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Development in SMEs: An  
Analysis of East Flanders,  
Belgium

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# Leveraging Training Skills Development in SMEs

AN ANALYSIS OF EAST FLANDERS, BELGIUM

Prof. Dr. Ans de Vos  
Ine Willemse





# **LEVERAGING TRAINING SKILLS DEVELOPMENT IN SMEs**

**AN ANALYSIS OF EAST-FLANDERS, BELGIUM**



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## PREFACE

The change in jobs and competences (*e.g.* green economy), the persistence of shortage occupations and an aging workforce are some of the challenges which our labour market faces. Against the background of innovation, trends and shifts in sectors, jobs, functions,... Flanders acknowledges the importance of enhancing the competences in Small and Medium-Sized Enterprises (SMEs) in its policy to respond and anticipate on these current and future trends and needs of the labour market.

Different studies and data demonstrate that SMEs are less likely to participate in training and skills development than large firms. Because of their limited scale SMEs often encounter difficulties to train their employees. This is why Flanders (Belgium), next to four other countries, participated in the OECD project on Leveraging Training and Skills Development in SMEs. This study aims to identify the obstacles that SMEs encounter and how they can be overcome.

For the study in Flanders the province of East Flanders has been chosen as a case study region on account of its high amount of SMEs that represent a diversity of activities and sectors and of the existence of knowledge clusters (*e.g.* Flanders Biotech Valley). The quantitative survey, the qualitative interviews with local SMEs and the local workshop on training activities and the skills development in SMEs were all held in this region, contributing to a better understanding of the dynamics in and between SMEs concerning training and skills development.

The survey results for East Flanders confirm figures about training in SMEs available in other databases. The SMEs owner opinion about the importance of training for business success is a critical factor in how relevant and important training and skills development is perceived in a SME. The study also demonstrates that SMEs in East Flanders know many spontaneous, informal but well-targeted initiatives. There are signs of “eco-systems”, initiated by the entrepreneurs themselves, but not in a systematic way. This indicates the often hidden potential that already exists at the level of SMEs.

This study uncovers challenges at two levels. A first and necessary step for further coaching and support in organising training and development in SMEs is by increasing awareness for the importance of training and development for business success among SMEs who are currently not scoring high on this topic. Secondly SMEs already concerned with training and development must be further supported and encouraged.

We hope that the results of this OECD study may be useful for many, lead to a better understanding and that the comparison with the other participating countries will show in what ways we can learn from each other in order to strengthen our SMEs in terms of training and skills development of their workforce.

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Department of Work and Social Economy  
April 2011





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## EXECUTIVE SUMMARY

The research project *Leveraging Training and Skills Development in SMEs* is an international research project conducted by the Local Economic and Employment Development Program (LEED) of the Organisation for Economic Co-operation and Development (OECD). As its name reveals, the study wants to investigate whether and how employees in SMEs, as well as employers, make use of training activities. Flanders selected the province East Flanders for this project. The research procedure consisted of three different pillars: a quantitative survey, case studies and a workshop.

In general the research showed that small and medium-sized enterprises are aware of the merits of training and skills development. Clear benefits are recognised for the firm, such as improvement of skills and education level. The extent to which SMEs are active in terms of training, largely depends on whether the business manager sets value on employee development. If employee development is embedded in the company ethos, generally all employees participate in training activities. However, the results also indicate that only 43% of the SME's have a training and development plan for their employees. Furthermore, 39% reported that some desired training had not been carried out in the previous year. As such, the results indicate that SMEs still experience barriers to invest in the development of their employees.

Regarding the reasons why SME's sometimes refrained from training, the survey showed large responses for the difficulty of interrupting production and the high costs. Both in the workshop and the case studies, SMEs affirmed that practical capability was the major barrier to letting employees participate in training. Additionally, although there is a broad offer of training in East Flanders, companies – and especially small ones – struggle to find the specific training they are looking for. This is caused by a lack of structure in the total offer of training. Companies have no clear view on what the different training possibilities are in the region.

Regarding the involvement of organisations in informal training, respondents reported that clients, co-workers and suppliers were the most important sources for informal training. SMEs make abundant use of knowledge-intensive service activities, such as mentorships. Companies believe that these activities lead to improved skills and other employee benefits.

Regarding the impact of climate change regulations on SME's, only 3% of the responding SME's made an innovation due to new regulations. However, one fifth of the sample (21%) recognised some need or a high need for additional training in the coming year concerning green-specific skills. As such, although the awareness of firms regarding green skills and training needs appears to be limited, some need of skills upgrading is foreseen. The consciousness about the importance of a green economy is growing, but up until today there are limited actions around this topic.

The results of the workshop show that we cannot speak of a singular skills and training ecosystem in East Flanders. Managers of SMEs make an effort to participate in different

networks, but there are still opportunities for more. Furthermore, the current networks are scattered over the region and the different industries and there is also limited networking on the level of training. Small companies are really searching for likeminded firms to exchange knowledge and learn from each other.

Based on the research results, the following main recommendations can be made:

- The Flemish government should continue to recognise that businesses in East Flanders are predominantly small and medium-sized enterprises (SMEs) and that these companies face particular challenges in accessing training for their employees. Therefore, there is a need for a clear overview of the training activities in the different regions.
- There must be more communication about the added value and importance of training in companies. The Flemish government should continue to affirm the strategic importance of developing skills of the labour force as a contribution to its commitment to lifting the region's productivity and growth.
- Companies must continue to attach importance to informal learning, and handle the topic more consciously. Training providers as well as authorities should pay more explicit attention to informal learning and further stimulate its use. Informal learning is as important as formal learning. Especially for SMEs it is a time and cost effective way to develop the skills of the workforce.
- Even more communication about the necessity of green skills is required. Companies need to understand that it starts with small things, such as selecting waste and carpooling with colleagues to work. For SMEs it is important to know that contributing to a green economy does not need to involve enormous investments, but can be achieved through daily practices.
- There is need for more networking between companies and training organisations. For example, more platforms can be installed to bring companies together. SMEs should also be able to direct specific questions to the academic world. Academic institutes could be more closely connected with the practical reality of companies and their issues.

## 1. INTRODUCTION

In Belgium, those firms employing less than 50 employees are considered to be an SME. Taking this definition into account, the absolute number of SME's in the Flemish region rises up to 513 829 which, in relative numbers, equals 99.4% of organisations. Given the high presence of SME's in Belgium, it needs no convincing that SME's play a substantial role for the Belgian economy. Currently, SME's create more than 50% of the Belgian prosperity and their contribution to the total economic activity and employment keeps rising year after year (Tijd Rapport KMO, 2010).

Table 1. **Number of enterprises in Flanders by number of employees, August 2009**

Employee size group	Number of enterprises	Percentage of all enterprises	Cumulative percentage
0	392.392	75.90%	75.90%
1-4	88.028	17.03%	92.93%
5-9	17.848	3.45%	96.38%
10-19	9.263	1.79%	98.17%
20-49	6.298	1.22%	99.39%
50-99	1.649	0.32%	99.71%
100-499	1273	0.25%	99.96%
> 500	207	0.04%	100%
<b>Total</b>	<b>516.958</b>		

*Source:* UNIZO-CofaceEuroDB (2009, p.3).

Several studies have shown that the barriers to invest in training and development are more substantial for SME's as compared to larger organisations. More specifically, a study within OECD countries shows that small to medium-sized enterprises (SMEs) participate 50% less in training activities than large firms. In 2008, Belgian SME's have spent 0.41% of their total personnel cost to training and education. This number lags far behind the budget for employee development in large organisations (those organisations employing more than 250 employees), which constitutes 2.5% of the total personnel cost (Nationale Bank van België, 2010).

Furthermore, in Belgian SME's, less than one out of ten employees has participated in formal education in 2008 (Nationale Bank van België, 2010). For medium-sized organisations (employing 50 to 250 employees) this number rises up to one out of three whereas for large organisations (employing more than 250 employees) more than half of the employees has followed a formal educational course. This is not surprising since small organisations are less capable to replace employees when they are away for training. As it is more difficult for SME's to counterbalance the drop in production that results when an employee is out for a formal training, it is challenging for them to let their employees participate in such trainings. Furthermore, the financial barrier for investments in formal training is relatively higher for small as compared to large organisations (Nationale Bank van België,



2010). Therefore, according to several Canadian studies, SME's would prefer informal training courses for their employees since the costs for informal training are lower than those for formal trainings. However, this does not seem to be the case for Belgian SME's, since 8.3% of the employees participates in formal education and only 4.3 % participates in informal education. Considering the total amount of hours employees devote to their personal development, 60% of these hours are spent to formal education, while informal education represents approximately 27% (Nationale Bank van België, 2010).

When looking at the probability that an organisation performs educational activities, the size of the organisations seems to be the most important determining factor. While nine out of ten large organisations supports educational activities, this number drops down to one out of ten for small enterprises (Nationale Bank van België, 2010). Other factors that determine whether an organisation performs educational activities are the sector the organisation belongs to, the number of higher educated employees and the number of permanent staff.

For the Flemish Government, lifelong learning and employee development stands high on the priority list. The acknowledgement and development of competencies is stressed as a crucial instrument to clear the way for sustainable and innovative economic growth and to promote the employability of individual employees. In the policy statement of 2009 the government explicitly acknowledges the strong need to stimulate investments in training and development. Furthermore, the government realises that especially in small enterprises the investments in employee development are rather low. To facilitate employee training and development in SME's, several tools and financial measures are in place. One of these measures is the so-called SME-portfolio. Yearly an SME can reimburse up to 50% of the investments made in the area of training and the costs they made to obtain entrepreneurial advice or advice concerning innovations and internationalisation. The aim of this measure is to decrease the existing financial barrier for SME's to invest in the development of their employees.

To look in greater depth at the training initiatives in SMEs in Flanders, the Flemish government participated in a project on training and skills development in SMEs initiated by the Local Economic and Employment Development Program (LEED) of the Organisation for Economic Co-operation and Development (OECD). The objective is to identify ways to leverage the use of training and to overcome the barriers SMEs are facing. Other countries participating in this project are New-Zealand, the United Kingdom, Poland and Turkey. The results of the Flemish research are presented in this report. Chapter 1 provides more information about the context, the scope and the methodology of this research project. The research procedure for each country study was designed by the OECD itself and involves three different pillars of analysis: a quantitative survey, more in-depth case studies and a workshop about training and skills development in SME's. The quantitative research part consists of gathering and analysing data on training activities in local SMEs via a web-based survey. Flanders (Belgium) selected the region of East Flanders for this analysis. We will look in greater depth at the results of this online survey in Chapter 2. To analyze the impact of skills development activities in SMEs on the regional skills ecosystem more in-depth, a variety of stakeholders were invited to a workshop in Ghent on 16 June 2010. Chapter 3 gives a summary of the main insights from this event. Chapter 4 includes eleven case studies of small firms to examine in even greater depth the barriers and opportunities for formal and informal training of employees in SMEs. Finally, Chapter 5 draws on these research findings to develop recommendations for supporting skills development in SMEs in Flanders (Belgium). This chapter encompasses a summary of the main conclusions arising from this country study and suggests themes for further research.

## 2. DESCRIPTION OF THE RESEARCH PROJECT

### 2.1 Scope and goals

The research project *Leveraging Training and Skills Development in SMEs* is an international research project conducted by the Local Economic and Employment Development Program (LEED) of the Organisation for Economic Co-operation and Development (OECD). As its name reveals, the study wants to investigate whether and how employees in SMEs, as well as employers, make use of training activities. The aim of the study is to map the local situation and to identify ways to overcome observed barriers.

Research has shown that SMEs participate 50% less in training than their large counterparts. This is why the scope of the project is consciously limited to small and medium-sized firms. According to other studies, the main barriers to training are the financial costs, high opportunity costs and insufficiently adapted training offers, next to a lack of attentiveness to the topic. Moreover, some systematic access gaps are noticed, meaning that younger, better educated workers in high skilled occupations have greater access to training opportunities than less educated ones (OECD, 2008a, p.5). In addition, recent studies, including Coetzer (2002, p.5) and Vaughan (2002, p.5), increasingly draw attention to the important role of *informal* training in SMEs. Since relatively little is known about the priorities and training needs of SMEs, the research project wants to find out to what extent companies are aware of skills needs and of the outcomes of workforce development. Furthermore, by involving different regions the project takes local approaches into account. The central questions are about the participation of SMEs in local networks concerning training or knowledge transfer and the interplay between different organisations.

All member countries of the OECD were invited to participate and the countries that have engaged in the project are New Zealand, United Kingdom, Poland, Turkey, Canada and Belgium. Via the Flemish government, Vlerick Leuven Gent Management School was commissioned to conduct the Belgian study. When all country reports are submitted, a cross-country analysis will be done by the OECD.

The purpose of this project is to gather and analyse data on labour force participation in formal and informal training in SMEs located in East Flanders, and the impact of training activities in these firms. Local approaches will be examined, in order to learn how incentives can be provided to employers and employees for training activities that generate results for all employees.

The underlying idea of the OECD is that continuous learning must become more widespread in the corporate world. The OECD is convinced that innovation through knowledge and education is the way forward for the worldwide economy. Peculiar interest goes out to the impact of the economic recession on training activities in SMEs, and thus the pace of innovation in SMEs during the crisis. The OECD believes that increasing knowledge is the proper way out of the crisis, but it fears that training is one of the first elements SMEs

will prune. Therefore, the impact of the economic downturn on SMEs is incorporated in the research project as well.

Another specific element that is investigated in the project is the occurrence of green skills. Green growth is becoming an important topic in the corporate world. The OECD strives for a change to a low-carbon economy, and is aware this will take a substantial change in skills and knowledge. The OECD wants to find out to what extent the subject already lives in the minds of SMEs. The findings of this report will serve as input for cross-country analysis and will eventually form a basis for policy recommendations.

## 2.2 Methodology

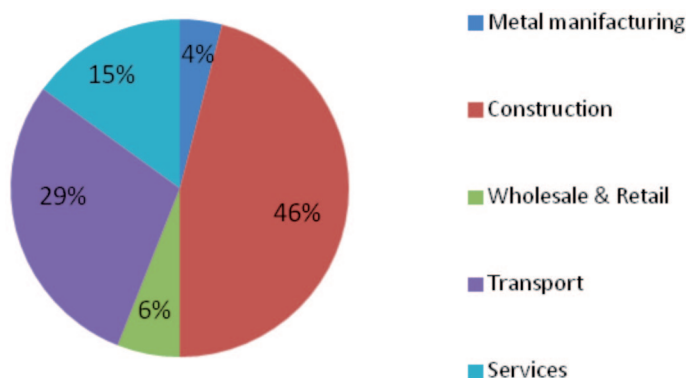
The research procedure consists of three different pillars: a quantitative survey, case studies and a workshop. Before discussing each of these pillars, we will further look into the selected region within Flanders for this study.

## 2.3 Region selection

The objective of the research project is to analyse the training activities of SMEs on a local level. To obtain insights in the presence of an ecosystem on regional level, the geographic scope of the sample was limited to a specific region. In the UK study, the former industrial RESOC West Midlands was chosen, while in New Zealand the researchers have opted for the area of Canterbury. Flanders selected the province East Flanders for this project. This choice has been made based on several decisive factors.

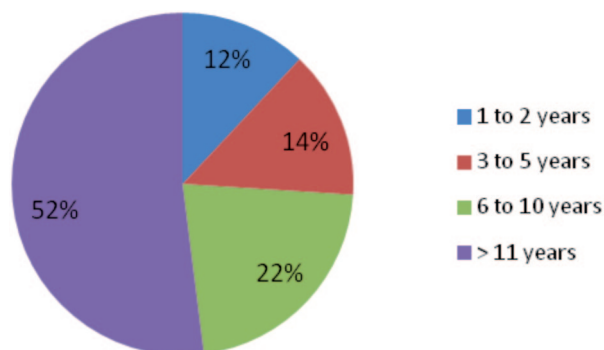
First of all, the East Flanders province is quite representative of the SME landscape in Flanders. With a total of 98 000 SMEs, East Flanders is second only to Antwerp in absolute numbers of SMEs (Source: UNIZO, 2007). Within the population of SMEs, a representative diversity in age, number of employees and industry is to be observed. This diversity makes the province East Flanders fit for the research purposes.

Figure 1. SMEs in East Flanders per industry



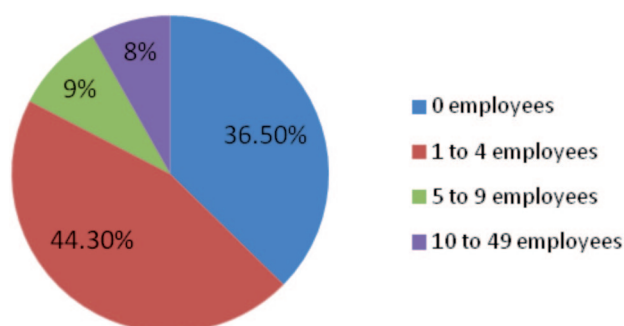
Source: Studiedienst Huis van de economie, 2007. “KMO & zelfstandig ondernemen in Oost-Vlaanderen editie 2009”, Figure 9: Aantal KMO’s in Oost-Vlaanderen naar bedrijfstak, 2007, p. 39.

Figure 2. Age of SMEs in East Flanders



Source: Studiedienst Huis van de economie, 2007. “KMO & zelfstandig ondernemen in Oost-Vlaanderen editie 2009”, Figuur 8: Aantal KMO’s in Oost-Vlaanderen naar leeftijd, 2007, p. 37.

Figure 3. Number of employees in SMEs in East Flanders



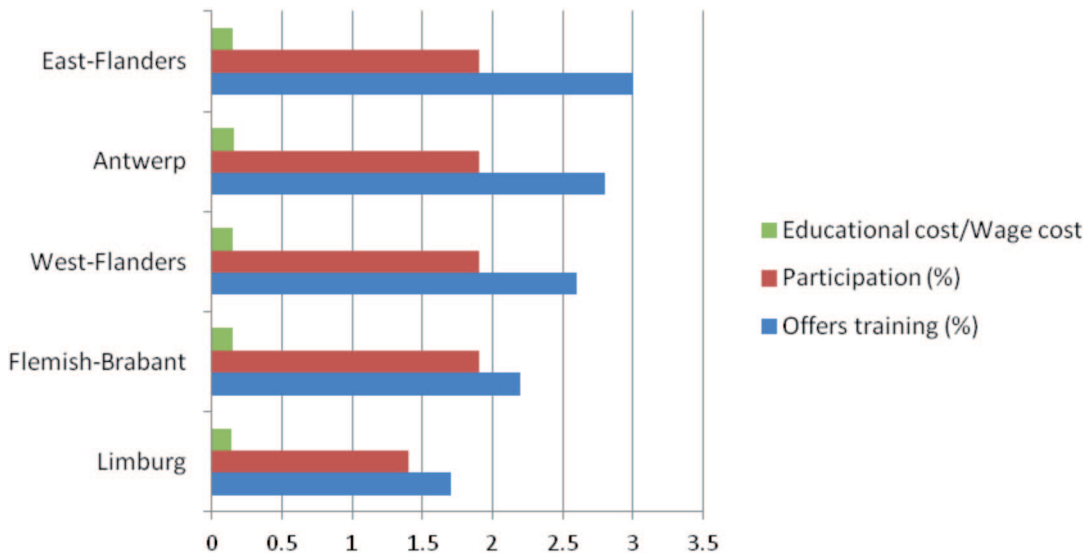
Source: Studiedienst Huis van de economie, 2007. “KMO & zelfstandig ondernemen in Oost-Vlaanderen editie 2009”, Figure 7: Aantal ondernemingen in Oost-Vlaanderen naar dimensie, 2007, p. 36.

Moreover, data about the use of training in East Flanders compared to other provinces is given in Figure 4. It appears that at maximum 3% of the small to medium-sized offer training to their employees. This is the highest rate in Flanders, although the differences among provinces are not statistically significant. Consequently, it is safe to say that East Flanders is representative for Flanders also with respect to the utilisation of training and skills development.

Nonetheless, the region possesses some relevant specificities for the scope of the research project. First of all, East Flanders has known an industrial tradition as it was one of the earliest industrialised regions in Europe in the 19<sup>th</sup> century, specialised in the textile industry. This was possible thanks to the presence of two harbours. Next to the inland port Ghent, there is also the small Deurganckdok. Today, the port of Ghent has become of minor importance, although still approximately five million containers are shipped yearly.<sup>1</sup>

In addition, East Flanders is a knowledge region. There is the presence of one of the most reputed universities in the country and a large number of colleges. Linked to the educational institutes, several research centers have developed, such as the leading Flanders Biotech Valley and the UGent Science and Technology Park. Under the impulse of the Ghent University, the region is specialising in biotechnology and aims to become a worldwide player in this field. On a small-scale level, corporate interaction is stimulated by six business parks, where start-ups can establish themselves at advantageous rental prices.

Figure 4. Training and skills development in SMEs in East Flanders



Source: Sociale Balansen (NBB), 2006. document “Regio-selectie voor OESO-LEED-onderzoek”, table “Opleidingsinspanningen en aandeel kmo’s in de Vlaamse resoc’s (2006).

The aforementioned factors considerably increase chances of finding one or more ecosystems in the East Flanders province. The opportunities for clustering are numerous. Research will show whether SMEs make use of these training and skills networks in reality.

## 2.4 Survey

A questionnaire was prepared by the OECD and has been translated by commission of the Flemish government. As little as possible has been changed to the literal translation of the survey, in order to maintain international comparability. Occasionally, minor adaptations were done to improve comprehensibility. Only SMEs with less than fifty employees were invited to complete the questionnaire.

The questionnaire was distributed by a total of 18 partners by means of an invitation mail with a link to the online survey. Only rough estimates can be made of the total number of people who received the survey, but there are certainly over 16 000 recipients. It must nevertheless be taken into consideration that overlap has inevitably occurred to a certain extent.

Despite the large coverage, the response rate stayed below expectations. A reminder was spread once during the period of the project. The format of the reminder email was forwarded to all the partners, who in turn sent it to their database. For the Vlerick database, the researchers themselves sent the reminder email. Unfortunately, the response rate barely increased and only 37 organisations completed the survey. To increase the response rate, the researchers decided to contact the organisations by telephone and to give them the opportunity to conduct the survey through a telephonic interview. In total, approximately 250 organisations were contacted of which 141 organisations were willing to participate. Thereby the response rate increased from 37 to 178 organisations.

Table 2. **Distribution of survey by partners**

Partner organisation	Channel of distribution	Number of recipients
<b>BUSINESS</b>		
VEGHO (Vereniging van Gentse Havengebonden Ondernemingen)	Direct mail	36
VKW	Direct mail	
EROV	Announcement on website	
VOKA	Direct mail	
UNIZO	News letter	8 000
<b>ACADEMIC</b>		
UGent TechTransfer	Direct mail	25
Vlerick @ntry database	Direct mail	785
<b>KNOWLEDGE CENTRES</b>		
Innovatiecentrum Oost-Vlaanderen	News letter	4 566
GENT BC	Direct mail	515
<b>GOVERNMENT</b>		
Agentschap Ondernemen via EWI	Direct mail	
<b>TRAINING</b>		
Confederatie Bouw Oost-Vlaanderen	News letter	1 922
BCT Coaching & Training (vroeger: Acerta)	Direct mail	400
Syntra MVL (stuurgroep)	Direct mail	
IPV (Initiatieven voor Professionele Vorming van de voedingsnijverheid)	Direct mail	
EDU-plus voor de groene sectoren	Direct mail	
		Total > 16 249

## 2.5 Case studies

The case studies were carried out among the SMEs that have filled out the questionnaire and agreed to be contacted for further research on the topic. These people have been offered the opportunity to be interviewed, either in a face-to-face meeting or by phone.

Table 3. **Interviewed SMEs**

SME	Sector	N° of employees
Advanced Machinery	Wholesale (machines)	4
Burrick	Metal Construction	15
Combelle Group	IT services	44
EcoPuur	Ecological Appliance Engineering	13
Groenidee	Gardening and Landscaping	15
Lilith HuisHoudHulp	Housekeeping and Cleaning Services	15
Opel Willy	Car industry	44
Oxalis	Strategic and HR Consultancy	2
P. Nijs	Construction (restoration of buildings)	32
Sylva – Van Hulle	Agriculture and Forestry	45
T&C Services	Training Consultancy	4

Out of the eleven case studies, two interviews have been conducted face-to-face and one written interview was performed. Three of the interviewees agreed upon an additional company visit in preparation of the workshop and as a completion to the case studies. The visited companies were EcoPuur CVBA, Lilith HuisHoudHulp CVBA and Sylva.

## 2.6 Workshop

The *Training and Skills Ecosystem Workshop* is the third pillar of the research project. During an afternoon session, participants were invited to discuss the following topics: *Training and Skills Development in SMEs; The Role of Training Networks; Skills Needs and Outcomes of Training*. Appendix 1 includes the official agenda of the event.

In order to obtain a well-balanced and complete selection of relevant stakeholders on this topic, different categories of companies were invited to the workshop. In total, six categories were distinguished as closely involved with workforce development in East-Flemish SMEs: Flemish government officials, small and medium-sized enterprises, large enterprises, business organisations, training organisations and educational and research institutes. In total, 44 people representing 33 different organisations participated during the workshop. Appendix 1 contains the list of participants.

The workshop was introduced by presentations on the scope of the research project and the preliminary survey results. For the different discussion rounds, participants were divided around seven tables according to their functions to represent a diverse range of stakeholders. The workshop ended with a plenary discussion of experts, summarising the main findings of the workshop.

### NOTE

1. *De troeven van de Oost-Vlaamse economie*, [www.gouverneurdenys.be/public/oostvlaanderenopdekaart/economieenbuitenlandsebetrekkingen/krachtlijneneconomie/index.cfm](http://www.gouverneurdenys.be/public/oostvlaanderenopdekaart/economieenbuitenlandsebetrekkingen/krachtlijneneconomie/index.cfm).



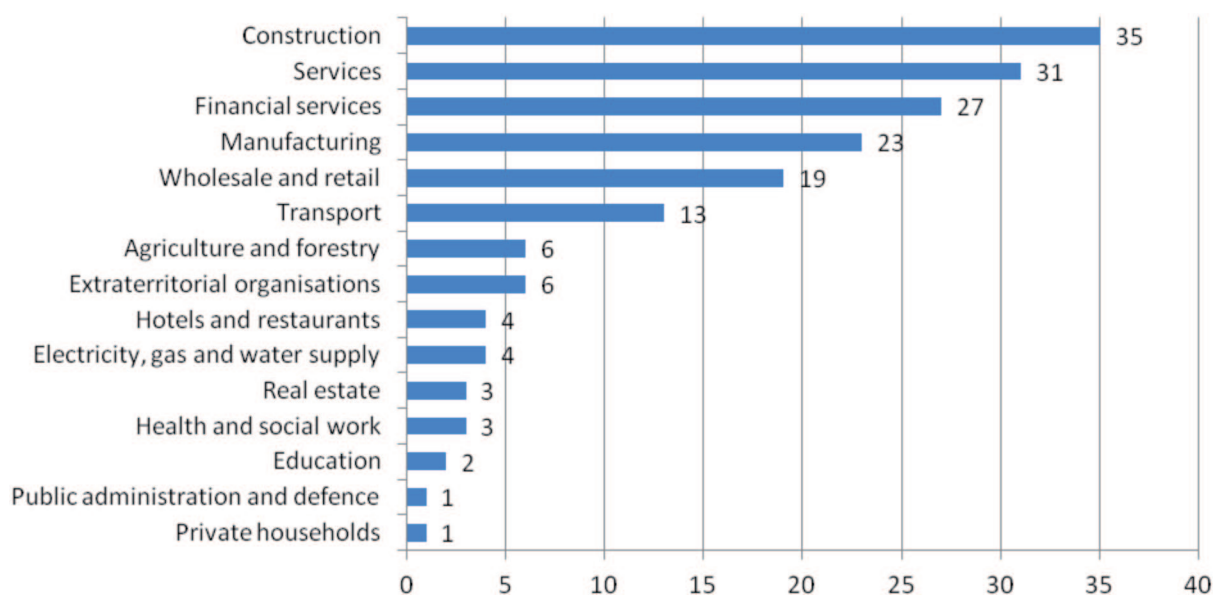
### 3. THE SURVEY

This chapter presents the results from the web-based survey. The first section gives a short description of the participating SMEs and an overall view on training activities in these companies. The following sections investigate more in-depth the benefits and barriers for both formal and informal training. The fifth section analyses the motivation for training in SMEs and with whom they associate for this purpose. The chapter ends with a discussion on skills training and green employment.

#### 3.1 Description of the sample

Only SMEs located in East Flanders were invited to complete the web-based survey. Figure 5 presents the responding SMEs by industry sector. It shows that one fifth of the sample (20%) represents the construction sector, while almost another fifth (17%) is active in the service industry. Furthermore, 15% of the participating SMEs have activities in the financial service industry and another 13% manufactures food products and beverages, textiles, chemicals, rubber and plastic products or machinery and equipment. The rest of the sample is active in other industries, like for example education, transport, private households or real estate. As shown in Figure 5, there was a good representation of different industries in the final sample.

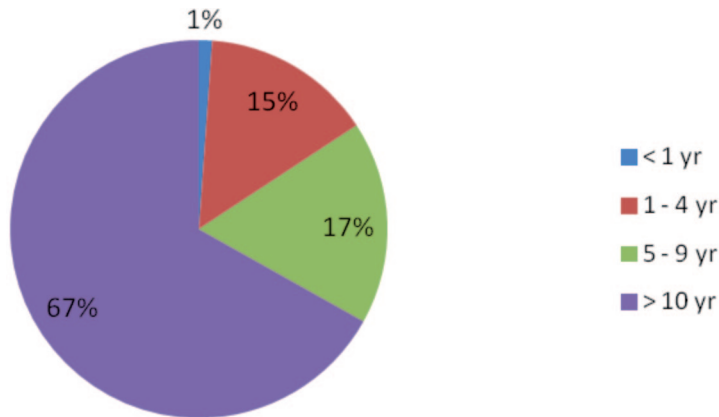
Figure 5. Responding SME's by industry sector





About 67% of these enterprises were well established and in operation for more than ten years, as is shown in Figure 6. 17% of the sample was set up between 5 to 9 years ago. Another 28 companies (out of the 178) were founded during the last four years.

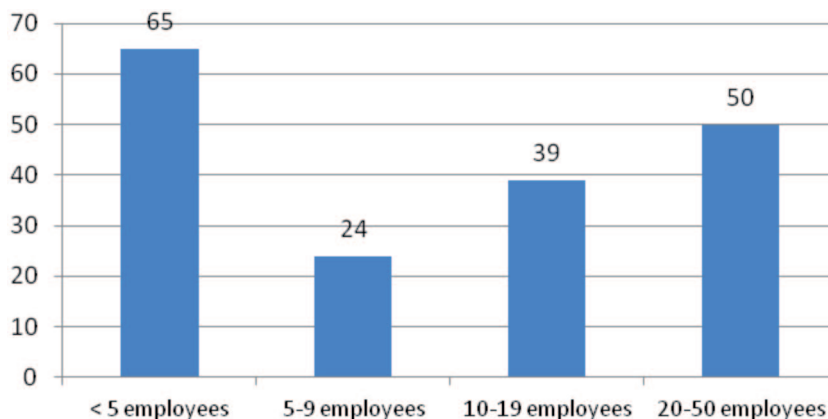
Figure 6. Responding SMEs by age



The responding companies were also asked about their primary place to sell their products or services. Local markets were the primary place for 36% of the respondents, with another 43% reporting national markets. Finally, 21% indicated that their primary markets were international.

Figure 7 presents data on the size of the enterprises who responded to the OECD survey. As indicated in the figure, 37% (65 out of the 178 firms) has less than 5 employees, with another 13% employing 5 to 9 people and 22% employing 10 to 19 employees. Almost one third of the sample (28%) has a workforce of more than 20 workers. In the organisations of our sample, 89% of the employees are identified as full-time and 9% of them are working part-time. The remaining 2% are reported as casual workers.

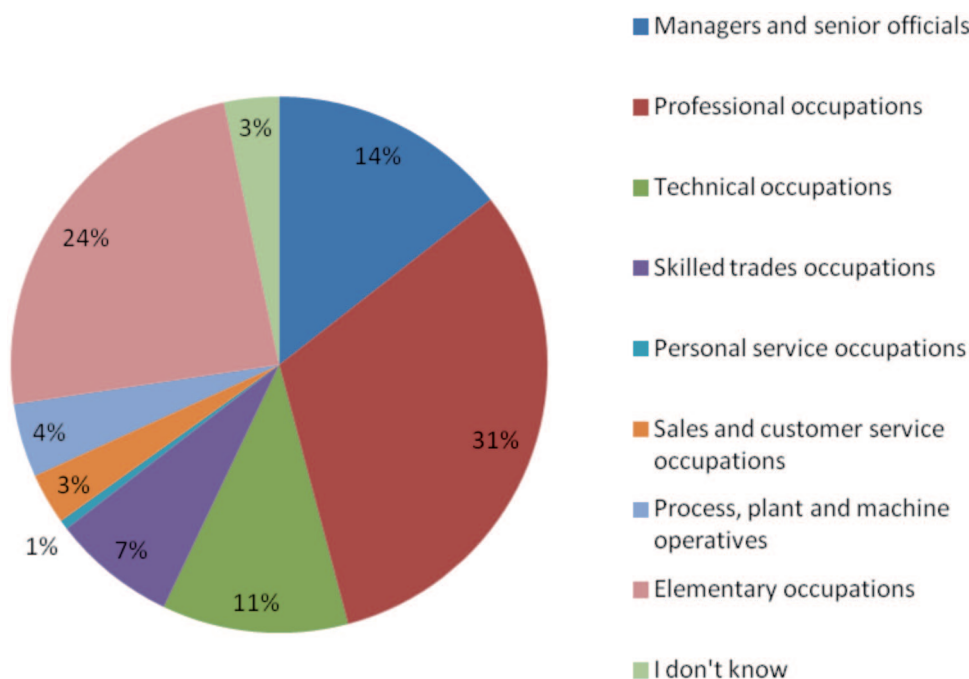
Figure 7. Responding SMEs by number of employees



The survey further asked about the occupation and age structure of this workforce. The answers are summarised in Figure 8 and Figure 9. The questionnaire defined *high skilled* workers as managers, professionals and technicians. In total, 57% of the employees were identified in this category. The skilled trades, personal services and sales occupations were

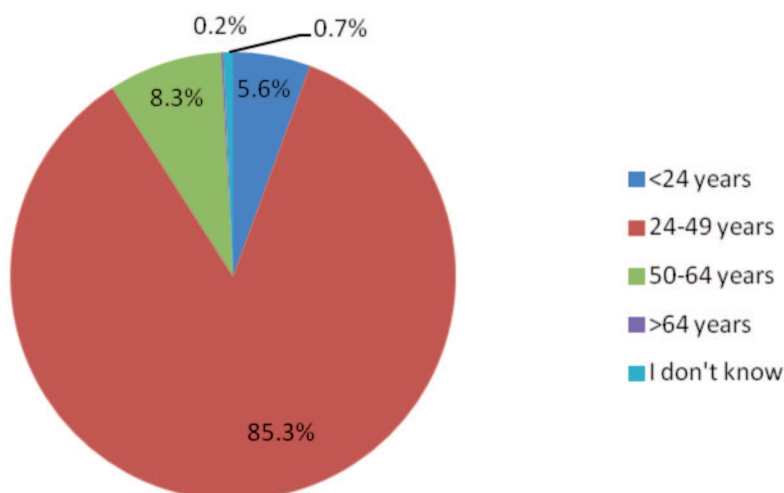
classified as *medium skilled* occupations, accounting for another 11%. Another 28% of the employees were identified as *low skilled* workers (plant workers and elementary workers). Finally, for 3% of the employees the respondents indicated that they did not know to which category these employees belonged.

Figure 8. Occupation distribution of employees



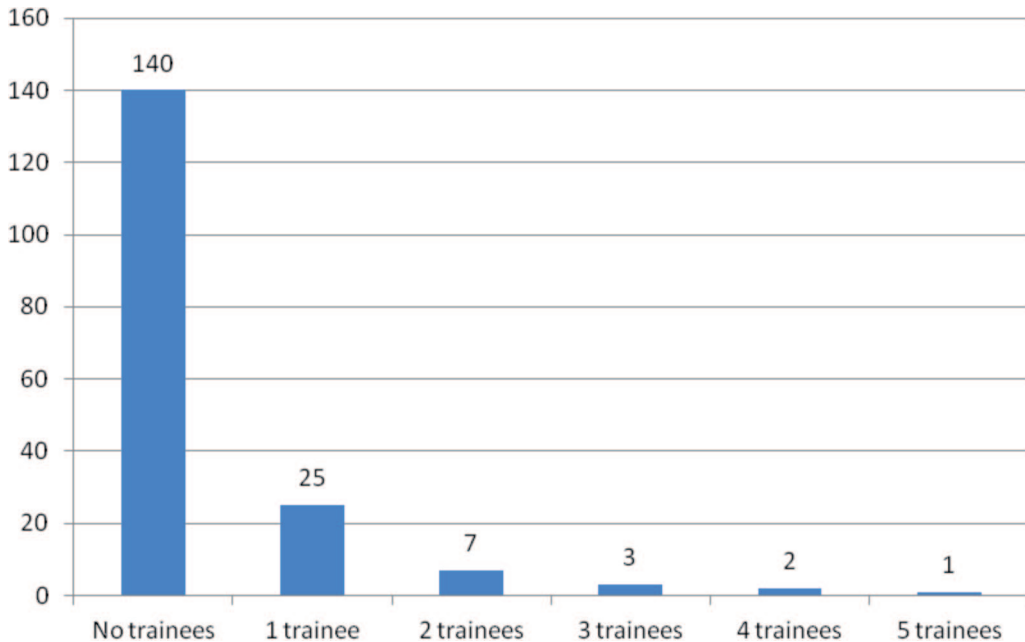
Concerning the age structure of the employees, the majority of employees (85,3%) is between 24 and 49 years old. Only 5,6 % of the employees is younger than 24 and 8,3% is between 50 and 64 years old. Finally, only a small minority of the workforce (0,2%) is older than 65.

Figure 9. Age distribution of employees



Furthermore, the survey asked how many of the firm's employees were apprentices or trainees. Figure 10 records that the majority of respondents (79%) reported that they did not have any apprentices or trainees. There were 25 SMEs reporting one apprentice and only 13 replies indicated having more than one trainee.

Figure 10. **Responding SMEs by number of apprentices/trainees**



#### *Level of innovation*

The questionnaire offered five areas of innovation and asked participants if they had made any changes in the previous twelve months introducing:

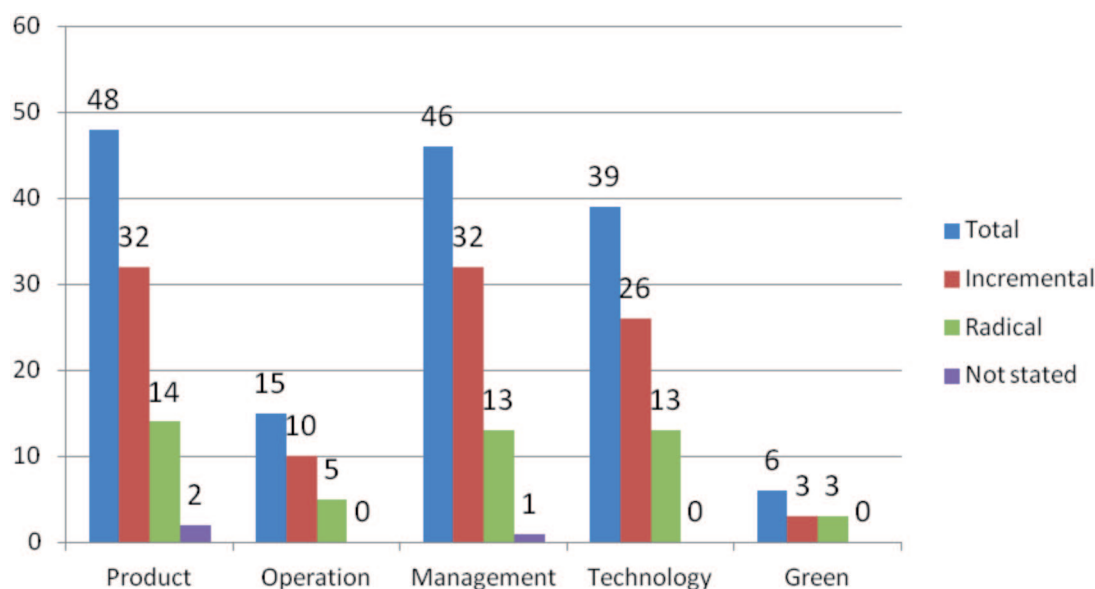
- A new product/service (or substantially changed a product/service);
- A new operational process;
- A new management process;
- A new technology or equipment;
- A new product/service/operation due to climate change regulations.

Where there had been a change, the survey asked for an indication of whether the innovation had been *incremental* or *radical*. The results are presented in Figure 11.

Of the sample, 27 % of the respondents reported that they had introduced an innovation in product or services in the previous twelve months. This was the highest area of innovation, followed by 26% reporting a management innovation and 22% reporting an innovation in technology. An innovation in operational processes was mentioned by 8% of the organisations. Only 3% of the sample reported a change in their company due to climate change regulations. Overall, most of these innovations were incremental in nature.

Following the standard OECD definitions, the more highly innovative firms are those that made at least one *radical* innovation or *serial* innovations in three or four of the five dimensions. Using these definitions, the sample included 31 radical innovators and 8 serial innovators. Only 4 firms satisfy both criteria and are called a highly innovative enterprise.

Figure 11. Innovation in the previous twelve months



### 3.2 Training and skills development

Furthermore, the questionnaire asked the SMEs about their training and skills development activities, concerning the following OECD definitions of formal and informal training:

- **Formal training:** refers to learning that occurs in an organised and structured environment (*e.g.* education, training institution...) and is explicitly designated in terms of objectives, time and resources. Formal learning is intentional from the learner's point of view and typically leads to validation and certification.
- **Informal training:** refers to learning resulting from daily activities related to work, family or leisure. It is not organised or structured in terms of objectives, time or learning support. Informal learning is in most cases unintentional from the learner's perspective.

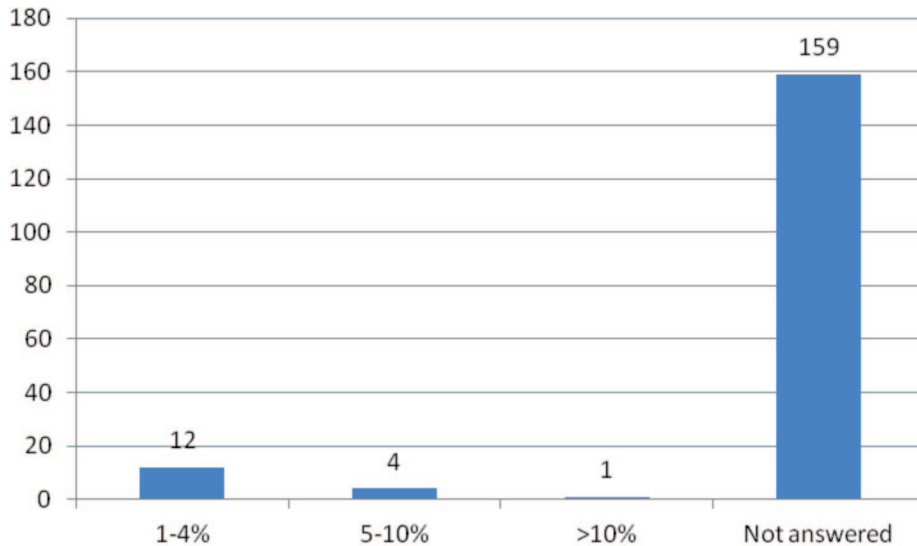
Less than half of the sample (43%) reported having a training and development plan for their employees and 32% reported having an annual training budget. The managers were also asked to indicate the percentage of the training budget on the total wage costs, with the results shown in Figure 12. It must be noted that the response to this question was low, the majority of those responding to this question reveal that they have a training budget consisting of between 1% and 4% of total wage cost.

The next question asked the managers whether the recession had changed any of the following items in their business:

- The number of staff employed;
- The number of young people (< 25 yr) recruited to their first job;
- The number of apprentices or trainees recruited;
- The proportion of employees provided with training;
- Expenditure on training per employee;

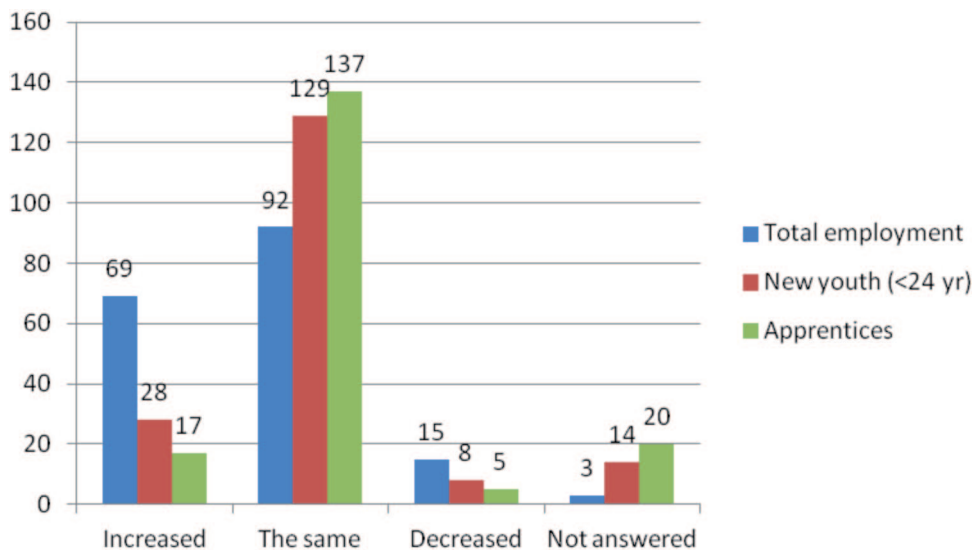
- The emphasis placed on informal learning instead of formal learning;
- The proportion of total training delivered by external providers;
- The amount of formal training, leading to recognised qualifications.

Figure 12. Percentage of the training budget on the total wage costs



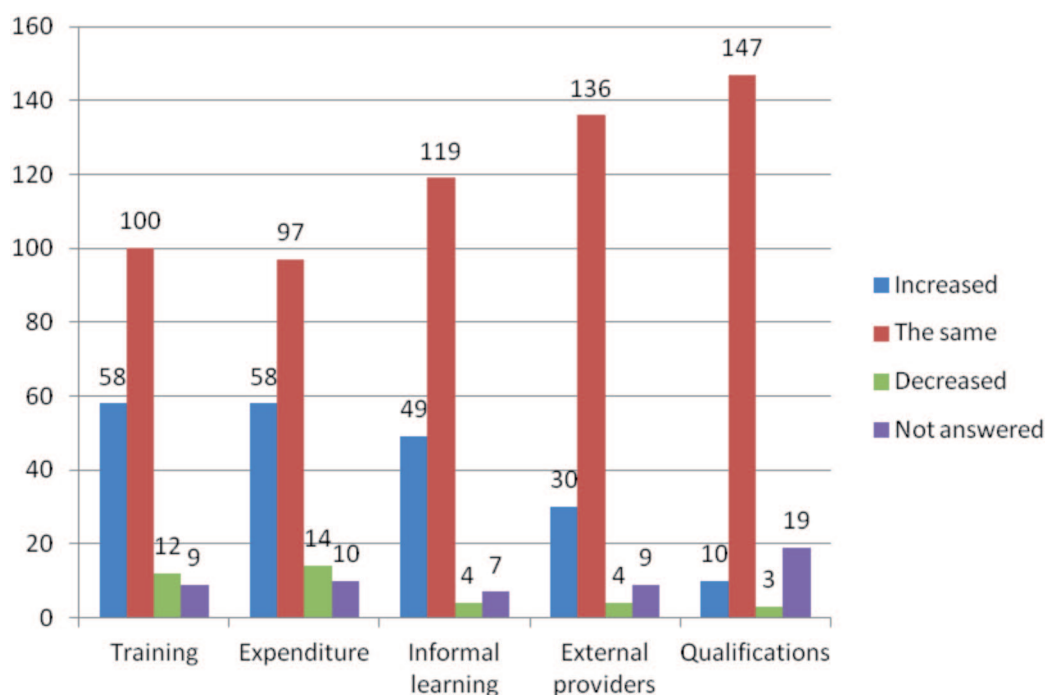
The responses are summarised in Figure 13 and Figure 14. As shown in Figure 13, 39% of the enterprises reported an increase in the total employment, while only 8% reported a reduction. As such, 51% of the companies reported no change. As for the recruitment of young people to their first job, 16% of the organisations indicated an increase and 4% reported a decrease. This means the majority of the sample (72%) reported no changes in the number of young people recruited to their first job. Concerning the change in number of trainees, 10% of the organisations reported an increase while 3% indicated a decrease. Again the majority of the sample (77%) reported no changes in the number of trainees.

Figure 13. Change in employment (last 12 months)



The responses to the questions about changes in training (Figure 14) were dominated by those reporting no change. Approximately one third of the sample (58 out of 179 organisations) reported an increase in the proportion of employees provided with training and the expenditure on training per employee. Furthermore, 49 organisations indicate they placed greater emphasis on informal learning over the last twelve months with only 4 organisations reporting a decrease in the emphasis placed on informal learning. Finally, regarding the proportion of total training delivered by external providers 30 organisations noticed an increase. Not much information was available on the level of qualifications which might be an indication of low interest in certificates of training.

Figure 14. Change in training (last 12 months)



### *Additional training needs*

Respondents were asked where they thought additional training was needed in their business over the next twelve months, covering eight categories:

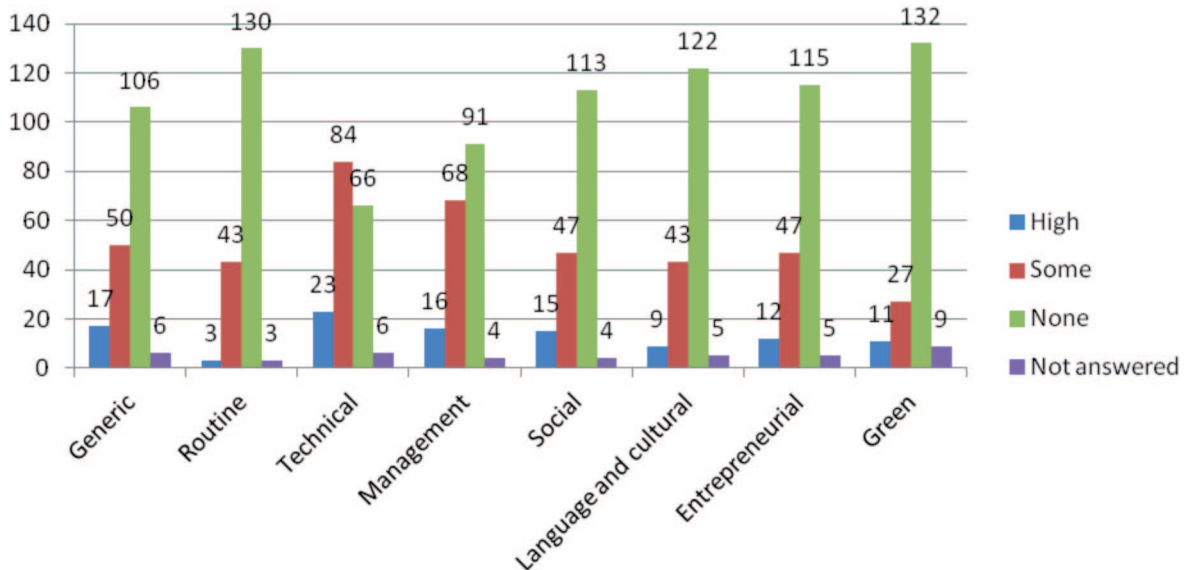
- **Generic skills:** numeracy and literacy, oral and written communication, office administration skills, IT user skills.
- **Routine skills:** basis, repetitive, low knowledge intensive skills.
- **Social skills:** motivation, customer handling, networking.
- **Language and cultural skills:** ability to communicate in other languages, appreciation of cultural differences among ethnic groups.
- **Technical skills:** problem solving; design, operation, rethinking and maintenance of machinery; IT professional skills.
- **Management skills:** business planning, regulations and quality control, human resources planning (recruitment, training and skills development) and allocation of resources.

- **Entrepreneurial skills:** strategic thinking, self-confidence, networking, dealing with challenges and risks.
- **Green skills:** specific skills required to adjust products, services or operations due to climate change requirements.

The results on this question are presented in Figure 15. For each category, SMEs were asked whether there was a “high need”, “some need” or “no need” for training.

Figure 15 shows that 13% of the firms records a high need for training in technical skills, while respectively 10% and 9% of the sample reports a high need for generic skills training and training in management skills. Most of the firms reported no need in training for routine skills (73%) and green skills (71%).

Figure 15. Need for additional skills in the next 12 months



### 3.3 Benefits and barriers to formal training

The second section of the OECD survey asked more specifically about formal training in SMEs. The respondents were asked to indicate if any of their employees participated in formal training in one of the following areas during the past twelve months:

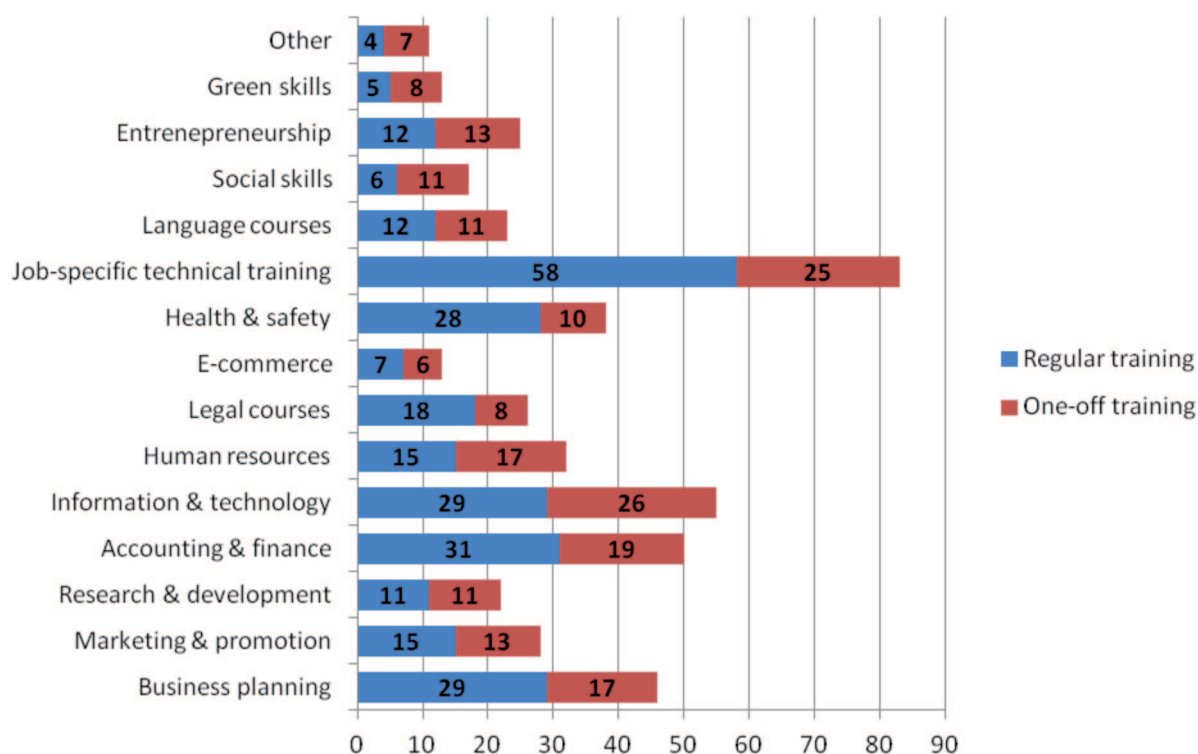
- Management and Leadership
- Entrepreneurship
- Accounting and Finance
- Legal Advice
- Research and Product Development
- Marketing
- Human Resources
- Information and Technology (IT)
- E-Commerce
- Job-specific Technical Training



- Language courses
- Social skills development
- Green skills development
- Organisational Health and Safety

Figure 16 shows that one area, namely job-specific technical training, clearly stands out. Most of the training in this area involved regular training instead of one-off training sessions. Other areas that stand out are “Information & technology”, “Accounting & Finance” and “Business planning”.

Figure 16. Participation in formal training in the last 12 months



The next figure gives an overview of how these formal training activities are organised. It shows that SMEs use a lot of mechanisms to improve the knowledge and skills of their workforce. There is no big difference in preference between on-the-job and off-the-job training. When looking at training within the firm versus training provided by an external provider, 64% of the managers usually applies external training compared to 34% employing in-house training. Most firms (71%) usually prefer accredited providers.

To investigate this more in-depth, the questionnaire asked what percentage of the workforce participated in formal training activities. The results are presented in Figure 17. More than one third of the sample (38%) gives training to almost all its staff (76 to 100%). A remarkable 7% reported a participation of 51% to 75% off the staff. One sixth of the responding SMEs (14%) mentioned that 26 to 50% of the staff was involved in formal training and another third (29%) revealed that it gives training to less than one fourth of its staff (1% to 25%). Finally, 12% of the sample did not answer this question.



Figure 17. Provision of formal training programs

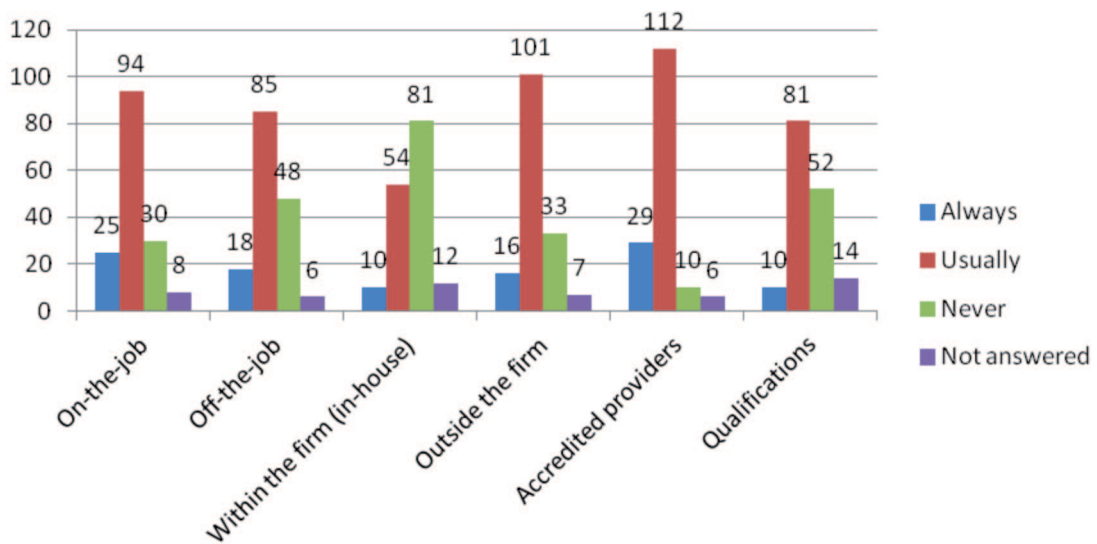
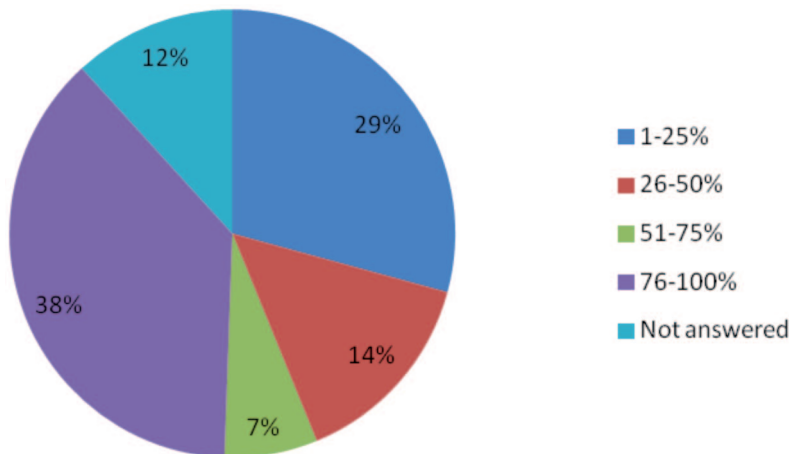


Figure 18. Percentage of staff involved in formal training (% of respondents)



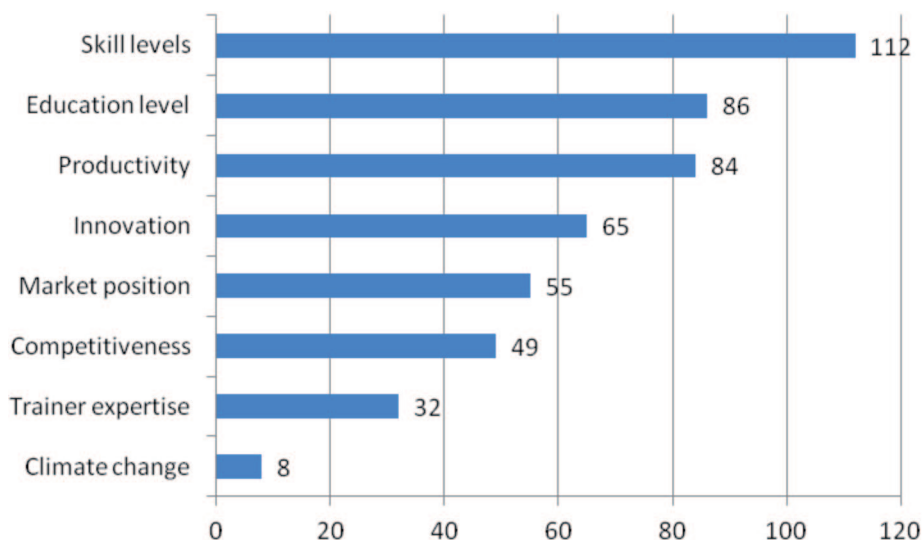
The next question probed into the benefits of formal training to the firm, the industry and the region (East Flanders). Managers could indicate the importance of the following benefits:

- Increased productivity
- Increased innovation (new/improved products, services)
- Market positioning (local/national/international)
- Increased competitiveness
- Upgraded skill levels
- Increased level of education
- Increased level of expertise
- Contribution to the greening of the economy

The results are shown in Figure 19 and Figure 20.

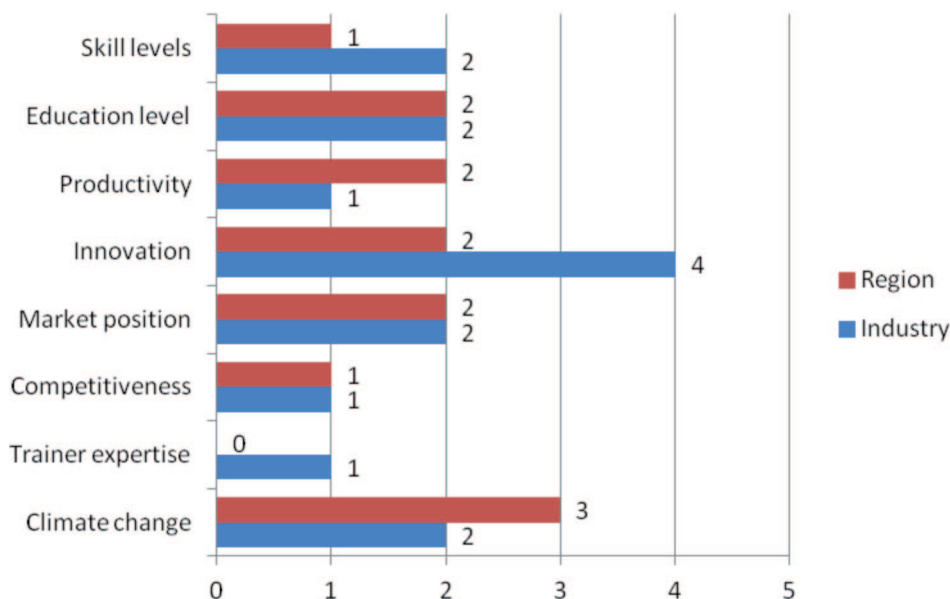
Respondents were far more confident in identifying benefits to the firm (Figure 19) than they were at identifying benefits to the industry and region (Figure 20). In particular, regarding the benefits to the firm, 71% of the sample indicated the higher skills level of the employees as the most important benefit, 55% mentioned the increased level of education and 54% noticed an increased productivity. Again, the figure shows a low impact of formal training on the climate change.

Figure 19. Benefits of formal training to the firm



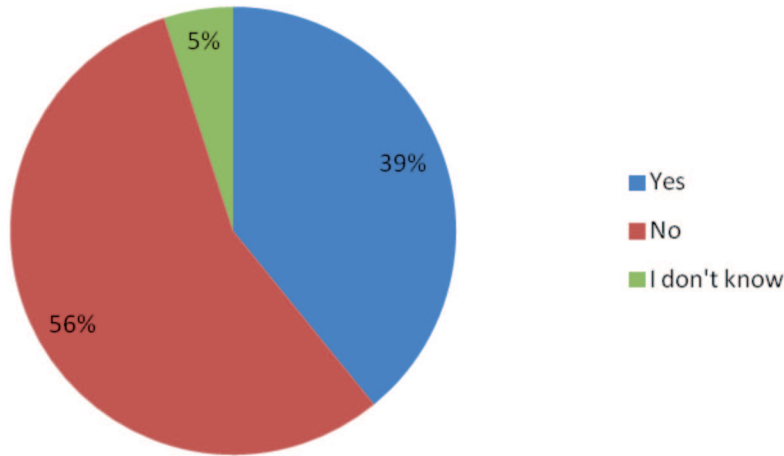
In contrast, Figure 20 recorded no more than 4 respondents recognising a benefit to the industry or the region in each of the categories. This might indicate that training decisions of SMEs are motivated by firm-specific skill needs, with little attention to the value of those skills to the industry or region.

Figure 20. Benefits of formal training to the industry and region



There was also a question asking the managers if there were any training activities they would have liked to be carried out, but did not do in the previous twelve months. This was the case for 39% of the respondents.

Figure 21. Was the desired training not carried out? (% of respondents)

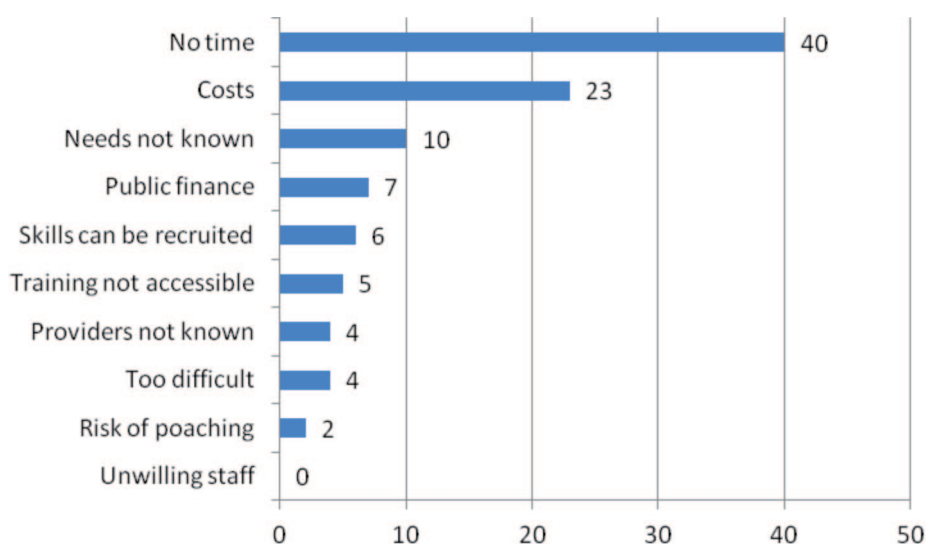
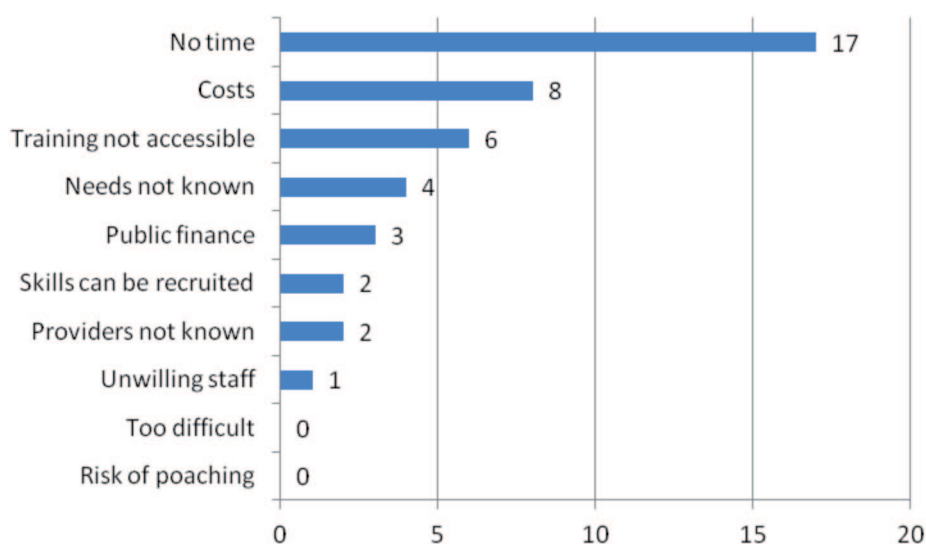


To understand the reason why these training were not carried out, respondents were provided with a list of predetermined options on which they could indicate the reasons for missed training in the last year:

- High costs/too expensive
- Lack of public financing (subsidies)
- People recruited with sufficient training
- No time/impossible to interrupt production
- Difficult to assess enterprise needs
- Staff not willing to participate
- Training too difficult to implement
- Risk of poaching
- Too difficult to identify suitable training providers
- Too difficult to access training (location)

The responses are summarised in Figure 22 for high skilled employees and Figure 23. The lower response rate for low skilled employees is not surprising, recalling that only 28% of the employees in the sample were identified as low skilled.

The top 3 of barriers for employee training of medium and high skilled workers is no time, the high costs and the difficulty to assess enterprise needs. For training of low skilled employees, we see the same top 3 with one exception: the accessibility of training is identified as the third barrier to formal training instead of the difficulty to assess enterprise needs. The low score on the risk of poaching supports the suggestion made earlier that firms tend to limit their focus to the training of firm-specific skills.

Figure 22. **Barriers for medium to high skilled employee training**Figure 23. **Barriers for low skilled employee training**

### 3.4 Benefits and barriers to informal training

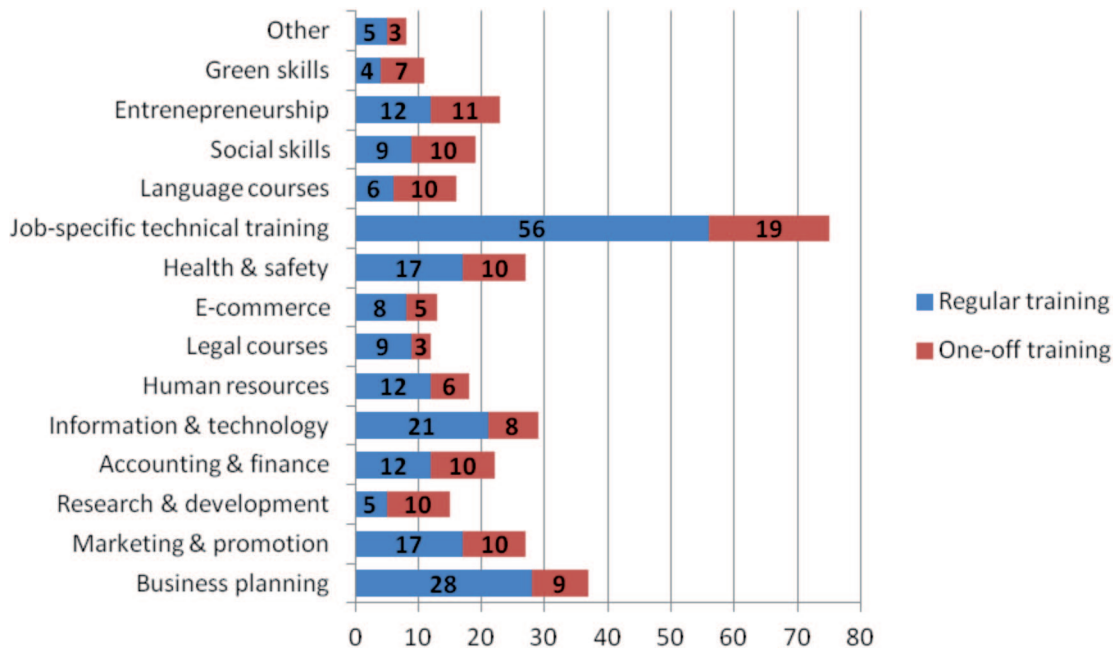
The third section of the survey asked about informal training in SMEs. In this section, the first question asked whether in addition to any formal training activities mentioned in the previous section, the business carried out any of the following activities in an informal way of learning during the past twelve months:

- Management and Leadership
- Entrepreneurship
- Accounting and Finance
- Legal

- Research and Product Development
- Marketing
- Human Resources
- Information and Technology (IT)
- E-Commerce (on-line work with clients and suppliers, access to web-based information)
- Job-specific Technical Training
- Language courses
- Social skills development
- Green skills development
- Organisational Health and Safety

The list is similar to the one for formal training. Figure 24 shows the same interest in job-specific technical training. As was the case for formal training, this training occurs regularly.

Figure 24. Participation in informal training (in the last 12 months)



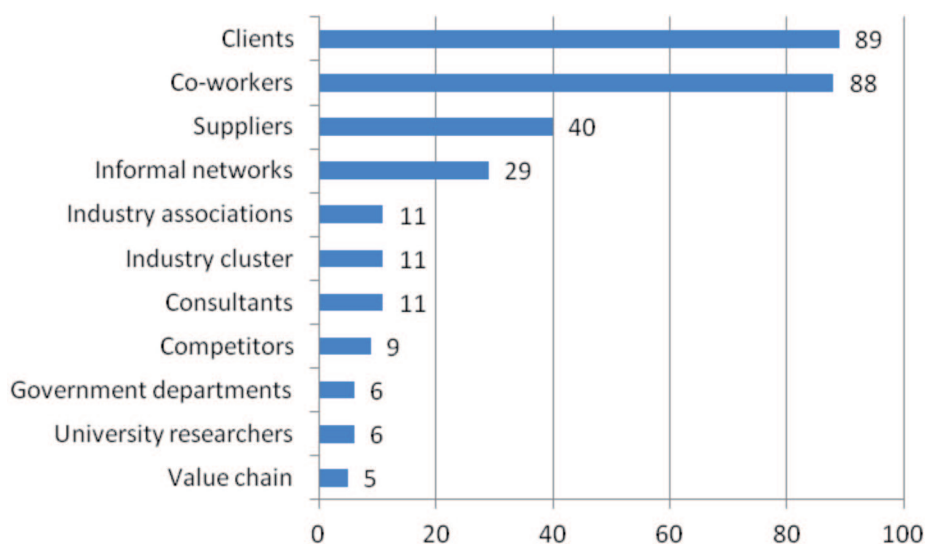
A feature of informal training is that the learning experience takes place through interaction with others. Consequently, the survey sought to identify the most important sources of informal learning and asked the SMEs to indicate the importance of the following groups:

- Co-workers
- Suppliers
- Clients
- Business consultants
- Competitors

- Firms from the same industry
- Firms from the value chain
- Industry associations
- Government departments
- Informal networks

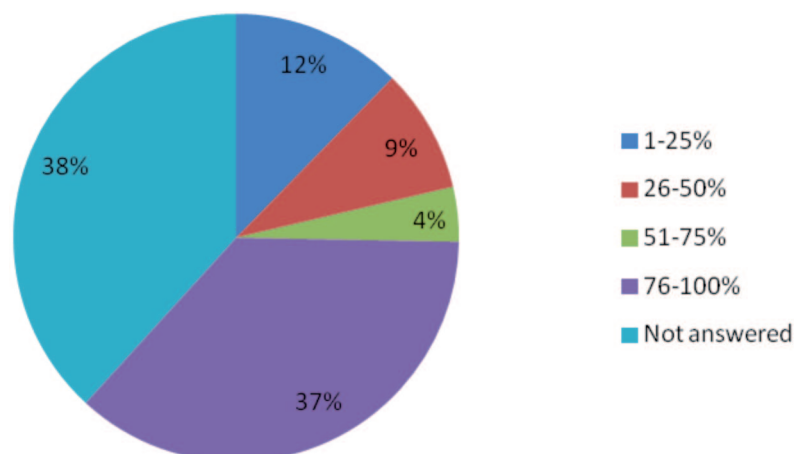
Figure 25 clearly shows that clients, co-workers, suppliers and informal networks are the most important sources of informal training.

Figure 25. Sources of informal training



The pie chart below shows the results for the question on participation of employees in informal training activities. More than one third of the sample (37%) indicated that more than 75% of their staff were involved in this type of training, with a further 4% reporting a participation of 51% to 75% of its staff. Furthermore 9% of the SMEs reported a participation of 26 to 50% of its workforce in informal training and another 12% of the firms

Figure 26. Percentage of staff involved in informal training (% of respondents)



indicated that less than 25% of its staff received this training (1% to 25%). Finally, 38% of the respondents did not answer this question.

Respondents of the survey were asked to indicate the benefits to employees from their participation in informal training. The results are presented in Figure 27 and Figure 28.

The data in Figure 27 show that for high skilled workers, informal training leads to better technical skills, social skills and routine skills. For low skilled workers, informal training mainly results in improved technical skills, routine skills and generic skills.

Figure 27. Improved skills by informal training

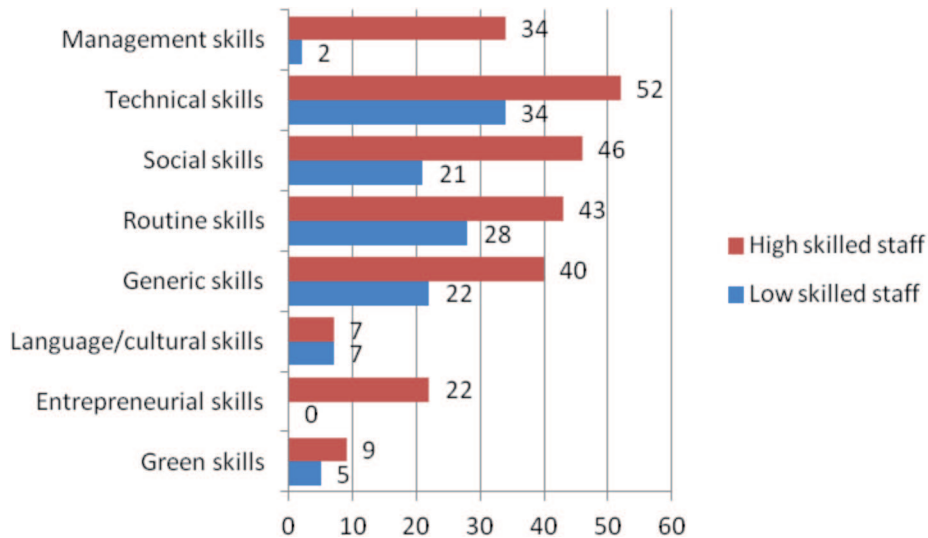
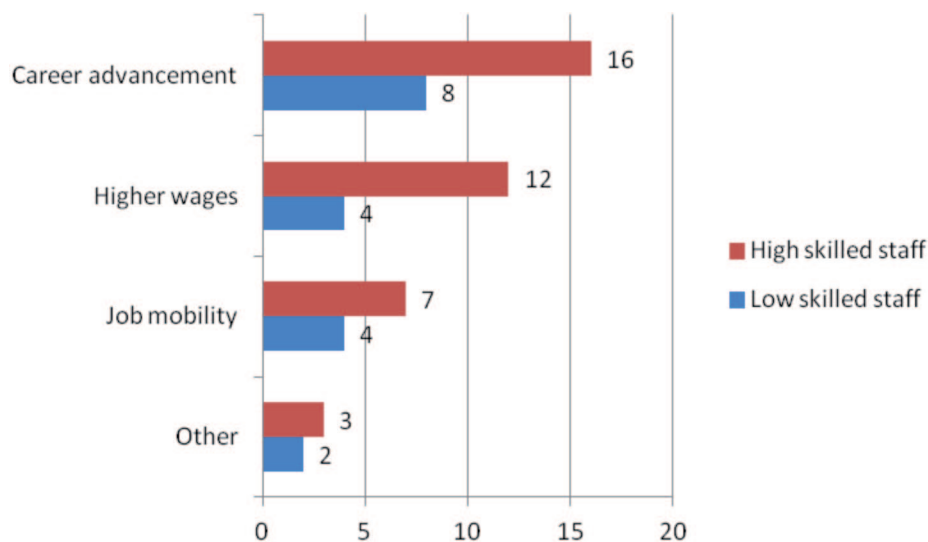


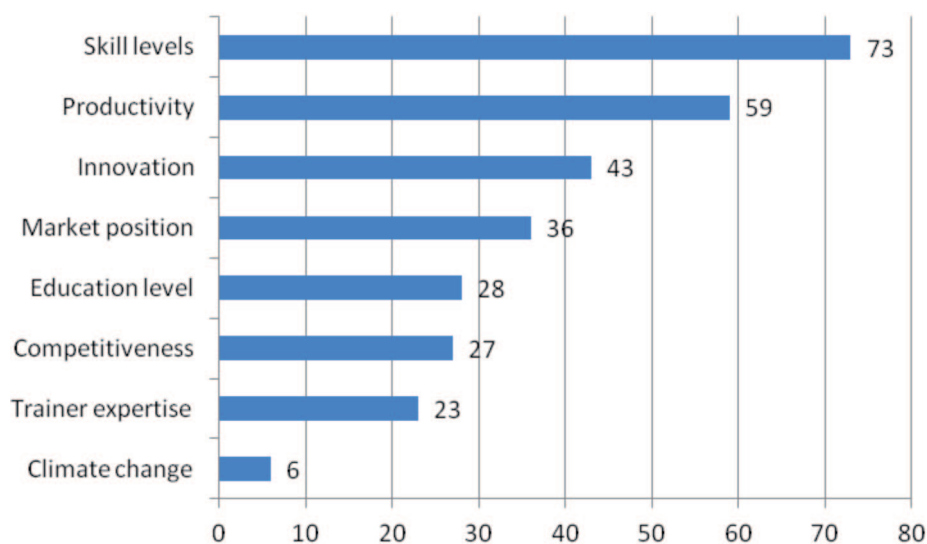
Figure 28 shows the other employee benefits from informal training for high skilled and low skilled employees. Both for high skilled and low skilled employees career advancement is seen as the most important benefit resulting from informal training.

Figure 28. Other employee benefits from informal training



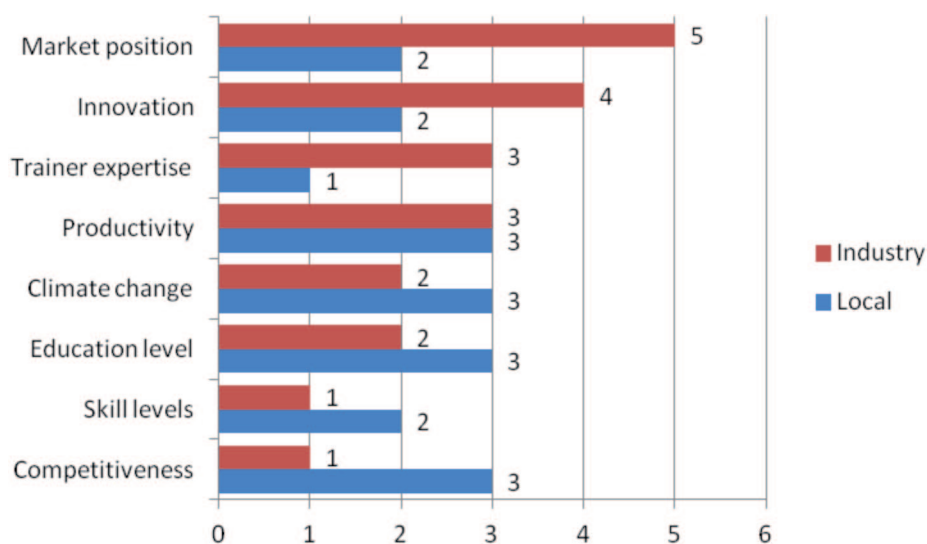
As it was the case for formal training, respondents were asked to identify the benefits from informal training to the firm, the industry and the region (East Flanders). The results are shown in Figure 29 and Figure 30. Again, the respondents were far more confident in identifying benefits to the firm (Figure 29) than they were at identifying benefits to the industry and region (Figure 30). The most commonly reported firm-level benefits were an improvement in skill levels (66%), better productivity (54%), innovation (39%) and an improved market position (33%). Note again the low impact on climate change.

Figure 29. **Benefits of informal training to the firm**



In contrast, Figure 30 records that no more than 5 respondents recognised a benefit of informal training to the industry and the region for the different response categories. Again, this result may suggest that the enterprises are more focusing on training their employees in skills that are specifically needed within the firm. The highest ranked benefit to the industry

Figure 30. **Benefits from informal training to the industry and region**





was a better market position, more innovation, higher levels of trainer expertise and higher productivity. The benefits recognised for the region were higher productivity, a positive impact on climate change, a better education level and more competitiveness.

Finally, section 3 asked the participants if they considered any of the informal training activities listed before, to be better sources of learning than formal training activities. They were asked to differentiate between medium to high skilled workers and low skilled employees, with the responses presented in Figure 31.

Figure 31. **Better sources than formal education**

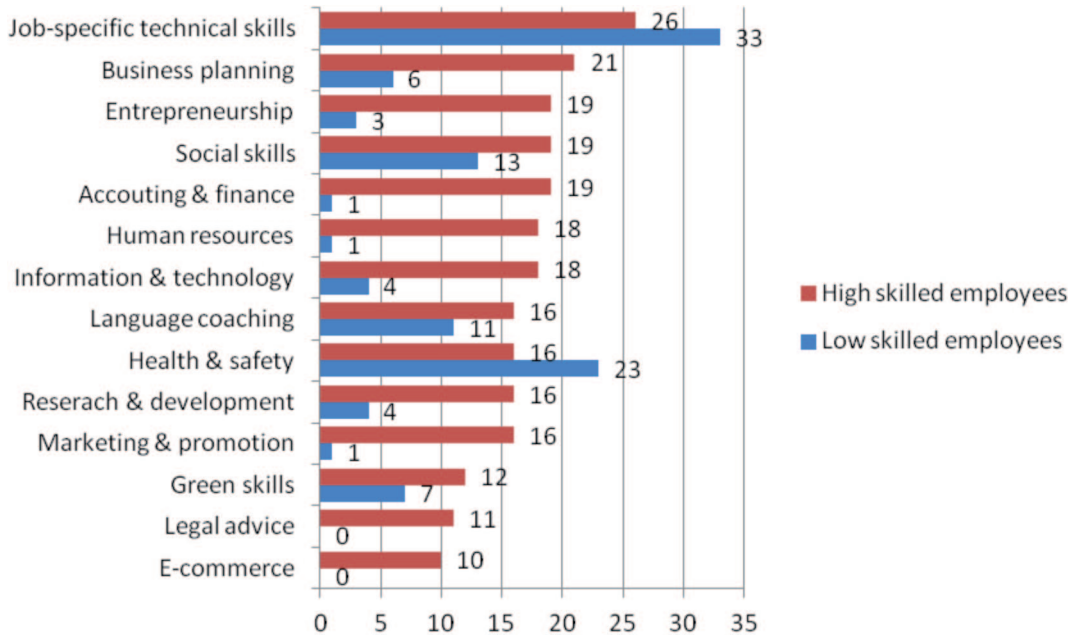


Figure 31 shows that managers of SMEs think that their high skilled staff learns more on job-specific technical skills and business planning in an informal way through learning from others than by formal education or training courses. For low-skilled employees, managers of SMEs believe that their employees learn more through informal training for job-specific technical skills and health & safety.

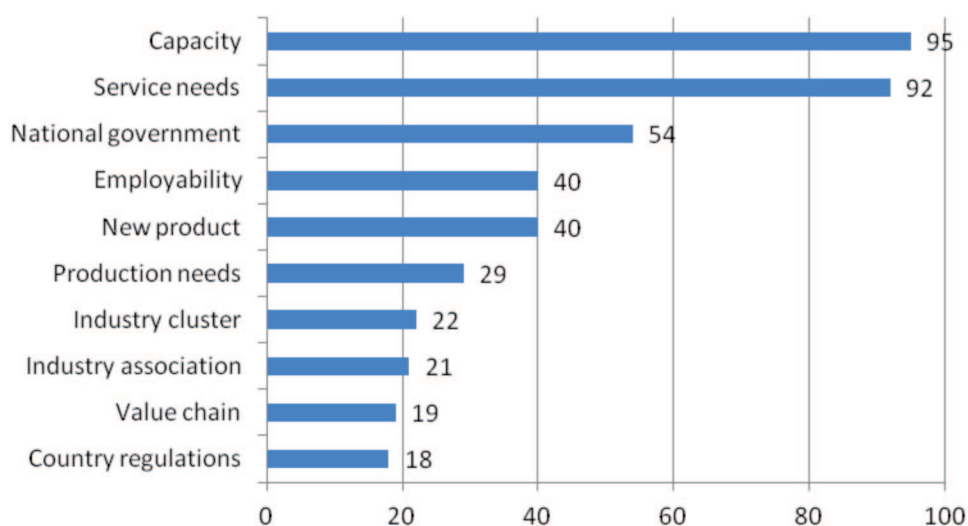
### 3.5 Motivation and collaboration for skills training

The final section of the survey asked about the reasons for training and skills development in SMEs and about the organisations with whom their business associates for this purpose. For the first question, respondents were offered a comprehensive list of possible motivating factors (Table 4) and were asked to indicate the relevance of these possibilities for training in SMEs. Figure 32 and Figure 33 present the top 10 factors for formal and informal training respectively.

The first point to note from the two figures is the higher response rate for formal training. The top five for this category of training is: capacity expansion (53%), service requirements (51%), national government (30%), increasing employability (22%), and product/service development (22%). As such, except for national government programmes,

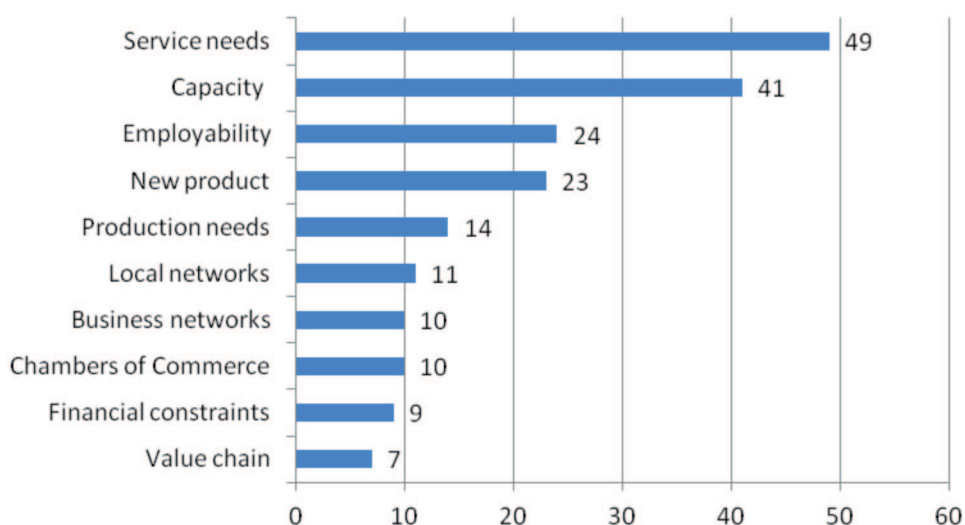
Table 4. **Motivations for participation in formal and informal training**

<i>Public Incentives/Government Programs</i>	
International (e.g. EU policies)	
National (country specific government programs)	
Country regulations (e.g. training requirements)	
Regional Programs	
Local Programs	
<i>Private Incentives</i>	
Collective agreements (unions)	
Industry sector associations	
Chamber of Commerce	
Industry clusters	
Value chain firms	
Business networks	
Local networks	
Foundations	
<i>In-house Incentives</i>	
Production needs	
Service requirements	
New product/service development	
Increase in employee skills level	
Adjustments to financial constraints	
Adjustments to climate change	
Job adjustments	

Figure 32. **Motivations for participation in formal training (Top 10)**

SME's are mainly motivated by in-house incentives to conduct formal training. Figure 33 shows that the top 5 for informal training is determined completely by in-house incentives: service needs (27%), capacity expansion (23%), increasing employability (13%), product/service development (13%) and production needs (8%). As such, in general we can say that the motivation for training (both formal and informal) comes primarily from the business needs of the SMEs.

The second question asked the SMEs to cite the organisations with whom the business associates for training and skills development activities. The predetermined list and the

Figure 33. **Motivations for participation in informal training (Top 10)**

number of positive responses are presented in Table 4. Institutes of technology and business organisations tend to be the most important associate in formal training, while the Chambers of Commerce associate the most with SMEs for informal training activities.

Table 5. **Organisations with whom SMEs associate for training**

Type of organisation	Formal	Informal
Industry training organisations	23	6
Institutes of technology	67	6
Universities	10	5
Trade Unions	17	0
Business organisations	38	1
Chambers of Commerce	7	11
Firms from the value-chain (suppliers, clients)	5	2
Government Departments	7	3
Private consultants	7	6
Private training providers	6	8
Local councils	1	0
Local community organisation	4	0
Other parts of the same enterprise group	6	2
Other education providers	1	4

### 3.6 Skills training and “Green Employment”

The survey also enquired upon the impact of climate change regulations on SMEs. In a recent working paper, prepared as part of a project on *Climate Change, Employment and Local Development*, undertaken under the auspices of the OECD LEED Directing Committee, the following is stated: “Labour markets must be adapted to achieve more jobs and better quality jobs to move towards a low-carbon economy. This requires strengthening education and training systems as well as supporting skills development activities both at the industry and public sector levels for which we have little knowledge and understanding of the dominant dynamics” (OECD, 2010, p5).

Consequently, the OECD added a number of questions relevant to the issue of skills training and “green employment” to the survey. Data from the survey (Table 6) show that only 6 of the 178 SMEs (3%) reported a change in the previous twelve months in terms of introducing a new product, service or operation due to climate change regulations. This percentage is extremely low compared to other forms of innovation (27% of the SMEs reported a product innovation, 26% of them reported a management innovation, 22% introduced a technology innovation).

Even though only 3% of the responding SMEs made an innovation due to new regulations, one fifth of the sample (21%) recognised some need or a high need for additional training in the coming year concerning green-specific skills. Furthermore, 8% of the companies reported that their staff already participated in training activities concerning green skills development.

We can conclude that the awareness of firms regarding green skills and training needs on this area appears to be limited. Some need of skills upgrading is foreseen, but there is relatively little knowledge of the areas and the way the training should be implemented. The results suggest that existing “green” education and training participation is very limited nowadays.

**Table 6. Responses about “Green Employment”**

*Has your business made changes in the past 12 months in terms of introducing a new product/service/operation due to climate change adaptations/regulations?*

Yes	No	Not Answered
6	167	6

*Do you think additional training is needed in your business over the next 12 months concerning green-specific skills required to adjust your products, services or operations due to the climate adjustments/regulations?*

High Need	Some Need	No Need	Not Answered
11	27	132	9

*Did any of your employees participate in training activities in the area of green skills development during the past 12 months?*

Regularly	One-Off	Did Not Do	Not Answered
5	8	160	6

*In your opinion, did your employees get any of the following outcomes wanted from the above training: improved green skills (e.g. adjusting to climate change)?*

High-Medium Skilled Staff	Low	Neither Group Skilled Staff
10	7	41

*In addition to any training activity that was mentioned before, did your business carry out, in the past 12 months, any other (informal) activity which significantly increased the green skills, competencies or knowledge about the climate of your employees?*

Regularly	One-Off	Did Not Do	Not Answered
4	7	157	11

*In your opinion, did your employees get any of the following outcomes from participating in (informal) activities: improved green skills (e.g. adjusting to climate change)?*

High-Medium Skilled Staff	Low	Neither Group Skilled Staff
9	5	27



## 4. THE WORKSHOP

The web-based survey was the first pillar of the research project and provided quantitative data on training activities in SMEs. A second aim of the OECD project is to obtain a clear view on the existence of a regional training ecosystem in the selected region (East Flanders). Therefore, different stakeholders were invited to discuss these topics during a workshop held in Ghent on the 16<sup>th</sup> of June 2010. This chapter gives a summary of the insights obtained during the different discussion sessions.

During the workshop first a presentation of the survey findings was given to all participants. The numbers and figures shown served as input for the detailed discussion of topics addressing the purpose of this study.

### 4.1 THEME 1: Training and skills development in SMEs

The first thematic discussion asked the participants about training and skills development in general. They were invited to discuss the following questions.

- *What are the motivations to provide training in the company?*

There are different motivations for companies to provide training for their employees. Some of them train their employees because they are obliged to do so by public regulations. Sometimes SMEs also feel pressured to provide training by industry funds (e.g. safety courses in the construction sector), important clients (to obtain a certificate) and other stakeholders. Occasionally, even suppliers offer a training programme, in which they expect their clients to participate.

In other companies, training is embedded in the company philosophy. These enterprises really want to invest in their people and make them feel good. As such, training is a part of the employee retention program. These training possibilities must attract people, give them future perspectives and let them feel there are possibilities to grow within the company, even in a small enterprise. If a firm offers its staff durable jobs, employees will be committed to the company and a sense of togetherness will grow. Unfortunately, small and medium-sized companies are often insufficiently aware of the return they might get from their investment in people.

- *Is training reaching the low-skilled, younger or older workers and disadvantaged groups?*

One participant of the workshop stated the following: “Nobody lives long enough to make all possible mistakes in the world; therefore, you have to learn from the mistakes of other people”. As a matter of fact, participants of the workshop clearly stated that employees can learn the most in an informal way. This is especially true for low skilled workers. Because they mostly have negative associations with school, they are more open to learning in an informal way. They need practical application of theory and real-life exercises (e.g. calculating the surface of a wall).

Low-skilled workers mainly learn from each other. Therefore, projects with a godfather and mentorships are very interesting for them, because the senior employee with a lot of experience can show the junior how things work. The disadvantage of this kind of learning is the fact that it is time-consuming.

Note that informal learning is also an interesting tool for other target groups, such as high skilled workers. In management schools for example, people can learn from each other's experience in business games. However, there seems to be a tendency to enrol high-skilled employees in formal training and to emphasise informal knowledge transfer for low-skilled workers.

- *How different are small companies compared to large enterprises?*

SMEs and large enterprises appear to be totally different organisations. For example, SMEs need more tailor-made, company-specific trainings. This is due to the limited, though highly specialised set of skills they apply. Employees in smaller firms must also be more flexible and capable of multitasking than the staff of large firms. Functions are less strictly defined and one person often fulfills multiple roles. In contrast, SMEs have a more personal context and are less hierarchical than large enterprises.

Consequently small and medium-sized firms have a different view on HR management. Large enterprises are in general more structured in the domain of human resources, where each employee has a development plan and is evaluated several times a year. Usually, neither formal development plans nor performance evaluations are used in SMEs. Growth and development is achieved in a spontaneous and organic way, by responding to immediate needs. For example, when SMEs want to recruit extra people, they often ask their current employees to browse their networks and hire through references.

- *What are the barriers for training activities in SMEs?*

The participants in the workshop found a number of barriers to training. These barriers are proper to SMEs all over Flanders, not only to East Flanders.

Nearly all stakeholders referred to the classic obstacle of practical feasibility as the most important barrier. Lack of time or money was of minor importance compared to the practical issues. SMEs cannot easily afford to let their employees attend training sessions during working hours, because this means they cannot execute their normal function in the meantime. The solution to the problem of practical feasibility requires some flexibility. Small and medium-sized companies prefer short-period training programs. As such, courses could for example be split into two half days, instead of one full day. In companies with seasonal demand, it might be possible to provide training during the calm periods.

Secondly, the manager's mentality is perceived as the second most important barrier to training. This obstacle concerns the mindset in the company, namely the extent to which there is interest and awareness of the importance of skills development. It also contains the willingness of the business manager to invest in employee education. The mentality of SMEs is in general that training only comes to mind when there is an urgent need. Moreover, training is perceived by many of them as a cost rather than an investment. They do not see any return on the long run. They are convinced that education is not productive and that the acquired knowledge is fleeting, because too often it is not directly applicable.

In order to change this mindset, authorities and training providers should point out the added value of training for the individual company, so that companies understand the merits of training for their company. More and more SMEs must realise that if they want to keep up with the industry, they need further training and development.



If the manager is convinced of skills development, it can still be a challenge to convince the employees. One of the workshop participants reported that sometimes employees bluntly refuse to take courses and explicitly take a day off on training days. Contrarily, in other companies, the only motivation to attend schooling is precisely the fact that the employees get paid without needing to do their regular job. A significant difference was reported between the attitude of employees and the attitude of hand workers. For hand workers, participating in formal training often requires a bigger effort.

One cause for disinterest can be a lack of familiarity with training. Training entails change, and change implies fear. Secondly, there can be a lack of interest because employees feel they already possess the required knowledge. The skills needs are not perceived by the staff. Involved parties emphasise the importance of a powerful HR policy in general, of which training is an essential aspect. If training is linked to a broader framework, the benefits are also clearer to employees. Consequently they can be motivated more effectively.

The financial costs of training are awarded the third most important barrier for SMEs. Providing training is expensive. For SMEs who want to make intensive use of training, the subsidy budgets are insufficient. As a consequence, companies cancel or delay training. Obviously this slows down the pace of innovation and skills improvement in the firms.

Moreover, the current support mechanisms often miss the objective. Educational funds are still being consumed by large enterprises, instead of SMEs. For small companies, it is not easy to find their way to subsidies and adequate training, because not enough communication is provided toward them. An inestimable additional barrier is the administrative burden to obtain financial support.

In addition to the aforementioned three main obstacles, several more small issues can be distinguished. The first one is related to the small size of the companies. Sometimes there are not enough participants to be able to organise formal training. If there are, for example, two people in a company that could benefit from a certain technical training, it is not affordable to hire an external trainer for a course. Collaboration with other companies in a similar situation could be a solution, although it is far from evident.

Another issue is a lack of specific training opportunities. The educational system is not flexible enough for the needs of SMEs. Often the required skills are very specific and SMEs want just-in-time solutions for the problems they encounter. Whoever aims to fulfil the training needs of SMEs, needs to adapt to its specificities. Industry funds are able to organise training within three weeks of request.

## 4.2 THEME 2: The role of training networks

During the second discussion round, participants were asked to consider the following questions:

- *Discuss the role of the government, public agencies, business organisations, trade unions, training providers and education institutes on the functioning of a training system in East Flanders. What kind of interactions and projects currently exist?*

For training and skills development, there are two channels in Flanders. The first channel is training by private companies, who mostly provide a combination of coaching, consulting and teaching. These are non-subsidised and make private training corporations often unaffordable for SMEs, despite available funding. The second channel is public training by large accredited schooling providers. Government support is available for this



kind of training. Training from public agencies is available for everybody, but is sometimes too general and therefore not useful for the company. Industry funds do also exist and are specific for each sector. They have expertise, give advice and install trainings (e.g. safety course). In this way, all managers of companies in the sector come together and learn from each other experiences. This system allows to reach smaller companies.

The financial aid for training and skills development is provided in several ways by the government. The first possibility is educational cheques. A company receives an amount of cheques each year based on the number of cheques that have been used the previous year. Large companies are entitled to more educational cheques than small companies. Now, the system is gradually being replaced by the “SME Portefeuille”, which is a fund that contributes 50% of the cost of training or advice upon request. The procedure to apply for subsidies is perceived to be lengthy and complicated. Besides, there is no clear overview of the criteria to qualify for support.

Another tool is a grant for educational leave for employees who want to follow long-term external schooling. Mostly, this is inspired by personal ambitions, but companies can benefit from the training of the employees as well. Another possibility is the industry funds. These funds are semi-governmental organisations founded with the objective of bringing training closer to the companies. They organise training, raise awareness for the topic and try to provide an overview of the different training possibilities. On a financial level, the wage cost of employees during training is completely reimbursed. Finally, SMEs can also be considered for ESF projects from the European Commission. A significant number of East-Flemish SMEs in the sample participated in these projects.

- *How effective are the current policies and existing programs?*

One of the main insights from the workshop is that there are several inefficiencies in the current training policy. First of all, there is no clear overview of what kinds of training exist in Flanders. It is very hard for companies, and especially for small enterprises, to know the offer on training and to find the specific education they are looking for. The website of the VDAB, called “Become what you want”, gives an overview of all trainings, but even here there is need for more structure and clarification. A solution to this problem could be the creation of a general governmental website or organisation that offers a clear overview of training in Flanders. A second recommendation for this problem is the use of more intermediaries or consultants that can guide the enterprises, and especially small firms and starters, in the broad supply of training systems.

Secondly, there is a lack of communication on the importance and value-added of training in companies. Therefore, the government must give, next to a clear overview of all possibilities, more information about training.

- *How can the linkages between firms and training organisations be increased in East Flanders?*

Although there is a broad awareness, the importance of networking and communication with other companies, institutions and organisations cannot be stressed enough. Working together and exchanging knowledge can be a win-win situation for both parties.

In East Flanders, there are a lot of possibilities to network. For example, the godfather project called PLATO, installed by VOKA, is an opportunity for young companies to learn from older enterprises. Some companies in specific sectors also send their newsletter to each other to see what happens in the industry. “The Belgian Positive Entrepreneurs” is an example, albeit still in embryonic stage, where entrepreneurs concerned about corporate social responsibility

come together and exchange experiences. Another example is Gent BC, which provides a platform that brings all companies in the technology industry together. This way, the participants can learn from each other and find solutions for problems.

All the participants of the workshop feel that it is important to work together in order to achieve good knowledge interaction. Today, there are some partnership between academic institutions and business organisations. Through the system of apprenticeships, students can be introduced to the ins and outs of companies. One problem mentioned on the workshop however, is that SMEs feel academic institutions are insufficiently flexible to help them with specific questions. The presence of universities and colleges in East Flanders can be noticed by the spin-offs in the region, but the interaction should increase even further.

### 4.3 THEME 3: Skills needs

In the third part, participants were asked to discuss about the following topics:

- *What kinds of skills are necessary in a company today?*

Depending on the industry the company is active in, there is a high need for technical skills. Next to industry-specific skills, there seem to be a few recurrent skills needs. With the rise of information technology, a strong demand for ICT skills came to stay. Even the knowledge of multiple languages becomes more and more important, as more companies become international, even the small ones.

This has an impact on the recruitment process of companies. Today, companies are focusing too much on the search for technical skills and are not aware of the growing importance of soft skills. Furthermore, people have to work in teams and have to take on a wider range of responsibilities. Today, employees have to be able to cope with change and they must be able to select the right information out of the enormous stream of information on the internet.

Communication is also considered a very important (social) skill. Technical skills can be developed, but social skills cannot. Therefore, it is important to attach more importance to these skills during the recruitment process. The SMEs should become aware that needed skills can be learned within the company and it is more important to recruit people who are willing to work, motivated and eager to learn.

- *Are there any clear skills shortages being experienced by firms in the region? What could be done by public agencies intermediaries, business organisations and training organisations to reach the level of skills needed?*

Another hot topic during the discussions in the workshop was the low quality of basic skills of employees in general. The question rose: Who is responsible for the training of generic skills? Is it merely the education system in Flanders?

A study in The Netherlands showed that a large number of accidents are due to low literacy skills of workers. These workers are having difficulties in passing a test at the end of a course, not because they do not know the answer, but because of the test itself (literacy, numeracy). It is difficult for them to understand the questions, not to answer them.

Therefore, basic education is very important. Moreover, one should not only focus on the skills to learn, but also on creating a positive attitude towards learning. Constantly learning and adapting to change is very important to survive in the current times. Therefore, there is a strong need for willingness to learn.

#### 4.4 THEME 4: Outcomes of Training

The final thematic discussion was introduced by a remarkable survey observation. Most respondents recognised beneficial outcomes of training and competence building activities for their firm, but fewer reported benefits for their industry or local region). Workshop participants were subsequently asked to consider the following:

- *Are local firms visibly influencing skills levels in the regional workforce? Is the region missing out if firms are only able to invest in training that produce immediate benefits to their business?*

Participants find that it is very difficult to measure the effect of training on a regional scale. People often talk about the skills that are needed on the labour market, but they have no clear view on the skills that are needed in a specific region such as East Flanders. As is shown in the results from the survey, it is easier to see the effect of training on the improved skills level of employees and on the growth of the company itself.

Nevertheless, a good image and an attractive region are very important. Because it is sometimes difficult to find workers for a specific job, numerous companies bring in workers from other countries. To resolve the issue, companies in the region could establish an image of providing training and investment in people.

- *What is the impact of the financial crisis on the business life in East Flanders?*

Everybody is hurt by the financial crisis, but the specific impact depends on the sector the company is active in. To survive in these circumstances, it is very important to distinguish oneself from the other players in the market. A strong network, flexibility and a good training program for the employees can help in this respect.

- *What is the impact of climate change on the business life?*

Nowadays, the media broadcasts a lot about the impact of the climate change on the world. People are starting to feel more responsible for the nature and the mentality is changing. Companies must be aware of this as well. Stricter rules should be implemented to help the climate. Some of the SMEs in the workshop are using the environmental issue in their marketing strategy to attract more clients and young people that want to work in an ecological company.

#### 4.5 Conclusion

Reflecting on the insights obtained from the workshop, we cannot speak of a singular skills and training ecosystem in East Flanders. Managers of SMEs make an effort to participate in different networks, but there are still opportunities for more. Moreover, the networks are shattered over the region and the different industries.

Small and large enterprises differ heavily in all aspects of an organisation. SMEs seem to attach as much importance to training activities as large enterprises do, but they differ in the extent to which they implement workforce development. Some of the SMEs have a clear strategy and philosophy concerning human resources, while others are only looking for training when skills needs occur. The main barriers to training for SMEs are practical feasibility and costs, even though different means of financial support by the government are already in place. Finally, all participants of the workshop agree that informal learning is an important tool for learning, both for low skilled and high skilled workers.

There are a lot of training possibilities, but it is difficult for companies to find the specific education they are looking for. The cause is a lack of clear structure and overview. In some sectors, there is nevertheless a good connection between training providers and SMEs through industry organisations and funds.



## 5. CASE STUDIES

In order to gain further insights into the level of training and skills development in SMEs and the regional skills ecosystem in East Flanders, the third pillar of the research project consists of case studies. In total, managers from eleven companies were interviewed and each of them showed a different approach towards training and networking. The case studies add considerable richness to the data collected in the survey and the discussions during the workshop. Table 7 lists the SMEs, according to sector and number of employees.

Table 7. **Description of the interviewed SMEs**

SME	Sector	Number of employees
Advanced Machinery	Wholesale (machines)	4
Burrick	Metal Construction	15
Combell Group	IT services	44
EcoPuur	Ecological Appliance Engineering	13
Groenidee	Gardening and Landscaping	15
Lilith HuisHoudHulp	Housekeeping and Cleaning Services	15
Opel Willy	Car industry	44
Oxalis	Strategic and HR Consultancy	2
P. Nijs	Construction (restoration of buildings)	32
Sylva	Agriculture and Forestry	45
T&C Services	Training Consultancy	4

### 5.1 Advanced Machinery NV

Advanced Machinery NV is a company situated in the hinterland between the port of Ghent and the port of Antwerp. It was founded in 1989 by Wim Buyle. For marketing purposes, he appointed a small administrative office in Brussels as its headquarters. During the years, Advanced Machinery NV has grown to become an international highly-specialised company with a rather uncommon position in the value chain: it imports and sells machines for foil production. The suppliers are machine builders, predominantly located in Italy and its customers are producers of foil packing material, who in turn sell their foil packaging to food producers. Advanced Machinery NV serves as the intermediary between the machine producers and the packaging producers.

The company activities consist of sales and after-sales service: they import, install and maintain machines. It estimates to have ten direct competitors in the Benelux and approximately 200 to 250 customers. Most international foil machine builders distribute via local agencies. The company differentiates itself from its competitors by offering local after-sales service, which is unique for the industry. Because its scope is highly focused on

a niche market, Advanced Machinery NV can cope with a total of four employees. Each of these four people has a well-defined function. There is one sales representative, one technician, one administrative clerk and the manager. Manager Wim Buyle takes up some all-round functions and is responsible for large sales projects.

For this particular industry, no education exists. To acquire the right skills, all development must be organised internally. This is a severe bottleneck, since setting up training is extremely costly, both in time and resources. When someone is hired, everything about the industry and the company activities has to be taught from A to Z. It takes two to three years before an entrant in the company possesses all the required skills. Because there is no governmental support, Advanced Machinery has to finance all training by itself.

Out of necessity, the firm has developed a proper training program for its new employees. The development plan consists of three steps. First of all, training is provided by the supplier where newcomers have to participate in the production process. The second and third step is internal training about the company and accompanying customer visits to gain some experience in the field. Most of the education is rather informal and on-the-job. As a result, it is extremely important for Advanced Machinery NV to recruit the right people.

## 5.2 Burrick NV

Burrick NV is a metal construction company, established in 1946 as a one-man business led by Jozef Burrick. In 1986, the new management made it a public limited company and started to trade internationally. Today, Burrick NV is a family business with the three sons of the owner in the management team.

The activities of the company focus on tailor-made machine construction and roughly fifty percent of production is for the automotive industry. The other fifty percent ranges from constructing warehouses to installing solar panels on industrial roofs. Everything is made-to-order, which requires employees to be very flexible and client-focused. In order to guarantee this flexibility, the company must be lean and highly responsive. This is why the firm employs a core staff of 15 fixed employees and 5 to 10 casual workers and apprentices. Occasionally, the company contracts self-employed workers to quickly construct a part.

About half of all work is done in-house, whereas the other half is constructed directly at the client's premises. This requires skillful employees that are extremely flexible, responsible and able to resolve problems independently. The company encounters a lot of difficulties in attracting the right people, because most of the time, job candidates do not possess the aforementioned skills. Although Burrick NV recruits through a very wide range of channels, the company has a tendency to hire among its temporary employees and apprentices, who know the drill. Consequently, the company maintains tight relations with the local technical school.

Performance appraisals have been put in place twice a year. On the basis of a fleximatrix (containing all skills and competence needs), the employee can show his/her interest in specific trainings. Last year, formal training was offered to line managers by VOKA and AMELIOR, whereas public employment service VDAB gave a course about coaching. The company participates also in the ESF project on "Innovative Forms of Labour Organisation". The aim of the project is to give workers more responsibilities. The majority of the budget and time for training went to this project.

Robert Mulkay does regret that some formal education has not been realised because of lack of time. A first-aid course seems to be urgent, but it is not easy to free an employee



from his or her daily tasks. Money is not considered to be an issue. According to the manager, the available subsidies and support measures are sufficient. The only problem is the enormous administrative maze to achieve those subsidies. Public instances that offer financial support are hopelessly fragmented, which makes it very hard for SMEs to find one's way and to be well-informed. He claims that personal connections, a lot of patience and a bit of luck are necessities.

All newcomers are appointed a godfather. This kind of informal learning is seen to be a valuable supplement to traditional training. According to Mulkay, formal education often leads to no measurable outcome. In some individual cases, employees are just not fit for traditional formal education. These employees need a practical, hands-on approach. Training must be linked to concrete objectives and must be directly applicable.

The company has strongly felt the economic downturn in the past period, knowing that the automotive industry is one of Burrick NV's principal clients. Fortunately, the firm's lean structure enabled them to stay fit. It was sufficient to cut on temporary labour forces. Although sales have declined, repairs have gone up and some large projects filled the gap. Turnover has decreased 20% in 2009 compared to 2008, but has remained approximately equal to the last five years. Nevertheless, Mulkay would like to hire more fixed employees, but does not dare to make any promises yet.

Finally, ecological awareness is slowly but steadily getting integrated in Burrick's corporate strategy. They have hopped on the ecological bandwagon with projects on solar panels and windmills, because they felt there was an increasing demand in this market. From the internal process side, the company makes explicit efforts to meet legal requirements, in order to obtain some useful ISO certificates. Burrick NV also focuses on another pillar of socially responsible entrepreneurship. Despite the minimalistic HR approach, the company is making considerable efforts to achieve a powerful diversity policy and added a non-discrimination clause to its labour agreement.

It is clear that Burrick NV has high-set ambitions on the domain of training and skills development, but the legacy of the old no-frills company culture can however be an obstacle.

### 5.3 Combell Group

Combell Group offers IT infrastructure and hosting solutions since 1999. It provides virtual space for companies to put their websites and applications on the internet. In addition, it provides related services and software through monthly subscription. The majority of customers are situated in the Dutch-speaking part of Belgium. On international level, the Netherlands are the largest export market, making up roughly 10% of the company's turnover.

Combell Group employs 44 employees, ranging from net developers to order administrators and has six different departments. Remarkably, only eight of the total number of employees is female. There is more diversity in the qualifications of the employees. About half of the workforce has a higher education diploma, while the other half did not continue studies after secondary school.

With the introduction of a formal HR manager, a detailed HR policy was put in place. This includes performance assessments and yearly training development plans for all employees. For every function, a set of skills have been drawn up by the HR manager and the line managers. This leads to a skills matrix that maps all employees versus the required skills for their department. The required skills encompass both technical skills and soft skills.



The individual skills assessments are the basis for training recommendations. Every year during the performance evaluations, a training plan is designed together with the employee. Combell Group counts on the input of the employee to formulate perceived skills needs as well. It is a rule in the company that employees should be given the opportunity to attend training at least once a year. Absence for cause of training is not seen as a barrier for training.

The majority of formal training, provided by the company itself, is technical training, although soft skills are also considered important. In the IT industry, certification is extremely important to prove qualifications to customers. Therefore, the firm makes use of accredited training providers. This is sometimes the public training organisation CEVORA and for more particular skills, they need to rely on industry-specific private IT solution providers. The company is entitled to subsidies from both the “SME Portefeuille” and CEVORA thanks to its formal education plan. This makes training affordable, but requires a lot of administration work. Additionally, the company regularly attracts external experts as coaches for the management team.

Nonetheless, the majority of training happens internally and on-the-job. Every new entrant in the company receives an introduction training on the company activities, the use of internal systems, product information, website information and technical training. It takes about two to three months. On top of that, the newcomers also receive intensive guidance, including follow-up and feedback. More training is organised, each time a new product is launched or when there are important evolutions in the industry. The company even provides customer education, in the so-called “Combelle Academy”. When relevant to the employees, they are also allowed to attend.

The company is aware that skills are often shared in an informal way on a daily basis. This is why each team has WIKI pages and has to update and complete these pages on a regular basis. Off-the-job, employees are expected to network and to keep up-to-date via reading and home study.

The company mentions both innovation and employee growth as motivators for training. On the one hand, the firm needs to keep up-to-date on all the evolutions in the industry, in order to maintain its competitive advantage. The pace of change is very high in the IT industry, so employees need to learn continuously. On the other hand, training is important for the personal development of the employees. The company provides training to increase efficiency in the job and to eventually grow in the company. This could, for example, be in the domain of communication skills in order to become a good team leader.

Combelle Group esteems networking highly and finds it important to exchange experiences and to learn from other enterprises. Certainly with respect to training, the managers like to hear how industry peers go about employee skills development. This exchange is achieved through professional networks, such as the Chamber of Commerce VOKA.

Finally, the environment is an important item at Combelle Group as they use 100% green energy. The company estimates that the economic crisis had virtually no impact on their turnover. Focusing on innovation and keeping knowledge up-to-date through training and skills development, is the best recipe for a healthy future, according to Combelle Group.

## 5.4 EcoPuur CVBA

EcoPuur is a young and fast-moving company in ecological appliance engineering and installation, founded four years ago by Wannes Wylin. In 2009, the company adopted a cooperative structure, which reflects the values and mission of the firm. In CVBAs, employees are highly involved in the corporation and personal growth and development is stimulated.

At the moment, EcoPuur is run by ten employees and three partners. The company is however expanding rapidly and in the upcoming months, it will move its headquarters to larger and more environmentally friendly buildings, which are able to accommodate up to forty people. Of the ten-headed staff, four people have administrative functions, two are in sales and three are technical workers. In addition, the company often relies on established subcontractors. The company philosophy is that work should be done with respect for each other in a pleasant working atmosphere of continuous growth.

Everyone at EcoPuur continuously follows training. On average, each staff member receives one day of training in a month. Often, this is organised by one of the company's suppliers. The advantage of supplier training activities is that these are adapted to the business cycle of the SME. In the past, EcoPuur has also cooperated with UNIZO, Syntra and CEVORA. Additionally, each employee is allowed to propose training that is directly applicable on the job. Nevertheless, these training activities must take place after working hours, due to the small size of the firm. Employees are never redundant at EcoPuur, so the company cannot afford to have absentees.

The price of training is in fact not relevant to EcoPuur. Wannes Wylin claims that the returns always will cover the costs. Formal certifications are not important either, except for compulsory technical qualifications. Wylin does apply for subsidies from the SME Portefeuille whenever possible. He has however noticed that some subsidised training providers take advantage of their position and demand higher prices than their non-subsidised counterparts. The manager agrees that it is hard to distinguish which training is accredited and which is relevant. Moreover, the Belgian political structure of communities and regions adds to this complexity.

At EcoPuur, attention is also paid to informal skills development. Newly hired employees are assigned to a mentor. For any question about the job content or the company, the new employee can call on his mentor. This project turned out to be a great success.

One of the most remarkable features of EcoPuur is its practice of clustering. Wannes Wylin is a radical proponent of collaboration and knowledge-sharing. The company wants to be a strong regional player, but for projects that reach beyond its frontiers, EcoPuur refers without hesitation to colleagues in that region. Also for large or very specific projects, EcoPuur teams up with other companies. In doing so, the firm has gathered an extensive network of like-minded corporations. For example, he has made arrangements for joint purchasing of solar panels with his direct competitors – or rather, colleagues. By joining forces, the small firms obtain some bargaining power. In the future, Wylin would like to formalise these partnerships in a joint organisation.

Wylin is involved in numerous networks, such as a regional platform and a construction industry organisation. In addition, EcoPuur feels it is important to meet with other companies with a cooperative statute, because they have the same mentality. This is accomplished in the organisation Febelcoop, that groups CVBAs of all industries. Wannes Wylin fosters great expectations about another new emerging platform, called The Belgian Positive Entrepreneurs. It is important that there is mutual support and interaction among these organisations. Wylin firmly believes that the format will gain popularity in the future.

There is already an enormous amount of knowledge-sharing in the sector. For example, EcoPuur has developed a format for a news letter, which he sells to its competitors and a significant number of competitors have copied his van lay-out. Wylin considers that as positive and has no ambitions to protect intellectual property. In order to maintain this way of doing business, the company must maintain the first-mover advantage and innovate continuously. According to Wylin, innovation is the key to cope with rapidly evolving demand.

EcoPuur has perceived a fallback at the beginning of 2010, compared to the previous year. However, this was caused by other factors than the economic crisis, because demand in ecological appliances is artificially manipulated by the government and the media. Policy changes in subsidy schemes and negative media coverage had a far more negative effect than the economic recession. It is nevertheless true that the market for solar panels is slowly becoming saturated. That is why current plans for the future point in the direction of B2B services and increasing emphasis on after sales service.

For the future, the company is looking forward to move into the new offices. The building is situated in a SME business centre, so Wylin already spotted opportunities for collaboration. EcoPuur is currently lobbying with the local authorities to make the business centre a “green zone”, which would require all SMEs to take ecological measures.

## 5.5 Groenidee NV

Stefan Hanssens heart has always been with the laying-out of gardens and in 1997, he made the step to start his own landscaping company. In the beginning, he combined this with his daytime job, but due to popular demand, he said goodbye to his career as an economist, and became fully committed to his gardening company Groenidee NV. After one year, Hanssens hired his first full-time employee. The company started off in a small shed, but gradually it was able to buy a large warehouse, build offices and buy a house next to it.

The company became such a success and grew at such speed, that its structure was creaking. The company faced a crucial dilemma: either the company expanded its scope to a number of 20 employees and into new segments, or the company downsized. Stefan Hanssens chose the latter.

He felt he was losing touch with his business and figured out it would be better to stay small. Three staff members were dismissed and other employees who left were not replaced.

In the gardening and landscaping industry, there is generally a high employee turnover. Nevertheless, recruitment is not really a problem, because the company receives a lot of spontaneous applications. Among these people, Hanssens selects upon criteria that are defined in a pre-set profile for each function. Required skills are quite broad, ranging from technical skills to social skills. It is an advantage for recruitment that there are some obvious diplomas that lead future employees for the industry. There is for example the training to horticulturist by the Flemish unemployment agency VDAB. Participants of this training are able to do an internship of two weeks in a landscaping firm. Through the system, Groenidee NV employed already three interns.

On a formal level, both external and internal training is provided. Industry training organisation EDUplus is an essential partner in this respect. The wage costs during training are entirely reimbursed, the trainings are high quality and there is an extended offer. All of this is financed by the contributions companies have to make to the industry fund.

Internal training is provided to a lesser extent, because the variety offered by EDUplus is usually enough. Only when very specific training is required that is not available on the market, Groenidee organises formal training internally. Furthermore, it is mostly possible to join forces with other landscaping firms. For these collaborations to be effective, the other firms must be equal in size, mission and skills needs. If these conditions are met, there can really be a perfect fit between the training and the companies. Furthermore, on the informal level, monthly team meetings are held. A team consists of two to three employees, among which one team leader. During that meeting, they exchange experiences, discuss new techniques and think about past incidents. Hanssens really emphasises this as a learning moment.

Landscaping firms always need to collaborate with specialised companies or people. Groenidee NV has teamed up with four different architects, two independent subcontractors and an excavation company. These relations were informal at first, but have evolved into reliable partnerships. Industry clustering is also visible in the industry employer's association BFG, of which Hanssens is a committee member. Members of the BFG consider each other as colleagues, instead of competition. Together they share knowledge, advise each other and defend common interests. The Federation was founded relatively recently, yet approximately 30% of the industry has joined. Hanssens explains that there are quite some structural issues in the industry that need to be resolved through collective organisation. Moreover, profit margins in the industry are too low to compete. As mentioned before, landscaping companies are obliged to specialise, and thus join forces.

Green skills are one element that landscaping companies are specialising in. To Groenidee NV, this is not a fundamental concern, but a point of attention nonetheless. Stefan Hanssens makes an effort to use more environmentally friendly devices, reduces waste and makes responsible use of insecticides. Yet he adds that “There is no need to pretend we are saints, it also happens to be a trendy marketing tool.”

In the foreseeable future, Groenidee NV wishes to remain small. Now that the company has downsized, it has realised that an excessive number of employees has been its bottleneck. It was this, rather than the economic recession, that could have been damaged the company.

## 5.6 Lilith HuisHoudHulp CVBA

Lilith HuisHoudHulp is a housekeeping and cleaning service company located in the city of Ghent and founded in 2006 by Anne-Marie Segers. Anne-Marie realised that on one hand, there are women who have not the time nor the skills to do a proper household. On the other hand, there are women who enjoy it and are looking for a job. Furthermore, at that time, the government introduced the “service cheques” which perfectly fitted with the business model of the company.

Service cheques are conceived to pull household care away from the informal economy and formalise the industry with financial government support. Companies using these cheques are accredited firms who hire cleaning staff on a permanent basis and send them out to clients. The cheques serve as a means of payment. Clients can purchase the cheques at a strongly reduced tariff of 7,5 euros and company receives approximately 21 euros for each cheque. The difference is contributed by the government.

The name Lilith is inspired by a Jewish folklore myth that has known a long history and has become a feminist symbol. The story goes that Lilith was Adam's first wife in the

Garden of Eden, long before Eve. At a certain point in time, Lilith no longer wanted to be subservient of Adam, so she left. Attempts of both Adam and God to force her to go back failed miserably, even after the Creator had threatened to take away her children if she would not return. Lilith declared that she would not obey to their authority and that she was actually quite satisfied living on her own. As a result, Eve was created out of Adam's flesh, to make sure she would remain docile. Lilith and her children continued to live outside of the Garden of Eden and created a long line of descent, so it is said that everyone holds a bit of Lilith inside. With the subtle reference of a name, Lilith HuisHoudHulp wants to underline this emancipator message.

The company started off with five employees and twenty customers. By now, it has expanded to a staff of fifteen, serving a total of 105 households. The company was legally founded as a cooperative limited liability company with social intent. The wish to help create a better society is embedded in the strategy of Lilith HuisHoudHulp. These deep-rooted humane values make up the unique selling proposition of the company. Consequently, corporate social responsibility is a key value to the firm. Lilith HuisHoudHulp's mission is to take personal and careful care of the household.

Executive owner Anne-Marie Segers applies the mission of care to every single aspect of the company. From this care perspective, Segers sees it as her task to develop the skills and capabilities of her personnel. She considers her employees and customers on the same level. Knowledge transfer is a core value of the company. Skills development is especially important to translate the company mission into every action of the staff. The current staff consists of only low-skilled women between 24 and 49 years old from very different cultural backgrounds. Segers puts a lot of effort in spreading the company spirit to all employees and in creating a team feeling, despite the individual nature of the job and the strong cultural differences.

In the recruitment process, Segers is looking for a spirit, rather than a set of defined technical skills. The process consists of different steps. The first step informs the applicant about the goals and the mission of the company. If the candidate expresses well-considered interest, she can start. On the first workday, the newly hired is accompanied on the job by Segers as an individual coach, which can take up to four weeks depending on the needs.

For several reasons, formal training is not the right format for the company. First of all, the availability of formal education in the domain of housekeeping is limited to the official courses by the VDAB, the Flemish organisation for the unemployed. Moreover, the quality of the available training programs is below expectations. Segers even slightly prefers job candidates that have not followed the VDAB training. All of the employees at Lilith HuisHoudHulp are low-skilled workers. Formal training with an emphasis on theoretical explanations does not stick to them and consequently reaches no result. They benefit most from practical, hands-on training in an informal setting.

Nevertheless, once in a year, a training day is organised. This day usually consists of external instruction on a chosen topic. In the past, subjects such as first aid and ergonomics have been covered. Formal accreditation or official certificates are not of primary concern to Anne-Marie. Time and price-efficiency are also relevant criteria, since the formal schooling can only take one day.

There is a sector-specific educational fund which is funded by the social security tax (RSZ) that employers have to pay to the government for each employee. The allocated yearly budget for skills development is based on the total sum of hours worked by all employees. As a result, large firms receive more opportunities for employee development.



According to Segers, this is unfair, since a large percentage of the cleaning service industry is controlled by temporary employment agencies. Moreover, it is hard to receive reimbursement for internal training. A motivated demand has to be made for each development activity, but it takes much more persuasion power to obtain reimbursement for an informal activity than for an accredited schooling program. Segers reported that this year's budget had already been consumed by the start of June.

Informality is a prerequisite to obtain a successful learning experience at Lilith HuisHoudHulp. The company makes extensive use of knowledge intensive service activities. During monthly team meetings, Segers wants the employees to learn from their colleagues. She aims at offering an open learning platform, where everyone can set the agenda and can feel free to discuss any topic with their colleagues. Unfortunately, the spontaneous input from the employees remains limited. Segers stimulates the sharing by setting up quizzes, creating games around common matters and by bluntly throwing issues or complaints in the group to let them brainstorm about it. Segers believes employees learn most through dialogue and honest communication.

As a business manager, Anne-Marie Segers is highly interested in developing her own skills and knowledge as well. In the direct build-up towards founding Lilith HuisHoudHulp, she has followed numerous managerial courses, such as NEFTE and SME Challenge by Vlerick. This was made possible by Startpunt, a business center for social economy. Apart from this, Segers participates in a wide range of networks, ranging from platforms by the Chamber of Commerce VOKA to FEBELCO, the umbrella organisation for coops. Currently, a new project is in the pipeline for socially responsible corporations, under the name “Belgian Positive Entrepreneurs”.

Lilith HuisHoudHulp has put a deliberate hold on its growth by restricting its number of employees to fifteen to guarantee the quality the company stands for, both towards clients and employees. This shows once again the importance of the company's values. Another element that restricts growth for Lilith HuisHoudHulp is forecasted profitability issues. In the upcoming years, government subsidies will decline for Lilith HuisHoudHulp CVBA, as employment benefits for hiring unemployed persons cease after four years of seniority. Segers has gathered an advisory council to help resolve the upcoming problems. She considers diversification into different services, to support the activities of Lilith HuisHoudHulp cvba with the profits of a sister organisation.

## 5.7 Opel Willy NV

When cars started to make a public appearance on the European continent in the 1960s, Willy Van Driessche decided to become a car dealer. He and his wife opened the doors of their garage on the first of March 1966 and in 1982, Opel Willy NV became main distributor of the brand Opel. Later on, a second branch was founded a few miles from the headquarters and the company expanded its geographic scope with five local subcontractors. Today, the company consists of 44 fulltime equivalent employees. Everything from new and used cars over repair to rental is provided by the firm. One could say that Willy Van Driessche owns a regional car retail empire. An empire that he still rules at the age of 65.

Collaboration is not possible in the domain of training. Training is fully organised and provided by the car manufacturer itself (Opel). Every brand has its own particularities and thus has its own training programs. Nonetheless, Van Driessche participates in numerous associations, because he is convinced of the merits of networks. The company is situated in an industrial zone with a large number of SMEs. Van Driessche has been able to group

the companies in the zone around the topic of waste recycling. He took measures to reduce and carefully sort waste by arranging a waste container for all the companies in the neighbourhood. It took a lot of energy to obtain results, but the system has been active for about six years and Van Driessche is happy he took the effort. He aims to further raise awareness for the environmental cause. This is important for him, because he knows that “together you can achieve things that are impossible all by yourself”. In that spirit, Van Driessche is president of the regional department of the employers’ organisation UNIZO, as well as involved in other industry commissions.

While the automotive industry was groaning, the manager told that the company never showed a sign of weakness. Quite to the contrary, at the peak of the economic recession, the firm increased its sales number through continuous vigilance and insatiable efforts by the sales team. Every Tuesday afternoon, the sales team meets to brainstorm about actions and is encouraged to bring forward new ideas.

Innovation and anticipation will remain key in the future business strategy of the firm. The company is considering joining the new trend on green economy, by introducing electric car rental. As for the future, Van Driessche is ready to step back and to leave the company to the next generation. Yet, anyone can tell that in the case of Willy Van Driessche, this is easier said than done. He continues to give advice to his daughter who is head of sales and he still has plenty of innovative ideas. In the meantime, he is focusing on expanding the company’s network through further cooperation with business organisations and even education institutes.

## 5.8 Oxalis Consulting & Development

Oxalis was founded in 2006 as a one-man business in strategic consulting. After a prosperous start, faith took a turn and turnover declined in 2008 and 2009. In an attempt to rescue her husband’s business, Isabelle Stubbe enrolled in a Business Administration course at EHSAL in Brussels. Afterwards, she specialised in the domain of human resources, with the support of Flanders Synergy (an organisation that promotes innovative labour organisation in Flemish companies).

Together, the couple redirected the company towards strategic change and HR management consulting. The skills of the couple nicely complement each other: he takes care of the strategic consulting, while she is responsible for HR and marketing. Gradually, the emphasis came to lie on coaching and training. With this constitution, the revitalised business became operational on the 31th of May 2010.

Since they are both consumers and providers of training, the case of Oxalis offers a picture from a double perspective. When it comes to proper training and skills development, Isabelle Stubbe is an eager consumer. She continuously follows training and is incessantly on the look-out for new opportunities. Every year, the company reserves a budget of 20 000 Euros, which will be depreciated as an investment over a period of three years. Since the company can be considered a start-up, knowledge has to be found externally.

Afterwards, the external education is applied internally. If one of them has attended a formal training, he/she informs the other one by making a written preparation, teaching the course and finally evaluating the partner. As such, they provide training for each other. Isabelle acknowledges that lack of time is a significant obstacle for SMEs, but she argues that training and skills development should be considered as an investment.

Although there is a very large offer in skills development activities, it is hard to assess the quality of the available training programs. Some established names are Kluwer, Vlerick and EHSAL and part of the trustworthiness of these institutions is the fact that one receives formal accreditation after completion. To Stubbe, this is an important element, because it not only guarantees quality, it also allows participants to prove their effort to the outside world. Consulting firms need certificates to market to customers.

Stubbe bitterly regrets that the industry in itself is often a hindrance to training. It has occurred more than once that the couple was refused in a course, because they are trainers themselves. In other words, trainers-consultants consider other trainers-consultants as competition, who might steal both their ideas and customers. Stubbe remarks that there is always a perceptible feeling of company espionage. Even if they are allowed to a course, trainers feel inhibited and there is no honest sharing of knowledge. There is a fundamental issue of what Stubbe calls “conflict of interest”.

Due to the strong sense of competition, knowledge sharing and industry networks are hard to achieve. Quite some initiatives exist in this respect, but they are not always efficient. Isabelle distinguishes two types of consultants: on the one hand, there are people who are willing to share knowledge, while on the other hand, they are those who see everything in terms of competition. To obtain successful networks, they should be void from commercial opportunism. Stubbe also thinks networks should not be regional, because knowledge reaches far beyond regional borders.

Oxalis hopes to make a valuable contribution to training and development in SMEs in the future. Currently, the company is developing a training program that will be launch in September 2010. To do so, it needs a “SME portefeuille” accreditation by the Flemish government or it needs to cooperate with accredited business organisations, such as UNIZO or VOKA. Once the training seminar is operational, Oxalis envisages hiring an administrative employee.

## 5.9 P. Nijs NV

The company carries the name of its founder, Paul Nijs, who started it in the fifties three generations ago. Paul’s son Thiery, is still in charge of the company today, with the daily management been taken over by his three sons. The company is active in the restoration segment of the construction industry and mostly conducts large projects for the restoration of buildings listed as historic monuments. Nearly all projects are commissioned by the government.

Started as a one-man business, P. Nijs NV now employs 32 workers. Each of them works in a team of two to three men with one team leader. There is a clear hierarchy in the company, but this is not seen as an obstacle for open dialogue. Before a project, the team meets for half a day to discuss the plans and execution. Together, they look for similarities with former projects and get a complete view of the project, rather than only orders about individual tasks. This meeting can be at the offices or on the construction site itself. During the project, a lot of interaction takes place with architects, commissioners and other parties involved.

Skills development is explicitly mentioned in the company’s mission statement and indicates the awareness of the managers of the need for training. Restoration work requires specific skills and knowledge that are not readily available on the labour market. There is no prior schooling that prepares for this kind of job, because it requires both craftsmanship



and ancient techniques. In the crafts section of secondary education, students learn to operate machinery, while P. Nijs NV mostly performs handwork. Claude Nijs estimates that there are only approximately ten companies which perform restoration work on a comparable level. Therefore, the company is forced to organise training internally.

Technical skills are taught one-on-one and this is possible thanks to the small team structure. Nearly everything happens on-the-job. This can be considered examples of knowledge intensive service activities (KISA). Most learning experiences occur informally.

Claude Nijs recognises that collaboration among employees is of crucial importance and sees it as the best way to motivate the workers. In the past, there has been a lack of commitment from the staff. This seems to be improving over the last few years, but the company feels it needs to pay further attention to it. The workers are not yet convinced of the continuous need to learn. At P. Nijs NV, they struggle with this issue, because they feel they cannot force anyone to follow training. For example, to motivate the staff for a first-aid course, Claude Nijs stressed it could be useful at home with the kids.

Despite the obstacles, the company does occasionally participate in external formal training. Once a year, the company organises a training day and provides different programs for both managers and workers. For the latter, it concerns technical training, such as handling asbestos, building scaffolds, etc. These are industry specific skills, but they are not limited to the restoration segment.

The company also makes use of the industry organisation. Similar to other large traditional industries in Flanders, the construction industry has its own fund. Since the companies must pay a contribution to the fund anyway, it stimulates to actually make use of formal training. The total amount of available financial support for training is sufficient for the company. In addition, the offer is quite extensive and quality is good. One thing the company misses though is more tailor-made training. Companies should be able to sit together with training institutions and create their own courses.

As said before, the shortage of fitting training is partially caused by the focused scope of the firm. The high degree of specialisation at P. Nijs NV also affects the extent of clustering. At the company, there is a clear strategy of collaboration with other small companies that are highly specialised in complementary domains. The company works with numerous subcontractors and has partnerships with other companies. Apart from this, cooperative networks are difficult to obtain due to an increasingly competitive atmosphere in the restoration market.

Because it is a niche market, profit margins are above the industry rates. Since the economic crisis, more and more players are trying to enter the market, among which one very large competitor who is skimming off the market. Inversely, due to the crisis, government budgets for the restoration of the patrimony are dwindling.

P. Nijs NV is not really involved in green economy, because regulations often withhold them from adopting green skills. The firm builds with traditional materials and ancient methods, in order to restore the site as close to its original state as possible. Until recently, it was not allowed to use double glazing in historical churches, for example. Slowly but steadily, regulations do are evolving to more environmentally friendly methods. If so, the company will follow this evolution and adopt more green skills.

For now, P. Nijs NV wants to stay focused on its core business and improve its current strengths. This should translate into higher efficiency and quality, rather than an increase in number of employees.

## 5.10 Sylva – Van Hulle

For three generations now, the Sylva nurseries are in hands of the family Van Hulle. The ties between this family and forestry date back for even more than four generations. The company grows forest plants from the seed for foresting and landscaping purposes. Yearly, it produces twenty million young trees, which are exported to over 27 countries in Europe and beyond. All of this is realised on a surface of 80 hectares of land in a rural area of East Flanders.

Sylva declares in its mission statement that it wants to grow forest and hedging plants in a socially responsible way, for a green environment in Europe. The vision of the company explicitly states that it wants to do so “by means of capable and motivated staff”. Or in the words of CEO Marc Van Hulle: “Professional and personal growth of the employees is a precondition for the growth of Sylva.”

The staff at Sylva consists of 45 employees in total. Twenty-two of them are labourers with a fixed contract, completed by twenty seasonal employees from Poland and Romania. The seasonal workers come to Belgium for a period of nine months, allowing them to go home for summer. Seven people of the staff fulfil administrative and managerial positions. Versatile skills are both important and present at Sylva. Each of the seven office employees speaks at least four languages. Additionally, they need to possess elaborate product knowledge next to function-related skills.

It is a challenge for Sylva to attract employees with the right skills. Locally, the SME faces severe competition from large plants, such as Arcelor Mittal and Volvo, that hire the same type of skilled workers. As a result, it is no longer feasible for Sylva to sustain on the indigenous population. It turned out to be quite easy to attract motivated and skilled East European employees. Nevertheless, Sylva keeps hiring autochthonous team leaders, because the company demands a bachelor degree in horticulture for this function. Despite their background, even the employees with a bachelor degree do not yet possess the required skills when they graduate from school. The education is too broad to be fit for the specificities of forestry. So their skills need to be further developed at Sylva. For example, all new employees have to obtain the driver’s license C.

Technical skills, such as the aforementioned driver’s license, are generally taught by the industry training organisation EDUplus. All companies in the industry need to pay 0.11% of tax payments to the industry fund, and in exchange they can request training. If demand is sufficient, the organisation will look for trainers and organise anything the companies ask for. For the administrative employees, a different public fund exists. Governmentally funded organisation CEVORA provides nearly costless training for all clerks. A third option is through the SME Portefeuille. In this case, Sylva will organise its proper training. They mostly find trainers among teachers from local schools and research platforms. Although a lot of companies complain about the complicated procedure, at Sylva, they claim it is quite easy to apply for funding from the SME Portefeuille.

As a matter of fact, there are no hindrances to training. Thanks to the industry funds, it does not cost anything to the employees, nor to the employer. For that reason, education can always be done during the working hours. This is a motivating factor for the employees. Furthermore, the total training offer is more than sufficient according to Marc Van Hulle. Only when there is absolutely no possibility of subsidised training, Sylva will turn to private training providers. It has done so once, for a short course on telecommunication skills. When selecting a training provider, the company does not attach importance to certification. Son Tim Van Hulle declares “It’s about experience, not about certification”.

Yet external training could never replace the very specific internal trainings, like the in-company training Sylva organises in collaboration with EDUplus. Marc Van Hulle has one critical consideration about the use of training. He is a strong believer in the added value of education, if – and only if – the training is not too general. It should be adapted to every function and to actual needs. That is why he is also in favour of completing formal training with informal learning. A mentoring project was installed and regular team meetings are held. In addition, a company news letter appears on a regular basis. To build a didactic element into the news letter, a cartoon format was invented, where a tree frog points out common errors or tries to give a piece of advice to the employees. By means of the frog, the message comes across in a playful though thorough manner.

Another specially conceived learning practice at Sylva, are the DVDs for the seasonal workers. Because of the language barrier, the company experienced it was difficult to explain all of the tasks to the foreign staff members. With financial aid of the government, a diversity action plan has been designed. The plan consists of twelve points, among which the idea for a DVD. The DVD shows all of the different activities at Sylva nurseries throughout the entire year, enacted by the workers themselves. As such, new workers can fully grasp what is expected from them. After a while, the company realised the DVD was not only used as an instruction tool, but also served employer branding purposes. The East European employees wanted to take the DVDs home and show it to their friends and family. It resulted in an increase in job candidates. Moreover, the diversity action plan and its implementation resulted in an award for “Diversity pioneer”. The commitment of the company to socially responsible entrepreneurship has even been praised internationally. In 2009 Sylva was granted the title of “International grower of the year”. Next to commitment for employees, it got this award for its efforts in the domain of environmentally friendly production.

Sylva is definitely a best practice example. The company is occupied with training and skills development on a tremendously conscious level. It also remains highly ambitious in the domain of employee development. Marc Van Hulle feels there is an urgent need for a structured, formalised training plan in his company. Currently, there are too many different actions in the company. Everything should be attached to a yearly training programme as framework, with a fixed provision of budgets. He is also well-aware of the small improvements that still can be made. One of those elements is the knowledge transfer between elder and young employees. A more abstract, yet grand, dream Van Hulle holds, is to realise a “Sylva academy” on the firm’s premises. It will be up to the new generation to further develop this idea.

## 5.11 T&C Services

Luc Keppens could be called one of the first CLOs, before the term was even introduced. All of his professional career, he has been active in the domain of training and skills development. He had been training manager in an international financial corporation, but was also active in several training companies. In one large consultancy group, Keppens has held the position of managing director. Nonetheless, his heart has always been with practical instruction. That is why he left the world of consulting and founded his own training company.

T&C Services is a training and consulting company that adheres to the principles of embedded and blended learning. Based on his broad expertise, Keppens felt there were gaps in the current training offer. Often, training is not applicable on the job, too theoretical and not sufficiently adapted to the client. This causes trainees to wonder whether the training had any effect at all. T&C Services aims to tackle this problem, as the company slogan

states, “with both feet firmly on the ground”. All training is provided on individual demand, adapted to the objectives and desires of the company. Luc Keppens distinguishes two customer segments, with the first one being large international enterprises and the second segment holding SMEs with clear training needs.

Keppens is well-aware of the barriers that SMEs face for training. To make it affordable, he charges SMEs a lower rate of about 65% of the full rate. On the government subsidies, he comments that the former system of education cheques had lost all purpose, because large companies appropriated them all. They bought an enormous amount of cheques each year, without knowing in advance whether or when they would use them. As a result, there were no education cheques available anymore for SMEs who wanted to purchase them during the course of the year, when an actual need occurred. To counter this abuse, the SME Portefeuille is invented, where large firms can no longer claim subsidies from this fund. The current issue is, however, that training companies need to be accredited as a recognised trainer. The investments that need to be done to comply to those ISO norms are very demanding for a small private training organisation. Instead, Keppens questions the use of the norms.

T&C Services consists of Luc Keppens and three other trainers, who work for the company on a freelance basis. They have other daytime jobs, apart from T&C Services, and bring in their own customers. All of them are responsible for their own projects. The team even consists of a person in Spain, who organises training for Spanish or Italian subsidiaries. Because of the independent and loose structure of the team, no formal training is provided. Keppens does not consider this necessary. They all have enough expertise and they keep up-to-date thanks to their daily activities. Once in a while, they individually attend international congresses, which fill them in on all the necessary evolutions. Moreover, Keppens confirms that it is hard for training companies to enroll in open courses, because there is always the fear of company espionage.

On an informal level, there is nevertheless a lively exchange among the trainers. They have a knowledge library where everyone can submit ideas and literature. They also make reviews and abstracts of literature or seminars for each other, which they post on the company intranet. The team regularly organises meetings on the occasion of projects to share information with each other. It is this informal approach that is typical of T&C Services. The company does not want to expand further than its current four employees and is very wary of growth-driven training organisations. Keppens believes that as soon as sales become a key performance indicator, the quality of training drops.

Keppens feels his approach to training and skills development is unique in the market and faces no direct competition. T&C Services positions itself in the training landscape amidst large training organisations such as Syntra, UNIZO and CEVORA, who offer affordable and comprehensible training, on the one hand, and one-man businesses who provide a combination of consulting, training and coaching on the other hand. According to Keppens, this broad categorisation captures the essence of the contemporary training market. Instead of perceiving the others as competition, Keppens sometimes teaches for CEVORA. Yet, he feels no need to collaborate with industry colleagues in specific networks. There used to be, but nothing has proved to be lasting. One project T&C Services is nevertheless working on, is to bring companies training together in learning networks through open source software. As such, there would be a way to share knowledge. This project is being developed in collaboration with Vlerick Leuven Gent Management School and should be launched in summer 2010. It remains to be seen whether the platform will be able to bring training companies closer together.

## 5.12 Conclusion

SMEs in East Flanders seem consciously engaged in training and skills development, although the impact of a bias among the research population cannot be overemphasised. Often, the efforts in the domain of training are spontaneous, yet well-considered. This means that companies actively trace needs for skills and offer training to the employees according to those needs. The companies also expect employees to have an input as well. The willingness is clearly present, but a just-in-time principle is applied.

In most SMEs, there is neither a formal development plan nor a fixed training budget. Training is provided when the need comes up. Officially appointed HR managers are to be found in the companies with over thirty employees. These firms have a more systematic way of assessing the skills and training requirements.

There is no fear about skills shortages on the market. The interviewed managers do however fear a lack of willingness to learn when recruiting among low-skilled workers. Often, these people apply for a job without real motivation. It is not a shortage of technical skills that worries SMEs, but rather a lack of motivation.

Employees who come straight from school still need to acquire some skills. The most common reproach is that secondary education is too general, so that youngsters are not well-prepared when they graduate from school. Each of the interviewed companies provides an introductory training for employees who enter the company.

All interviewees agree that there is a large offer of training possibilities on the market. The quality of the available training is good and the methods are efficient, as long as it remains within the confines of the traditional industries. Especially industry funds are widely praised in this respect. They organise high-quality training on demand within the time framework of the companies and it is virtually costless for the participants. However, the available training is not adapted to the very specific skills sets that are often required in SMEs. The degree of specialisation is still insufficient.

The most frequently used channels for formal training are industry organisations, CEVORA, Syntra, the Chamber of Commerce VOKA and the SME Support Centre of the province East Flanders, called EROV. This education is paid for by means of industry funds, the SME Portefeuille and educational vouchers. A persistent obstacle is the complexity of the subsidy system. Quite a few interviewed managers complained about the impenetrability of the maze of government policies and support measures.

As a matter of fact, the choice of training provider is strongly linked to the availability of financial support by the government. This was also observed among the interviewed companies that consider training part of their key competitive advantage. Only a minority of interviewed SMEs did not perceive financial considerations as an issue. To them, training and skills development is so deeply embedded in the company strategy that they only focus on the return on investment. However, other companies do not lack this conviction. They simply do not have the means to invest and wait for long term return. It takes a relatively large firm (within SME standards) to be able to afford this.

Internal training is used abundantly in SMEs. Formal internal training is especially applied with newly hired employees, in order to develop the required skills for the function. Mentorship programs are also quite popular with SMEs in this respect. Nevertheless, some of the enterprises perceive flaws in the contents of the formal training system. Especially follow-up after the period of courses is strongly missed.

Companies in the East Flanders region seem to be firmly rooted in networks. All of the interviewed companies had ties with business organisations and other SMEs in or outside the region. Most business managers are even actively involved in formal organisations. Connections are considered important both on a professional and personal level. The knowledge transfer and mutual support appears to be strengthening the business. Nevertheless, the networks are fragmented. There is no encompassing ecosystem between different industries within East Flanders.

Despite the involvement of managers in several kinds of networks, there are no clear training networks. In general, the companies express willingness to participate in training networks, but the idea is seldom put into practice. Within each industry, strong competitive feelings form a significant barrier that is hard to overcome.

Finally, the interviewed companies are optimistic about the future. They have a strong drive to move forward and are willing to embrace evolutions toward a green economy. Quite some companies have already undertaken considerable steps in the direction of more environmentally friendly ways of doing business. The SMEs in East Flanders are aware of the challenges of today and they unanimously express the conviction that innovation is the key to growth. Training and skills development are perceived as allies to obtain that growth.





## 6. CONCLUSIONS

The last chapter presents the major conclusions that emerged from this research. It summarises the main ideas about training and skills development in SMEs, the barriers these companies face towards training, the importance of informal training and the occurrence of a regional skills ecosystem. For each topic, some recommendations will be given. The chapter ends with some suggestions for further research.

### 6.1 Training and Skills Development in SMEs

In general one can state that small and medium-sized enterprises are aware of the merits of training and skills development. Clear benefits are recognised for the firm, such as improvement of skills and education level. Companies are not aware of the impact of their efforts in skills development on the industry and the region. The extent to which SMEs are active in terms of training, largely depends on the business manager. If employee development is embedded in the company spirit, generally all employees participate in training activities.

The results from the survey nonetheless reveal that workforce development encounters difficulties in some SMEs in East Flanders. Evidence for this observation includes:

- 39 per cent of the respondents reported they had “not carried out desired training” in the previous year;
- 57 per cent of the respondents reported that they have no formal training plan;
- 32 per cent of the participants have an annual training budget;
- 79 per cent of the SMEs do not have apprentices or trainees.

Note that these results may underestimate the training issues, since managers with a greater interest in training are more likely to respond to a survey of this type. Remarkably, the results showed no major reductions on training in SMEs due to the financial crisis.

Although there is a broad offer of training in East Flanders, companies – and especially small ones – struggle to find the specific training they are looking for. This is caused by a lack of structure in the total offer of training. Companies have no clear view on what the different training possibilities are in the region.

### ***RECOMMENDATION***

Despite government efforts such as the industry funds (the industry funds are the result of social debate between employers organisations and in this way not really a government effort), there is still a mismatch between supply and demand that must be solved. The Flemish government should continue to recognise that businesses in East Flanders are predominantly small and medium-sized enterprises (SMEs) and that these companies face particular challenges in accessing training for their employees. Therefore, there is a need for a clear



overview of the training activities in the different regions. This could for example be solved by installing a governmental website or by an umbrella organisation that covers all industries.

## 6.2 Barriers to Training

SMEs in East Flanders were asked about the reasons why they sometimes refrained from training. The survey showed large responses for the difficulty of interrupting production and the high costs. Both in the workshop and the case studies, SMEs affirmed that practical capability was the major barrier to letting employees participate in training. Because of their small size, it is difficult to replace someone.

Another message concerning the barriers for training in SMEs was the attitude towards employee development. Training and development should be part of the company philosophy. Companies do not sufficiently realise that continuous training is necessary for survival.

### *RECOMMENDATION*

There must be more communication about the added value and importance of training in companies. Investing in people is not only beneficial to the employees themselves, it also helps the company grow and survive in difficult circumstances. The Flemish government should continue to affirm the strategic importance of developing skills of the labour force as a contribution to its commitment to lifting the region's productivity and growth.

## 6.3 Informal Training

The OECD definition of informal training refers to learning resulting from daily activities related to work, family or leisure. Respondents reported that clients, co-workers and suppliers were the most important sources for informal training. Companies believe this type of learning leads to improved skills and other employee benefits. Unfortunately it is both difficult for researchers to enquire upon the use of informal learning and hard for employers to be aware of the practices, because informal training always remains immeasurable.

Analysing the information obtained from the three pillars, one can say that informal training is really important in small and medium-sized companies. Informal learning is the best way to educate all groups of workers, but is especially helping the low skilled workers. SMEs make abundant use of knowledge-intensive service activities. For example, mentorships and godfather projects are extremely popular among SMEs.

### *RECOMMENDATION*

Companies must continue to attach importance to informal learning, and handle the topic more consciously. Training providers as well as authorities should pay more explicit attention to informal learning and further stimulate its use. Informal learning is as important as formal learning. Especially for SMEs it is a time and cost effective way to develop the skills of the workforce.

## 6.4 Green Employment

Analysing the survey results, the case studies and the results from the workshop, one can say that climate change adaptations and regulations have a limited impact on the businesses. The consciousness about the importance of a green economy is growing, but up until today there are limited actions around this topic. In general, there are incremental changes, but not yet radical changes towards greening the economy. Attention nevertheless grows with the subsidies from the government and the increasing media attention.

### *RECOMMENDATION*

Our recommendation for this topic is that even more communication about the necessity of green skills is required. Companies need to understand that it starts with small things, such as selecting waste and carpooling with colleagues to work. For SMEs it is important to know that contributing to a green economy does not need to involve enormous investments, but can be achieved through daily practices.

## 6.5 The Regional Skills Ecosystem

Especially the case studies show that SMEs are willing to participate in networks. Small companies are really searching for likeminded firms to exchange knowledge, learn from each other and to work together. They know that together they can achieve more than alone. Almost all companies in the sample expressed the wish for even more collaboration.

Unfortunately, there is limited networking on the level of training. It is difficult to bring employees from smaller companies together to follow the same course, for example. The existing networks are very fragmented and one can say that East Flanders does not possess one central network on itself.

### *RECOMMENDATION*

There is need for more networking between companies and training organisations. For example, more platforms can be installed to bring companies together. SMEs should also be able to direct specific questions to the academic world. Academic institutes could be more closely connected with the practical reality of companies and their issues.

## 6.6 Suggestions for Further Research

This research project hopes to initiate further research on the subject of training and skills development in SMEs. It can be considered an onset that can be elaborated upon in multiple ways.

On the level of the study's scope, a wide range of possible tracks for future research can be suggested. The study looks at training and skills development in SMEs from the perspective of the employer. Other stakeholders can nevertheless be relevant as well. It might especially be interesting to consider the point of view of employees, since they make up the party that is most directly involved. It would be worthwhile to examine their willingness and expectations concerning training. In this framework, distinctions among employees should also be made. As hinted upon in the report, the situation is considerably different for low-skilled workers as opposed to high-skilled employees. This is only one of the particular issues that require further investigation.



## *APPENDIX 1*

### QUESTIONNAIRE

This survey is part of a study conducted by the Organisation for Economic Co-Operation and Development (OECD) in collaboration with the Department of Work and Social Economy.

The project looks at training and skills development in small and medium-sized enterprises (SMEs).

Your assistance in completing the survey will therefore be very valuable for identifying those factors related to skills development hindering competitiveness and innovation in SMEs.

This survey should be completed by someone in your business responsible for Human Resources and/or training. If this is not you please forward it to the appropriate person. The survey consists of 25 mostly multiple choice questions and will take approximately 20 minutes to complete.

The survey is divided into four sections: – the first section asks for some details about your business and employees. Section two asks about your business's use of industry and skills development training/vocational education and training (VET) activities. Section three asks about other ways of building your employees' skills, knowledge and competencies beyond training. Section four refers to your business collaborative activities and reasons for training and skills development.

**Your privacy is important to us. All information is kept confidential.**

**Q.1. SECTION 1 – ABOUT YOUR BUSINESS and EMPLOYEES**

In which country is your business located?

[SINGLE RESPONSE]

- Belgium   
 New Zealand   
 Poland   
 UK   
 Other \_\_\_\_\_

To what extent would you say your job role is responsible for human resource issues, including overseeing training and skills development for staff? Is it...

[SINGLE RESPONSE]

- All of your role   
 A major part of your role   
 A minor part of your role

Are your products or services primarily sold...

[SINGLE RESPONSE]

- Locally / Regionally   
 Nationally   
 Internationally   
 Don't know

How long has your business been in operation?

[SINGLE RESPONSE]

- less than 1 year   
 1-4 years   
 5-9 years   
 10 years or more

What is the main sector your business operates in?

[SINGLE RESPONSE]

**A - Agriculture, hunting and forestry**

01 - Agriculture, hunting and related service activities

02 - Forestry, logging and related service activities

**B - Fishing**

05 - Fishing, aquaculture and service activities incidental to fishing

**C - Mining and quarrying**

10 - Mining of coal and lignite; extraction of peat

11 - Extraction of crude petroleum and natural gas; service activities incidental to oil and gas extraction, excluding surveying

12 - Mining of uranium and thorium ores

13 - Mining of metal ores

14 - Other mining and quarrying

**D - Manufacturing**

15 - Manufacture of food products and beverages

16 - Manufacture of tobacco products

17 - Manufacture of textiles

18 - Manufacture of wearing apparel; dressing and dyeing of fur

19 - Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear

20 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials

21 - Manufacture of paper and paper products

22 - Publishing, printing and reproduction of recorded media

23 - Manufacture of coke, refined petroleum products and nuclear fuel

24 - Manufacture of chemicals and chemical products

25 - Manufacture of rubber and plastics products

26 - Manufacture of other non-metallic mineral products

27 - Manufacture of basic metals

28 - Manufacture of fabricated metal products, except machinery and equipment

29 - Manufacture of machinery and equipment n.e.c.

30 - Manufacture of office, accounting and computing machinery

31 - Manufacture of electrical machinery and apparatus n.e.c.

32 - Manufacture of radio, television and communication equipment and apparatus

33 - Manufacture of medical, precision and optical instruments, watches and clocks

- 34 - Manufacture of motor vehicles, trailers and semi-trailers  
35 - Manufacture of other transport equipment  
36 - Manufacture of furniture; manufacturing n.e.c.  
37 - Recycling
- E** - Electricity, gas and water supply
- 40 - Electricity, gas, steam and hot water supply  
41 - Collection, purification and distribution of water
- F** - Construction
- 45 - Construction
- G** - Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods
- 50 - Sale, maintenance and repair of motor vehicles and motorcycles; retail sale of automotive fuel  
51 - Wholesale trade and commission trade, except of motor vehicles and motorcycles  
52 - Retail trade, except of motor vehicles and motorcycles; repair of personal and household goods
- H** - Hotels and restaurants
- 55 - Hotels and restaurants
- I** - Transport, storage and communications
- 60 - Land transport; transport via pipelines  
61 - Water transport  
62 - Air transport  
63 - Supporting and auxiliary transport activities; activities of travel agencies  
64 - Post and telecommunications
- J** - Financial intermediation
- 65 - Financial intermediation, except insurance and pension funding  
66 - Insurance and pension funding, except compulsory social security  
67 - Activities auxiliary to financial intermediation
- K** - Real estate, renting and business activities
- 70 - Real estate activities  
71 - Renting of machinery and equipment without operator and of personal and household goods  
72 - Computer and related activities  
73 - Research and development  
74 - Other business activities
- L** - Public administration and defence; compulsory social security
- 75 - Public administration and defence; compulsory social security
- M** - Education
- 80 - Education
- N** - Health and social work
- 85 - Health and social work
- O** - Other community, social and personal service activities
- 90 - Sewage and refuse disposal, sanitation and similar activities  
91 - Activities of membership organisations n.e.c.  
92 - Recreational, cultural and sporting activities  
93 - Other service activities
- P** - Activities of private households as employers and undifferentiated production activities of private households
- 95 - Activities of private households as employers of domestic staff  
96 - Undifferentiated goods-producing activities of private households for own use  
97 - Undifferentiated service-producing activities of private households for own use
- Q** - Extraterritorial organisations and bodies
- 99 - Extraterritorial organisations and bodies

any employees does your business have? (approximately)

[RESPONSE PER LINE]

employed...	Don't know
<b>1.1.1.</b> In total _____	<input type="checkbox"/>
and of these, how many are...	
full time _____	<input type="checkbox"/>
part time _____	<input type="checkbox"/>
casual or temporary _____	<input type="checkbox"/>

**Q.1.2.** How many of your employees are apprentices/trainees? (approximately)

[SINGLE RESPONSE]

Number of employees	Don't know
_____	<input type="checkbox"/>

How many of your staff are in each of the following occupations (approximately)?

[SINGLE RESPONSE PER LINE]

	Number of employees	Don't know
Managers and senior officials	_____	<input type="checkbox"/>
Professional occupations <sup>1</sup>	_____	<input type="checkbox"/>
Associate professional and technical occupations <sup>2</sup>	_____	<input type="checkbox"/>
Skilled trades occupations <sup>3</sup>	_____	<input type="checkbox"/>
Personal service occupations <sup>4</sup>	_____	<input type="checkbox"/>
Sales and customer service occupations <sup>5</sup>	_____	<input type="checkbox"/>
Process, plant and machine operatives <sup>6</sup>	_____	<input type="checkbox"/>
Elementary occupations <sup>7</sup>	_____	<input type="checkbox"/>

How many of your staff are in the following age groups (approximately)?

[SINGLE RESPONSE PER LINE]

	Number of employees	Don't know
less than 25 years old	_____	<input type="checkbox"/>
25 to 49 years old	_____	<input type="checkbox"/>
50 to 64 years old	_____	<input type="checkbox"/>
65 years old and over	_____	<input type="checkbox"/>

Has your business made changes in the past 12 months in terms of introducing:

[SINGLE RESPONSE PER LINE]

	Yes	No	Don't Know
A new product/service (or a substantially changed product/service)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A new way of producing an existing product/service (e.g. a new operational process)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Changes to the way your firm does things such as a new or substantially changed accounting system or human resource management system (e.g. a new management process)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A new technology or equipment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A new product/service/operation due to climate change adaptation/regulation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Would you consider these changes to be “incremental” (series of gradual or small changes over time) or “radical” (a onetime big change)?

[SINGLE RESPONSE PER LINE]

	Incremental	Radical
A new product/service (or a substantially changed product/service)?	<input type="checkbox"/>	<input type="checkbox"/>
A new way of producing an existing product/service (e.g. a new operational process)?	<input type="checkbox"/>	<input type="checkbox"/>
Changes to the way your firm does things such as a new or	<input type="checkbox"/>	<input type="checkbox"/>

<sup>1</sup> E.g. accountant, chemist, architect, engineer, economist<sup>2</sup> E.g. associate technician, building associate<sup>3</sup> E.g. electrician, carpenter, welder, sheet metal worker, instrument mechanic<sup>4</sup> E.g. child-care worker, home care aides<sup>5</sup> E.g. shop assistant, sales assistant<sup>6</sup> E.g. process workers, van/fork-lift truck drivers, food processing machine operator<sup>7</sup> E.g. labourers, cleaners, packers, security guards

substantially changed accounting system or human resource management system (e.g. a new management process)?  
 A new technology or equipment    
 A new product/service/operation due to climate change adaptation/regulation

**Training plans**

[SINGLE RESPONSE PER LINE]

Training plans	Yes	No	Not Applicable	Don't Know	RULE
<b>Q.1.3.</b> Does your business have formal training <sup>8</sup> and career development plans for employees (e.g. plans for career advancement and promotion)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Q.1.4.</b> Does your business have an annual budget for training expenditure (e.g. formal/informal training; on/off the job; covering direct costs)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	IF "YES", GO TO Q.10.3., OTHERWISE GO TO Q.11.
<b>Q.1.5.</b> What percentage of your total salary budget is this, for the current financial year?				<input type="checkbox"/>	<b>Don't Know</b>

Over the last 12 months, have the following increased, stayed about the same or decreased at this business?

[SINGLE RESPONSE PER LINE]

	Increased	Stayed the same	Decreased	Don't know /Not Relevant
The number of staff employed at your establishment in total	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The number of young people aged under 24 recruited to their first job	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The number of apprentices and new trainees recruited by your establishment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The proportion of employees provided with training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Expenditure on training per employee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The emphasis placed on informal learning instead of formal learning	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The proportion of your total training delivered by external providers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The amount of formal training, leading to recognised qualifications, that your business supports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Where do you think additional training is needed in your business (ongoing need or newly needed) over the next 12 months?

Definition: Value-chain is a linked set of activities within a supply chain, involving a number of businesses performing different activities of the process which actively add value to the end product.

[SINGLE RESPONSE PER LINE]

Skills	High need	Some need	No need	Don't know
--------	-----------	-----------	---------	------------

<sup>8</sup> **Formal Training** refers to learning that occurs in an organised and structured environment (e.g. in an education or training institution or on the job) and is explicitly designated as learning (in terms of objectives, time or resources). Formal learning is intentional from the learner's point of view. It typically leads to validation and certification.

**Informal Training** refers to learning resulting from daily activities related to work, family or leisure. It is not organised or structured in terms of objectives, time or learning support. Informal learning is in most cases unintentional from the learner's perspective (CEDEFOP, 2008).



<b>Generic</b> – general IT user skills, oral communication, written communication, numeracy and literacy, office admin skills;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Routine</b> – repetitive, more basic, low knowledge intensive skills;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Technical/Advanced</b> – skills required for problem solving; design, operation, rethinking and maintenance of machinery or technological structures; IT professional skills;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Management</b> – skills for business planning, regulations and quality control, human resources planning (recruitment, training and skills development) and allocation of resources;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Social</b> – motivation and appreciation of people’s characteristics for individual and team working purposes, customer handling; appreciation of networks and value-chain partners;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Language and cultural</b> – ability to communicate in more than one language, appreciation of cultural characteristics of different ethnic groups;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Entrepreneurial</b> – specific skills for start-ups such as risk, strategic thinking, self-confidence, the ability to make the best of personal networks and the ability of dealing with challenges and requirements of different nature.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Green</b> – specific skills required to adjust your products, services or operations due to climate change adjustments, requirements or regulations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Q.2. SECTION 2 – YOUR FIRM’S INDUSTRY TRAINING / VOCATIONAL EDUCATION AND TRAINING (VET) ACTIVITIES

Questions in this section refer to any industry and skills development training your business has supported or provided even if only to one employee during the past 12 months. The section also asks your opinion regarding the outcomes of the training and skills development.

Did any of your employees participate in training in any of the following areas during the past 12 months?

[SINGLE RESPONSE PER LINE.]

[IF LINE EQUAL “ONE-OFF...” OR “REGULARLY...” THEN ASK Q.13.1.]

[IF ALL EQUAL “DID NOT DO” AND/OR “DK” THEN SKIP TO Q.16.3.]

Industry training / VET	Did not do	One-off (specific need)	Regularly (Weekly/monthly)	Don't know
Business planning (including management and leadership training)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marketing and promotion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Research (including market research) and product development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Accounting and finance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Information and Technology	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Human Resources	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Legal courses (IP, patents etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E-Commerce	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Organisational Health and Safety	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Job-specific technical training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Language courses	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Social skills development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Entrepreneurship related training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Green skills development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (please specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Q.1.6. Which of this training was legally required?

[SINGLE RESPONSE PER LINE.]

[ONLY ASK LINE IF EQUALS “ONE-OFF...” OR “REGULARLY...” IN Q.13.]

Industry training / VET	Legal requirement?
Business planning (including management and leadership training)	<input type="checkbox"/>
Marketing and promotion	<input type="checkbox"/>
Research (including market research) and product development	<input type="checkbox"/>
Accounting and finance	<input type="checkbox"/>
Information and Technology	<input type="checkbox"/>
Human Resources	<input type="checkbox"/>
Legal courses (IP, patents etc.)	<input type="checkbox"/>
E-Commerce	<input type="checkbox"/>
Organisational Health and Safety	<input type="checkbox"/>
Job-specific technical training	<input type="checkbox"/>
Language courses	<input type="checkbox"/>
Social skills development	<input type="checkbox"/>
Entrepreneurship related training	<input type="checkbox"/>
Green skills development	<input type="checkbox"/>
Other (please specify)	<input type="checkbox"/>

How was the training provided?

[SINGLE RESPONSE PER LINE.]

Provision of vocational & educational training (VET) programmes & courses	All the time	Most of the time	Never	Don't know
On-the-Job (during working hours)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Off-the-job (training away from the individual's immediate work position, whether on your premises or elsewhere)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Within the firm (in-house)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Outside the firm (e.g. at an external training provider)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
By accredited trainers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Providing formal (nationally recognised) qualifications	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (please specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

What percentage of all your employees participated in training during the past 12 months (approximately)?

**High-skilled occupations:** professionals, associate professionals, technical occupations.

**Medium-skilled:** administrative, secretarial, skilled trades, personal services, sales and customer services.

**Low-skilled:** routine process, plant and machine operators, elementary occupations such as garbage collectors, food processing workers.

[SINGLE RESPONSE PER LINE.]

	%	Don't Know
Employees in training	_____	<input type="checkbox"/>
<b>Q.1.7.</b> And of these, what percentage were...		
High-medium skilled	_____	<input type="checkbox"/>
Low skilled	_____	<input type="checkbox"/>

**Q.1.8.** And of those employees in training, what is the breakdown by age? (approximately)?

[SINGLE RESPONSE PER LINE.]

Age groups participating in training	%	Don't know
Less than 25 years old	_____	<input type="checkbox"/>
25-49 years old	_____	<input type="checkbox"/>
50-64 years old	_____	<input type="checkbox"/>
65 years old and over	_____	<input type="checkbox"/>

In your opinion...

**Q.1.9.** Did your **employees** get any of the following **outcomes** from the training? Please differentiate between high-medium and low skilled.

[MULTIPLE RESPONSE PER LINE, EXCEPT FOR "NONE".]

Outcomes for Employees	For High-medium skilled	For low skilled	None
<b>Improved Skills</b>			
Routine skills (basic/repetitive tasks, e.g. packing)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Generic skills (e.g. literacy, numeracy)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Technical/Advanced (problem solving)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Management skills (e.g. business planning, HR planning)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Social skills (e.g. team work)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Language/cultural skills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Entrepreneurial skills (e.g. risk taking)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Green skills (e.g. adjusting to climate change)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Other outcomes</b>			
Employment progression / career advancement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Higher wages	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Change job (higher mobility within firm / industry sector)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (please specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Q.1.10.** Please indicate if you think the training undertaken by **your business** has led to the following outcomes.

Please differentiate between outcomes for the firm, for the industry sector and for the local area, if known.

[MULTIPLE RESPONSE PER LINE, EXCEPT FOR "DON'T KNOW".]

Outcomes for Employers and collective	For business	For industry sector	For local area (e.g. radius of 20km)	Don't know
Increased productivity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increased innovation (new/improved products or services or new/improved management processes)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Market positioning (local, national, international)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increased competitiveness	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Upgraded skill levels	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increased levels of education attainment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increased levels of trainers' expertise in designated	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

areas

Mitigation of climate change/contributing to the greening of the economy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (please specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Where there any training activities that you would have liked to have carried out but did not in the last 12 months?

[SINGLE RESPONSE.]

[IF “NO”, SKIP TO SECTION 3]

	Yes	No	Don't Know
Where there any training activities that you would have liked to have carried out but did not in the last 12 months?	<input type="checkbox"/>	<input type="checkbox"/>	

**Q.1.11.** What were the reason(s) that you did not carry out this training?

Please differentiate between medium-high and low skilled employees (mark as many as apply).

[MULTIPLE RESPONSE PER LINE, EXCEPT FOR “DON’T KNOW”.]

[ASK IF Q.17 EQUALS “NO”.]

Barriers to training	For High-medium		
	skilled	For low skilled	Don't Know
High costs/too expensive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People recruited with skills needed (initial training sufficient)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of public financing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Impossible to interrupt production/no time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Difficult to assess enterprise needs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Staff not willing to participate in training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Training is too difficult to implement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Risk of poaching after training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Too difficult to identify suitable training providers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Too difficult to access training (location; availability at a suitable time)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other barriers (please specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Q.3. SECTION 3 – BUILDING YOUR EMPLOYEES’ SKILLS THROUGH OTHER WAYS

In the previous section you were asked about *formal* education and training at your firm. This section explores other activities<sup>9</sup> that may increase the skills, knowledge or competencies of your employees in significant ways.

For example, employees may learn significant amounts through interactions with co-workers, suppliers, clients or consultants. Alternatively, projects internal to a firm to improve work processes (such as quality control and product development) might result in staff learning and development. In these situations, the skills, competencies or knowledge gained **are not** part of recognised education and training programmes that were explored in Section 2.

In addition to any training activities that were mentioned previously, did your business carried out, in the past 12 months, any of the following activities which **significantly** increased the skills, competencies or knowledge of your employees? (Mark as many as apply)

[SINGLE RESPONSE PER LINE.]

[IF LINE EQUAL “ONE-OFF...” OR “REGULARLY...” THEN ASK Q.19.]

[IF ALL EQUAL “DID NOT DO” AND/OR “DK” THEN SKIP TO SECTION 4.]

Activities	Did not do	One-off (specific need)	Regularly (Weekly / monthly)	Don't know
Business planning (including management and leadership services, consultancy and advice)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marketing and promotion services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Research (including market research) and product development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Accounting and finance services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Information and Technology services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Human Resource services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Legal advice and services (IP, patents etc)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E-Commerce (e.g. on-line work with clients and suppliers; access to web-based information)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Organisational Health and Safety advice	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Job-specific technical activities (e.g. advice on utilisation of new plant or equipment)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Language or communication coaching	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Social skills development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Entrepreneurship related activities (e.g. brainstorming about opening new markets or new range of products and services)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Green skills development (e.g. cooperation with other organisations to find ways to adjust production to minimise climate change)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (please specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please indicate the **importance of the following groups** in the other activities your business did during the past 12 months?

[SINGLE RESPONSE PER LINE.]

Participants in alternative interacting activities	Little importance	High importance	Not relevant	Don't Know
Co-workers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Suppliers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Clients	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Business consultants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Competitors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
University researchers/consultants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Firms from the same industry clusters	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Firms from value-chain	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Industry associations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<sup>9</sup> These activities can be defined as informal learning resulting from daily activities related to work that are not organised in terms of objectives, time or learning support (CEDEFOP, 2004)

Government departments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Informal networks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (please specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

What percentage of all your employees participated in these types of activities during the past 12 months (approximately)?

**High-skilled occupations:** professionals, associate professionals, technical occupations.

**Medium-skilled:** administrative, secretarial, skilled trades, personal services, sales and customer services.

**Low-skilled:** routine process, plant and machine operators, elementary occupations such as garbage collectors, food processing workers.

[SINGLE RESPONSE PER LINE.]

Employees	_____ %	<input type="checkbox"/> Don't Know
<b>Q.1.12.</b> And of these, what percentage were...		
High-medium skilled	_____ %	<input type="checkbox"/>
Low skilled	_____ %	<input type="checkbox"/>

**Q.1.13.** And of those employees who participated in skills development activities, what is the breakdown by age? (approximately)

[SINGLE RESPONSE PER LINE.]

<b>Age groups participating in training</b>	%	<input type="checkbox"/> Don't know
Less than 25 years old	_____	<input type="checkbox"/>
25-49 years old	_____	<input type="checkbox"/>
50-64 years old	_____	<input type="checkbox"/>
65 years old and over	_____	<input type="checkbox"/>

In your opinion, did your **employees** get any of the following **outcomes** from participating in these activities (in the short or long term)? Please differentiate between high-medium and low skilled employees.

[MULTIPLE RESPONSE PER LINE, EXCEPT FOR "NONE".]

<b>Outcomes for Employees</b>	<b>For high-medium skilled</b>	<b>For low skilled</b>	<b>None</b>
<b>Improved Skills</b>			
Routine skills (basic/repetitive tasks, e.g. packing)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Generic skills (e.g. literacy, numeracy)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Technical/Advanced (problem solving)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Management skills (e.g. business planning, HR planning)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Social skills (e.g. team work)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Language/cultural skills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Entrepreneurial skills (e.g. risk taking)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Green skills (e.g. adjusting to climate change)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Other outcomes</b>			
Employment progression / career advancement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Higher wages	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Change job (higher mobility within firm / industry sector)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (please specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

What do you think were the **outcomes** of using these activities for your business, the industry sector and the local area?

[MULTIPLE RESPONSE PER LINE, EXCEPT FOR "DON'T KNOW".]

<b>Outcomes for Employers and collective</b>	<b>For business</b>	<b>For industry sector</b>	<b>For local area (e.g. radius of 20km)</b>	<b>Don't know</b>
Increased productivity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increased innovation (new/improved products or services or new/improved management processes)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Market positioning (local, national, international)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increased competitiveness	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Upgraded skills levels	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increased levels of education attainment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Increased levels of trainers' expertise in designated areas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mitigation of climate change/contributing to the greening of the economy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (please specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Do you consider any of the activities below to be **better sources of learning** for staff than formal education and training courses? Please differentiate between high-medium and low skilled employees.

[MULTIPLE RESPONSE PER LINE, EXCEPT FOR "DON'T KNOW".]

Activities	Better for staff which are...		
	For high-medium skilled	For low skilled	Don't know
Business planning (including management and leadership services, consultancy and advice)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marketing and promotion services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Research (including market research) and product development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Accounting and finance services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Information and Technology services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Human Resource services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Legal advice and services (IP, patents etc)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E-Commerce (e.g. on-line work with clients and suppliers; access to web-based information)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Organisational Health and Safety advice	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Job-specific technical activities (e.g. advice on utilisation of new plant or equipment)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Language or communication coaching	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Social skills development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Entrepreneurship related activities (e.g. brainstorming about opening new markets or new range of products and services)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Green skills development (e.g. co-operation with other organisations to find ways to adjust production to minimise climate change impact)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (please specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### Q.4. SECTION 4 – MOTIVATION and COLLABORATION FOR TRAINING AND SKILLS DEVELOPMENT

What are the reasons for your business to undertake training and skills development activities (industry vocational & educational training (VET) and/or other activities)? Please specify for “industry training” and “other activities”.

[MULTIPLE RESPONSE PER LINE.]

Reasons for Training / skills development activities	Industry training /VET courses	Other activities that develop skills and competencies	Not Applicable	Don't Know
<b>Public Incentives/Government programmes</b>				
International (e.g. EU policies)	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
National (country specific government programmes)	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Regional (regional programmes)	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Local (council / local government programmes)	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Country regulations (e.g. training levies, training requirements)	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
<b>Private Incentives (including facilitation/promotion/information of training)</b>				
Collective agreements (trade unions)	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Industry sector association services/activities	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Chambers of Commerce services/activities	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Industry clusters services/activities	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Value-chain firms' activities <sup>10</sup>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Business networks activities	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Local networks activities	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Foundations activities	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
<b>In-house incentives</b>				
Production needs	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Service requirements	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
New product / service development	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Adjustments to financial constraints	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Adjustments to climate change impacts	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Job/position adjustments	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Need to increase employee skills level	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Other (please specify)	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>

This question will help to understand which key training and skills development organisations operate in your area of activity. Could you please cite the **organisations** with whom your firm/business associate with for training and skills development activities (industry training, vocational & educational training (VET) and/or other interactive activities)?

[MULTIPLE RESPONSE PER LINE.]

Group	Name of organisation/s	Industry training/VET activities	Other interactive activities
Industry Training Organisations / Sector Skills Councils	_____	<input type="checkbox"/>	<input type="checkbox"/>
Further education colleges	_____	<input type="checkbox"/>	<input type="checkbox"/>
Universities	_____	<input type="checkbox"/>	<input type="checkbox"/>
Trade Unions	_____	<input type="checkbox"/>	<input type="checkbox"/>
Business organisations	_____	<input type="checkbox"/>	<input type="checkbox"/>
Chambers of Commerce	_____	<input type="checkbox"/>	<input type="checkbox"/>
Firms from value-chain (suppliers,	_____	<input type="checkbox"/>	<input type="checkbox"/>

<sup>10</sup> Value-chain: a linked set of activities within a supply chain, involving a number of businesses performing different activities of the process which actively add value to the end product.



clients)	_____		
Government departments	_____	<input type="checkbox"/>	<input type="checkbox"/>
Private Consultants and paid advisors	_____	<input type="checkbox"/>	<input type="checkbox"/>
Private training providers	_____	<input type="checkbox"/>	<input type="checkbox"/>
Local councils	_____	<input type="checkbox"/>	<input type="checkbox"/>
Local community organisation	_____	<input type="checkbox"/>	<input type="checkbox"/>
Other parts of the same enterprise group (i.e. head office in a different location)	_____	<input type="checkbox"/>	<input type="checkbox"/>
Other education providers (please specify...)	_____	<input type="checkbox"/>	<input type="checkbox"/>

Thank you for participating in this survey.

Your valuable responses will be used to identify ways to overcome the barriers to workforce development.

Individual responses will be kept confidential.

The overall outcomes of the study will become available at the OECD LEED Programme website

[www.oecd.org/cfe/leed](http://www.oecd.org/cfe/leed).

If you have any further comments, please leave them here.

[OPEN RESPONSE.]

Comments \_\_\_\_\_

If you wish to receive an electronic copy of the final report from this project, please confirm your email address:

*Note: your address will only be used to forward an electronic copy (pdf) of the report.*

[SINGLE RESPONSE.]

No, thank you.

Your email \_\_\_\_\_

Would you agree to be contacted for a discussion about training and skills development in your business?

[SINGLE RESPONSE.]

[If "No" SKIP TO END]

Yes

No

If yes, please complete the following details so that we can contact you for further follow-up<sup>11</sup>:

[MULTIPLE RESPONSE.]

Title Dr Mr Mrs Ms Prof

First name \_\_\_\_\_

Last name \_\_\_\_\_

Your telephone number +( ) \_\_\_\_\_

Your email \_\_\_\_\_ [Insert from Q.27 if given]

<sup>11</sup> Note: your details will only be used in follow-up to this survey

**APPENDIX 2**  
**LIST OF PARTICIPANTS**

Participants	Organisation
<i>OECD</i>	
Cristina Martinez-Fernandez	OECD
<i>Flemish Government</i>	
Ann Van Den Cruyce	Department of Labour and Social Economy
Isabel Van Wiele	Department of Labour and Social Economy
Ryfka Heyman	Department of Labour and Social Economy
Sophie Callewaert	Department of Economy, Science and Innovation
Tom Tournicourt	Department of Economy, Science and Innovation
<i>SMEs</i>	
Wannes Wylin	EcoPuur
Annemie Segers	Lilith HuisHoudHulp
Claude Nijs	P.Nijs NV
Isabelle Stubbe	Oxalis Consulting & Development
Evelyne Scholler	Stravigo
Marc Van Hulle	Sylva
Tom Nuyttens	Transuniverse Group NV
<i>Large enterprises</i>	
Ann Bleuzé	Deloitte
Herwig De Preter	KBC
Chantale De Bondt	Partena Partners
<i>Business Organisations</i>	
Eric Decoo	ACLVB
Karolien Meersman	EROV
Ann De Beuckelaer	Gent BC
Patrick Vankwikelberge	UGent Tech Transfer
Jean-Luc Fasseur	UNIZO
Jens De Vos	VOKA

Participants	Organisation
<i>Training organisations</i>	
Klaas Buyck	BCT Coaching & Consulting/ACERTA
Inge Vanderostyne	EDUPLUS
Mieke Coulebier	Federatie Centra voor Basiseducatie
Christof Vanden Eynde	Federatie Centra voor Basiseducatie
Lieve Ruelens	IPV
Annelies Goethals	SYNTRA
Nico Nieuwborg	SYNTRA
Bert Van Cauteren	SYNTRA
Joris Beullens	SYNTRA
Kristine Verbeeck	VDAB
Arne Theylaert	VDAB
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# Leveraging Training Skills Development in SMEs

The leveraging training and skills development in SMEs project is an international effort to look at policy issues related to the:

- Low access to training in SMEs
- Barriers encountered by SMEs to training
- Formal and informal ways SMEs access knowledge that is relevant for their business operations.

The project examines how formal and alternative ways of training and skills development relate to specific outputs for the firm and employees, for the industry and for the local area where they are located. In particular the role of skills and training ecosystems at the local level is analysed.

Participant countries: New Zealand, United Kingdom, Poland, Belgium (Flanders) & Turkey. The project is supported by: the European Commission, DG Employment, Social Affairs and Equal Opportunities.

