Peer-to-peer learning for business excellence

Businesses tend to learn best from other businesses, valuing the real-world experience and the shared background that comes from managing a commercial organisation.

Academics at the University of Brighton have led the way on an 18-year journey helping small businesses around the world use peer-to-peer learning to become more profitable and increasingly sustainable.

Phrases like “sharing best practice” and “peer-to-peer learning” have become part of everyday business jargon, but research at the University of Brighton has ensured these approaches have measurable benefits for business and their employees. Peer-to-peer learning can happen informally, but a group of researchers from the University of Brighton’s Centre for Research in Innovation Management (CENTRIM) has played a key role in establishing a programme with systematic and regular processes underpinning such learning. This has been to maximise the impact of the process on more than 1,000 small businesses in the UK, Ireland and South Africa.

The university has established 84 peer-to-peer business networks in the UK, Ireland and South Africa, transforming the profitability and sustainability of the participating small companies. Evidence from SMEs in Sussex UK showed that firms that participated in Profitnet increased their gross profits by nine per cent compared with a decrease of 15.2 per cent in profits during the same period for non-participants. As well as profit growth, participants saw an 18.7 per cent increase in turnover compared with a 3.2 per cent increase for other local SMEs.

Since 2009, Profitnet has worked with a further 300 UK businesses together with 139 from Donegal in Ireland and 118 from Durban in South Africa. “Impacts have been very significant,” said Dr Tsekouras. “More than 90 per cent of participants have acknowledged improvements to their strategic skills, learning the value of planning in contrast to dealing with issues in a ‘fire-fighting’ mode.”

Furthermore, 85 per cent have improved their problem-solving skills, learning to delegate problem-solving power to employees and learning how to develop key performance indicators to monitor operations.

Profitnet offers a unique opportunity for small business executives to receive feedback from a group of trusted peers and validate their business choices with them, something the participants describe as “a unique opportunity to have a board of non-executive directors.” Through the process of peer-to-peer learning, the participants develop strong communication skills, allowing them to interact successfully with other parties, whether business partners, suppliers or customers. It comes as no surprise that, in the long term, the participants are empowered with a high level of self-confidence.

Profitnet has had an impact on similar businesses from all sectors, helping them to weather the recession and gain confidence in managing innovation, understanding the management demands imposed by new product development and developing ways of addressing different kinds of customer value.

As a result of the Profitnet project, the University of Brighton has helped hundreds of business owners and employees to build their skills, confidence and effectiveness through peer-to-peer learning.

“Profitnet has been an enlightening way of bringing in experts so we can all pick their brains. Sometimes we need really specialist things, and it’s great for getting other people’s ideas – I have benefited from some very positive input.”

Peter Adlington, Managing Director, Plastipack