How Australian Small Business Operators Learned about the Goods and Services Tax

ABSTRACT

A goods and services tax (GST) was introduced in Australia on 1 July 2000. It was hailed by a commentator as one ‘of the most radical revenue reforms in half a century’ (Surry 2000) requiring businesses, both small and large, to comply with new tax regulations. The introduction of this government mandated scheme provided an excellent opportunity to understand how small business operators learned to implement new practices. This paper reports the findings of an investigation into how 30 small businesses in Queensland, Australia, learned about and came to implement the GST. Semi-structured interviews were conducted with small business operators during 2001-2002 and case studies were prepared that described each of the small businesses’ readiness for and process of implementation of this initiative. This paper identifies and discusses factors influencing small business operators’ readiness to learn about the GST and the activities and interaction undertaken by them that assisted their learning.

INTRODUCTION

The Australian Bureau of Statistics (ABS 2000) defines small businesses as those with fewer than 20 employees. Small businesses also include ‘micro-businesses’ which employ fewer than five employees, as well as ‘own account’ workers of which the owner or operator is the sole worker. In Australia, New Zealand, the United Kingdom and other countries, small business comprises a significant component of national economic activity and employment. So, although individually small enterprises may not be the source of significant employment, collectively they
represent a significant component of the national economic effort and the private sector workforce. Like those in their larger businesses, small business operators face the challenge of learning to respond effectively to new challenges in order to remain viable, yet may lack some of the resources and support often found in larger enterprises. Without access to such resources and support, it is likely that small businesses and the services they provide might well be jeopardised.

Therefore, assisting small business operators and workers develop further their vocational knowledge has become a government priority in western style economies, such as Australia (e.g. Australia National Training Authority, ANTA 1998). Yet, this is a problematic goal. Studies across western countries report consistently that small businesses are less likely to participate in structured training, make lower levels of financial commitment to employees’ development, and have lower levels of engagement in structured on-the-job training than large enterprises (e.g. Bishop 1997; Coopers and Lybrand 1996; Giraud 2002; O’Connell 1999). This suggests that small businesses may not be contributing equitably to national skill development and that small business workers may be missing the kinds of advantages of skill development and recognition enjoyed by workers in larger enterprises. Given this, the need to understand how learning is likely to proceed for small businesses and can be best supported becomes a very significant matter for policy and practice. Our focus in this paper is on how Australian small business operators learned how to implement a novel procedure -- the Goods and Services Tax (GST), -- an imposed taxation regime, which took effect during the year 2000. This initiative presented a unique opportunity for analysis of small business learning practices for two main reasons. Firstly, most small businesses were required to implement the GST and complete the
accompanying Business Activity Statements (BAS) required quarterly by the
Australian Taxation Office. Secondly, the introduction of the GST allowed an
investigation of how a range of small businesses approached this specific yet set task
and, in doing so, become more informed about how different kinds of small business
learning occurs in practice.

This paper reports on the learning processes and practices undertaken by thirty small
business operators in Queensland, Australia, in relation to the GST. A selection of
small businesses of different sizes, specialisations and locations within Queensland
comprised the sample. Semi-structured interviews were conducted with owners and/or
managers within these small businesses and case studies were written that captured
each of the unique stories. The paper addresses two main questions:

(i) what were the factors that influenced small business readiness to learn about
the GST?; and
(ii) how did the small businesses learn about the GST?

The paper commences with a review of some of the salient literature pertaining to
what is known about how learning in and for small business occurs.

**STRUCTURED LEARNING IN SMALL BUSINESS**

The Vocational Education and Training (VET) sector in Australia provides training to
small business that is developed centrally, and standardised, structured, assessed and
certified under national competency-based frameworks. Overwhelmingly, small
businesses elect not to participate in accredited courses offered by the VET sector to
the same extent as medium and larger sized businesses. It seems that small business
disaffection with structured programs (see Westhead and Storey 1996; Patton,
Marlow and Hannon 2000) can be attributed to concerns by small business about the
relevance of and access to these courses. Roffey, et al (1996) and Coopers and
Lybrand (1994), among others, have highlighted small business disaffection with
taught courses offered through the nation’s VET system. Small business operators
have characterised such courses as being ill focused, inappropriate and inaccessible.
Preoccupations with other priorities, such as keeping the small business afloat, and a
lack of incentives for individuals to participate in training have contributed to the low
level of small business participation in training (Wooden and Baker 1996). Gibb J.
suggests factors preventing those in small business from engaging in training are also
sector specific. These include the majority of the small business sector being self-
employed, isolated, working long hours and being unable to afford time away from
their business.

However, the VET system is not the only provider of structured programs for small
business in Australia. Organisations as diverse as Commonwealth and State
government departments and agencies, private consultants and other business service
agencies provide other kinds of structured programs to small business. These courses
tend to be structured differently from VET because they often do not lead to
accreditation or any type of qualification and are shorter in duration. Their advantages
are that they aim to be cost effective, relevant, demand driven and perceived as
meeting a direct and immediate need of small business (Kearns 2002), rather than
accreditation and curriculum frameworks that favour large businesses. Kearns (2002)
predicts that short courses will continue to make contributions to learning in and for
small business in the future, but cautions that an over-reliance on this kind of provision with its ‘presentist’ focus may be detrimental to the development of more strategic outcomes required for small business. So, in this way, there are concerns and impediments to participation in taught courses offered through external agencies. Yet beyond, a consideration of structured training for small business, it is necessary to consider small business operators’ learning through their work practices, as this is likely to be how much of their learning arises. Therefore, the next section gives attention to the workplace as an important site for learning.

WORKPLACE AS A SITE FOR SMALL BUSINESS LEARNING

Internationally, there is growing interest in the workplace as an environment in which to develop vocational practice (e.g. Rainbow, Fuller and Munroe 2004). This interest is particularly pertinent for small business. For many small business workers, there may be no option other than to learn in the workplace because it constitutes the only location in which to learn workplace requirements. Yet, beyond pragmatic purposes, the workplace constitutes a legitimate and accessible learning environment, with its potential and particular contributions and limitations. The direct guidance of others in the work environment and indirect guidance available through observing and listening often provide a basis for securing rich learning through workplace activities (Billett 2001a) for workers, including those in small businesses. This situation is reinforced by the realisation that the requirements for competent work performance are highly situational. What constitutes effective practice in one small business workplace, may be quite inappropriate in another (Billett 2001b). Therefore identifying work requirements and being able to develop the capacities to achieve those requirements
needs to be highly considerate of situational factors, including the capacities of individuals.

Small business operators often nominate learning in the workplace or ‘learning as you go’ to be the best means of gaining business-related skills (Coopers and Lybrand 1994). Cope and Watts (2000) refer to this as ‘learning by doing’, and trial and error and learning from mistakes are pertinent here. Noteworthy is that many studies have revealed small business preferences to learn from the workplace environment (see, for example, Billett 1999; Kilpatrick and Crowley 1999; Raffo, O’Connor, Lovatt and Banks 2000). As an illustration, in a study of 50 entrepreneurs across a range of cultural industries from small and medium sized enterprises in the United Kingdom, Raffo et al. (2000) found that entrepreneurs preferred learning in their workplace to participating in courses that ignored their unique context and challenges. For these workers, learning occurred as a consequence of dealing with situated problems in their work environment, aided by self-reflection and seeking out advice from practitioners and mentors. While many of the entrepreneurs had undertaken higher education, the participants noted that specific vocational skills were derived from ‘working it out’ in the workplace. These findings are consistent with other studies about how workers learn the knowledge required for performance in work situations (Billett 1999; Guthrie and Barnett 1996; Misko 1996).

Beyond engaging in everyday activities, interaction with others, particularly with other business owners, is also regarded as an effective means of gaining skills, mainly because this provides a direct benefit to the business and is industry specific (Coopers and Lybrand 1994). Roffey et al (1996) and Kilpatrick and Crowley (1999) also
identified family and friends as valuable sources of business advice to small businesses. Moreover, Cope (2001 in Cope 2005) highlighted the central role of the life partners of entrepreneurs who act as important sounding boards and provide valuable support to them.

Other important sources of learning for small business found by Kilpatrick and Crowley (1999) were customers, suppliers and business and social networks. Networks are seen as being advantageous because they facilitate interaction and communication between owners of small businesses. They also focus on their members’ needs and situations, and provide opportunities for people to share and learn with and from each other (Kirkwood 2000a). Recent empirical research of small business owner/managers in the United Kingdom (Wilkinson 2003) found that networks of owner managers are important learning sites not only for developing skills of their members, but also for developing particular types of business and personal behaviour. However, learning in workplace settings also has limitations. These include the reliance upon the limited expertise available within the workplace (Billett 2001). Given the inevitable limits to the expertise in small business workplaces, it is perhaps not surprising that studies have identified the requirement to source advice outside of the small business.

A five year project involving over 2000 small businesses across Australia found that there is no single solution to enhancing learning and training in small businesses (Kearney 2000a, 2000b). The Small Business Professional Development Program identified a set of collaborative self-help models that were developed and trialled by small businesses. Amongst these were mentoring, networking and clustering, and
diagnostic services. Kearney (2000b, p.7) concluded that these and the other self-help models ‘represent the best hope for developing mini-in-house systems for small workplaces’. While these learning models are not new, they represent and reinforce preferred and successful ways in which small business operators learn much of their practice. These models also illustrate that workplace experiences alone may be insufficient and that combinations of support from local networks, mentors, such as consultants and others with expertise, and other small business operators are likely to be required to augment workplace learning experiences. Also, the need for small business operators to be pro-active in seeking advice and monitoring its utility are inferred in these findings.

**RESEARCH DESIGN**

The government mandated requirement in Australia for implementation of the Goods and Service Tax (GST) and its accompanying quarterly Business Activity Statement (BAS) presented both a context and opportunity for understanding how small businesses learned to implement these externally derived initiatives. They furnished a practice-based opportunity to understand how learning occurs for and in small businesses. In order to investigate the learning processes and practices that comprised the implementation of these procedures, data were gathered from small business operators to identify key contributions to their learning and how these contributions facilitated their learning. The businesses were selected with support from the small business community and the Queensland state government partner, the Office of Small Business. The main reason for seeking their support was twofold: firstly to help us identify a potential pool of small businesses which we could approach; and secondly, to keep the small business community and government partner informed of
our research and focus. A total of 30 small businesses participated in the investigation that focused on identifying how they had come to learn about and implement the GST and BAS. These enterprises comprised different sizes (i.e. from micro businesses to those employing up to 20 employees), locations (metropolitan and non-metropolitan) and specialisations (i.e. a range of focuses on goods and services). Owners and/or managers (i.e. operators) of small businesses comprised the informants interviewed for the study. Semi-structured interviews were utilised as the main data collection source for the reason that they enable significant amounts of information to be collected relatively quickly from participants and allow for immediate follow-up if clarification is required (Bogdan and Biklin 2003).

A set of questions about readiness for learning, the learning process and contributions to that learning was identified from the literature, fashioned into a schedule and then trialled and refined prior to the commencement of the interviews. Two key questions framing the investigation were: (i) what was the level of enterprises’ readiness to implement the GST and complete the BAS and (ii) who or what helped the small businesses learn (i.e. operators were asked to rank the utility of several potential sources of learning and then explain their utility). Each interview was audio taped and transcribed. From these transcriptions, case studies for each of the small businesses were developed and returned to the informants for comment and verification. These cases studies then became the key data set and were analysed to identify contributions to the small business operators’ learning.

Consistent with Marton’s (1988) approach, we followed procedures for data analysis whereby comments were brought together into categories on the basis of their
similarities and categories being differentiated from one another in terms of their variances.

**FINDINGS AND DISCUSSION**

Interviews with small business operators revealed that, firstly, all had implemented the GST and completed the mandatory BAS. Yet, the case study data revealed variations in their goals for and how they approached the learning of these tasks. Despite their implementation of a uniform initiative, the small businesses varied in terms of their degree of readiness and preparedness for the change: that is their starting points and goals for learning. This was unsurprising given that the small business operators differ in terms of their experience, skills, abilities and interests and these factors shape their ‘entrepreneurial preparedness’ (Cope 2005, p.378).

**Small business readiness to implement the GST**

Differences in the readiness for the learning undertaken and the learning required were understood in terms of four main factors. Firstly, there were distinct differences in the existing level and business administrative capacities within the small businesses. Some of the small businesses were well-placed to implement the GST because they possessed the administrative skills required, while others lacked these capacities. For instance, those who had accountancy or finance skills engaged with sources of information differently from those who lacked these capacities and confidence.

Secondly, the levels of technical readiness varied across the 30 small businesses. For some, their existing administrative infrastructure provided a platform that required
minimal changes to implement the GST and BAS (i.e. drawing another column in the ledger), while for others, the requirements of the GST and BAS required restructuring their existing administrative processes. For example, some enterprises had to integrate for the first time the use of computers and electronic administrative systems into their daily work activities. This required them to develop new skills, while making redundant other long standing capacities that had been used to organise and administer their businesses. The task of learning to implement the GST for some of these small business operators often seemed uncertain and stressful.

Thirdly, there were differences in the levels of interest in the GST shown by small business operators. For some, the administration of their business, including the new demands of the GST, was at best an unwelcome diversion from other more important priorities; for others the GST was central to their business practice and to the forefront of their interests. For instance, some of those engaged in professional practices (e.g. an optometrist and veterinarian) and trades (e.g. furniture upholsterer) were not really interested in this administrative task. They preferred and were able to pay for expertise to assist with this tax related matter. Other small business operators’ interests were closely aligned to entrepreneurial activities per se and the profit arising from them, and were less interested in the actual focus of the business. An example here was the small business operators who owned and managed a grocery store. These operators tended to be intensively engaged in learning to implement the GST as they saw it as being central to managing their profitability. So the degree by which the focus of learning was of interest to the small business operator shaped how energetically they engaged in learning about the GST.
Finally, the level of the small business operators’ confidence to be successful in the task of learning emerged as being a salient factor linked to readiness. Some informants’ confidence was premised on their capacity to secure advice from close and trusted informants who had particularly expertise. Some of these included consultants, accountants, and family members. In summary, the learning goals for some enterprises were easier to achieve, requiring small adjustments while, for others, the task was a significant undertaking requiring the learning of new skills and competencies.

In these ways, the readiness of small business operators to engage in the learning process and their goals for learning played out in terms of their existing capacities, their familiarity with technology, interest in the initiative to be learned and the confidence to proceed.

**How small businesses learned how to implement the GST**

Just as small business operators experienced different levels of readiness and identified different goals for learning, so too did they learn about the GST and BAS in particular ways from different sources. In order to identify how and what they learned and from what sources, small business operators were asked to rank the utility of eight contributions to their learning. A scale ranging from not applicable, to irrelevant, not useful, useful, very useful to indispensable was used to assess the utility of the contributions. The eight contributions including ‘just getting in and doing it’, ‘consultants / tax specialists’, ‘courses’, ‘industry associations’, ‘local networks’, ‘government support’, ‘advice of other small business operators’, and ‘others’ were identified from the literature as salient ways in which small business operators learn.
The categories of key contributions to learning are presented in Table 1. In this table, the contributions identified in the case studies are presented in the right column. The frequency by which each contribution is valued is referred to in the remaining columns. Table 1 presents the aggregated data of the 30 small business operators’ ranking of these contributions. It is important to note that a small number of informants responded more than once to the eight categories and some made no responses.

Insert Table 1

**Just getting in and doing it**

Just getting in and doing it’ was ranked the highest in utility since 24 respondents out of 30 claimed it was very useful or indispensable. This response was anticipated and it reflects other findings that hold learning through everyday work activities as an important means of gaining new workplace skills for small business (e.g. Coopers and Lybrand 1994; Kilpatrick and Crowley 1999; Raffo et al 2000). A considerable body of empirical research has shown that small businesses prefer learning that is hands-on, immediate and emerges from their specific work context (Coopers and Lybrand 1994). In this study, many small business operators spoke of ‘trial and error’ as a way of learning, others spoke of ‘plenty of practice’ since it leads to understanding and improved skills and yet another stated that getting in and doing it meant ‘monitoring what you do, being aware of the implications ... and any problems that arise from what you do ... learning from those and changing the way you work’. Another went as far as claiming that ‘you find out a lot more things yourself than getting in someone to teach you’. This small business operator enjoyed the challenge
of working on his own to solve problems as they emerged. This finding emphasises the importance of learners’ engagement in the task to be learned. Given the effort required, and over time, possibly, the degree of individuals’ interest in the tasks to be learned, can be seen as having enhanced salience.

**Expert Others: Consultants / Tax Specialists**

The other consistently highly ranked contribution to small business learning was the support and advice of ‘consultants / tax specialists’. In most cases, small business operators referred to their accountants and financial consultant, although some referred to Australian Taxation Officers who provided support and advice free of charge. Given the focus of this initiative, it is understandable that small businesses pursued advice and specialist support from taxation specialists since, in almost all of the thirty cases, knowledge about the GST was not readily available within the small businesses. As one small business operator located in a rural part of Queensland commented, ‘without our accountant and book keeper that travels around, we wouldn’t have made it’. Many of the small business operators consulted their accountants whose intimate knowledge of their small business placed them in a position to provide particular types and degrees of tailor-made support and advice that was pertinent to their business needs. So again, the localised provision of expertise was exemplified here (e.g. Billett 2001a). In many cases, personal accountants were viewed as invaluable particularly in the early stages of implementation to talk through the business’s current system of financial accounting and identify what adjustments were required to accommodate the GST. That is, the intimacy of the knowledge of the small business by these specialists led to salient advice about what this initiative meant to the particular small business. In some cases, accountants also played a
significant role in helping to install and operate new computer software packages. The introduction of the GST had the effect of encouraging or necessitating small business operatives to use computerised systems or upgrade their accounting systems (Breen, Sciulli and Calvert 2004) as the GST administration and BAS submissions were largely via electronic means. For a small number of participants, accountants made minor adjustments to their existing bookkeeping system.

The experience of many of the small business operators was that with time, practice and growing confidence, they came to rely less on their external sources of advice and knowledge (e.g. accountant) and more on their own resources. Even so, several small business operators indicated that they continued to seek advice and support from their accountants from time and time and use them as ‘sounding boards’ when required.

In the case of a small number of the business operators, this reliance on the accountant did not wane. For instance, one said, ‘I don’t pretend to be a specialist in everything I do so why not get people who can do it and do it properly’ while another said, ‘I work 17 hours a day. I have not time to read and understand all that [GST literature and requirements]’. In both of these cases, the accountant played a key role in the ongoing work required to implement the GST and complete the BAS. For these small business operators, delegating the responsibility for the GST to their accountant freed them up to focus on the ‘core’ aspects of their business. Interestingly, there were some other small business operators who were unwilling to use accountants and or taxation consultants. One of these referred to the cost factor, while another said that he ‘never used them [and] preferred to do it [himself] no matter how difficult’.
The effective qualities of access to advice external to the small business can be summarised as its localised character and its understanding of the enterprise needs and capacities. Even when expertise was physically distant from the small business (as in the ATO’s help desk), the efficacy of the advice provided arose from an understanding of the particular business’ profile and purposes. This also underscores the point that workplaces, as sites of learning, are limited; specialist support is sometimes required (Kearney 2000b). That is, close guidance of more expert partners may well be needed when the capacities to implement new practices are absent in the small business workplace. However, it seems that much of the utility of the more expert others’ advice resided in their localised knowledge of the small business and how the change would affect them. That is the utility of the advice was premised on an intimacy of understanding about the small business.

**Courses**

A little under half of the small business operators (i.e. 12) rated courses as being very useful or indispensable while a further eight noted that they were useful. The types of courses described by participants ranged from introductory, ‘big picture’ seminars / courses about the GST provided by the ATO, industry associations and others, to specific courses on installing and operating new computer programs that have the facility to calculate the GST. Although courses carried the highest frequency of being ‘not applicable’, when they were accessed, they were more likely to be seen as useful. Courses that were appreciated were those described by participants as providing not only basic knowledge about the GST, but also comprised many of the features of short courses described by Kearns (2002) and Coopers and Lybrand (1994) as short, cost effective, relevant and having met a need identified by the small business. Some
reasons small business operators provided for not pursuing courses included lack of time available away from the business and the financial cost of attending courses. These reasons have also been offered by authors (Gibb, J. 1997; Westhead and Storey 1997) in relation to small business disaffection with vocational education courses more generally. Also, the specificity of the course content (i.e. GST implementation or software packages) and the link to activities being conducted in the workplace (i.e. they were actually practising the content of the course) was salient. So, it seems that when courses provide specific and timely knowledge and in ways that do not disrupt the small business operation they are welcomed as effective sources of learning for small business.

Industry Associations

Nine of the thirty small business operators identified that their industry association had provided either very useful or indispensable support, with eight rating industry support as either not applicable or irrelevant. Of those acknowledging its contribution, one small business operator stated that industry associations were able to provide ‘an overview of what was happening’ by raising awareness of important issues pertaining to the GST faced by particular industry sectors. Some associations disseminated a great deal of literature, such as regular newsletters and circulars, and some also offered tailor-made courses for particular small business industries. Industry associations were rated as irrelevant or not applicable by small business operators because they were not members of any association. Where the industry associations’ contributions were valued it was through the provision of specific seminars and workshops. These allowed the small business operators not only to acquire new information but, importantly, also to test out their emerging understanding in the
context of the scenarios discussed in these seminars. So in these ways, business associations were helpful when they provided forums that were pertinent in their content and provided an environment through which small business operators could access information and test their emerging understanding of these practices.

**Local Networks**

As indicated in Table 1, seven small business operators noted that local networks were either useful or indispensable. However, local networks were conceptualised quite differently by small business operators. Some indicated that local networks were like-minded small business operators in their trade or professional area, while others saw local networks as other small business owners within their locality. These local networks were seen as being useful in so far as providing a basis for sharing information, testing ideas and sometimes sharing resources. Elsewhere (e.g. Kilpatrick and Crowley 1999; Kirkwood 2000a; Wilkinson, 2003) the benefits of networks for small business operators have been acknowledged. As with courses and industry associations, a considerable proportion of the small business operators noted that local networks were either irrelevant or not applicable because they chose not to participate in them. However, their references often suggested that their conception of networks was something formalised as in industry associations, rather than localised sharing and discussion of information. Other kinds of networks were also identifiable. For instance, conversations in the car park with other mothers of children at her child’s school who were also playing a bookkeeping or administrative role in their partner / husbands’ businesses proved a very useful situation for sharing information and ideas, thereby reflecting a particular kind of network.
**Government support**

As the GST was a government initiative, government assistance via access to hotlines for advice and assistance, courtesy calls by ATO staff, courses, and books and related literature such as brochures, was made available to support small businesses as they grappled with the implementation of the GST and BAS. According to seven small business operators, this support was very useful or indispensable while the majority of small business operators indicated it was useful. In a couple of cases, the small business operators indicated they relied on their accountant or bookkeeper and therefore were not so inclined to consult the support offered by the government. Others who reported the utility of help-desk noted that they dealt with the same individual over time, thereby developing a reciprocally informed relationship. So when these materials and advice were identified as being pertinent and appropriate for the small business through having a localised quality, they were seen to be most efficacious.

**Advice of other small business operators**

Earlier, Coopers and Lybrand (1994) found that interactions with other small business owners can be a very effective means of developing new skills. However, the advice of other small business operators, like some of the other contributions discussed above, was viewed overall to be of little utility. Only six small business operators indicated that this advice was very useful or indispensable while eight noted it was irrelevant or not applicable and a further five indicated it was not useful at all. Those who commented on its usefulness stated that interactions with other small business operators extended, tested and honed their knowledge as well as helped them to understand others’ views, knowledge and particular challenges. For one small
business operator, sharing with colleagues in his particular field enabled him to ask specific questions, clarify any concerns and seek confirmation about and monitor his progress.

Indeed, several small business operators were quite scathing about what contribution their peers could make to their learning. For instance, one said that most of the small business operators with whom he spoke ‘didn’t have a clue and I ended up helping them’. Not only did they have little knowledge about the GST but a number of their peers were described as being ‘fearful’ of and/or ‘negative’ towards the GST and, therefore, unable to offer much constructive discussion. One small business operator noted that at gatherings with other small business operators, there was a ‘tendency to talk the negatives all of the time and not talk the positives and not be positive in going towards resolving problems’. Where the advice of other small business operators was deemed useful, it came from trusted others who had some knowledge and expertise in the field. Where advice was not deemed useful it was due to others’ confusion, misinformation or ignorance. So the degree by which peers were deemed useful sources of advice related to their capacity to inform the particular small business operator. Assistance by peers that was ill-conceived was seen as worse than no advice at all.

Others

Ten ‘other’ categories including the ATO website and hotline were nominated, but not included in Table 1 since each was only mentioned by one small business. The contribution of family members to learning the GST/BAS was the most frequently nominated ‘other category’ and for this reason was included in Table 1. As an
illustration, one small business operator said he ‘learned 99% of the information from ...
... [his] mum who is an accountant’. Another referred to consulting his father whom he considered to be an ‘experienced business person’. That family members were identified as very useful or indispensable contributions to the operators’ learning is not surprising given that research (Roffey et al. 1996; Kilpatrick and Crowley 1999) has identified them as valuable sources of support and guidance. The consistent reporting of the importance of family by some small businesses suggests it should be included in future accounts of small business learning.

What the findings demonstrate is that distributions in the frequency of the perceived utility of a range of contributions suggest wide differences in perceptions of their value. In other words, contributions that were of little use for some business operators were perceived by others to have provided an indispensable level of support. Nevertheless, it is possible to identify some patterns in the responses. There seem to be three main categories of support that were available to small businesses. Firstly, there was support that was remote from small businesses and this included government support, the ATO website and in some cases industry associations. Secondly, there was local support such as local networks, family support, courses, accountants, other small business operators and some financial consultants or accountants. Thirdly, there was support located within the small business itself such as the bookkeeper, other staff and the small business operators themselves who engaged actively in learning on the job, including the level of interest individuals elected to engage in learning the task and locating informed sources. Thus, small business operators learned about the GST, to varying extents, by interacting both within their local context and outside of it. Gibb (1997, p.16) lends support to this
finding when he says that a ‘small firm’s learning can be located: in the context of external relationships of the firm; and in the context of sharing and developing the collective and individual knowledge in the company’. In our study, the small business operators drew upon external and internal relationships with important others (including, for example, accountants) in their quest to ‘develop … and build confidence to interact and learn from this interaction’ (Gibb, A. 1997, p. 16).

CONCLUSION

At least two important findings emerged from this study, the: (i) centrality of the small business workplace as a site for engaging in learning tasks and interactions; and (ii) role of localised support in augmenting learning through everyday experiences in small business workplaces. It was found that most of the small business operators drew upon a range of contributions to aid their learning about the GST. In most cases, they engaged fully in the learning and became more competent in the process as time passed through practice-based experiences and interactions. These provided the opportunity to trial and evaluate strategies and interactions. In other cases, small business engagement in the learning was minimal since entrusted others continued to support them in fulfilling the requirements of the GST. As has been noted (Billett, McCann and Scott 1998), the extent to which small business operators decide to engage in learning opportunities is determined by individual agency: that is their energy and commitment to learn these practices. In this study, a range of factors such as the individuals’ attitude toward the learning; confidence and approach; interest in the task; capacities and skills; and access to support and networks, were identified as impacting upon the degree to which learning about the GST proceeded.
In keeping with the findings of other research (Billett 2001), the workplace was viewed as insufficient on its own as a key site for learning about the GST. Not all of the knowledge required to implement the GST was found in the small business workplace. For this reason, operators sought combinations of support from other sources and locations. Categories of support included other small businesses, networks, community groups, local affiliations, local experts and family members. Kearney (2000a, 2000b) found that particular types of localised support are critical for small business learning. While some of this support was already part of the structure of the business prior to the GST implementation such as the family accountant and family members, other support was ‘external’ to the business and included, for example, structured courses and seminars and particular types of governmental support. It seemed that the most valued support was characterised by familiarity with the particular enterprise’s needs and/or understanding the kinds of issues that the enterprises would confront as well as a foundation of trusted relationships. These came through long-standing relations with trusted others (e.g. family members, accountants), and represented a facility that is difficult to reproduce as an instructional intervention.

This study, although small in scope, provides insights into how learning occurs when small businesses confront a new task. An important limitation, however, was that the learning task in this study was unique; it would be most unusual for all businesses to be required to learn the same task: the implementation of uniform initiative and considerable resources were made available by government, industry associations and the financial sector to assist the small businesses learn. Furthermore, because the GST was widely enacted, it encouraged small business operators to interact with others,
both within their local networks and outside of them, to a much greater extent than might have otherwise typically occurred in other circumstances of change. These concerns aside, however, the contribution of our findings has been to underscore the importance of localised support and the engagement of the enterprise in learning new initiatives. Indeed, in the verification phase of the research, small business operators claimed that the kinds of sources engaged with and processes adopted were consistent with other kinds of small business learning. The accessibility, pertinence and timeliness of this support cannot be underestimated. However, it is incumbent on small business operators themselves to secure the kinds of advice and support that is appropriate to their needs; engage with support agencies; participate in courses; and develop relevant networks for mutual exchange. The findings suggest that policies and practices directed to small business development may need to reshape the kinds of development opportunities and support they offer small business from being centrally co-ordinated and organised, to be localised and responsive at the local level. Not to do so may pose a risk to the economic viability and survival of small businesses.
Table 1 – Overall Contributions to learning

<table>
<thead>
<tr>
<th>Contribution</th>
<th>NA</th>
<th>Irrelevant</th>
<th>Not</th>
<th>Useful</th>
<th>Very</th>
<th>Indispensable</th>
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<td>useful</td>
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<td>Just getting in and doing it</td>
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<td>Consultants/tax specialists</td>
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<td>2</td>
<td>5</td>
<td>12</td>
<td>5</td>
<td>2</td>
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<tr>
<td>Advice of other small businesses</td>
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<td>6</td>
<td>5</td>
<td>9</td>
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<tr>
<td>Others e.g. Family</td>
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</table>

Note: a small number of informants responded more than once to the above categories and some made no responses.

(Adapted from Billett, Ehrich and Hernon-Tinning, 2003:40)
REFERENCES


Billett, S., McCann A. and Scott K., (1998), Workplace Mentoring: Organising and managing effective practice, Griffith University, Centre for Learning and Work Research: Brisbane.


