

Online Business Development Services for Entrepreneurs: An Exploratory Study

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Summary

This paper addresses the use of the Internet to provide business development services. Using a Delphi study of experts from around the world, the possible uses of the Internet as well as criteria for successful implementation are presented. Although there appears to be many possible uses of the Internet in training and education today, the specific nature of entrepreneurship and entrepreneurs must be carefully considered when developing online services.

1. Introduction

Throughout history entrepreneurship has been one of the main factors of economic development and prosperity. One particular form of entrepreneurship, the creation of new organizations, has attracted a lot of attention of researchers and policy makers alike over the past decades. This attention has been mainly fuelled by the need to better understand the phenomenon of entrepreneurship, to pinpoint the profile of the entrepreneur, and to develop an environment which encourages the emergence of new business ventures. Accordingly, there have been numerous studies conducted to identify critical success factors for business start-ups [1], the traps to avoid while launching a business venture [2], and the triggers and barriers facing nascent entrepreneurs [3].

While there is still much debate about the success factors in business start-ups, experts tend to agree on the barriers to entrepreneurship and subsequent policies implications. One of the main hurdles facing would-be entrepreneurs is the lack of resources. In addition to the traditional lack of financing, nascent entrepreneurs often reckon that they possess insufficient skills in marketing and management to launch and to develop the business venture. Those personal deficiencies are further worsened by a lack of information on business start-ups and the

feeling that they have no one to approach to listen to them. Public agencies, universities, industry associations, and private consultants have done a lot to address the needs of nascent entrepreneurs by developing education and training programs, setting up one-stop-shop agencies which attempt to provide all the necessary information on how to establish a business venture, and providing tailored and timely advice.

This article proposes that the Internet is a powerful medium to provide the business development services much needed by entrepreneurs. The first section presents a review of the literature and identifies the different services required by entrepreneurs in the pre and post start-up stages and various Internet applications which can support those services. The second section reports on an exploratory study conducted by the authors utilising the Delphi method to examine the role that the Internet can play in the provision of business development services with particular attention given to the role of online education and training.

2. Business Development Services and the Internet

There are a number of services which most entrepreneurs require in the pre and post start-up stages of the business venture. These services include, among others, education/training, intelligence gathering, consulting in various areas (e.g. marketing, management, accounting, legal aspects), counselling, and networking. The Internet represents a formidable medium to convey these business development services.

2.1 The Internet

The Internet is a large connection of networks which runs standard protocol (TCP/IP) so that users of any networks can reach any other users on any other Internet network. The creation of the world wide web (WWW) is the latest addition to the set of application running over the Internet and accelerated the growth in Internet usage around the world. The WWW is based on the concept of 'hypertext' whereby a user can navigate through a web of documents interconnected through links. A browser (such as Netscape or Microsoft's Internet Explorer) allows the user to navigate through the web of documents. The WWW brought an increased appeal to the Internet by making it accessible to users lacking computing literacy and by enabling the transfer of not only text, but also images, sound and videos [4].

Table 1 lists the set applications currently available on the Internet. Electronic mail (email) and WWW are the two Internet technologies that will be the major focus of this paper to support business services delivery.

Table 1 : Internet Applications

Internet Application	Function
FTP (File Transfer Protocol)	Transfer of files from computers to computers
Email (Electronic Mail)	Exchange of electronic messages with other Internet users
Telnet	Command remotely by a computer
USENET Newsgroup	Participation to Online discussion groups organised by topic
Gopher	Documents retrieving system
World-Wide Web (WWW)	Transfer of multimedia from servers to client computers

Source: adapted from McKeown (1996:7)

2.2 Education and Training

Skills and motivation interact to determine the intensity, type, and effectiveness of opportunity search and subsequently the launch of the business venture. Herron and Sapienza [5] remarked that “*skills are at least partially determined by the interaction of aptitudes with training.*” Following the successive stages of a typical business life cycle, entrepreneurship course content usually encompasses three central aspects [6]:

- *Opportunity recognition* - identifying the business opportunity and developing sufficient passion to want to drive it forward to a reality that generates wealth.
- *Marshalling of resources* - the entrepreneur is unable to achieve their goals alone. They must seek people, money, equipment and support in order to follow their vision. This capacity to marshal appropriate resources, usually in the face of risk, is an important feature of the entrepreneur.
- *Developing capability* - the successful entrepreneur is able to marshal sufficient resources to start a business and then learn how to develop the new venture's capabilities to achieve prolonged sustainable growth.

Traditional approaches in entrepreneurship education have been conceived of two separate encapsulated arenas: the university and the organization. The university has provided cognitive, planning frameworks, and the organization has taught, often informally, skills in applying theory to practice [7]. Too often those individuals participating in entrepreneurship education and development programs have been moving from one arena to another in sequential fashion. Yet as Yavitz [8] has pointed out, to cover a continuum of learning “*requires a*

better articulation and integration of universities, management schools and corporate education, as well as an orchestration of professors, line managers and professional trainers.” A variety of pedagogical tools can be used in education/training, such as lectures, readings, entrepreneurs’ testimonies, videos, and discussion groups. However, evidence shows that ‘practice by doing’ induce the highest retention rate. Students who actually write a business plan, take part to a game where they have to make some decisions or even set up a real business venture will learn a lot more than those attending boring lectures in a classroom.

The implications for entrepreneurship education/training are twofold: first, courses must include process and action-oriented approaches (i.e. practical ‘how to do it’ content rather than more theoretical frameworks); second, the approach must be multi-disciplinary. It must bring together resources and skills as required to achieve the entrepreneur's desired vision.

Online education/training is a form of distributed learning enabled by the Internet. Distributed learning refers broadly to features of a learner-centred environment, which integrates a number of technologies to enable opportunities for activities and interaction in both asynchronous and synchronous (real-time) modes. The model is based on blending a choice of technologies with aspects of campus-based delivery and distance education. Two essential aspects underpin the concept of distributed learning: first, a heavy reliance on technology, and second, self-learning. The latter implies that the learner (or student) assumes responsibility for specifying individual learning needs, goals and outcomes, planning and organising the learning task, evaluating its worth and constructing meaning from it [9].

Online delivery may include the provision of student access to learning resources, the facilitation of communication and collaborative working among and between students and academic staff, the assessment of individual students or group of students, and the provision of administrative and student support. Online delivery can facilitate distance education by making course material accessible anytime, anywhere. It provides substantial advantages over traditional technologies, such as:

- *Collaborative tools* which offer a rich, shared, virtual workspace in which interactions occur not between an individual and technology, but as many-to-many, interpersonal communication, among students. The interaction can be synchronous with for example a chat forum or video conferencing, or asynchronous (email).
- *Interactive tools* such as simulations or self administered quizzes which allow the student to progress at his or her own pace through required exercises and self-assessments. These tools are

limited in that they do not provide for interaction with other students or an instructor; the student interacts only with the technology.

2.3 Intelligence Gathering

In addition to the 'how to aspects' covered by education and training courses, the entrepreneur often needs to access data and information (data already processed) during the business start-up process. Access to data and information is essential for example to conduct market research, learn about potential and existing partners in a given industry, identify potential competitors and their strategies, or contact relevant government agencies. The role of the Internet as a major strategic information tool for business purpose has been investigated by Cronin et al. [10] who found that there was an "extensive, sophisticated and creative use of the Internet" to monitor the market place.

Various government agencies (e.g. <http://www.sba.gov/> or <http://www.business.gov.au/>), associations (e.g. <http://www.gcase.org/>), foundations (e.g. <http://www.emkf.org/>) and online magazines (e.g. <http://www.entrepreneurmag.com/> and <http://www.asiaventure.com/>) readily provide information free of charge or require a simple registration. Other Web sites, such as the Private Equity Network (<http://www.nvst.com>) charge the entrepreneur a US\$395 fee per year to access a variety of data bases. The Private is Equity Network is a web-enabled meeting place for investors, advisors, and entrepreneurs to come together and conduct business. "Whether you have an idea for a business and need assistance, or have money or services to offer, NVST.com can help you find what you're looking for. With our educational materials and publications, news, and product offerings, NVST.com is the one place to meet your needs" boosts the Web site.

Although some Web sites can contain a lot of information, it is hard for the entrepreneur to first identify 'good' Web sites and second to find the information they really need. With the extraordinary expansion of the WWW, there is often an overload of general information which is ill-suited for the entrepreneur. By linking the visitor to an online adviser, guidance can be provided on a one-to-one basis, better enabling the entrepreneur to understand what information is important and, more importantly, how to use it.

2.4 Consulting

In some cases, general information is ill suited to the entrepreneur's needs. In these cases, the entrepreneur may approach a consultant to seek tailored advice and help to solve a particular problem.

Consulting services involves a one-to-one relationship between a client and a consultant. This can occur in the traditional face-to-face meetings, via telephone discussions, through Internet based contacts, or a combination of these [11].

Started in 1996, Ernie (<http://ernie.ey.com/>) is an online consulting service from Ernst & Young targeting high-growth SMEs. It is a subscription-based, password-protected, private Web site which features a WWW data base, a customized email response on-demand research and question-and-answer service, and an electronic newsletter. The core of Ernie is the ability to start a dialogue with an Ernst & Young professional on any of the entrepreneur's business issues and get back business-tested opinions, implemented solutions, and custom-made answers delivered directly online within one to four days.

Katz [12] noted in a recent report that although Internet consulting is in its infancy, it appears promising because it reinforces existing relationships, it is convenient (providing a service anywhere any time with varying degree of anonymity), and it permits richly supported exchanges. In addition, as shown by Ernie, the Internet permits consultancies to leverage intellectual capital, organizational resources, convenience, cost, and speed.

2.5 Counselling

Counselling or coaching is an extension of consulting where advice or non-material assistance is provided to clients. However, whereas consultancy is provided by experts to clients based on specific situations, counselling implies that the counsellor guides and assists the entrepreneur to discover solutions to his/her situation. As entrepreneurs are often very creative individuals who lack the business acumen, the first intervention of the counsellor is to structure the problem(s) faced by the entrepreneur. Another role of the counsellor is to outline the potential strategies suitable to solve a problem and to work with the entrepreneur to discover the most suitable solution. The counsellor can become a mentor if he/she works with the entrepreneur on an on-going basis, accompanying the entrepreneur in the start-up process and further, by sharing his/her experience, providing guidance, and often introducing the entrepreneur to his/her business contacts.

The biggest and most famous online counseling service established to date is perhaps SCORE (<http://www.score.org/>) in the USA. With more than 11,000 volunteer business counsellors, SCORE provides small business mentoring and advice on the full range of business topics. The service can be accessed in the local community where a SCORE counselor can be met face-to-face or through an email service — to receive free and confidential business advice.

2.6 Networking

Another source of business development service can be found in the network of the entrepreneur. The concept of network often overlaps with those of consultancy and counselling previously discussed. For example, Birley [13] notes that: “*Help and guidance received from both the formal networks (banks, accountants, lawyers, SBA) and the informal networks (family, friends, business contacts) will influence the nature of the firm substantially*”. Similarly, Low & MacMillan [14] remark that opportunities “do not drop from the sky”, but they are created within and among existing organizations as a product of ongoing networks of relationships and exchanges. Opportunities come most frequently to people located at advantageous positions within the network. The same type of network relationships and contacts needed to identify opportunities are also necessary to obtain the resources (finance, staff, marketing and technical information) required to exploit opportunities. As a consequence, they advised nascent entrepreneurs to evaluate and map their current networks. Doing so is the first step toward building an effective network, an activity too important to be left to chance.

First Tuesday (<http://www.firsttuesday.com>) provides a good example of online networking opportunities. The initiative started out as a gathering of 50 friends and contacts, a casual get-together for UK web entrepreneurs, venture capitalists, and everybody in between. In October 1998 the group decided to meet regularly – on the first Tuesday of every month, hence the name – and to ask the first participants to email invitations to their friends. First Tuesday now has over 10,000 members in Britain, plus another 8,000 or so on the continent. The following services can be found online:

- An online discussion forum where entrepreneurs can ask questions of other First Tuesday members, and give advice.
- A discussion forum for those seeking money or investment opportunities.
- A daily email newsletter.
- An online swap shop for office space.

A typology of the various online business development services for entrepreneurs previously discussed is presented in Table 2. As can be seen in the table, online services vary mainly according to the level of specificity of the service, the type of communication involved, and level of interaction between the entrepreneur and other parties.

Table 2 : A Typology of Online Business Development Services for Entrepreneurs

Type of service	Description	Level of Specificity	Type of Communication	Level of Interaction
Education/ Training	Courses and “How to guides” on business plan, market research, finance, marketing, legal aspects, etc.	Low: the courses are generic and have to be adapted to the project of the entrepreneur	If present, active one (the lecturer or trainer) to many (student-entrepreneurs)	Varies. Low : self-paced courses with little or no communication. High: through email, video conferencing, forums, self administered quizzes
Intelligence gathering	Gathering information and facts on markets, distribution channels, suppliers, intellectual property, etc.	Low to medium: the information available is not always targeted to the industry of the entrepreneur	Passive one (web site) to one (entrepreneur)	Low: the information is just displayed; a link to an email address is often provided
Consulting	Asking questions to a consultant or an expert to solve a specific problem	High: the questions/ answers are specific to the entrepreneur	Active one (consultant) to one (entrepreneur)	Medium to high: depending of the technology used and length of the relationship
Counselling/ Coaching	Guiding and assisting the entrepreneur to discover solutions to their specific situations	High: the assistance is specific to the situation of the entrepreneur	Active one (counsellor) to one (entrepreneur)	High: entrepreneur and counsellor often interact to pinpoint the problems and formulate solutions
Networking	Providing contacts to obtain resources, exchange views or share one’s experience	Variable: depends of the network and the willingness of other participants to the network	Active one (entrepreneur) to many (other participants to the network)	Variable: depends on the network dynamics and the technology used

3. Method

The use of the Internet to support business development service is an emergent topic where issues are unstructured and limited research has been conducted. Therefore, generation, rather cumulation of knowledge is needed. This warrants the need to conduct an explorative study which can frame the topic and gain sufficient knowledge by investigating a variety of avenues that will allow for unwinding propositions that could be further researched. Thus, a qualitative approach using the Delphi method was selected for this study. It is a systematic, interactive method of forecasting based on independent inputs regarding emerging or future events [15]. The Delphi method has been extensively used in researching various issues in the field of new technologies [16]. The Delphi method is dependent upon the judgement of knowledgeable experts. It utilizes repeated rounds of questioning, including feedback of earlier-round responses, to take advantage of group input while avoiding the biasing effects possible in face-to-face panel deliberations [17]. The goal of this method is to reach consensus of opinion among a distributed group of experts. No communication between the participants is allowed and the identity of all participants is kept confidential throughout the process.

This study was comprised of three rounds of questions to account for all different points of view. At the end of three rounds of questions, a sufficient degree of agreement was established and the process was

terminated. Each of the three rounds of questions was distributed via email to eight experts in the relevant fields. Although all eight responded to the survey instrument in the first round, six responses were registered for the second round and only four responses were received for the third and final round. The participants were selected from five countries (Canada, USA, Finland, UK, Australia, and The Netherlands) in order to benefit from the variety of views that exist across cultures. Experts were selected based on their involvement (past or present) in relevant activities (eg. distance education advisors in business and entrepreneurship, consultant in learning and educational policies, public information and communications manager of a national level online counselling service, professors in entrepreneurship, etc.). All questionnaires were written in English. Both open and closed questions were utilized. Open questions were used to describe the areas for study where differences of opinion could be present. The open questions were treated and closed questions were formulated based on the different comments of the respondents. The closed questions (used in rounds two and three) asked the respondents if they agreed or disagreed with a given statement (with explanations if disagreement was indicated). If there were mixed opinions concerning a given question, further closed questions were developed in subsequent rounds to alleviate the lack of consensus. The reader is referred to Appendix A (open questions) and Appendix B (closed questions) for more details.

4. Findings

The questions used in the three successive rounds are presented in the appendices. This section will present the major findings. First, the critical success factors for networking entrepreneurs are presented. Although the question asked of the experts does not directly refer to training, the fact that the respondents are mostly involved in the field of education and training permits one to determine how these factors are perceived by those in the training profession. Secondly, the best-practices are presented. The objective of the corresponding question (Question N° 3, Round 1) was to identify specific cases of best practice and not particularly to push towards an agreement on what is considered best practice. Thirdly, the results of the closed questions are presented. Emphasis will be placed on commonly held beliefs, indicated by a strong degree of agreement. The strengths and weaknesses of networking expressed by the respondents that facilitated the construction of many closed questions can be reviewed in Appendix C. Finally, some reflection on the open questions of round 3, which were designed to provide areas for future investigation are presented.

4.1 Critical Success Factors

The critical success factors for networking of entrepreneurs identified by the sample were quite similar. Below we have assembled the critical success factors into three groups.

1. Effective use of online tools requires that the inherent strengths in this media be exploited (anonymity, network size, access to different information, access to large networks to build relations, etc.) Using online tools when they are perceived as a “second-best” mode of communication is inefficient and can be counterproductive. An appropriate use of resources is absolutely essential.

“...local organization. e.g. local ... entrepreneurs will not ask questions to Brussels experts: they perceive the differences between these regions too large, even though the distance is (short).”

“We have found that online mentoring is effective in an environment (that) respects confidentiality. It is also different from face-to-face mentoring in that it eliminates biases that may be formed when people meet and speak with one another. This can be both good and bad. In person, you can develop more of a connection with your mentor, it is more personal. Online, our clients have said that they were able to cut through the clutter and get right to the point using email only to communicate with their mentors.”

“Use as a sounding board to ask others for advice on a problem that the entrepreneur is currently facing - as we know, many entrepreneurs are unwilling to share problems with their staff, but may be willing to seek input from a panel of “cyber-anonymous” peers”

“... informal nature of contact... ability to follow-up privately – with individuals or select groups”

“If the entrepreneur can see a value in using the Internet to network with other entrepreneurs... For example, formal and informal networking might lead to cooperative/ collaborative marketing efforts or purchasing economies... “

2. Personal contact is still very important and can complement online training programs.

“Critical is that people meet real-life as well and that “virtual groups” are small.”

“...personal contact between expert-advisor & entrepreneur must be facilitated”

“...Usually, trust is built on the basis of face-to-face interaction. However, if would-be entrepreneurs are regular users of the internet for other purposes, it would be a quite natural for them to use the internet as a networking vehicle. “

“Creating networks of SMEs purely online is very difficult, I would suggest impossible. This is mainly because of the issue of Trust... However, it is much more possible to use the Internet as a support tool.... We are, after all, social animals”

3. Effective Internet site and program management (marketing, financing, etc.)

“...information pages (like www.sba.gov), where telephone numbers can be found, formats downloaded, examples and contact-persons of similar enterprises are given (informal) investors can be found etc. critical success factor: too many of these pages, each shouting to be the best. Bigger, well-known Internet communities need to develop, through competition of sites or otherwise. A successful Site needs to be well-known, top-of-mind.”

“ Success factor in general is financing the sites. Maintaining an excellent site is hard work and expensive, especially when using (costly) experts to answer question. A fee for using the site may

be asked, but I don't think such sites can be run effectively on a commercial basis. Government or corporate funding or sponsoring is necessary.”

“ Knowledge institutes (universities, R&D-facilities larger corporations, big accountant) firms should participate in these sites. Universities can use these sites to get students into contact with the real world.”

“... Act as a gateway to sources of further information, personal contacts, etc.”

“... ease of access”

4.2 Best Practice

Question 3 of round one asked participants to identify “the characteristics associated with ‘best practice’ concerning on-line asynchronous learning and consulting (email, forms, etc.)”. It is noted that the question was more concerned with the use of a particular type of technology (asynchronous networking) than with the area of application. As the technology surrounding many synchronous technologies is still unstable (audio/video compression methods, videoconferencing, etc.) ‘best practice’ in their use is still in the early phases of development. However, asynchronous tools such as e-mail and electronic forums is quite prevalent and it was hoped that some ‘best practice’ would emerge.

Surprisingly, most of the best practices that were mentioned can be considered best practice in the general use of asynchronous tools and not particular to the case of entrepreneurs or businesses. Few remarks were seen as being specifically oriented towards the target population of the study. Concerns about privacy, flexibility of meeting times and the mix of online and offline techniques appear to be especially important for entrepreneurs. In addition, activities concerned with trust building are also important given the sensitive nature of business startups.

Table 3 : Best Practice in Online Asynchronous Learning and Consulting

Electronic Forums

- get all technical problems sorted before you begin (hardware and software, can the learners use the software? etc.) and provide technical support
- get the users used to use it socially = non-threatening, and allows them to practice
- once users are comfortable, get them to exchange information
- throughout have a moderator to encourage discussions and assist with problems.
- small groups (up to 8 or 10)
- virtual groups do also meet socially from time to time
- networks have a degree of self-management
- participants share a common purpose
- participants come and go

Email

- allow online mentors to log themselves in and out of the system based on their case load, vacation time or other personal needs that would prevent them from mentoring at a specific time.
- who-is-who picture-pages, with a short CV of each participant
- a personal contact line next to the digital one

General

- feedback on progress
 - (provide an) opportunity to learn at individual's own pace and schedule (flexibility)
 - can accommodate different skill levels
 - does not have to be completed in one session (work can be saved and resumed at another time)
 - it should be easily understood by everyone and simple to do and pragmatic - able to deliver results quickly.
 - most best practice model offer a combination of online and offline resources.
 - we ask for minimal information from our online clients, much less than we ask for face to face.
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4.3 Commonly Held Beliefs

Throughout the process, the closed questions enabled the research team to clearly define commonly held beliefs of experts. This represents the “fruit” of the Delphi method. Although there was some degree of disagreement on some questions, in most of the cases disagreement was kept to a minimum (one person out of six). Of the findings presented in Appendix B, the two following points merit special attention.

The entrepreneur is more concerned about his/her problems and is less concerned with the problems of others. However, he/she is willing to participate in a tight (small) learning network if the benefits go beyond that of just learning together.

All participants (less one non response) agreed with this statement. This is quite revealing about the nature of the entrepreneur but also about the prospects for using team based interactive learning. It appears as though entrepreneurs are not necessarily interested in the needs of others and are more concerned with the success of their individual projects. The learning process must allow the entrepreneur to advance towards his/her individual goals if it is to be effective. It is well known that entrepreneurs exhibit individualistic tendencies and this appears to be validated with respect to education. It is also important to note the benefits of learning in a

network must go beyond the simple act of learning. Thus, successful training programs that wish to use networked learning of groups of entrepreneurs should provide the entrepreneurs with the possibility to build upon relationships once the learning has been completed. Typical examples of this would be the encouragement of strategic networks. The challenge for training organisations is to a) create learning teams where complementarities in both the learning process as well as the start-up process can be developed and b) organize learning around common needs. Team based learning could be oriented towards common problems and challenges faced by entrepreneurs (how to perform financial analysis, how to write a business plan, etc.) while individual training (email one-to-one tutoring, etc.) could be used to respond to specific individual needs of the entrepreneurs. This underscores the idea that the appropriate use of tools may allow for cost economies.

Online training (vs. consulting) for entrepreneurs should be complemented by a face-to-face component. An efficient/effective pure on-line training program for entrepreneurs would be very difficult if not impossible to develop and implement.

Here again, the rate of agreement was quite strong. All but two of the experts responded in the affirmative unconditionally. One respondent felt the statement was true in the case where the learner was unfamiliar with the trainer or with online learning techniques. Finally one respondent disagreed and felt that *“you can be effective while being anonymous. The key is in the quality of the online interaction. Successful online training models have one common element. That is a real-time chat facility. ... Whether it is face to face or online, people assess other people based on what they have to say. For online, this would be what they have to type.”* The reason behind the face-to-face component is essentially driven by the need to trust those involved with potentially sensitive issues online. Trust, it appeared, would be more easily established in a face-to-face setting.

The subject of establishing trust was further treated in Round 3. The results suggest that face-to-face components may be replaced with other synchronous forms of communication under certain circumstances. In addition, the concept of trust appears to be a criteria for selection of learning modes. If the entrepreneur simply wishes to exchange views with others in the same circumstances, the role of trust is less of an issue – exchanges stay at a general level.

For learning organisations, if one desires to create an environment where trust is an issue and the participants have little experience with on-line activities, face-to-face components appear to be quite important.

Note however that over time it appears as though face to face may be replaced by synchronous (and eventually asynchronous) tools of communication. Clearly “norms” and “values” will change as the information society advances, whether or not they facilitate online learning or not (possible rejection of increased networking and the desire to have “real” contact”) is yet to be seen. The reader is referred to the Round 3 closed questions presented in Appendix B to more fully appreciate the different perspectives on “trust” shared by the respondents.

4.4 Areas for Further Investigation

The Delphi method brought to light two areas of interest for future research : the entrepreneur’s desire to pay for services provided on the Internet and the appropriate role(s) of the Internet in education and training programs. Round three questions were aimed at developing these concepts.

Although there is quite a large range of disparity among the answers, the respondents tend to agree that consulting and counselling services provided via the Internet could be viewed as possible fee paying services. This confirms the approach taken by many of the examples previously cited. Surprisingly, the use of the Internet to provide training was not highly regarded. This suggests that educational programs should use the Internet tools for consulting, counselling, intelligence gathering, information distribution and other activities where online interaction (versus face to face) has more of a chance of being considered as a first-best technique.

Within an educational setting, the responses were also quite varied concerning the appropriate role of the Internet. Of the possible responses (see Appendix A) all but “develop group dynamics” were cited. Other roles suggested included program management, fostering creativity and providing a vehicle for vicarious learning. This suggests that the possibilities for integrating the Internet into the pedagogical process are quite large, however, financial viability of such activities must be addressed.

5. Conclusion

The use of the Internet in business development services is growing. New technologies of information and communication make it possible to train, counsel, tutor, inform and network entrepreneurs. However, the possibilities must be confronted with the numerous constraints that exist. Financial (eg. economic viability), cultural (e.g. trust), technological (e.g. network connection speed) and other constraints must be carefully considered when designing online services. As the information society progresses, it is clear that many of these

constraints will become less important, however, in the short-run, careful selection of pedagogical tools and their appropriate use are essential to the success of online business development services.

The entrepreneur is someone who tends to be an individualist, and interested in participating in such activities if the “return” for his/her project is evident. Although the Internet may be a feasible alternative to providing one to one counseling, consulting and simple information services, given the sensitive nature of business startups, the development of trust needs to be addressed if online networked activities are to go beyond the simple “gathering of colleagues” and “exchange of generalities” online.

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Appendix A : Open Interview Questions

Round 1	Round 2	Round 3
<p>1. Formal and informal networking has been shown to be important in the business start-up, management and growth processes. How can the Internet be used to create and or support networking amongst entrepreneurs or would be entrepreneurs and what are the “critical success factors” ?</p> <p>2. What are, in your opinion, the strengths and weaknesses concerning on-line networking for entrepreneurs ?</p> <p>3. What are the characteristics associated with “best practice” concerning on-line asynchronous learning and consulting (email, forms, etc.)?</p> <p>4. What criteria characterize the future state(s) of on-line learning and consulting to support entrepreneurship ?</p>	<p>1. Several of you indicated that the Internet could be used at different stages (pre-start-up, post-start-up). However it is difficult to network online in the pre-start-up stage as there is no (or little) trust between the parties. Is it therefore more suitable/efficient in the post-start-up stage ?</p> <p>2. One of the main weaknesses of the Internet for training or consulting is the lack of face to face contact – thus the subtleties of human contact are lost. Should individuals absolutely meet face to face to address this problem or is it possible to find other ways that would be sufficient to build trust between the parties ?</p> <p>3. There seems to be many uses of the Internet : education (example: short courses on how to write a business plan), consulting (exchanges to resolve particular problems) and mentoring (continued contact). Where is the Internet most effective ?</p> <p>4. Today many non-academic organizations (ex: Accounting firms, government agencies, banks, credit institutions,...) provide information rich content online (business planning guides, “how to” guides, etc.). What is the role of academic institutions ?</p> <p>5. What are the benefits of developing Internet training for the training institution ? (cost reduction, effectiveness, larger audience, etc.)</p> <p>6. How is training entrepreneurs any different than other training programs on-line ?</p>	<p>1. Which of the following service(s) are more likely to be provided to entrepreneurs on a fee paying basis via the Internet?</p> <ul style="list-style-type: none"> • Intelligence gathering (gathering specific information from a structured data base centred on entrepreneurship) • Education (short courses on market research, business plan, legal structure... with the opportunity to interact with other students and an instructor) • Consulting (asking specific questions to a consultant or expert) • Counselling (being guided and assisted by a counsellor to discover solutions to specific situations) • Networking through open forums where both entrepreneurs and experts participate and share their knowledge <p>2. In an entrepreneurship education/training program where there is face-to-face interaction, what would be the role(s) of the Internet? (Maximum 3 answers)</p> <ul style="list-style-type: none"> • Allow for follow up questions after students disperse • Develop group dynamics • Create a richer learning environment (by providing audio, video, audio, graphic and text in a addition to the face to face interaction) • Foster interaction amongst students any time anywhere

Appendix B : Closed Interview Questions

Round 2		Round 3	
Agree	Statement	Agree	Statement
Strong	1. Fundamentally, from a training perspective, the Internet fulfils two basic functions for entrepreneurs : (a) intelligence gathering – (no interaction) and (b) networking (sharing experiences with other entrepreneurs/mentoring/questions of experts).	Very Strong	1. Trust building is an essential phase of successful Internet collaboration, networking and training. For persons with little or no on-line experience, personal contact is probably the best way to achieve trust – however – some forms of synchronous communication (telephone and videoconferencing) may be considered as close substitutes.
Very Strong	2. The entrepreneur is more concerned about his/her problems and is less concerned with the problems of others. However, he/she is willing to participate in a tight (small) learning network if the benefits go beyond that of just learning together.	Very Strong	2. As people acquire more and more on-line experience, the necessity to rely on synchronous forms of Internet communication to build trust will most likely decrease and trust building may be possible through asynchronous means (email, forums, etc.)
Strong	3. A financially viable Internet training program must rely on financial support from other (complementary) activities or from outside funding.	Very Strong	3. For people that are unable to quickly build a trust based relationship on-line, the Internet can first be used to acquire information as well as to exchange individual experiences (share common frustrations, etc.).
Weak	4. The entrepreneur puts more faith in information received from geographically close individuals than from those individuals further away. A local answer to a question is deemed to be more valuable than from one from far away.	Very Strong	4. As on-line relationships develop and mature, the Internet can be used to nurture a network of people exchanging ideas where actors rely on one another. The degree of trust as well as the depth of the relationship will be determined by the actors' ability to either personalize the relationships they have (get to really understand WHO is behind an email address) and/or their ability to recognize the other community members as equals acting under given rules.
Strong	5. On-line training (vs. consulting) for entrepreneurs should be complemented by a face-to-face component. An efficient/effective pure on-line training program for entrepreneurs would be very difficult if not impossible to develop and implement.		
Strong	6. The Internet is more efficient in strengthening existing networks than in creating a network where non previously existed.		

Appendix C : Strengths and Weaknesses of Online Networks for Entrepreneurs

Strengths	Weaknesses
<ul style="list-style-type: none"> • The opportunity to harness and apply the abilities of entrepreneurs to global and develop universal policy. • The potential for new ideas to simultaneously take tangible form in multiple countries • The potential for others to contribute at any stage of the project • Possible to store given answers for reuse • Not the top-of mind solution to problems • Production & consumption of (personal) advice no longer has to be simultaneous • The opportunity for another to 'Gestalt' a project by having "the missing link", • + fast • Not 100% of entrepreneurs are online • Broad interface to various sources of information • Is compatible with creating and accessing "tacit knowledge" • Is flexible (partners can change depending on the problem) • You gain access to mentors across the country and the world • There are many more connections that can be made online • Larger audience to network with convenience - networking can take place from the comforts of home or office. • Can be more effective for those who are better at the written word than spoken. • Usually can develop deeper relationship as networking is not bounded by time or an event - continuous interaction beyond initial meeting. • You can reach out to so many different people in many parts of the world, in a very quick manner • Availability - no time constraints for access • Expands the geographic boundaries of existing networks • Cost (there is no charge for local phone calls and the flat fee for unlimited high-speed internet access is around \$55 per month) • Can gain knowledge of new markets/opportunities • Facilitates collaborative ventures • Easy access - no travel • No need to be there at the same time (problems at work do not stop you 'meeting') • Time to reflect on what you say, before you say it 	<ul style="list-style-type: none"> • Loss of ownership • Potential for indiscriminate proliferation of dangerous or commercially sensitive information • No personal contact • A network may turn out to be a conservative force, if it does not change in time • A network may move away from the interests of the individual participant • Missions of participants may not be coherent with the participants' aspirations • Roles of participants may be unclear and cause instability • Some partners may dominate • You lose the personal element. And, in conversation, body language and voice inflection speak volumes about what is actually being "said." • It is easier for misunderstandings to occur online and it may be harder for the parties to get to the root of the question or problem in an exchange of typed messages • Don't have the ability to judge character and credibility based on body language, tone of voice,.. • More time. Online networking usually takes longer to conclude unless you are using real-time chat • Accuracy is affected as you are now interacting using the written word which takes longer to do. • You have to know what you're looking for in the first place. With the sheer size of the WWW, it's unlikely that many people will just accidentally "stumble" across the right web address. • You lose the face-to-face subtleties of human contact and the chance to ask follow up questions based on a person's unspoken communication formats (as we all know, a large proportion of all communication between people is unspoken or unwritten). • Difficult to trust people you have not dealt with previously • The credibility of the support might be difficult to establish • Confidentiality (some entrepreneurs might fear competitors could be using the Web as a vehicle for gathering competitive intelligence) • Lack of visual signals in communications, lead to lack of trust, • Misunderstandings etc. particularly for novice users • Cost of being online?