learning network model, and has been given active support within the Irish tourism context by the Fáilte Ireland County-Based Tourism Learning Networks (CBTLN) initiative.

The Small Firm Learning Network model has been adapted for operationalisation in the *mergo* CBTLN programme, based in the south-east and the south-west, and details are reported in this paper. The model and its incumbent learning approach is based on an action learning ethos, involving small business operators and support agencies and incorporating local learning sets, a web community, and a series of learning interventions. Representing a marked departure from traditional training delivery in this sector; the approach has resulted in active and substantial involvement in the network among participating tourism enterprises. As the network facilitates the individual tourism business in developing key capabilities, this approach has an incremental and augmented impact through the larger network, thereby working towards achieving the ultimate objective of improved competitiveness in the Irish tourism sector.

## **LITERATURE REVIEW**

In a conventional large business environment, training is usually provided at a company facility that is separated from the normal workplace in both geographic and organisational terms (Walther et al., 2005). The assumption is that there are a large number to be trained in company specific policies and procedures (Greig, 1997) and that initial formal training can be followed by one-on-one instruction as required. Despite being intrinsically different (Welsh & White, 1981), small firms are regularly offered generic training solutions originally designed for larger organisations, resulting in a training approach that often fails to address the needs of the small firm (Sullivan, 2000; Wyer et al., 2000). Notably, learning new capabilities can be difficult for entrepreneurs and small business owners in a traditional training programme like

that described above, as emphasis is often placed on immediately applicable learning in the small firm setting (Lawless et al., 2000). As a consequence, learning primarily takes place when practice and procedures are introduced in the workplace (Brown & Duguid, 1991), regardless of when the training occurs. Therefore, integrating learning in an adult's work should facilitate better results than in an environment where training is performed in a remote context, detached from the individual's work environment (a view supported by Ellinger & Bostrom, 2002; Lim et al., 1997, among others). As articulated by Peters (1996:6): "people learn best about work, at work and through work, within a structure which encourages learning" (a view supported by Denscombe, 1998 and Saunders et al., 2003; among others). Furthermore, there is little to suggest that small firms are a homogeneous group (Duhan et al., 2001), particularly in relation to learning (Devins et al., 2005; Kelliher & Henderson, 2006), thus a generic training solution is unlikely to be of value when each firm has specific training and learning requirements in the context of individual size, sector, structure and the owner manager's attributes (Johnson, 2002). This perspective is articulated by Perren et al. (1998:353), who suggest that "owner-managers need context specific and timely support rather than generic training programmes". It is important to note that criticism has also been levied on government initiatives in this regard (for example: Lange et al, 2000; Matlay, 1999; among others), while educational institutions have historically been chastised for their narrow class-based approach to small firm education (Taylor & Thorpe, 2004).

From an Irish perspective, recent research into entrepreneurs' attitudes to training and support initiatives found that traditional training programmes and support failed to take on board the cultural, educational and social background of Irish entrepreneurs (De Faoite et al., 2004), a finding consistent with those of Johnson (2002) and Devins et al. (2005), among others. The survey results also underlined the value of non-formal support structures, and emphasised the overriding importance of networks and business mentors in this context. In fact, networks were identified by the surveyed entrepreneurs as the most required support structure, followed closely by the provision of business mentors, with appropriate industrial and sector expertise. These findings point to the need for training interventions to be based on helping entrepreneurs and their organisations to learn, rather than imposing prescribed solutions upon them (echoing Ellinger & Bostrom's 2002 and Lim et al.'s 1997 research findings). Thus, there is a clear need for flexibility and ingenuity in content, delivery and applicability of training and advice in the small firm setting (Raffo et al., 2000; Dana, 2001; De Faoite et al., 2004). Based on the findings outlined in the literature review, it is the authors' contention that

a learning network specifically designed for use in the small firm environment, such as that outlined in Foley et al.'s (2006) conceptual paper, offers clear guidance in this regard.

### **The learning network ethos**

Research acknowledges the importance of network-centred learning (Devins et al., 2005; Taylor & Thorpe, 2004), where an integral part of this learning process is the complex network of relationships of the small firm owner-manager (Taylor & Thorpe, 2004). The underlying assumption is that training, while helpful in getting trainees started, is not sufficient to create necessary knowledge to apply to the work setting unless conceptual and procedural learning has occurred (Sahay & Robey, 1996). Unfortunately, single directional training programmes have a much lower learning potential than direct personal experiences, particularly in the small firm setting, as “Instruction and training programs are only effective if they are linked with actual use of new skills in the work environment itself” (Romme & Dillen, 1997:72). Therefore, pertinent training plans and schedules should include a continuous learning ethos, incorporating further individual development to facilitate learning at all organisational levels following initial training (Gomez et al., 2004), regardless of how, where and when that training occurred. Moreover, learning is not an activity limited to training programmes, no matter how specific and timely these programmes might be (Taylor & Thorpe, 2004). Specifically, learner ownership requires a wider trainee involvement at each point in the learning process to ensure the sought after change in ability and behaviour, and Chaston et al. (1999) suggest that allowing the learner to self-administer their self-development plan will facilitate greater and deeper learning in this regard. Thus, the training provider should seek to establish a relationship between the recipient's training strategy and its learning capability, in order to make knowledge transfer easier (Gomez et al., 2004) in the small firm context.

### **Proposing a learning network model to bridge the small firm training gap**

Foley et al. (2006) recommend the development of regional Learning Networks enabled by an integrated 3rd level, government agency and consultative training initiative to provide a flexible, action-oriented and accessible model of learning which addresses the unique issues faced by small firms. By placing the individual firm in a network which is composed of other businesses from their sector (addressing the issue of heterogeneity raised by Devins et al., 2005; Kelliher & Henderson, 2006; and Johnson, 2002), along with agencies and individuals who can assist the business, the individual firm can engage with peers and professional

advisers who can provide mentoring, support and information transfer to aid the process of the development of organisational capability in the small firm. In context, organisational adaptation and renewal can be understood as a learning process (Gomez et al., 2004; Hurst, 1996) that turns information into knowledge (Gherardi et al., 1998). Thus the dimensions of learning include learning commitment, systems thinking, openness and experimentation, and knowledge transfer and integration (Gomez et al., 2004), all tools associated with a learning network.

The Small Firm Learning Network Model (*Fig. 1*) is proposed as an approach to facilitate the development of key business capabilities in the individual small firm (Foley et al., 2006). Here, the training emphasis is on developing the correct skill set for the small firm owner and employees (as recommended by Dutta & Evrard, 1999), and should ideally be provided in the context of the individual trainee and in terms of their working environment (as emphasised in the work of Ellinger & Bostrom, 2002; Lim et al., 1997, among others). Considering the organic nature of learning in this environment, and the emphasis on action-based learning, there is significant value in providing flexible learning plans and processes (Mainemelis et al., 2002), to allow the individual to incorporate learning in their everyday work activities. Foley et al. (2006: 12) recommend “the active role of the facilitating agency in assisting participant enterprises to develop key organisational capabilities”. The intention is that this would be achieved through working with the network partners and the participant enterprises to identify key organisational strategies in this context.

The network is based on an Action Learning ethos and the focus is on enabling the individual participant enterprise to take control of the learning activity, which will result in much greater participant involvement, and enhanced contribution of learning to organisational performance. The composition of the learning network is critical; therefore, there should be a balance of skills present among the participants and training professionals; expertise in specific sectors, experience in working with small firms, and expert knowledge of the organisational learning process. It is vital that the network is anchored by a skilled facilitator, who has the ability and resources to take a strategic perspective on the issues facing the small firm, and to ensure that the composition of the learning network and the learning methodologies to be used are optimised. Government agencies are a critical partner in this context, and a close working relationship with the national development bodies is essential to ensure network success in this regard.

## RESEARCH METHODOLOGY

As outlined in the literature review, small firms are distinctively heterogeneous in their nature, therefore it is preferable to focus on one sector when studying small firm learning, in order to provide a richer examination of the [business] context and minimise possible external influencers on performance (Gomez et al., 2004). Thus, this research offers insight into the Tourism Sector in Ireland.

This research consisted of a single in-depth case study (as recommended by Yin, 2003), wherein the researchers investigated the implementation of the Small Firm Learning Network Model within the *mergo* Tourism Network over a year-long period. By applying this research method, depth and time series analysis can provide greater assessment than data collected at a single point in time (adapted from Kidder, 1981), particularly in a learning context (Sutton & Callaghan, 1987). Thus, an in-depth study of a single case is considered a valid contribution to the body of knowledge (Kelliher, 2005), particularly when multiple sources of evidence are used (Remenyi et al., 1998). Although one study cannot provide sufficient evidence to make robust generalisations, it can establish the existence of a phenomenon (Denzin, 1970), which is adequate for the purposes of exploratory research.

Having identified the appropriate research method, the authors established a case study protocol, which is “an action plan for getting from here to there” (Yin, 1994:66). While not vital in a single study (Yin, 1994), it is recommended as the research blueprint, focusing on what questions to study, what data are relevant, what data to collect, and how to analyse the results. Eisenhardt (1989:536) recommends that the researcher start with a broad research question, establish systematic data collection and ensure case access to create strong triangulated measures. Thus, the literature review, and specifically a review of the proposed Small Firm Learning Network Model (Foley et al., 2006) preceded this study, in order to gain insight in formulating the research objective, which is: to investigate the implementation of the Small Firm Learning Network Model within the *mergo* Tourism Network.

Considering learning is not a single event, but rather a phenomenon to be studied in past, present and future terms, observational evidence was deemed to offer the most appropriate means of assessing the level of adjustment in this context (as recommended by Sutton & Callaghan, 1987). Thus, observations were carried out during the initial *mergo* programme

cycle in 2006 and the participant and facilitator reactions to the network approach were solicited both formally and informally throughout the programme. This longitudinal study acknowledges the importance of imbeddedness (Pettigrew, 1990) in relation to analysing the implementation of the Small Firm Learning Network Model over time. Four of the authors were observers of the programme in an academic capacity, while one offered an inside view as *mergo* programme manager. A practitioner-academic partnership offers synergy in this regard, as a coordinated study gives greater depth than a single perspective. Essentially, these observations, coupled with participant and facilitator insights and a detailed review of internal documentation allowed the authors' to build a rich description of *mergo*'s social scene (as recommended by: Dyer & Wilkins, 1991). This ultimately allowed the authors' to describe both the unique and typical experiences and events within this environment as bases for theory (as argued by Dalton, 1959), while addressing potential bias through the constant iteration between the various datasets, including observations and data gathered during the programme, academic literature and *mergo*'s archived information. By building pre-established standards in each aspect of the case design, protocol, data collection, and analysis (as recommended by Kelliher, 2005), the authors provide for greater legitimisation of the research outcomes in this regard.

### **COMPETITIVE ENVIRONMENT FOR SMALL TOURISM FIRMS IN IRELAND**

The performance of Ireland as a tourism destination is strong with over 7 million visitors in 2006. However, the environment for the small tourism operator is challenging. There is increased competition from a range of international tourism destinations. There has also been a marked change in visitor behaviour patterns with multiple shorter breaks during the year replacing the traditional two week annual holiday. The increasing dominance of the Internet as a channel for information and ordering in tourism means that the ability of the industry to offer attractive market propositions has become even more important. There is a growing realisation that to survive, our small tourism businesses must enter into competition that is constructive rather than destructive. According to the OECD, constructive competition (or co-competition) makes the 'pie' larger, broadens the tourism product, and achieves successful product differentiation and innovation for world-class products:

In the future, competitive advantage of firms will not be determined primarily by the efficiency of production factors used, but by the firm's ability to exploit available resources in the network.

(OECD Conference on Innovation and Growth in Tourism 2003)

As outlined in the literature review, organisational adaptation and renewal can be understood as a learning process (Gomez et al., 2004; Hurst, 1996) that turns information into knowledge (Gherardi et al., 1998). Importantly, being actively involved in a network can result in improved organisational performance as network competence is positively related to the organisations' ability to develop a stronger market orientation (Ritter et al., 2002). The achievement of a market orientation, effectively the ability to generate intelligence on the market, distribute it through the organisation, and develop effective strategies in response to the market (Kohli and Jaworski, 1990) will in turn lead to improvements in organisation performance (Gray et al., 1999).

## **RATIONALE FOR THE DEVELOPMENT OF THE FÁILTE IRELAND COUNTRY BASED TOURISM NETWORKS**

Fáilte Ireland, which is the agency responsible for the development of the Irish tourism industry, has provided active support for the development of learning networks within Irish tourism, with the creation of the Fáilte Ireland County Based Tourism Learning Networks (CBTLN) initiative. This initiative emerged from the *Fáilte Ireland Human Resource Development Strategy for Irish Tourism 2005-2010*, which acknowledges the difficulties that small tourism operators in particular face, in gaining access to relevant business development resources:

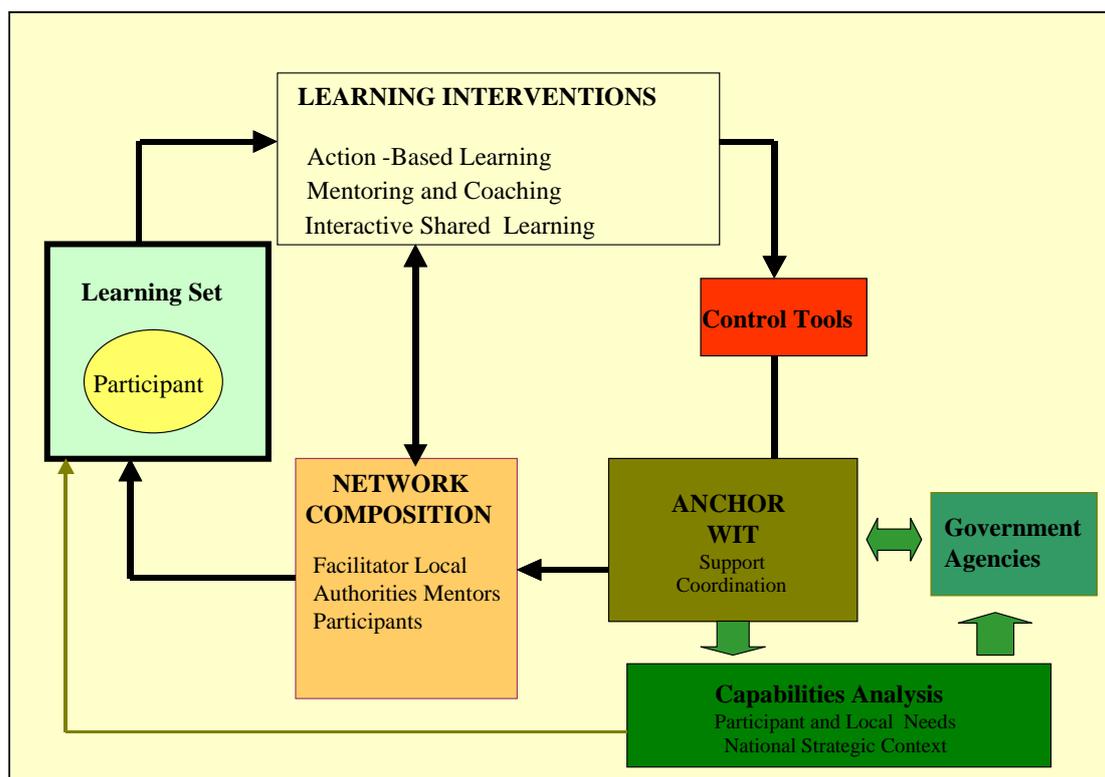
Smaller businesses for example are more likely to struggle with the access and disruption issues related to education and training. They may also struggle to find the type of training they want, and may consider that more formal accredited courses are "over-engineered" for their stage of business development. (p.75)

The Fáilte Ireland strategy specifically commends learning networks as a mechanism to provide a solution (reinforcing the findings of Taylor & Thorpe, 2004; Romme & Dillen, 1997 and Gomez et al., 2004), and calls for 'coordinated collaboration' between all the stakeholder groups in Irish tourism to achieve the optimum level of HR support for operators, including representative bodies, education and training providers, and public sector bodies, along with the tourism enterprises. Notably, this initiative seeks to address the concerns raised by Johnson (2002), Perren et al. (1998) and Matlay (1999) in relation to government and

educational support agencies' antiquated approach to small firm training. This 'coordinated collaboration' has been facilitated through the funding of the County Based Tourism Learning Networks (CBTLN) programme by Fáilte Ireland. The School of Business at Waterford Institute of Technology was awarded the contract in 2006 to design and manage the Fáilte Ireland CBTLN initiative in the south-east, and in the Cork-Kerry area. Branded as the *mergo* Tourism Network, over 140 small tourism businesses - from traditional bed and breakfasts to hotels, heritage sites and marine activities became members of this network in 2006. This project afforded the authors the opportunity to examine the implementation of the Small Firm Learning Network Model, within the Fáilte Ireland *mergo* CBTLN network environment.

### OPERATIONALISATION OF THE SMALL FIRM LEARNING NETWORK MODEL WITHIN THE TOURISM CONTEXT

This section of the paper will examine the implementation of the Small Firm Learning Network Model (*Fig. 1*), within the Failte Ireland *mergo* CBTLN network.



Source: Foley et al., 2006

**Figure 1**  
**The Small Firm Learning Network Model**

The key model components are now discussed in the context of the studied network and cited literature, namely: capabilities analysis, learning interventions, learning set, network composition, anchor organisation, government agencies and control tools.

### **1. Capabilities Analysis**

A key distinguishing feature of the Small Firm Learning Network Model is the active role of the facilitating agency, in this context, Waterford Institute of Technology, in assisting participant enterprises to develop key organisational capabilities. While firms strive for competitive advantage, it appears that capabilities, effectively complex skillsets embedded in the organisation which facilitate the optimum coordination of the various functional activities (Day, 1994), provide the key to understanding how this competitive advantage can be achieved. Within the learning network model, capability building is achieved through working with the network partners and the participant enterprises in identifying key organisational capabilities, which are assessed in the context of the target market, and are embedded through the network activity. What is desirable is that the individual enterprise is enabled to offer a clearly identified target audience a ‘package’ of service elements, which addresses the needs of the customer. Critically, the ability to offer this proposition is dependent on the small firm’s knowledge of market needs – and the ability to develop organisational resources and capabilities that match the needs of the marketplace. In this context the issue of capability-building is key, driven by a knowledge-intensive network which facilitates the development of key skill sets within the participant enterprise, and utilises the research and industry expertise of the network to ensure that market knowledge is used to develop an informed market position for the enterprise. Thus, the focus is on enabling the individual participant enterprise to take control of the learning activity, which will result in much greater participant involvement, and enhanced contribution of learning to organisational performance. A driver of this capability analysis is an individual learning needs analysis (LNA) which each participant within the Failte Ireland *mergo* CBTLN network completes when commencing the programme. The LNA provides a tangible statement of existing level of capability across a number of functional areas in the tourism enterprise, and facilitates the participant in the process of setting action-oriented objectives, to enhance key capabilities. This approach echoes the advice of Ellinger & Bostrom (2002) and Lim et al. (1997) wherein the training intervention is based on the entrepreneur’s learning needs.

**2. Learning Interventions**

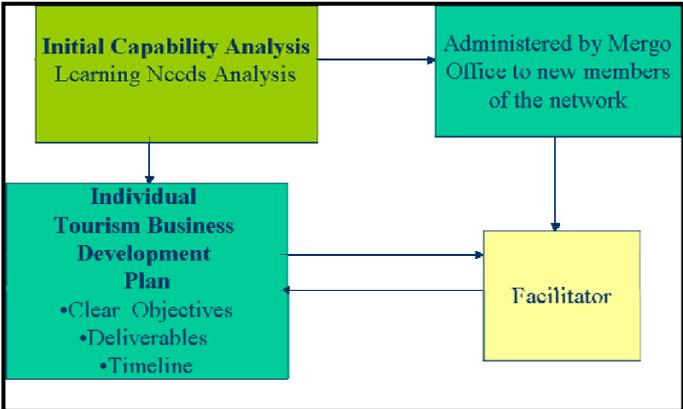
The *mergo* network uses a number of varied learning interventions – all have one thing in common, they are based on what is relevant to the individual tourism enterprise – and they are flexible and easy to access.

*Action-based learning*

The approach to learning within the network is characterised by an action learning approach – practitioners are fully involved in the learning process, with a ‘hands-on’ focus (as per Denscombe, 1998; and Saunders et al., 2003). Participants establish their own learning objectives, captured within learning needs analysis, which inform individual action plans. Notably, allowing the participant to self-administer their development plan in this way will facilitate greater and deeper learning (Chaston et al., 1999), particularly in a network environment. Participants are also assisted in achieving these objectives through the learning set, web community, residential seminars, and facilitation.

*Mentoring and Facilitation*

Participant enterprises on the *mergo* programme are assigned to learning sets composing up to 12 entrepreneurs, ensuring the recommended network ethos is embedded in the programme (De Faoite et al., 2004). Generally, these sets are geographically allocated, though in some instances, they can be themed by product orientation. A trained facilitator is matched to each learning set on the basis of the development needs of the individual participants, combined with local industry development requirements. The initial capability analysis featuring an examination of the learning needs of the participant informs the individual action plan (the Tourism Business Development Plan) for each participant. The facilitator then assists each participant with the ongoing completion of this plan throughout the programme (see Fig. 2).



## **Figure 2** **Role of Facilitator in *mergo* Tourism Network**

This approach to learning is a distinct departure from the conventional training programmes criticised by Taylor & Thorpe (2004) and Walther et al. (2005) in the literature review. Specifically, this approach addresses the unique learning needs of small firms (Sullivan, 2000; Wyer et al., 2000).

### *Interactive Shared Learning*

Formal training in the *mergo* network is clustered over two residential ‘networking events’ where all tourism businesses in the network in the entire region (i.e. south east or south-west) congregate, typically in a member hotel, for two days of interactive workshops on a range of business development issues across the functional areas of marketing, managing the regulatory environment, IT as a business tool, and tourism enterprise development and HRM. Clustering sector-specific groups in this manner solidifies the benefits of network activity for each participant (Devins et al., 2005). These events have a strong social aspect, supported by a residential dinner on the first evening, to facilitate active networking. In addition, small group sessions on web marketing addressing how the small tourism operator can use the web to best effect are presented throughout the programme at well-equipped computer labs, linking training with actual use of new skills in the work environment (as recommended by Romme & Dillen, 1997).

The *mergo* extranet (web community) provides a web-based resource with multiple functions – including an online forum for discussing topics of interest, a record of requests for information from participants, and responses to these requests. Each participant has a space on the site for hosting of individual action plans. The website provides an effective channel to share learning across the geographic boundaries of the network, resulting in the flexible application of small firm learning commended by Raffo et al. (2000), Dana (2001) and De Faioite et al. (2004), among others.

### **3. Learning Set**

The learning set is the core learning unit within the network. These local networks are composed of generally up to 12 businesses, meeting 8 times throughout the year, with each

session lasting on average 3 hours. The trained *mergo* facilitator ensures that the set is focused on targets, individually through the action plans, and also local development needs. These learning sets allow tourism businesses to raise a broad range of issues, from signage to effective marketing, to requests for tourism statistics, which are then highlighted in the web community. Each set component contributes to network-centred learning (Devins et al., 2005) – a key aspect of the small firm learning network model.

#### **4. Network Composition**

The participant composition of the network is quite diverse, which means the businesses involved are quite complementary in focus. This presents opportunities, for example, for the accommodation providers to link up with product providers (e.g. activity centres) to offer an attractive proposition to the visitor. Quite often, this level of integration is missing at local level, and therefore offers a tangible benefit for network participants, through the facilitation of knowledge transfer and information flow (Gomez et al., 2004).

#### **5. Anchor Organisation**

##### *Professional Management Resource*

The *mergo* programme is hosted and managed by the School of Business at Waterford Institute of Technology (WIT). A key strength of the *mergo* programme is the professional management resource, including a Programme Manager, Administrators (based in the south-east and south-west), Projects Coordinator and Research Assistants. There is substantial emphasis on information flow throughout the network – driven by the *mergo* team who use multiple sources such as Fáilte Ireland, national and international databases, local authorities, industry support agencies and importantly other members of the broader network to generate responses to queries raised by local tourism businesses, which are then disseminated through the web community. Indeed, information is a particular strength of the *mergo* network with the production by the *mergo* team of important data on all aspects of successfully managing a tourism business. This includes original market research, featuring a major study in 2006 on visitor attitudes and behaviour in the south-east and south-west. The level of support for the participants from the central office is comprehensive, effectively providing a ‘one-stop’ consultation and information hub.

### *Academic-practitioner partnership*

An academic-practitioner partnership (as recommended by Taylor & Thorpe, 2004) is a distinctive characteristic of the *mergo* network, and a number of WIT's academic employees are actively involved in the *mergo* programme through supervision of the appointed research assistant's academic studies, and learning set facilitation. Notably, each research assistant is registered for a Masters in Business under the tutelage of an appropriate academic supervisor, and their research studies are directly linked to the practice and outcomes of the *mergo* network implementation. The insights gained from the academic studies can then be disseminated through the network for the benefit of participants. This approach facilitates in-depth programme reflection and a deepening of the collaborative intent between all network parties.

## **6. Government Agencies**

Learning within the network is enhanced with the involvement of other agencies and educational institutions who are partners in the initiative also, including Fáilte Ireland South East, Fáilte Ireland Cork and Kerry, Cork Institute of Technology, West Cork Leader, the Leader companies throughout the relevant regions, FAS and also a number of local authorities. The key organisational partnership is with Fáilte Ireland as the funding agency, and regular consultations are held with the national tourism authority. There are other CBTLN programmes running throughout the country and the *mergo* tourism network coordinates activity with them through Fáilte Ireland. This is the first such collaboration in Irish tourism, offering a new and innovative approach to small firm training and learning within the sector. This 'community of practice' ethos promotes the stakeholder interactivity promoted as the optimum approach to small firm learning in the literature review (for example: Lange et al., 2000 and Matlay, 1999; among others).

## **7. Control Tools**

It is important, within a learning network, that the effectiveness of the network activity can be assessed. Individual action plans, driven by the participants, based on objectives and informed by the learning interventions are useful for this purpose.

### *Action plan*

Each participant has an individual action plan, called a Tourism Business Development Plan (TBDP) which acts as a control tool for the programme. Participants on the programme are

eligible for a Certificate in Tourism Business Practice awarded by Waterford Institute of Technology, at HETAC level 6. The TBDP is structured along the four functional areas of the Certificate: Introduction to Tourism Marketing, Regulatory Framework for Tourism Businesses, IT as a Business Tool and Tourism Enterprise Development. This certification reinforces the links between academia and practice, a core element in the small firm learning network model (Foley et al., 2006), and encourages practice-led qualifications in pursuit of life-long learning among tourism entrepreneurs and small business owners.

### *360 degree evaluation*

Apart from the formal evaluation of participants, all programme interventions including learning seminars are evaluated by the participants. This tool promotes iterative model refinement, echoing Raffo et al. (2000) and De Faoite et al. (2004) in the literature review.

## **EVALUATION OF THE LEARNING NETWORK MODEL IMPLEMENTATION**

The implementation of the Small Firm Learning Network Model within the context of the *mergo* Tourism Network has proven to be very effective. Through active involvement in the network, participants have been assisted in developing key organisational competences across a number of functional areas such as web marketing, cooperative marketing, HRM, finance, and critically, networking competence. A tangible indicator of the positive attitude of the participants to the network is the commitment by 68 of the participants to continuing with a modified network structure beyond the initial year of the programme. Selected comments from participants (below) also indicate the benefits that the participants perceive that they have gained from active involvement in the network:

‘For years I have felt isolated in a business sense. Then along came *mergo* and immediately I am part of a network in my area. The support I am getting from as far away as Waterford has renewed my interest in my business. The days of divide and conquer in the tourist industry are fast disappearing thanks to *mergo*’

‘The *mergo* tourism programme has given people working in the tourism sector, like me, a voice and an opportunity to address issues at county level by working with fellow provider. The *mergo* networking events have provided me with new skills and opportunities for cooperative marketing which will help us to continue developing our product’

These testaments reinforce the business development value of applying a learning network approach to the small tourism business environment.

### **Learning Outcomes from Implementation of Small Firm Learning Model**

It is appropriate to revisit the Small Firm Learning Model, based on the experience of the operationalisation of the model within the context of the *mergo* tourism network. The testing of the model within the tourism context has generated findings which will facilitate model refinement to enhance its effectiveness and its generalisability to other sectoral contexts. One such refinement would be to introduce a mentoring service to complement the existing group facilitation process. Participant enterprises benefit from a number of substantial supports; the learning set, the *mergo* central office, and the web community. It would also enhance the network to have mentors available to individual participants to provide guidance on functional issues such as finance or marketing, or on general business development challenges. This peer-to-peer contact on an individual basis would facilitate participants in situations where confidentiality or inhibition present difficulties within the learning set context. The other significant learning outcome captured from the implementation of the model within the tourism context has been the importance of the learning dynamic within the learning set, and the positive impact that more progressive participants can have on those who are not as experienced and whose business may not be as well developed. This has obvious implications for decisions relating to the configuration of learning sets in future applications of the model. In particular, it is apparent that being part of a learning network facilitates knowledge and experience transfer among the participants themselves- it is important that future iterations of the learning model capture this exciting dynamic.

### **CONCLUSION**

This paper examined the implementation of the Small Firm Learning Network Model (Foley et al., 2006), in particular, its operationalisation within the Failte Ireland *mergo* CBTLN Network. This in-depth case study offered clear indications as to the benefits of the small business learning network model when implemented in a practical environment. Key benefits include customised learning sets, access to a wide network of academic and practical knowledge and skill, and a clear path to the development of business capabilities in the small firm environment. The operationalisation of the Small Firm Learning Model has also resulted

in some valuable insights, relating to participant mentoring and the benefit of peer interaction, which will enhance the future development of the model.

## References

- Brown, J.S. & Duguid, P., 1991, Organizational learning and communities-of-practice: toward a unified view of working, learning, and innovation. Special Issue: Organizational Learning: Papers in Honor of (and by) James G. March, *Organization Science*, 2 (Special Issue): 40-57
- Chaston, I., Badger, B., Sadler-Smith, E., 1999, Organisational learning: research issues and application in SME sector firms, *International Journal of Entrepreneurial Behaviour & Research*, 5(4): 191-203
- Dalton, M., 1959, Men who manage, NY: Wiley
- Day, G.S. (1994) The capabilities of market-driven organisations, *Journal of Marketing*, 58, (4): 37-61
- Dana, L., 2001, The education and training of entrepreneurs in Asia, *Education + Training*, 43(8/9): 405-16
- De Faoite, D., Henry, C., Johnston, K., van der Sijde, P., 2004, Entrepreneurs' attitudes to training and support initiatives: evidence from Ireland and the Netherlands, *Journal of Small Business and Enterprise Development*, 11(4): 440-8
- Deakins, D. & Freel, M., 1998, Entrepreneurial learning and the growth process in SMEs, *The Learning Organization*, 5(3): 144-55
- Denscombe, M. (1998) The good research guide: for small-scale social research projects, Open University
- Denzin, N., 1970, The research art in sociology, London: Butterworth
- Devins, D., Gold, J., Johnson, S., Holden, R., 2005, Conceptual model of management learning in micro businesses – implications for research and policy, *Education & Training*, 47(8/9): 540-51
- Duhan, S., Levy, M., Powell, P., 2001, Information Systems strategies in knowledge-based SMEs: the role of core competencies, *European Journal of Information Systems*, 10: 25-40
- Dutta, S. & Evrard, P., 1999, Information technology and organisation within European small enterprises, *European Management Journal*, 17(3): 239-51
- Dyer, W.G. & Wilkins, A.L., 1991, Better stories, not better constructs, to generate better theory: a rejoinder to Eisenhardt, *Academy of Management Review*, 16(3): 613-19
- Eisenhardt, K.M., 1989, Building Theories from case study research, *Academy of Management Review*, 14 (4): 532-550
- Ellinger, A.D. & Bostrom, R.P., 2002, An examination of managers' beliefs about their roles as facilitators of learning, *Management Learning*, 33(2): 147-79

- Failte Ireland (2004) *Competing Through People: A Human Resource Development Strategy for Irish Tourism 2005-2010*, Dublin
- Foley, A., Harrington, D., Kelliher, F., 2006, How learning networks can bridge the training gap, *Decision*, 11(2): 10-15
- Gherardi, S., Nicolini, D., Odella, F., 1998, Toward a social understanding of how people learn in organizations, *Management Learning*, 29(3): 273-97
- Gomez, P.J. Lorente, J.J.C., Cabrera, R.V., 2004, Training practices and organisational learning capability: relationship and implications, *Journal of European Industrial Training*, 28(2-4): 234
- Gray, B., Greenley, G.E. Matera, S.M., & Matheson P.K. (1999) Thriving on turbulence, *Journal of Market Focused Management*, (4): 231-257
- Greig, F.W., 1997, Enterprise Training, *International Journal of Manpower*, 18(1/2): 185-205
- Hurst, D., 1996, Crisis and renewal, Harvard Business School Publishing
- Johnson, S., 2002, Lifelong learning and SMEs: issues for research and policy, *Journal of Small Business and Enterprise Development*, 9(3): 285-95
- Kelliher, F. & Henderson, J.B., 2006, A learning framework for the small business environment, *Journal of European Industrial Training*, 30(7): 512-28
- Kelliher, F., 2005, Interpretivism and the pursuit of research legitimisation: an integrated approach to single case design, *The Electronic Journal of Business Research Methodology*, 3(2): 123-32
- Kidder, T., 1981, *The soul of a new machine*, Boston: Little, Brown
- Kohli, A. & Jaworski, B. (1990) Market orientation: the construct, research propositions and managerial implications. *Journal of Marketing*, 54 (2): 1-18
- Lange, T., Ottens, M, Taylor, A., 2000, SMEs and barriers to skills development: a scottish perspective, *Journal of European Industrial Training*, 24(1): 5
- Lawless, N., Allan, J., O' Dwyer, M., 2000, Face-to-face or distance training: two different approaches to motivate SMEs to learn, *Education and Training*, 42(4/5): 308-317
- Lim, K.H., Ward, L.M., Benbasat, I., 1997, An empirical study of computer system learning: comparison of co-discovery and self-discovery methods, *Information Systems Research*, 8(3): 254-72
- Mainemelis, C., Boyatzis, R.E., Kolb, D.A., 2002, Learning styles and adaptive flexibility: testing experiential learning theory, *Management Learning*, 33(1): 5-34
- Matlay, H., 1999, Employee relations in small firms: a micro-business perspective, *Employee Relations*, 21(3): 285

Organisation for Economic Cooperation and Development (2003) *Proceedings of the Conference on Innovation and Growth in Tourism*, Lugano, Switzerland, 18-19 September

Perren, L.J., Partridge, M.J., Berry, A., 1998, The evolution of management information, control and decision-making processes in small growth oriented service sector businesses: exploratory lessons from four cases of success, *Journal of Small Business Enterprise and Development*, 5(4): 351-61

Peters, J., 1996, A learning organization's syllabus, *The Learning Organization*, 3(1): 4-10

Pettigrew, A.M., 1990, Longitudinal field research on change: theory and practice, *Organization Science*, 1(3): 267-271

Raffo, C., Lovatt, A., Banks, M., O'Connor, J., 2000, Teaching and learning entrepreneurship for micro and small businesses in the cultural industries sector, *Education + Training*, 42(6): 356-65

Ritter, T., Wilkinson, IF, Johnston, WJ (2002), Measuring network competence: some international evidence, *Journal of Business & Industrial Marketing*, 17, (2/3): 119:138

Remenyi, D., Williams, B., Money, A., Swartz, E., 1998, *Doing research in business and management, an introduction to process and method*, London: Sage Publications

Romme, G. & Dillen, R., 1997, Mapping the landscape of organizational learning, *European Management Journal*, 15(1): 68-78

Sahay, S. & Robey, B., 1996, Organizational context, social interpretation, and the implementation and consequences of geographic information systems, *Accounting, Management and Information Technologies*, 6(4): 255-82

Saunders, M., Lewis, P. & Thornhill, A. (2003) *Research methods for business students*: Essex: Prentice Hall FT

Sullivan, R., 2000, Entrepreneurial learning and mentoring, *International Journal of Entrepreneurial Behaviour & Research*, 6(3): 160-7

Sutton, R. & Callahan, A., 1987, The stigma of bankruptcy: spoiled organizational image and its management, *Academy of Management Journal*, 30: 405-436

Taylor, D.W. & Thorpe, R., 2004, Entrepreneurial learning: a process of co-participation, *Journal of Small Business and Enterprise*, 11(2): 203-10

Walther, B., Schweri, J., Wolter, S.C., Shall I train your apprentice? An empirical investigation of outsourcing of apprenticeship training in Switzerland, *Education + Training*, 47(4/5): 251-69

Wyer, P., Mason, J., Theodorakopoulos, N., 2000, Small business development & the learning Organisation, *International Journal of Entrepreneurial Behaviour and Research*, 6(4): 239-59

Yin, R.K., 2003, *Case Study Research Design and Methods* (3<sup>rd</sup> ed.), UK: Sage Publications

Yin, R.K., 1994, *Case study research – design and methods*, Applied social research methods series, 5 (2<sup>nd</sup> ed.), CA: Sage Publications

Zinatelli, N., Cragg, P.B., Cavaye, A.L.M., 1996, End user computing sophistication and success in small firms, *European Journal of Information Systems*, 5(3): 172-81