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Growing

CAREER GUIDANCE AND LEARNING IN SMEs

FINAL REPORT

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SME'S GROWTH AND INNOVATION THROUGH LEARNING AT THE WORKPLACE

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GrowINg - SME's Growth and Innovation through Learning at the Workplace | Sep. 2020

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Table of Contents

INTRODUCTION 6

1. "GrowINg" project 7

SMALL AND MEDIUM ENTERPRISES 8

1. The importance of SMEs in the European Economy 9
   1.1. General overview 9
   1.2. European (EU) support to SMEs 13
   1.3. COVID-19 impact on SMEs 13

ADULT LEARNING AND TRAINING IN EUROPE 15

1. The importance of adult learning 16
   1.1. Adult participation in lifelong learning in the EU 16
   1.2. Adult training in EU 19
2. Promoting adult learning at the workplace 21
   2.1. Strategies 21
   2.2. "Building blocks" by ET 2020 working group 21
   2.3. The adult learning policy cycle by OECD 23
   2.4. Key steps for SMEs 25
3. Methods to develop employees' entrepreneurship and transversal skills at work 26

STUDY WITH SMEs AND TRAINING PROVIDERS 30

1. The methodology of data collection 31
   1.1. Surveys 31
   1.2. Focus groups and/or interviews 31
2. Results and analysis of surveys 32
   2.1. Compilation of the results 32
   2.2. Overview of the respondents and participants 32
   2.3. Current situation of education and training opportunities for employees 34
   2.4. Future of career guidance and learning at work in SMEs 41
3. Conclusions 47

RECOMMENDATIONS 31

1. For Employers 51
2. For Intermediate organisations 54
3. For policy makers at regional and national level 57

BIBLIOGRAPHY 59

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List of tables

Table 1. SMEs in Portugal, Greece and Cyprus 12
Table 2. Areas of staff development opportunities in SMEs 38
Table 3. Areas of staff development opportunities in SMEs in the future 43
Table 4 – Brief description of the recommendations addressed to policy makers to support business structuring and providing career development opportunities to their employees, ...57

List of figures

Figure 1. Adult participation in learning 2018, % of adults aged 25-64 (Source: Eurostat).....17
Figure 2. Participation rate in education and training by type 2016, % of adults aged 25-66 (Source: Eurostat).....18
Figure 3. Participation rate in informal learning, % of adults aged 25-64 (based on Eurostat data)...18
Figure 4. Share of employees that had training paid by their employer (last 12 months), %.....19
Figure 5. Share of workers undertaking training during and outside working hours, % 20
Figure 6. Building blocks by ET 2020 working team 22
Figure 7 – Brief description of the building blocks for the promotion of adult learning at the workplace as defined in the final report of the ET 2020 in 2018. 22
Figure 8. The adult learning policy cycle (Source: OECD) 23
Figure 9 – Brief description of the seven action points for the adult learning at the workplace as defined by OECD. 24
Figure 10 – Key factors to take into consideration to ensure a cohesive adult education at the workplace. 25
Figure 11 – Identification of the steps to promote upskilling and reskilling according to EC study. 25
Figure 12 – Methods to strengthen employee's skills identified as generating a wider level of impact. 26
Figure 13 – Brief description of the methods identified as most common to strengthen employee's skills. 26
Figure 14 – Images of the Focus Group promoted in Portugal, Greece and Cyprus, respectively.....31
Figure 15. Sectors of surveyed SMEs.....33
Figure 16 – Characterisation of the participants of the focus groups/interviews, according to the type of their organisations.....33
Figure 17. Typologies of career development opportunities offered by SMEs' and service providers 34
Figure 18. Frequency of career development opportunities offered by companies 34

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Figure 19. Duration of career development opportunities offered by companies and service providers 35
Figure 20.The decision-making power in SMEs.....36
Figure 21. Key factors decisions on the frequency and the topics of career development and learning at work opportunities in SMEs are based on 37
Figure 22 – Main benefits of promoting career development and learning at the workplace opportunities. 39
Figure 23. Main driving forces/benefits for the implementation of career guidance and learning at work opportunities.....39
Figure 24. Main driving challenges for the implementation of career guidance and learning at work opportunities 40
Figure 25. Career development opportunities offered by companies and service providers in the future.....42
Figure 26 – Actual and future challenges to be faced by SMEs: 44
Figure 27. Main driving challenges for the implementation of career guidance and learning at work opportunities in the future 45
Figure 28.Key factors needed to help SMEs face the upcoming challenges in the future 46
Figure 29 – Main recommendations to guide SMEs defining a strategy for the learning at the workplace. 51
Figure 30 – Brief description of the recommendations to support SMEs defining and implementing their strategy for learning at the workplace. 51
Figure 31 – Recommendations to intermediate organisations to support SMEs providing career development opportunities 54
Figure 32 – Brief description of the recommendations to intermediate organisations support SMEs in providing career development opportunities to their employees 55
Figure 33 – Recommendations to policy makers to support business in providing career development opportunities to their employees. 57

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LIST OF ABBREVIATIONS

AEAPME	European Association of Craft, Small and Medium-Sized Enterprises
AES	Adult Education Survey
EU	European Union
EWC	Eurofound's European Working Conditions Survey
GDP	Gross domestic product
OECD	Organisation for Economic Co-operation and Development
SMEs	Small and medium enterprises
VET	Vocational education and training

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INTRODUCTION

Growing

1. "GrowINg" project

"GrowINg – SMEs Growth and Innovation through Learning at the Workplace" aims to create, test and mainstream innovative solutions for lifelong learning of adults at the workplace, allowing the assessment and development of employees' entrepreneurial skills through a holistic approach to career guidance strategies in SMEs. Through GrowINg, an experienced partnership, together with stakeholders and end-users, aims to:

- collect and create in-depth knowledge on the current landscapes of SMEs' regarding installed policies, strategies and practices in the field of career guidance and adult learning at the workplace as well as on employers' needs related to the development of transversal competences and untapped entrepreneurial skills;
- develop and test effective methodologies and tools to be easily transferred to the SMEs' human resources' policies, strategies and practices, especially those related to career guidance and provision of continuous training to foster employees' skills and meet current and future needs;
- support policy making in education and training, highlighting, and showcasing the benefits of promoting and supporting adult learning at the workplace at different levels, from individual growth to companies increased competitiveness.

The project partnership is comprised of 6 organisations coming from 4 European countries:

1. MENTORTEC Serviços de Apoio a Projectos Tecnológicos sa, Portugal (Coordinator)
2. AEP - Associação Empresarial de Portugal, Portugal
3. AKMI - Anonimi Ekpaideftiki Etairia, Greece
4. iED - Institute of Entrepreneurship Development, Greece
5. DOREA Educational Institute, Cyprus
6. CONNECTIS Srl, Italy

For more information about the project and project activities, please visit the project's website: http://growing-project.eu/

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SMALL AND MEDIUM ENTERPRISES

Growing

1. The importance of SMEs in the European Economy

1.1. General overview

In this report, as defined by the European Commission, small and medium-sized enterprises are considered as those enterprises with fewer than 250 employees, including micro-enterprises, and annual turnover of up to EUR 50 million or a balance sheet total of no more than EUR 43 million.

Small and medium enterprises (SMEs) are considered "the backbone of Europe's economy" providing a potential source for employment and economic growth in general. 25 million SMEs represent 99,8% of companies in the EU. In 2018, SMEs generated €4,357 billion of value added and employed 97.7 million people. SMEs thus accounted for two-thirds of overall employment (66.6%) and 56.4% of overall value added in the 'non-financial business economy. Average SME productivity, measured as the value added per person employed, was €44,600 in 2018, while the average EU SME employed 3.9 people.

In 2017-2018, SMEs in all EU generated growth in both value added and employment, of 4.1% and 1.8% respectively. The biggest value added growth was in Latvia, Bulgaria, and Poland, while Sweden and Italy had the lowest rates growth.

From 2014 till 2018, SME value added growth was highest in accommodation and food services, construction and information and communication, at 23.3%, 21.1%, and 20.3% respectively. In employment growth, SMEs performed best in information and communication with an increase of 17.3%, and accommodation and food services and administrative and support services, both of which generated increases of 14.6% in the same period. Another fast-growing SME sector was wholesale and retail trade which generated an increase of 18.6% in value added [1].

For the period 2018 – 2020 SME's value added growth was expected to rise strongly (by 8.5%). SME employment was also projected to grow by 3.0% in the same period, generating around 2.9 million new SME jobs. Considering the pandemic situation in Europe the prediction numbers are much likely to be way less.

[1] European Commission "SBA Fact Sheet & Scoreboard", 2019.

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Portugal

SMEs play an important role in Portugal's 'non-financial business economy. In Portugal, SMEs account for 68.3% of value added and for more than three quarters (77.4%) of employment, which is 10% higher than the EU average. Portuguese SMEs employ an average of 2.9 people, which is roughly one person less than the EU average. The annual productivity of Portuguese SMEs, calculated as value added per person employed, is around €22,900, only slightly more than half the EU average.

In recent years, SMEs in Portugal have experienced strong growth. In 2014-2018, SME employment and SME added value increased by 15.2% and 27.0% respectively, however, growth slowed in 2017-2018. It is worth mentioning that even though employment has been steadily increasing, it has still not reached the pre-crisis level.

From 2014 till 2018, SME's value added growth was highest in information and communication, and manufacturing, at 30.4% and 18.3% respectively.[2] It is important to mention, that much of the overall job creation and growth in Portugal is in low value added sectors.[3]

SME growth was predicted to continue in 2018-2020 by the increase of 10.1% in SME value added and 5.1% in SME employment, corresponding to around 133,800 new SME jobs.

Greece

SMEs play an important role in the 'non-financial business economy' of Greece as well. They generate 63.5% of total value added and an exceptionally high employment share of 87.9%, both above the EU average. Greek enterprises employ an average of 2.6 people (about one third less than the EU average) and the average productivity of Greek SMEs, calculated as the value added per person employed, is approximately €15,000 (roughly two thirds lower than in EU average).

[2] European Commission "SBA Fact Sheet & Scoreboard: Portugal", 2019.

[3] OECD SME and Entrepreneurship Outlook 2019, p. 363, Table E - Sectors where new enterprises create jobs. Available here.

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In 2017-2018, SMEs employment growth increased by 4.0% and value added by 13.7%. Despite this growth, however, both SME value added, and employment remain below their 2008 pre-crisis levels by 40.8% and 9.7%, respectively signalling that Greece is still in the process of recovery.

From 2014 till 2018, SME value added growth was highest in wholesale and retail trade, and manufacturing sector, at 21.3% and 15.8% respectively.[4]

The growth in value added and employment was predicted to continue by 21.3% and13.1% respectively in 2018-2020. As a result, around 284,400 new SME jobs were expected to be created.

Cyprus

SMEs are also considered to be the backbone of the Cypriot 'non-financial business economy' as their contribution to total value added and employment is quite impressive and above EU average, at 76.3% and 83.8% respectively (EU averages of 56.4% and 66.6%). Consistent with the EU average, Cypriot enterprises employ 3.9 people on average, while the average annual productivity of SMEs in Cyprus is lower than the EU average, calculated as the value added per person employed, is €32,900.

In 2017 -2018, Cyprus recorded strong growth of SMEs value added and employment growth - 10.0% and 6.4% respectively. Despite the remarkably strong growth, it is worth mentioning that SME value added remained 3.8% lower than its pre-crisis level (2008).

From 2014 till 2018, SME's value added growth was highest in construction and professional activities (e.g. legal and accounting services), at 90.7% and 33.9%, respectively.[5].

In 2018-2020, SME value added was forecasted to increase by 12.4% and SME employment by 7.4% — representing 86.4% of all new jobs created by 2020 in the 'non-financial business economy'.

[4] European Commission "SBA Fact Sheet & Scoreboard: Greece", 2019.
[5] European Commission "SBA Fact Sheet & Scoreboard: Cyprus", 2019.

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Table 1. SMEs in Portugal, Greece and Cyprus

	SMEs account for:		SMEs		Growth (2017-2018)		Sectors with the highest value added
	Value added (%)	Employment (%)	Employees on average	Productivity (€)	Value added (%	Employment (%)	
PORTUGAL	68.3	77.4	2,9	22,900	15.2	27	Information and communication, manufacturing
GREECE	63.5	87.9	2,6	15,000	13.7	4	Wholesale and trade, manufacturing
CYPRUS	76.3	83.8	3,9	32,900	10	6.4	Construction and professional services

--- Above EU average --- Below EU average

As we can see from the table above, SMEs play an essential role in all the mentioned countries. SMEs contribution to total value added and employment is quite hight and above the EU average.

In Portugal and Greece, the number of 'employees on average' is below that the EU average, meaning that these two countries have a higher percentage of micro-enterprises in the total business population than the EU average.

All the countries are below the EU average when it comes to productivity (calculated as the value added per person employed), with Cyprus having the highest and Greece having the lowest productivity.

Manufacturing is the sector with the highest value added in both Portugal and Greece. However, while Portugal has seen the biggest increase in the manufacture of motor vehicles and manufacture of fabricated metal products sub-sectors, in Greece the highest growth was seen in the largest sub-sector of food products. Cyprus has a different situation. In Cyprus, the highest value added was seen in the construction sector. This could be explained by the strategy of the government of the Republic of Cyprus. The government had introduced several strategic government initiatives supporting investment in construction as well as tax incentives to further support the growth in the construction sector.

The growth of SMEs has been steady in all the mentioned countries with Portugal experiencing the highest growth in value added and employment. The growth was expected to continue for 2018 - 2020.

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1.2. European (EU) support to SMEs

We can see that SMEs make a significant contribution to EU Gross Domestic Product (GDP) and employment. Small and medium-sized enterprises (SMEs) and entrepreneurship are essential drivers of economic and social well-being. Without no doubt, Europe's competitiveness and economic progress highly depend on its small and medium-sized enterprises, which are the key-source for job creation, development and innovation and its main driver for entrepreneurship. SMEs are instrumental to ensure that our economies and societies adapt to major transformations, such as digitalisation, globalisation, ageing and environmental pressures.

The importance of SMEs has been recognised in the European Union. SMEs are seen as the most important driver of economic growth and the main contributor in the fight against unemployment. Thus, the EU has set up the framework (Small Business Act - SBA) to continue promoting entrepreneurship, simplifying the regulatory and policy environment for SMEs and removing the remaining barriers to their development[6]. EU is constantly working to promote entrepreneurship and skills, improving SME's access to markets, reducing bureaucracy, and overall improving SMEs' growth potential.

1.3. COVID-19 impact on SMEs

The pandemic of COVID-19 has and continues to affect small and medium enterprises all over Europe. According to UEAPME data, on average, about 90% of SMEs report being economically affected. In particular, the most impacted sectors are services (60%-70%), construction and production. Moreover, 30% of total SMEs report that their turnover is suffering at least an 80% loss, with an EU average which is about 50%. SMEs expect an increase in the unemployment rate in a range between 3% - 5% points.[7]

[6] "The small business act for Europe", 2008. Can be found online here.

[7] UEAPME "A view on the COVID impact on and support measures for SMEs", 2020. Available online here.

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OECD in their June report projected a 6% drop in global GDP, and a 7.6% fall in case of a second pandemic wave by end 2020, with a double digit decline in some of the most hit countries, followed by a modest recovery of 2.8% in 2021. [8]

SMEs survey carried out to study the impact of COVID-19 by OECD showed that for example in Greece 60% of SMEs respondents are experiencing marked decline in sales, while in Portugal 37% of respondents experience a drop in production of more than 50%, and 50% do not have resources for more than 2 months. [9]

The most affected SMEs sectors, according to OECD analysis, include: transport manufacturing, construction, wholesale and retail trade, air transport, accommodation and food services, real estate, professional services, and other personal services (e.g. hairdressing).

The EU countries have responded to this pandemic by supporting SMEs and their employees using various sets of actions loan guarantees and/or subsidies (all EU countries), postponement of Tax or Social Contribution payments (except Portugal), postponement of repayment of loans (some countries), short term unemployment scheme for protection (most of the countries), etc.

EU, itself is also preparing to implement a "Recovery plan for Europe" aimed to repair the economic and social damage brought by the coronavirus pandemic, kick-start European recovery, and protect and create jobs.

With the situation in Europe changing rapidly, there is a lot of uncertainty on how and if the business will survive. One thing is for sure, to prevent unemployment and poverty rates from further skyrocketing, small and medium enterprises can and should play a crucial role. Thus, EU and other key players involved in SMEs growth in one way or another must work together to support SME ecosystems in adapting to the new normal, emphasizing the need for resilience, sustainability and inclusive trade and leadership. Providing financial help is crucial, but we need to keep in mind that SMEs will also be needing new skills and knowledge that local key stakeholders such as education and training providers could help them to acquire.

[8] OECD "Coronavirus (COVID-19): SME Policy Responses", June 2020. Available online here.
[9] The survey date in Cyprus is not available.

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ADULT LEARNING AND TRAINING IN EUROPE

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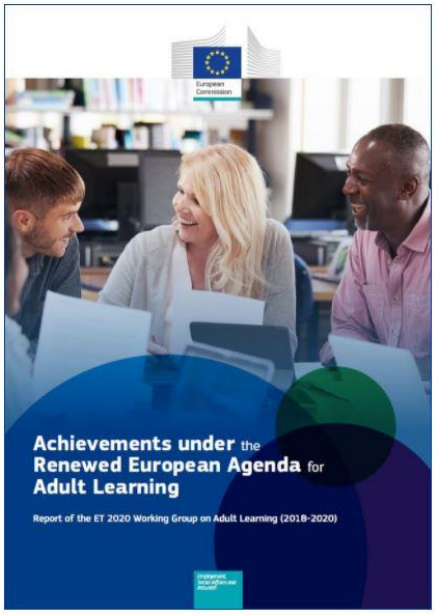
1. The importance of adult learning

Adult learning refers to a range of formal and informal learning activities, both general and vocational, undertaken by adults after leaving initial education and training.[10]

Considering the crucial part SMEs are playing in tackling unemployment by providing employment opportunities, the need for a skilled workforce is of high importance and should be considered.



[11]

At the macroeconomic level, adult learning can boost growth, employment in Europe. Adult learning benefits both enterprises and individuals/employees. Companies that invest in education and training benefit from increased productivity, profitability, higher staff retention and competitiveness, as well as higher workers' motivation. For individuals, adult learning also brings great advantages - trained workers experience better carrier opportunities within the organisation and job stability as well as improved general wellbeing and health. Moreover, adult learning has the potential to positively impact workers' wages. Adult learning also plays a big role in keeping pace with change - constantly evolving economy and society, the need for upskilling or reskilling, etc. - after leaving initial education and training. [12]

1.1. Adult participation in lifelong learning in the EU

The adult education survey (AES) is part of the European Union (EU) Statistics on lifelong learning. Employed people aged 25 to 64 are interviewed about their participation in education activities (formal, non-formal and informal learning). The reference period for the participation in learning activities is the twelve months before the interview.[13]

One of the targets under the strategic framework for European cooperation and training (ET 2020) is that, at European level, an average of at least 15 % of adults should participate in lifelong learning by 2020.

[10] Official definition by EC. Available online here.

[11] The image is from the publication "Achievements under the Renewed European Agenda for Adult Learning" of the Commission's Directorate-General for Employment, Social Affairs and Inclusion (DG EMPL). Available online here.

[12] Centre for European Policy Studies "Study on mapping opportunities and challenges for micro and small enterprises in offering their employees up- or re-skilling opportunities", May 2020.

[13] Eurostat Glossary: Adult education survey (AES). Available online here.

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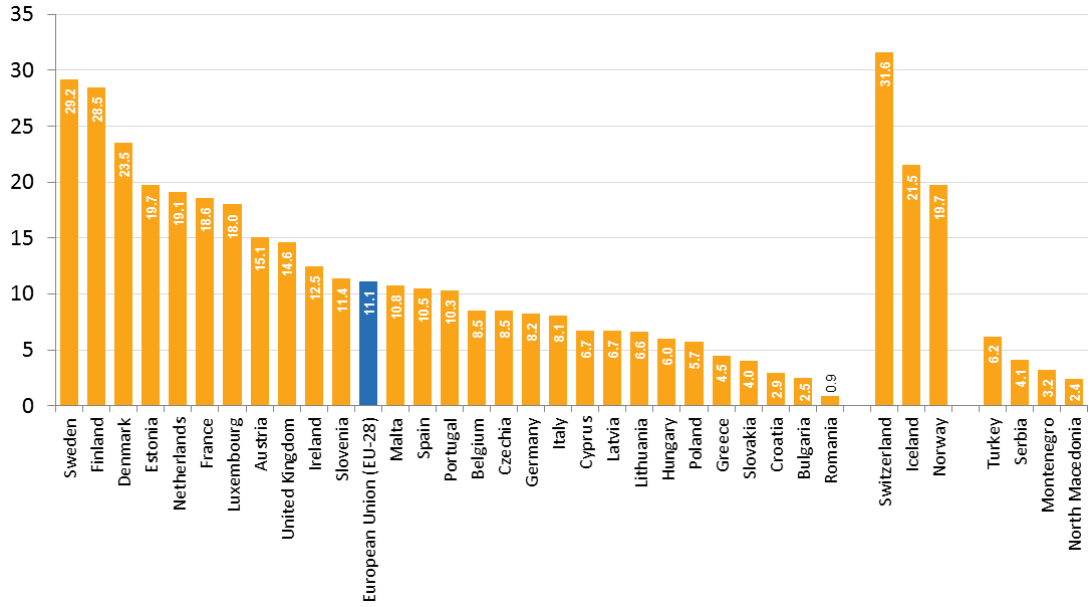
Figure 1. Adult participation in learning 2018, % of adults aged 25-64 (Source: Eurostat)



Latest survey data shows that in 2018 the participation rate in the EU, stood at 11.1%, 0.2 percentage points above the rate for 2017. Even though the rate has increased gradually since 2015 when it was 10.7 %, the increase is quite small, and it is unlikely that the EU will reach its target of 15% by the end of 2020.

In the EU Member States, the highest rates of adult participation in learning were in Sweden (29.2 %), Finland (28.5 %) and Denmark (23.5 %). In contrast, five Member States had participation rates below 5 %: Romania (0.9 %), Bulgaria (2.5 %), Croatia (2.9 %), Slovakia (4.0 %) and Greece (4.5 %). 3 countries discussed in this paper Portugal, Greece and Cyprus are all below the EU average.

44.4 % across the EU took part in formal or non-formal education or training in 2016, with 3.5 percentage increase comparing with the previous survey conducted in 2011. Only 4.3 % across the EU took part in formal education and training. As we can see from figure 2. the adults' participation in formal education and training is lower than participation in non-formal education and training in all countries. This emphasizes the importance of non-formal education and training for employed adults in Europe.

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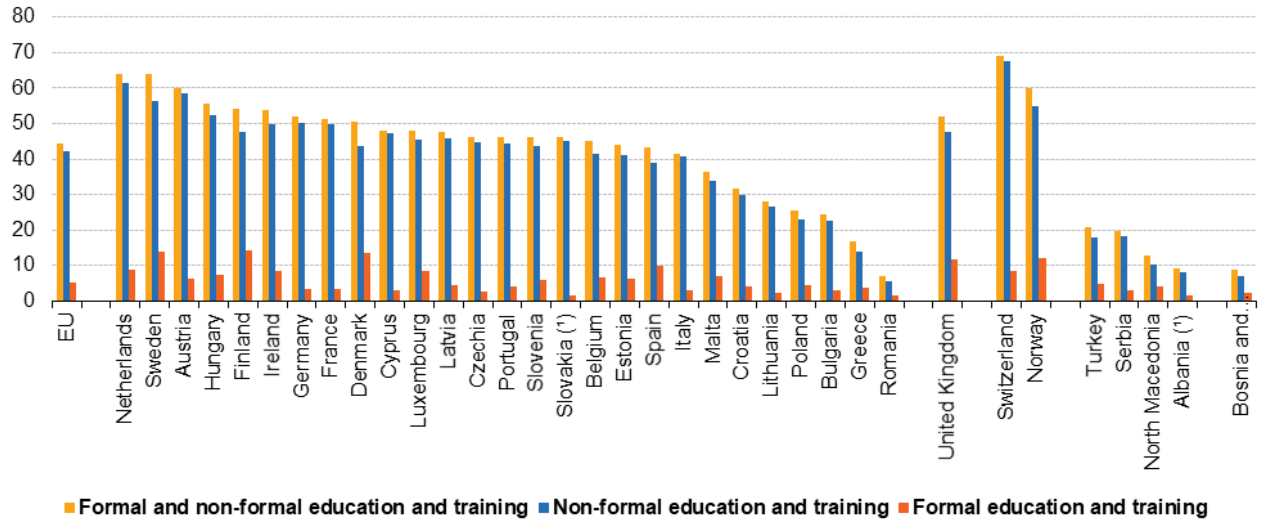
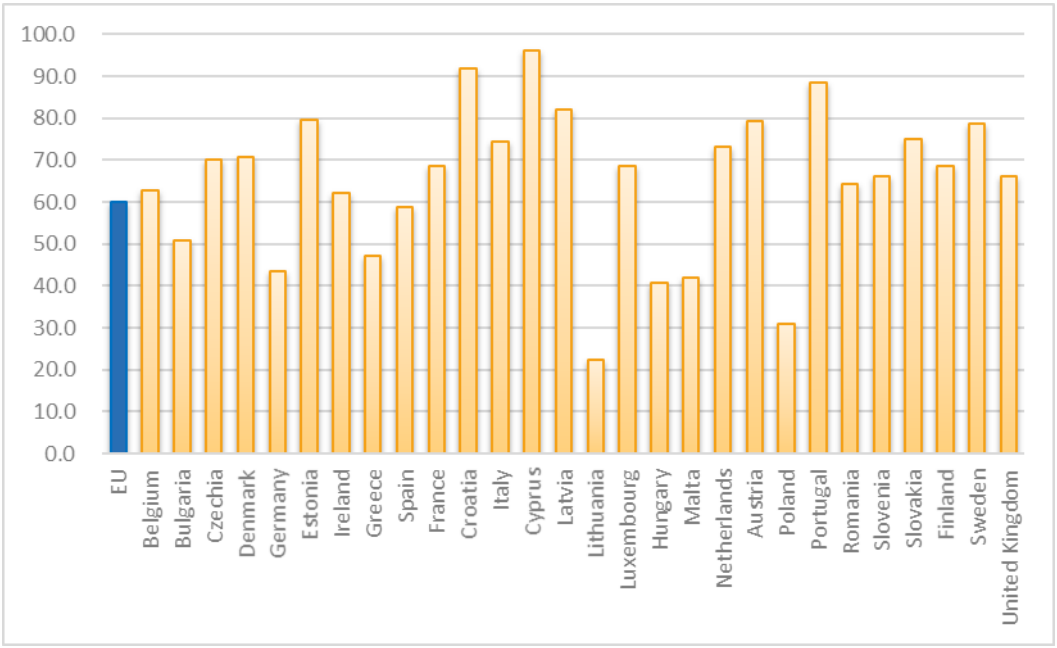
Figure 2. Participation rate in education and training by type 2016, % of adults aged 25-66 (Source: Eurostat)



According to Eurostat, in 2016, the majority of the non-formal education and training that was undertaken in the EU by people aged 25–64 was job-related rather than for personal fulfilment, such as training courses, seminars, conferences and guided-on-the-job training, etc.

Figure 3. Participation rate in informal learning, % of adults aged 25-64 (based on Eurostat data)



When it comes to adults participating in informal learning, in 2016, 59.9 % of adults aged 25-64 in the EU reported participation in any informal learning in the 12 months. The highest adult participation in informal learning was recorded in Cyprus (96.1%), Croatia (91.9%) and Portugal (88.5%) while the lowest participation was in Hungary (40.6%), Poland (31%) and Lithuania (22.4%). Informal learning by using a computer (or similar devices) is reported to be the most frequent form of informal learning in most countries.

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1.2. Adult training in EU

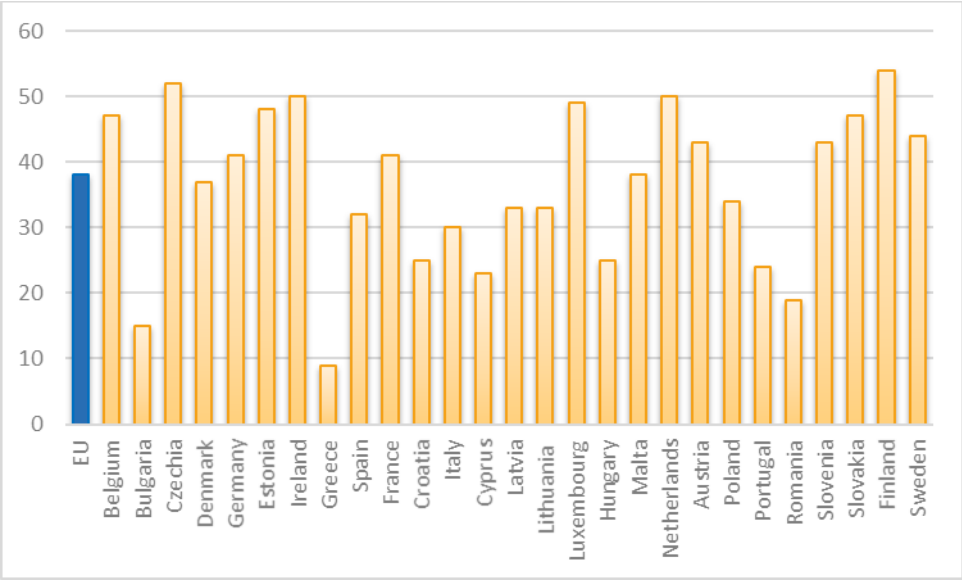
Today more than ever before, the skills, motivation and activation of employees including managers are crucial necessities for the sustainability, productivity, and innovation of enterprises.

However, even though on the one hand, continuous training and lifelong learning are regarded as crucial elements of competitiveness against the backdrop of globalisation. On the other hand, however, statistics show that continuous training and qualification are less likely to be available to employees working in SMEs than to those in large companies[14].

Eurofound's European Working Conditions Survey (EWCS) paints a wide-ranging picture of Europe at work across countries, occupations, sectors, and age groups. In 2015, Eurofound carried out its sixth survey in the series (in operation since 1991). This sixth survey interviewed nearly 44,000 workers in 35 countries[15].

According to the survey results, the cost of the training is covered by the employer to some extent in all the EU countries. The highest percentage of the training costs covered by employers were recorded in Finland (54%) and Czech Republic (52%), while the lowest percentage was in Greece (9%). The average rate in Europe Union was 38%.

Figure 4. Share of employees that had training paid by their employer (last 12 months), %



[14] DG Employment, Social Affairs and Equal Opportunities: SME Training Guide, 2008
[15] Eurofound "Sixth European Working Conditions Survey: 2015", available online here.

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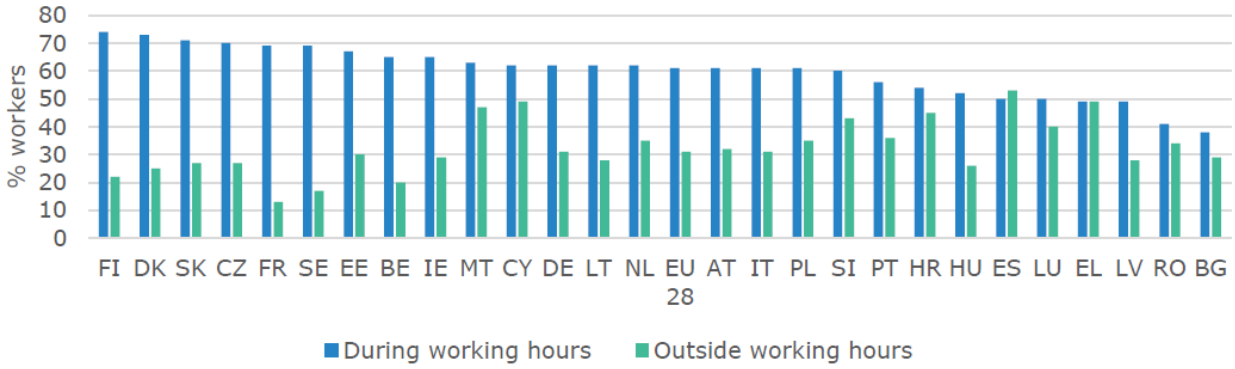
Based on a survey carried out by Cedefop[16], a higher percentage of employees undertake training during working hours rather than after work/in their free time. The percentage of workers undertaking training during working hours is particularly high in Northern and Western European countries, such as Finland, Denmark, Sweden and France and tends to be lower in Southern and Eastern European countries such as Spain, Greece, Romania and Bulgaria[17].

Figure 5. Share of workers undertaking training during and outside working hours, %



When it comes to non-formal education and training providers, they vary greatly. Based on Eurostat 2016 data, employers are still the most common training providers (EU average 33,8%) followed by Non-formal education & training institutions (19.3%) and Commercial institutions where education & training is not main activity (9,6%)[18].

Some factors may contribute to national/regional differences in adult participation in lifelong learning, such as different economic structures and sectors, education policies for adult learning, different characteristics of employees (level of education & skills), demographic developments etc.

In general, the EU needs to focus on making sure that its labour force can respond to the economy's rapidly changing needs and uncertainty of which skills and jobs will be most needed in the future. This can be done by creating and implementing strategies that will enable and encourage people to develop their skills throughout their whole lives and careers.

[16] CEDEFOP "European skills and jobs survey (ESJS)", 2014. Available online here.
[17] Centre for European Policy Studies "Study on mapping opportunities and challenges for micro and small enterprises in offering their employees up- or re-skilling opportunities", May 2020. Available online here.
[18] Please note that majority of statistics provide above include United Kingdom as well. The United Kingdom left the European union on 31st of January 2020.

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2. Promoting adult learning at the workplace

2.1. Strategies

Considering that economically active adults spend a large share of their time in the workplace, it is an important learning environment that needs to be taken advantage of, to foster adults' lifelong learning as well. Adult learning at the workplace is not only easily accessible and engaging way for adults to maintain and develop the knowledge and skills but also efficient and effective way for employers to keep their employees' skills up to date, motivate their workforce, improve staff retention and productivity. Considering a broader picture, it is also a way to promote social and economic integration, inclusion, and equality.

[19]

However, there is no "one size fit all" strategy form promoting adult learning at the workplace. Every situation is different and depends on many variables such as national context (laws, strategies, policies, etc.), sector the company operates in, the demographics and educational level of their employees, the level of cooperation between employers and other key stakeholders (trade and labour unions, education and training providers, etc.) who provides and funds adult learning at the workplace activities, etc.

Considering these variables there are different ways to promote adult learning at the workplace. The ways can go via the employers, via training providers, or the employees (learners) directly or via indirect access points (e.g. social services, guidance services etc.). Each way requires a unique mix of instruments and tools.

2.2. "Building blocks" by ET 2020 working group

Based on the inventory of policies, the lessons learned from peer learning, and additional evidence from studies and reports, the ET 2020 Working Group on Adult learning, has identified 'building blocks' that can be combined to construct effective adult learning at work policies for different contexts[20]. The "building blocks" require joint efforts and commitment from the key stakeholders. Building Blocks (BB) are comprised of 4 main categories and include:

[19] The image is from the publication "of the ET 2020 Working Group 2016 – 2018 on Adult Learning "Promoting adult learning in the workplace" 2018" of the Commission's Directorate-General for Employment, Social Affairs and Inclusion (DG EMPL). Available online here.
[20] Final report of the ET 2020 Working Group 2016 – 2018 on Adult Learning "Promoting adult learning in the workplace" 2018. Available online here.

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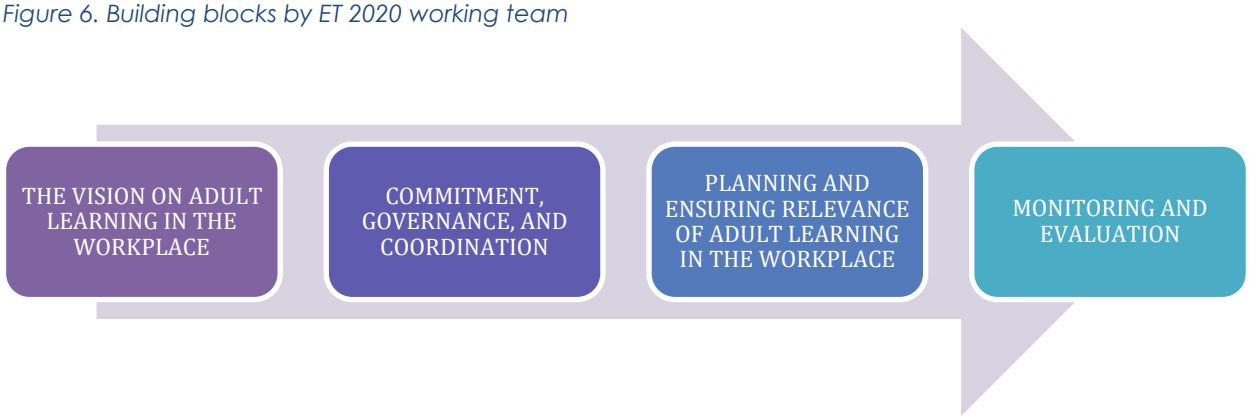
Figure 6. Building blocks by ET 2020 working team



Below are briefly introduced the building blocks as defined in the Final report of the ET 2020 in 2018 [21].

Figure 7 – Brief description of the building blocks for the promotion of adult learning at the workplace as defined in the final report of the ET 2020 in 2018.

The vision of adult learning in the workplace

- ***BB1****: Encourage employers to adopt a learning culture that supports career-long learning.* Organising work in the way that learning at the workplace would be easy, incentives to learn should be offered.
- **BB2:** *Ensure that adult learning in the workplace puts learners on a lifelong learning pathway (and is supported by guidance systems and validation of prior learning).* Adult learning should not be a one-time event. To have lasting effects and change behaviours, the learning should lead naturally to further participation in learning, contributing to continuous skills development. To be able to support lifelong learning, it is important to information on forecast labour market needs, available learning opportunities, etc. Furthermore, effective validation systems should be in place as well.

Commitment, governance, and coordination

- ***BB3:*** *Secure the long-term commitment of all stakeholders.* To provide learning opportunities for adults with different skills, there is a need to have a firm legal foundation or close link to national strategies on lifelong learning and skills development, connecting different policy domains, and supported by all stakeholders.
- **BB4:** *Ensure effective coordination between all stakeholders and agree on roles and responsibilities.* Adult learning in the workplace should involve many different stakeholders that can support the further development and implementation of the policy are engaged in its design, development and implementation.
- **BB5:** *Communicate about adult learning in the workplace using the language of those who need to be encouraged.* A key element in securing stakeholder engagement is communication.
- **BB6:** *Ensure sustainable co-funding systems in which all see the benefit of investing in adult learning in the workplace.* There is a need for a financial system and accompanying measures that support and incentivise learning (e.g. training costs and development) targeting the responsible stakeholders (companies, learners, local bodies, etc.)

Planning and ensuring the relevance of adult learning in the workplace

- **BB7**: Ensure that workplace learning is tailored to adult learners' needs. Education provider should consider characteristics of learners, their prior experience, and specific needs. Educational activities should be flexible and easily accessible to learners.
- **BB8**: Ensure that adult learning in the workplace responds to employers' needs. Adult learning in the workplace should consider the organisational/employer's needs.
- **BB9**: Assure the quality of adult learning in the workplace. The quality assurance procedures need to be aligned with the method and objective of the learning.

Monitoring and evaluation

- **BB10:** *Set up effective monitoring and evaluation systems to ensure that adult learning in the workplace remains relevant and effective.* To maintain the relevance and effectiveness of policies for adult learning in the workplace, the effective monitoring and evaluation system should be put in place.

[21] Idem.

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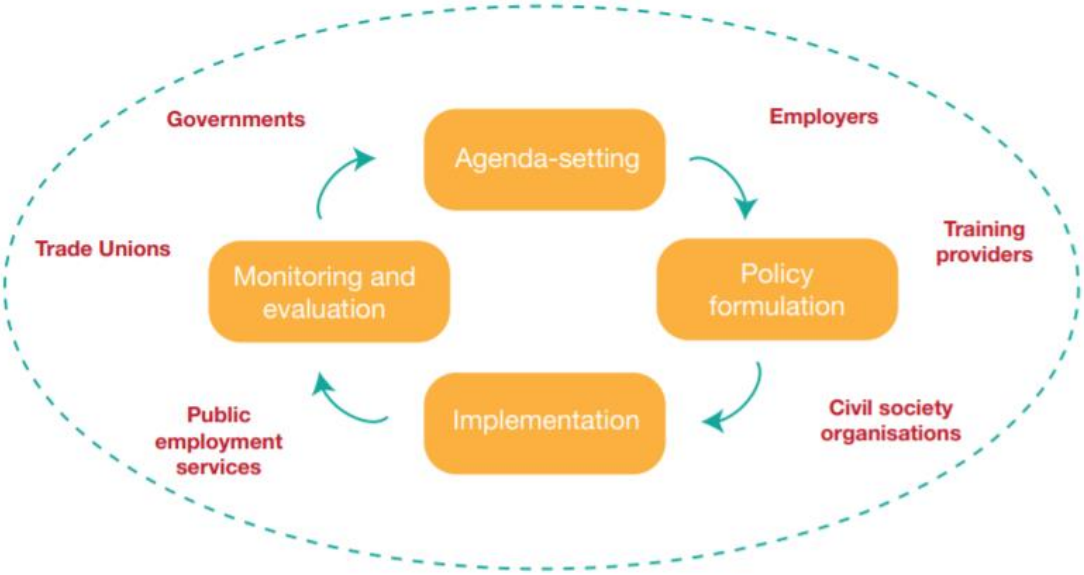
2.3. The adult learning policy cycle by OECD

Considering like "Building Blocks", adult learning policy cycle prepared by OECD highly emphasize joint efforts and long-term commitment needed from the key stakeholders at all stages of the policy cycle and multiple levels (the national, regional as well as the firm level).

The policy cycle counts on social partners' (employers, training providers, public employment services, civil society organisations, etc.) input to identifying problems that require attention ('Agenda-setting') and the development of policies to address it ('Policy formulation'). It further includes the implementation of policies, e.g. through the running of own training programmes ('Implementation'), and finally involvement in quality assurance of adult learning ('Monitoring and evaluation')[22].

OECD publication states that a strong working relationship between employer organisations and trade unions on issues of adult learning policy is essential because they both hold vital information on specific training needs as well as what priorities should be set and how best to deliver the relevant training.

Figure 8. The adult learning policy cycle (Source: OECD)



[22] OECD "Getting Skills Right: Making adult learning work in social partnership", 2019. Available online here.

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The OECD proposed seven action points on how to involve social partners to make adult learning work for the future:

Figure 9 – Brief description of the seven action points for the adult learning at the workplace as defined by OECD.

Action1: Anticipate training needs together	Identifying the specific employees' needs for training and development can be a challenge. With rapidly changing economy's needs, it is hard to predict which skills and jobs will be most needed in the future. It is also difficult to establish which of these skills individuals already possess. Social partners have key knowledge on these matters – employers know what skills they need to develop their business and labour/trade union knows what skills employees have and what are their training needs. Governmental bodies (e.g. Skill council) can bring together these social partners to discuss changing skill needs and prepare a plan of how adult learning can address those needs.
Action 2: *Establish joint priorities in adult learning strategies*	Many actors involved in adult learning do not consider themselves a part of the cohesive "adult learning system". To ensure the best outcome, strategies for adult education should be developed jointly with all the actors. Joint priorities for adult learning can be also be established at the organisational level, e.g. involving employee representatives to work together in setting the objectives of training.
Action 3: *Negotiate collective agreements for adult learning*	Collective agreements in adult learning can be a good way to regulate specific aspects of adult education and training and increase each partner's commitment to providing adult learning opportunities.
Action 4. *Promote a positive learning culture*	The social partner should aim to foster a learning culture that encourages employees to see as a continuous and lifelong development process.
Action 5: *Consider employer levies to finance adult learning*	Trained workforce benefits employers by increasing productivity, increasing employee retention, etc. However, some employers are still reluctant to invest in training for various reasons, such as lack of information, capacity, or resources. To incentivise training investment, many countries use training levies. For example, depending on the type of the levy, organisations can use the percentage of earnings on training activities reduce their taxes. Nevertheless, is important to note that to promote adult learning in SMEs, the levy contribution should depend on company's size. Training levy - a tax to be paid by companies to fund the government's training schemes.
Action 6: *Use the capacity of all partners to deliver training*	Employers and/or unions should work together, to decrease the financial and administrative burden, and thereby increase the capacity to deliver training.
Action 7: *Make quality assurance a joint responsibility*	Social partners should be involved in quality assurance, for example, taking part in local quality assurance bodies or national agencies responsible for quality assurance, etc.

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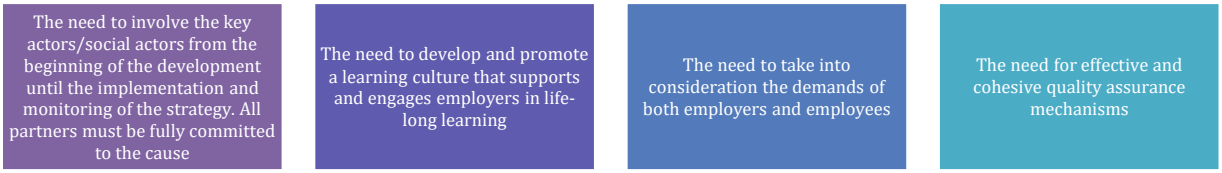
Overall, comparing these 2 proposals (Building blocks and adult learning policy cycle) we can identify a lot of similarities. To ensure the cohesive adult education at workplace strategy a lot of key factors should be taken into consideration, such as:

Figure 10 – Key factors to take into consideration to ensure a cohesive adult education at the workplace.



2.4. Key steps for SMEs

European Commission – Directorate-General for Employment, Social Affairs and Inclusion, in collaboration with CEPS (Centre for European Policy Studies), conducted a study and prepared "Key Steps to promote upskilling and reskilling"[23]. These are as follows:

Figure 11 – Identification of the steps to promote upskilling and reskilling according to EC study.

ASSESSING THE SKILLS NEEDS AND HUMAN CAPITAL POTENTIAL OF THE COMPANY

- The organisation must assess and identifies the needs of its employees. This can be done by surveying employees, talking to suppliers and customers. Besides this, it is also important to assess the needs of the company itself to ensure that company's investment in development activities will pay off.

MAKING THE MOST OF HUMAN RELATIONS WITHIN THE COMPANY

- To spread the knowledge and build the skills within the company the collaboration through teamwork between supervisors and peers as well as internal training and digital learning resources should be encouraged.

DEVELOPING LEARNING-CENTRED BUSINESS RELATIONS

- If there is no internal knowledge and competence to go on, turning to suppliers, clients and other business partners from which employees could learn from can be an option (e.g. on-site visits to business partners).

IDENTIFYING AND MAXIMISING UP- AND RE-SKILLING OPPORTUNITIES IN DAY-TO-DAY BUSINESS OPERATIONS

- To match the business strategy and employees career ambitions, the employer can assign specific tasks to employees, link the business projects to develop particular needs, etc.

RECOGNISE AND VALUE SKILLS DEVELOPMENT IN THE COMPANY

- It is essential to create a positive learning environment that would encourage employees to continue with their skills development. There are lots of ways to do it, one of them is establishing the procedure that makes the progress in skills acquisition visible and rewards employees for good results.

CONTACT EXTERNAL ORGANISATIONS AND JOIN EXISTING NETWORKS OF COMPANIES

- Companies, especially SMEs do not have a lot of resources to organise their employee's skills development only by themselves. Luckily, there are organisations such as social partners, public bodies, education and training providers. etc, that can support them.

[23] European Commission – Directorate-General for Employment, Social Affairs and Inclusion "Up- and re- skilling in micro and small companies", 2020. Available online here.

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3. Methods to develop employees' entrepreneurship and transversal skills at work

As with the strategies, no one method fits all the enterprises and brings the desired results. To reach the goals companies usually use the combination of several different methods based on their abilities to invest, finances and time.

Employees and employers have various methods to choose from to put employee's skills development into practice. Each method has its challenges in implementation, that companies should consider while matching their up- and re-skilling capacity.

The overreaching goal is to strengthen the employee's broad range of skills and some of the most common methods include:

Figure 12 – Methods to strengthen employee's skills identified as generating a wider level of impact.

Each one of these methods are described in more detail in the tables introduced below.

Figure 13 – Brief description of the methods identified as most common to strengthen employee's skills.

1. *Periodic meetings and employee's development plans*
Periodic meetings can be used to discuss the skills gaps, highlight employer's and employee's priorities for skills development, resources needed, among other issues. To make these meetings more structured and productive, employee's development plans should be set up as a result. The employee's development plan is essentially a document that has clear objectives and an action plan for employee's skills development. They are used by both employer and employee and ensure that employee is growing personally and professionally while developing his/her ability to achieve better results in the workplace and meet the organisation's goals. Having set up employee development plans helps an organisation to address future planning and business strategy building. This may also increase employee retention.

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2. *Task/job rotations*

This involves rotating employees in different tasks and teams. Employees take on new tasks at a different job or team for a while before rotating back to their original position. This allows the employees to keep improving existing and developing new skills through cooperation with colleagues. The rotation can happen between the junior and senior employee or between two employees that possess a different set of skills. Task/job rotations are meant to promote flexibility, employee motivation and engagement as well as retention. This method does not require significant resources (time, money) but, like any other methods, task/job rotation should be carefully planned taking into consideration the jobs that are suitable for such rotation as well as employee needs in terms of skills development.

3. *360 degrees feedback*

This method involves getting feedback about an employee, from a cross-section of employee's subordinates, colleagues, supervisors as clients and suppliers and other stakeholders. It aims to identify skills development opportunities/skill gaps, based on those inputs. Providing feedback must be designed in the way that it would be confidential and anonymous, for example, online form. 360 degrees feedback concentrates on employees' soft skills rather than basic technical or job-specific skills. When implemented correctly, the method can help to adjust soft skills and behaviours and allow employees to give the feedback that in other situation they may feel uncomfortable giving.

4. *In-house learning*

In-house learning consists of courses organised within the enterprise when some employees share their expertise and skills with their colleagues. It is also used for employees who participated in the external training to transfer the knowledge gained to their colleagues. The duration of such courses usually varies from a couple of hours to a week, depending on the needs and resources (e.g. Time) available. The responsible person (HR department, manager, etc.) should be responsible for identifying the skills and people who could deliver such training as well as employees who need to attend it. However, while large companies benefit from a wide range of skills, this could not be the case in small companies.

The advantages of In-House learning include - training and travel costs savings, more focused training, Team building opportunities, etc. The disadvantages of In-House learning include – more administrative work, dedication, lack of innovation and networking opportunities, etc.

5. *Training*

Training is an ideal method when it comes to developing both addressing both Hard (technical) and Soft skills. The method is both formal and non-formal as it usually includes developing employee skills through a combination of lectures, practical exercises, videos, individual and/or group-based assignments, etc. Training can be organised for a different level of employees in the company.

Even though public and private programmes are often available, they do not necessarily target the skills that the company needs to develop. Specific skills and needs often require tailor-made training that will require more financial and time resources.

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6. *Online learning*

Online learning can be implemented through a variety of means - formal and non-formal online courses, webinars, blogs, podcasts, eBooks, test, and quizzes, etc. Online learning offers flexibility in terms of time, financial and geographical constraints it as well offers access to a variety of skills development opportunities. Giving the nature of online learning, especially when it is related to the activities or project of the company, employers may allow using digital resources during working hours as well.

7. *Self-study*

This method can be accomplished through different tools: reading and researching, taking courses, among others, outside of work hours. Contrary to other methods the subject of self- study does not necessarily always need to be relatable to organisational needs rather than new skills that employees believe will improve their productivity and performance at work. While most of the time self-study happens after work and time spent is usually not compensated, to engage employees, the employer can, for example, purchase access to online courses or specific programmes for their employees as well as prepare and a physical or online library with learning resources available for employees. Employees should also be encouraged to update the library with the resources they find interesting and relevant.

8. *Coaching*

The main purpose of coaching in the workplace is to improve an employee's performance on the job by enhancing the current skills or acquiring new ones. This method of skills development typically involves senior employees working one-on-one with less experienced individuals. This can improve employee's understanding of a variety of topics, but it is important to keep in mind that it can be both times consuming (taking up the assets of valuable staff) and result in a clone-like knowledge of the subject – as opposed to an employee learning the subject his/her way[24].

9. *Mentoring*

This method involves senior leaders/management taking lower-level employees "under their wing" to help them to develop important skills. The mentoring programmes, however, are not restricted only to senior executive/leadership roles, they may also be implemented amongst general management as well. This provides employees with a platform to express and discuss their ambitions and challenges they are facing as well as to visualize their career growth. Mentoring programmes can help with motivating employees, increasing employee loyalty, increasing retention and encouraging staff to be lifelong learners and can improve employee retention. Furthermore, the chance to support the colleague and share his or her knowledge, may rekindle mentor's enthusiasm for learning as well. However, as with coaching, this requires a lot of time resources, thus the mentorship programmes need to be planned.

[24] Valamis "11 Employee Development Methods", 2020. Available online here.

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10. On-site visits

This method includes visits to the company's suppliers' or producers' premises to stimulate training and learning, especially in low-qualified employees. Such first-hand experience allows employees to feel more knowledgeable and confident in their work as well as increase their capacity to learn. It also allows companies to develop a closer relationship with their suppliers and producers that may result in various learning opportunities in the future. As most of the methods, this method requires planning and resources (mostly time).

11. Work exchange visits

This method requires cooperation between at least 2 companies that are not direct competitors. 2 companies can agree to exchange their employee(s) for a set period, preferably employee(s) with similar job function or role. Employees placed in another company can benefit from the new workplace and colleagues while the company does not lose an employee.

12. Linking training to a company project

Linking training to a company project is a great way to expand or strengthen business performance.

For example, the company needs to develop online sales and social media strategy. The company can hire an external consultant/trainer that could help the company lay the foundations. When training is implemented in parallel with the actual implementation of new skills and tools gained during the training, employees require new skills from the trainer and can put them in practice immediately. This method saves time and resources as trained employees continue working on the project and will have skills to implement similar projects in the future.

13. Leveraging mandatory training

Companies take maximum advantage from mandatory training (e.g. first aid, health and safety, etc.) by coupling them with other soft/digital/etc. skills training. Employees already are in the training, adding a couple of extra hours before or after the mandatory training to learn new skills keeping compulsory training more interesting and engaging for employees. Companies can ask external providers to tailor-made specific training for them that for example can enhance participants digital skills while tackling the subject of compulsory training.

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STUDY WITH SMEs AND TRAINING PROVIDERS

Growing

1. The methodology of data collection

1.1. Surveys

As a part of the field work, the GrowINg partners prepared and launched a survey, addressed to representatives of SMEs and VET/Adult education providers from Portugal, Greece and Cyprus. Based on the desk research, 2 survey templates were prepared - one for SMEs and another one for VET/Adult education providers. The surveys have been uploaded online in English, Portuguese and Hellenic. A set of organisations and professionals representing SMEs and VET/Adult education providers were identified at regional, national, and European levels, to which partners disseminated the surveys aiming at collecting feedback from:

- employers or their representatives, including managing directors, managers, HR departments, among others
- representatives from VET/Adult education providers as well as educators/ trainers and other professionals offering services to SMEs

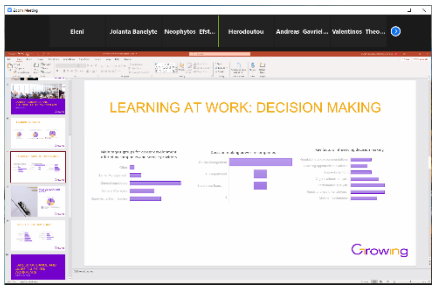
The surveys were launched in April/2020 and being aware of the difficulty of some SMEs and VET/Adult education providers caused by COVID 19 (quarantine and local lockdowns), the survey was available for 2 months, from April/2020 until June/2020.

Surveys included general questions about the respondent's organisation, main driving factors and challenges enterprises are experiencing while implementing personal and professional development strategies as well as future perspectives on the topic.

1.2. Focus groups and/or interviews

After gathering the survey results, project partners implemented national focus groups and/or individual interviews, involving 30 representatives from companies, business associations and VET/Adult education providers. The professionals that answered to the surveys and revealed interest on tanking part of the focus group/interviews were contacted, as other organisations and professionals from the partners' network.

Figure 14 – Images of the Focus Group promoted in Portugal, Greece and Cyprus, respectively.



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The focus groups and/or interviews were implemented between June and July 2020 at distance. The focus groups held in Portugal and Cyprus were online, while in Greece was to face-to-face, assuring all the conditions of safety ad protection to prevent Covid-19. The interviews performed in Greece were done, mostly by phone or online, based on the questions prepared for the focus group.

These focus groups and interviews allowed partners to raise the awareness of professionals and companies to the relevance of the Career Guidance and Learning in the workplace, gain in-depth knowledge and complement the results of the survey.

2. Results and analysis of surveys

2.1. Compilation of the results

The results of surveys and focus group/interviews were transferred to the National Table of Findings (structured per country – Portugal, Cyprus and Greece). In this table, partners included the most relevant results collected, delivering information about:

- characterization of the target groups involved in the field work;
- analysis of the results of the surveys, using graphics and text;
- main conclusions and suggestions made by the participants of the focus group;
- conclusions and recommendations to support partners in the definition and development of deliverables.

The tables provided an overview of the practices and needs of SMEs, related to career guidance and adult learning at the workplace. The results of these tables allowed the consortium to proceed with a comparison between countries, identifying the gaps and possibilities of overcoming it.

Altogether, the consortium collected 101 answers to the surveys, 43 from Portugal, 31 from Cyprus and 27 from Greece. The majority of the answers (57) were from representatives and professionals from SMEs and 44 from professionals and representatives from VET/Adult education providers, consultants and trainers. To the focus group and interviews, partners mobilised 30 professionals and experts, representatives from SMEs, business associations, consultancies and VET/Adult education providers in the analysis, discussion and validation of the results of the surveys,

2.2. Overview of the respondents and participants

The survey gathered 101 answers from Portugal, Greece and Cyprus - 57 of them were SMEs and 44 service providers providing services to SMEs (VET/Adult Education centres, consultants and trainers). Out 57 SMEs representatives, 44 were small enterprises and 13 were medium enterprises.

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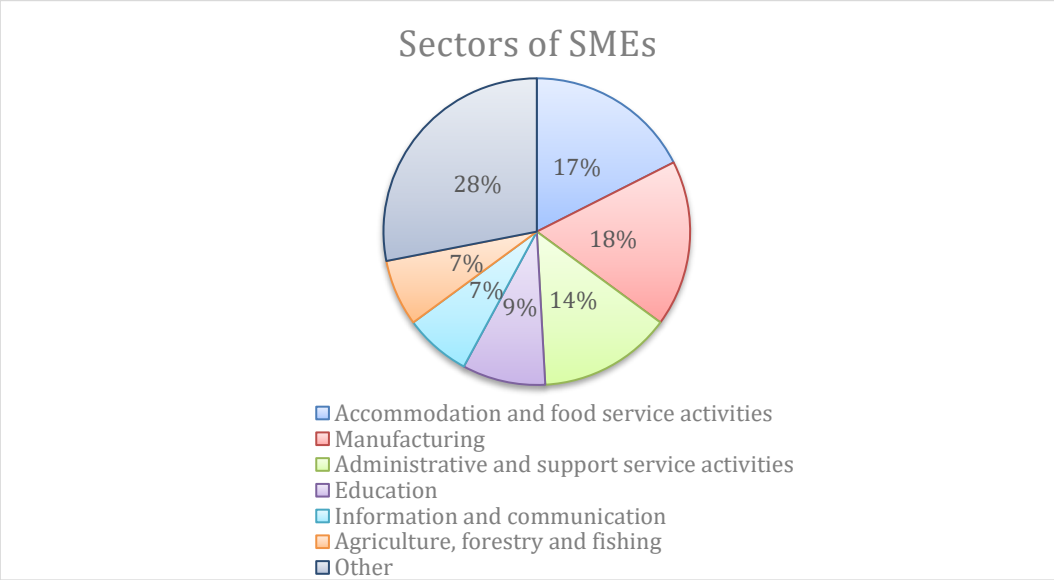
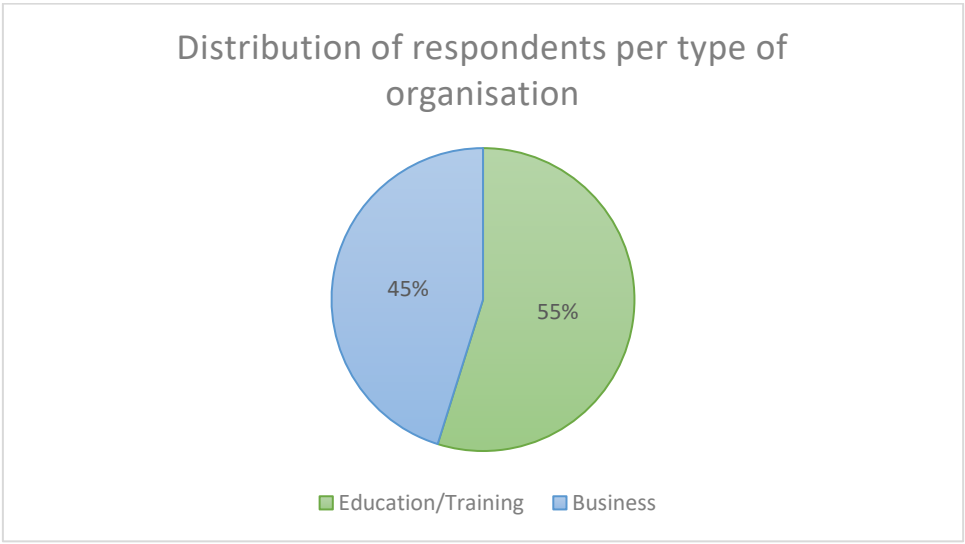
A large proportion of companies are operating in "Accommodation and food service", "Manufacturing", "Administrative and support service" and "Education" sectors, as it can be seen in the Figure 14.

Figure 15. Sectors of surveyed SMEs



The Growing partners promoted 3 focus group in Portugal, Cyprus and Greece (2 online and 1 face-to-face) and performed 7 individual interviews, mobilising 31 representatives from SMEs, VET/Adult education providers, consultants, business' associations and other professionals and experts in these activities. From these 31 participants, 55% were from the education sphere and 45% from business sphere, as it evidenced in Figure 15.

Figure 16 – Characterisation of the participants of the focus groups/interviews, according to the type of their organisations.



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2.3. Current situation of education and training opportunities for employees

As seen in Figure 16, 47% of the respondents offer a "combination of all" of all types of training, followed by 41% that offer "on the job training". Considering this and analysing the results per type of organisation, 78,9% of the SMEs are currently offering development and career guidance to their employees. Most of these SMEs prefer "combination of all" and "on the job training" for their employees, while only some of them offer "online training" and "off the job" training. Like SMEs, majority of service providers offer a "combination of all" (42%) and "on the job training" (40%) opportunities, and only a few of them offer "online training" and "off the job" training opportunities.

Figure 17. Typologies of career development opportunities offered by SMEs' and service providers

Interviews with focus groups showed that "on the job training" are the most popular ones among the SMEs. Both Portuguese and Cypriot respondents mentioned that due to COVID19 situation, companies have already started discovering the opportunities offered online and are much likely to continue with online or combination training in the future.

Majority of the enterprises (62%) offer career development opportunities to their employees 1-3 times a year, followed by 3-5 times a year (22%). Surprisingly, 14% of the respondent enterprises offer such opportunities more than 10 times a year.

Figure 18. Frequency of career development opportunities offered by companies

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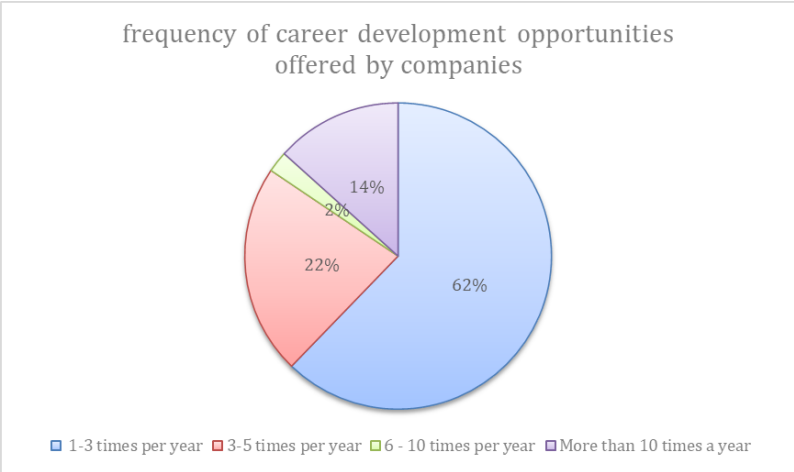
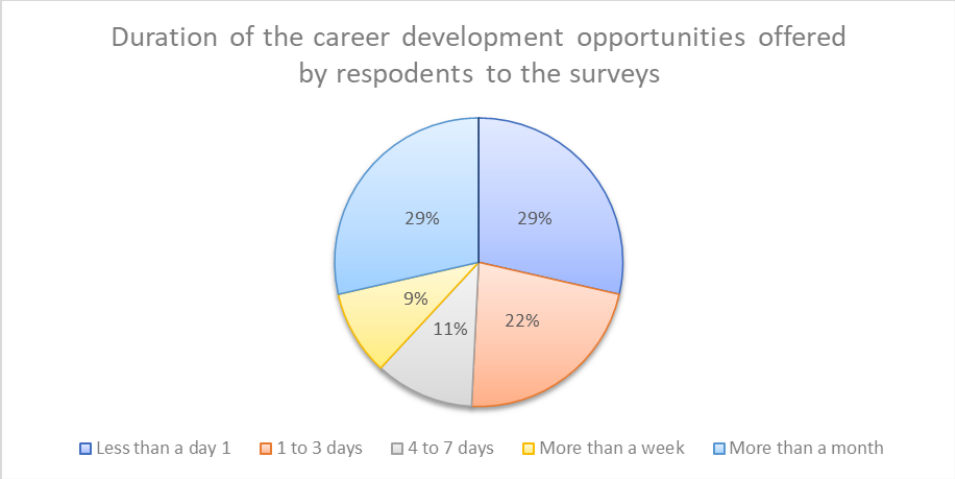


Both groups of respondents from Greece and Cyprus prefer the shorter duration career development activities, preferably 1-3 or 4-7 days. In Portugal, while SMEs prefer shorter activities, the service providers in Portugal prefer activities that last more than a month. This difference can be explained by the fact of a significant part of the very short-duration training promoted in SMEs are implemented by internal workers and longer duration training offered are promoted by external providers.

Figure 19. Duration of career development opportunities offered by companies and service providers



There is no unified opinion among respondent groups and countries when it comes to the main target groups that are being offered such career development and learning at work opportunities. In Portugal, the main target group in SMEs are senior management, while for service providers the main target group is general employees. In Greece, the results are mixed: both SMEs and VET providers aim such opportunities for employees and general managers and supervisors. However, several SMEs mostly targets senior executives. In Cyprus, the main target groups for both SMEs and service providers are general employees, their supervisors/team leaders, and general managers. There are only a couple of SMEs and service providers offering such opportunities to senior management.

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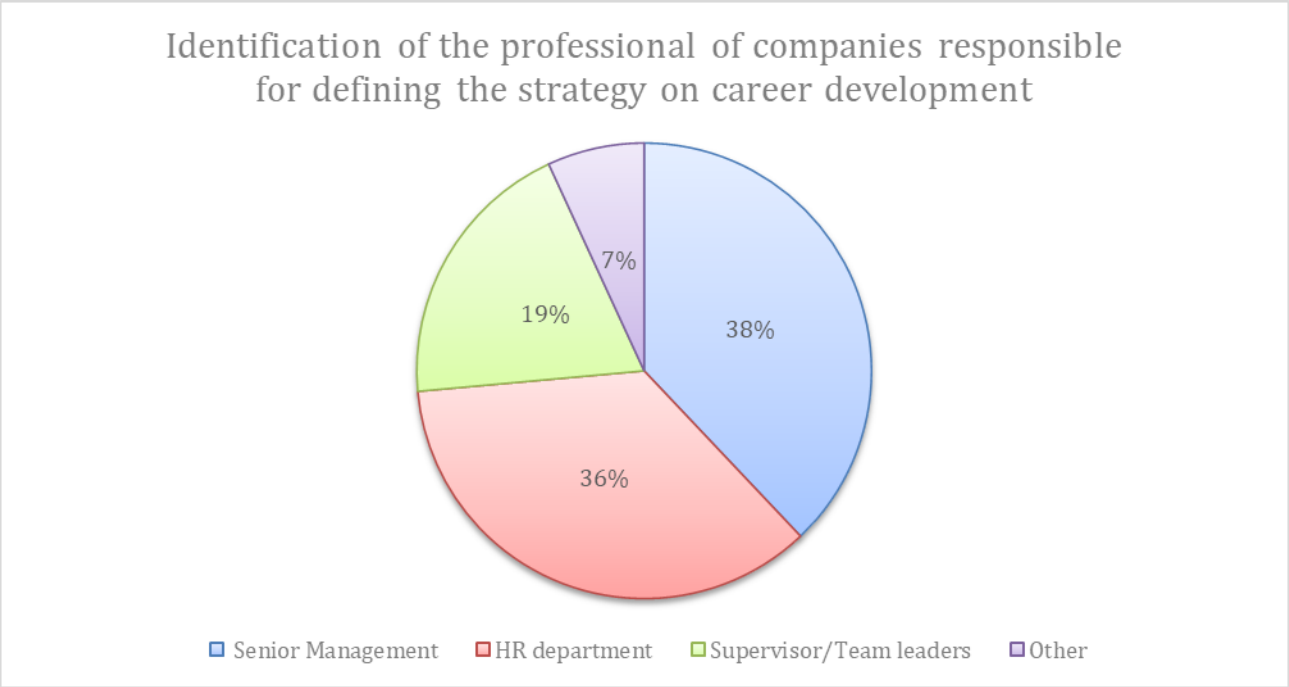
Most of the respondents from both groups in all countries responded that senior management is responsible for defining the frequency and the topics of career development and learning at work opportunities, followed by the Human Resources department. A couple of respondents also mentioned that trainees are responsible for this or the owner of the company.

Figure 20.The decision-making power in SMEs



The decisions on the frequency and the topics of career development and learning at work opportunities in all the surveyed countries are mostly made considering: 1) the needs analysis of employees and 2) organisational analysis. Respondents in Greece and Cyprus also put a great emphasis on the market situation and new technologies available, while in Portugal* this factor does not seem to affect the decision making at all.

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Figure 21. Key factors decisions on the frequency and the topics of career development and learning at work opportunities in SMEs are based on

The main areas in which SMEs usually offer such opportunities differ between the countries. Considering that the main target group for career development and learning at workplace opportunities in Portugal SME's is senior management, there is no surprise that the main area in which such opportunities are being offered is "Leadership and management", followed by "Handling stress/adaptation/resilience". In Greece, the main areas in which SMEs are providing career development and learning at work opportunities are "Financial management/Financial literacy", "Communication/ Public speaking and presentations", "Creativity and innovation", "Problem-solving and decision making". In Cyprus, the main areas in which SMEs offer training are "Teamwork and cooperation", "Technology and digital literacy" and "Self-management and self-efficiency". Contrary to Greece and Portugal, only a couple of companies provide such opportunities in "Financial management/Financial literacy", "Leadership and Management" and "Handling stress/adaptation/resilience" areas. The only common area companies are offering these opportunities in all countries are "Customer service and sales/negotiation".

Considering the VET/Adult education providers in all countries, it seams that the areas in which these organisations provide training are aligned with the areas defined by SMEs as well.

According to the participants involved in the focus group promoted in Portugal, these results reflect, at a greater extent, the reality of the country. The experts and professionals involved in the focus group mentioned that "Leadership and management" is a "traditional" choice and it may stem from the need for the growth of companies and middle managers challenges to manage people. However, for some experts the lack of reference related to the Information, Communication and Electronics Technologies as a privileged area of training was a surprise as well, considering the digital transformation that is occurring in the past years.

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In Greece, the experts from the focus group, believe that companies offer training on hard skills more than they offer on soft skills. Experts mentioned 3 main areas they believe that companies usually provide career guidance - "New technologies and systems", "Communication Skills" and "Management skills".

In Cyprus, experts agree with the survey results and believe that customer service/hospitality/ communication skills are quite important for the companies, especially those operating in the tourism sector. They also agree with the importance of the development of "Digital skills and literacy" specially to adapt to changing market situation and consumers habits due to COVID 19. Interviewed experts mentioned, as well. that there is a strong demand for foreign language skills, especially Russian and Chinese languages, for the companies trying to reach and benefit from foreign clients/markets abroad. Furthermore, some experts believe that much more attention should be given to the "Leadership and Management" development especially among the managers/team leaders as only manager/team leaders who recognises the importance of the training and other career development opportunities himself/herself, can continue promoting such opportunities to the senior staff as well as the general employees.

Table 2. Areas of staff development opportunities in SMEs

Country	Main Areas for staff development	Interviews (Focus groups)
Portugal	**"Customer service and sales/negotiation"** "Leadership and Management" "Handling stress/adaptation/resilience"	"Leadership and Management" Technology and digital literacy"
Greece	**"Customer service and sales/negotiation**, "Financial management/Financial literacy" "Communication/ Public speaking and presentations", "Creativity and innovation" "Problem-solving and decision making"	"New technologies and systems" "Communication Skills" "Management skills"
Cyprus	**"Customer service and sales/negotiation"** "Teamwork and cooperation" "Technology and digital literacy" "Self-management and self-efficiency"	"Customer service/hospitality" "Communication skills" "Technology and digital literacy" "Leadership and Management"

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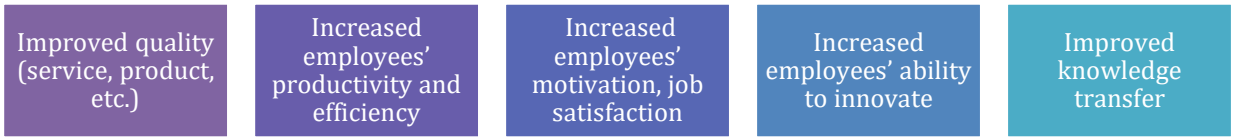
The SMEs and Service providers in all the surveyed countries had unified opinion when it came to the main driving forcers/benefits of career development and learning at work opportunities. They agreed that the most evident and important benefits are:

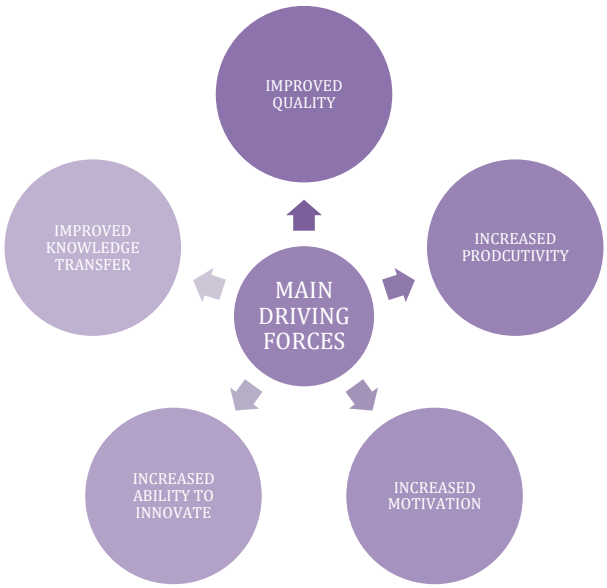
Figure 22 – Main benefits of promoting career development and learning at the workplace opportunities.



A couple of respondents also mentioned the "Incentives/help provided by local or national government" and "Improved company's brand image" as main driving forces, as well.

Experts from focus groups/interviews agreed, at a great extent, with the survey results. As one of the main driving forces, they mentioned: increased employees and employer's motivation, improved quality and increased ability to innovate. Portuguese experts also identified some strategies that can benefit the implementation of training and other learning opportunities in SMEs, such as: increasing the value that managers attribute to the training; promoting the engagement of managers in the training and capacity building of people; promoting workers' autonomy and a greater focus on training in people development and companies' innovation (and not so much in the quality of the services or products).

Figure 23. Main driving forces/benefits for the implementation of career guidance and learning at work opportunities



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SME's in the three countries are experiencing the same challenges while trying to develop and implement career guidance and learning activities. The main challenges mentioned are:

1) Availability of employees - employees are too busy to undertake development activities due to lean workforce and big workload;
2) Budget constraints – training is seen as too costly, when provided by external organisations.

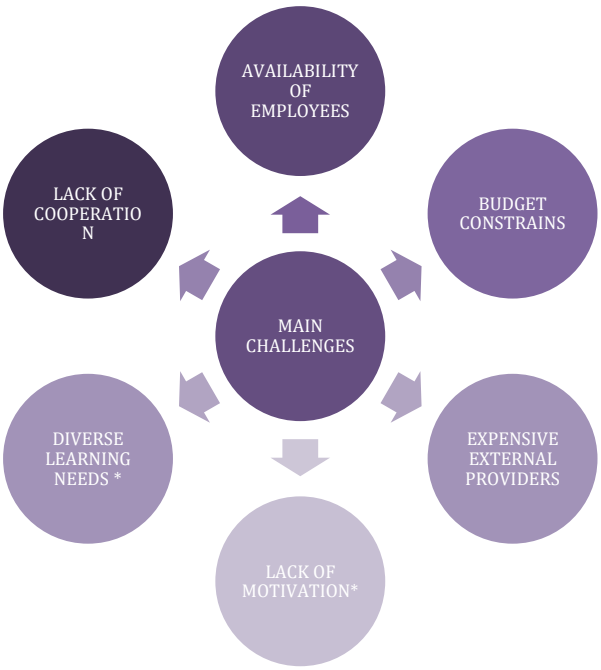
SMEs in Portugal and Greece also believe that "Lack of employees motivation" and "Difficulties managing employees diverse learning needs" is a challenge, while in Cyprus it does not seem to be a challenge at all. SME's in Cyprus also named "Insufficient competent personnel to support company on implementing such activities" as one of the main challenges.

Service providers in all the surveyed countries agreed with the opinion of representatives from SMEs, however from their point of view they also added that there is a lack of leadership buy-in to participate in such activities.

The focus groups in all countries, distinguished "lack of employee motivation", "availability of employees" as well as "budget constraints" as the main challenges SME's are facing. The respondents from Greece and Cyprus also highlighted the lack of cooperation between the SMEs and other stakeholders (public bodies, VET and adult education providers) and the lack of dissemination of information, which often leads to missed carrier development opportunities offered by them to employees of SMEs, including organised training, funding available, etc.

Overall, these challenges come as no surprise considering that SMEs usually have limited resources – budget, time, workforce, etc. comparing to the big companies.

Figure 24. Main driving challenges for the implementation of career guidance and learning at work opportunities



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2.4. Future of career guidance and learning at work in SMEs

The results in this section consider the answers provided by all the SMEs (a total of 57) who participated in the survey, including those who do not offer any career development opportunities at the moment.

As it can be observed in Figure 24., 38% of the respondents consider that the "combination of all" will keep being the most common offer to be provided, 32% consider that "on the job training" will continue to be one of the most relevant training offer and 24% mention that "online training" will be strategic as well. In fact, analysing Figure 24. It becomes clear that "online training" will be the offer which will have a more significant increase. At this level, the participants of the focus group/interviews, mentioned that Covid-19, allowed companies and VET/Adult education providers to invest and enlarge the training offer that they provide online. According to participants, this can contribute to a major investment of SMEs in delivering online training, reducing the high costs mentioned in the surveys.

When analysing the results according to the types of organisations, according to business' representatives "online training" is the one that much likely will grow; the "combination of all" and "on the job training" will remain as strategic and important, but their relevance will decrease when comparing with nowadays. In the perspective of the representatives of SME's from Cyprus and Portugal "combination of all" and "on the job training" will keep be relevant, while in Greece, SMEs' representatives believe that, in the future, the majority of SMEs will have "online training" in a larger scale.

The situation with Services providers is similar. Most of them believe that they will keep offering "combination of all" and "on the job training", but "online training" will increase significantly. In the case of Greece, services providers mention that the "online training" will be the most relevant training offer to companies. Is important to highlight that from the focus groups/interviews, it become clear that, the COVID-19 situation has significantly influenced this decision, turning the remote training into a sustainable solution for an unpredictable future.

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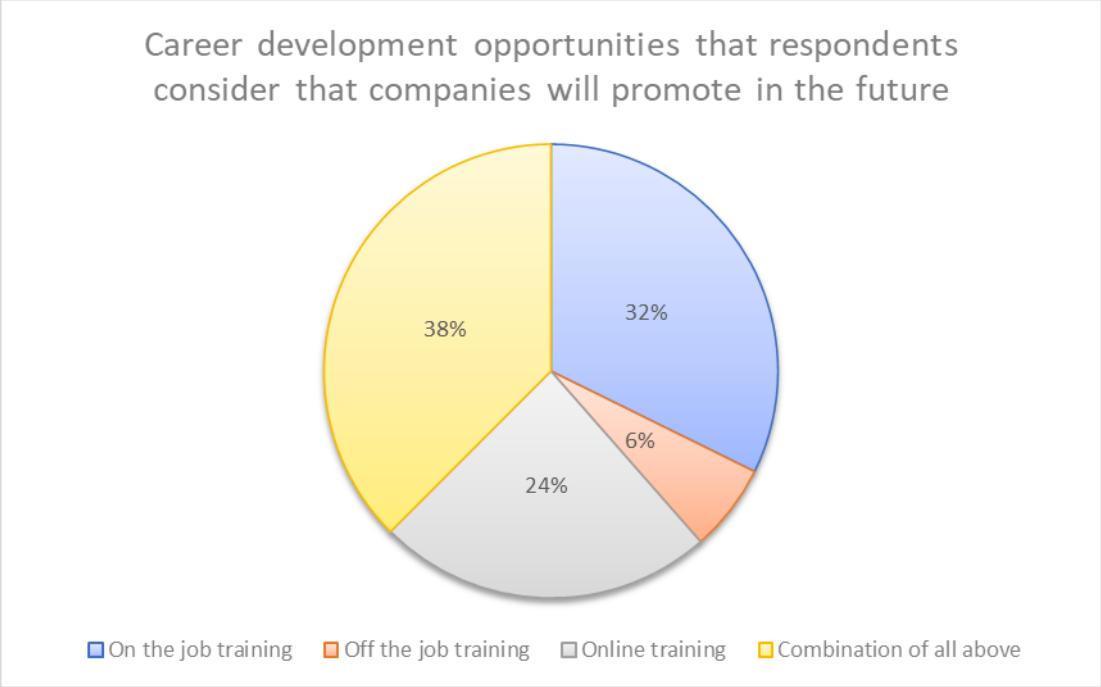
Figure 25. Career development opportunities offered by companies and service providers in the future



Also in terms of trends and what concerns the training areas in which SMEs will provide development opportunities, it seems that "Customer service and sales/negotiation" is still going to be one of the main development areas in the three countries. When comparing the results between the countries, some differences arise between countries:

In Portugal, the main development area is going to remain "Leadership and Management", followed by "Teamwork and cooperation", which is not considered to be a main area at the moment. According to the participants that attended the Portuguese focus group, the need of (keeping) investing on the areas "Leadership and management" "Teamwork and cooperation" can be explained by some social and economic factors, such as: a. the existence of multigenerations in the workplace; b. the need of structuring tools to support leaders in managing and monitoring working teams, at distance.

In the case of Greece and considering that SMEs are planning to provide more digital/online opportunities, naturally the main area in which SMEs will provide career development and learning at work opportunities will be "Technology and digital skills" and not the area of "Financial management/Financial literacy". Another new area SMEs are planning to develop is related to employees' skills on "Leadership and Management". Areas such as "Creativity and innovation" and "Problem-solving and "decision making" will remain important to SMEs.

In Cyprus, the majority of main areas will remain the same - "Technology and digital literacy" and "Self-management and self-efficiency". New areas SMEs are planning to develop their

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employees' skills are "Creativity and innovation", "Communication/public speaking and presentation" as well as "Problem-solving and decision making".

Considering the service providers in all the surveyed countries, once again the offer that these organisations will provide, are aligned with the needs and trends identified by SMEs and an area in which these organisations will provide training is in "Technology and data literacy. Experts from all countries consider that "Technology and digital literacy" is going to be one of the main areas of development, in the future, weather is related to general innovation or online sales, digital marketing, and digital customer service. Respondents also mentioned the importance of "Leadership and management", "Adaptation and resilience" as well as "Life-work balance" areas that, in their opinion, will be given more importance in the future.

Table 3. Areas of staff development opportunities in SMEs in the future

Country	Main Areas for staff development	Interviews (Focus groups)
Portugal	**"Customer service and sales/negotiation"** "Leadership and Management" "Teamwork and cooperation"	" Digital Skills and literacy (digital marketing, e-commerce, social media, etc.) "Leadership and Management"
Greece	**"Customer service and sales/negotiation"** "Technology and digital skills" "Leadership and Management" "Creativity and innovation" "Problem-solving and decision making"	"Conflicts resolution" "Resilience" "Work Ethics" "Life-work balance"
Cyprus	**"Customer service and sales/negotiation"** "Technology and digital literacy" "Self-management and self-efficiency" "Creativity and innovation" "Communication/public speaking and presentation" "Problem-solving and decision making"	"Digital Skills and literacy" "Leadership and Management" "Life-work balance"

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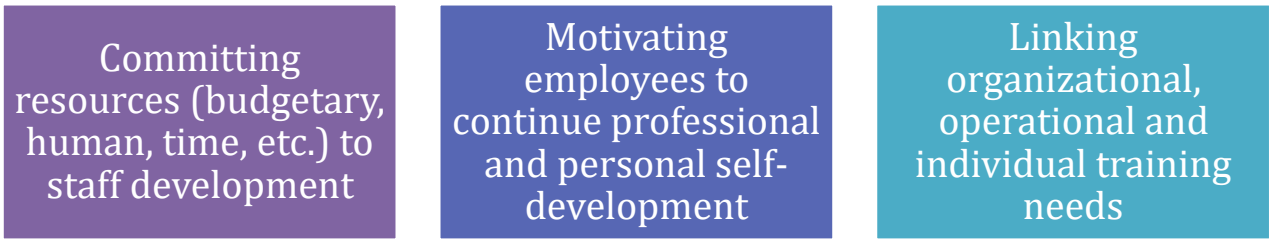
SME's of the three countries believe that they will be still experiencing some of the challenges they are facing now, namely:

Figure 26 – Actual and future challenges to be faced by SMEs:



Even though contrary to SME's in Portugal and Greece, SMEs from Cyprus still do not believe that motivating employees will be of the main challenges, they agree that "Linking training needs" will be a challenge in the future. Majority of respondents also believe that "Making learning one of the fundamental values of the company" is going be an obstacle.

SMEs from Cyprus and Portugal appear to be more oriented to having their employees develop and implement such activities in the future and feel that "Training own staff to prepare, implement and coordinate staff development strategies and actions" is going to be one of the challenges. SMEs in Cyprus also think that "Creating valid, reliable and operational evaluation system for effective staff development activities" could be an obstacle in the future.

Service providers in all the surveyed countries agreed with the opinion of representatives from SMEs. Some of the services providers also believe that finding a suitable training provider or a training programme may be a challenge as well.

During the focus groups and /or interviews, most of the respondents agreed that the future for the SMEs is uncertain and companies will give bigger emphasis on "survival mode" due to COVID 19 impact. Greek experts highlighted that despite this, SMEs will have to provide carrier development opportunities since the mindset of the new generation is formulated having in mind that the lifelong learning is essential, and they will be expecting this from their employers. Experts from all countries agreed that "Making learning the fundamental value" will be a challenge in the future for both employers and employees' side. The experts believe that SMEs will invest more in "combined/blended learning" or online training and will focus on training that corresponds to markets needs as well as bring the value to both employers and employees.

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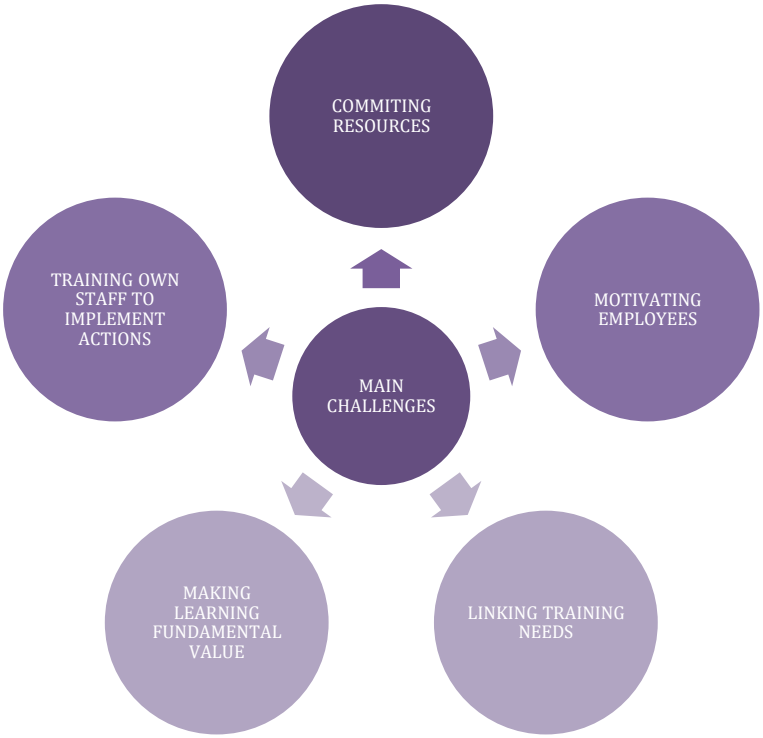
Figure 27. Main driving challenges for the implementation of career guidance and learning at work opportunities in the future



SMEs in all the surveyed countries were also asked to think about what could help them to overcome upcoming challenges and continue offering staff development opportunities in the future.

Majority of respondents agreed that "Clear staff development strategy/policy", "Clear and effective tools for employee skills and training needs assessment" and "Better programmes/systems to evaluate the benefits of staff development programmes (like increased productivity, etc.)". Representatives from Portugal and Greece also believe that "Bigger employees' motivation",.

Reasonable price of training programmes (available outside the company)" and "Availability of tailor-made of programmes (available outside the company)" would be needed to overcome challenges.

Majority of service providers also agree with the opinion of representatives of SMEs. Service providers in Portugal and Cyprus also believe that "Company's top management approval" is needed, while service providers in Greece added that "Government incentives/external financing" would help to overcome the challenges.

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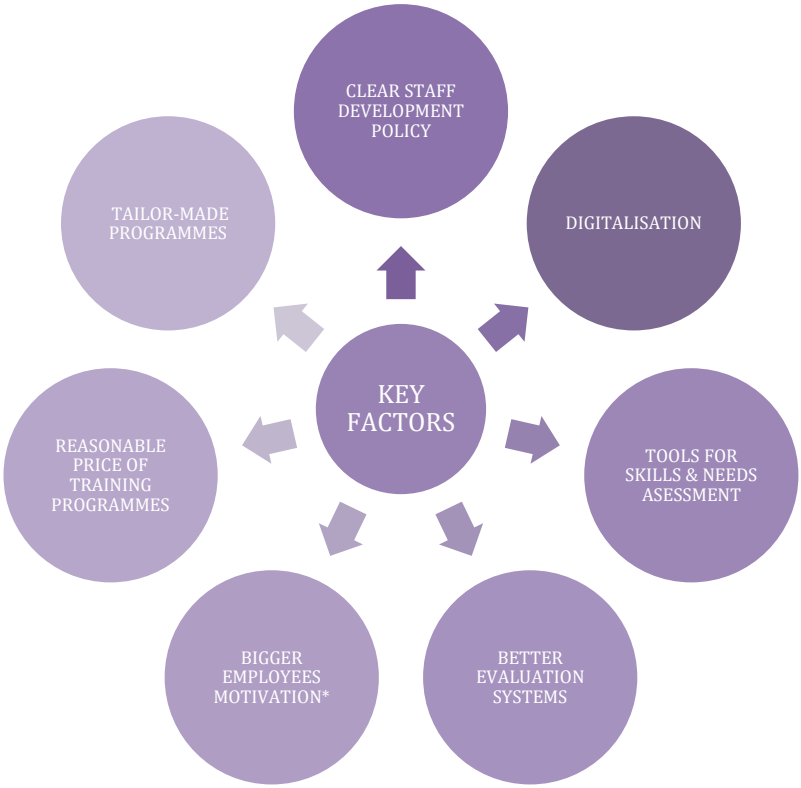
Experts from the three countries agreed that to overcome future challenges there is a need for change in employers/employees mindset and "bigger employee motivation", especially engaging managers that should be trained first to achieve the "waterfall effect" – managers appreciating and understanding the need for continuous improvement and development, diffusing their knowledge to employees as well as organising other career development opportunities to their employees.

Experts also agree that business digitalisation as well as improving employees' digital skills is of key importance for SMEs to be able to combat the COVID-19 effects as well as any other force majeure situation in the future.

Greek experts also mentioned that companies could benefit from EU grants and monetary aid.

Figure 28.Key factors needed to help SMEs face the upcoming challenges in the future



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3. Conclusions

- Around 80% of respondent SMEs do provide career development and guidance to their employees.

- At the moment, most of the surveyed SMEs and service providers prefer "on the job" or "combination of all" training. However, due to COVID 19 situation companies have also started discovering the opportunities offered online as well. In the future, surveyed SMEs and service providers believe that they will continue offering "combination of all" and "on the job" training opportunities to their employees, but "online training" will have a significant increase, as well.

- Majority of the surveyed enterprises (62%) offer career development opportunities to their employees 1-3 times a year, followed by 3-5 times a year (22%). Surprisingly, 14% of the respondent enterprises offer such opportunities more than 10 times a year. 2% of enterprises offer such opportunities 6-10 times a year.

- In all countries, surveyed SMEs prefer the shorter duration career development activities, preferably 1-3 or 4-7 days.

- In Portugal, the main target group for career development activities in SMEs are senior management, while for Portuguese service providers the main target group is general employees. In Greece and Cyprus, both SMEs and service providers aim such opportunities at employees and general managers and supervisors. However, several SMEs mostly targets senior executives, while in Cyprus the only couple of SMEs and service providers offer such opportunities to senior management.

- In all countries, senior management is mostly responsible for defining the frequency and the topics of career development and learning at work opportunities, followed by the Human Resources department.

- The decisions on the frequency and the topics of career development and learning at work opportunities in all the surveyed countries are mostly made considering the needs analysis of employees and organisational analysis. Respondents in Greece and Cyprus also put a great emphasis on the market situation and new technologies available.

- The main areas, SMEs usually offer such opportunities, different from countries. The only common area companies are offering such opportunities in all countries are "Customer service and sales/negotiation".

- In Portugal, the main area in which such opportunities are being offered is "Leadership and management", followed by "Handling stress/adaptation/resilience". In Greece, main areas SMEs are providing career development and learning at work opportunities are "Financial management/Financial literacy", "Communication/ Public speaking and presentations", "Creativity and innovation", "Problem-solving and decision making". In Cyprus, the other main areas are "Teamwork and cooperation", "Technology and digital literacy" and "Self-management and self-efficiency".

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- The participants on the focus group in Portugal agree, at a greater extent, with the survey results. However, some experts believe that "Technology and digital literacy" should also be put as one of the main areas, considering the digital transformation that is occurring in the past years. In Greece, the experts from the focus group, believe that companies offer more training on hard skills than soft skills, while adult education providers cover the need for soft skills training. In Cyprus, experts agree with the survey results, however, they believe that much more attention should be given to the "Leadership and Management" skills development.

- The respondents in all the surveyed countries had unified opinion when it came to main driving forces/benefits of career development and learning at work opportunities. They agreed that the most evident and important benefits are: 1) Improved quality (service, product, etc.), 2) Increased employees' productivity and efficiency, 3) Increased employees' motivation, job satisfaction, 4) Increased employees' ability to innovate, 5) Improved knowledge transfer.

- The main challenges SMEs are experiencing while trying to develop and implement career guidance and learning activities according to the respondents are 1) Availability of employees - employees are too busy to undertake development activities due to lean workforce and big workload, 2) Budget constraints – too costly, 3) External providers are too expensive. SMEs in Portugal and Greece also believe that 4) "Lack of employees motivation" and 5) "Difficulties managing employees diverse learning needs" is a challenge.

- The experts from Greece and Cyprus also highlighted the lack of cooperation between the SMEs and other stakeholders (public bodies, VET and adult education providers) as one of the main challenges, too.

- The areas SMEs will be providing development opportunities in the future are not going to change dramatically. According to survey respondents "Customer service and sales/negotiation" is still going to be one of the main development areas in the three countries. However, survey respondents and experts agree that "Technology and digital skills" is going to gain more importance considering the issues pandemic has highlighted. Other areas are: "Leadership and Management", "Creativity and innovation" and "Problem-solving and decision making".

- Experts from Greece and Cyprus have also emphasized the "Life-work balance" area that, in their opinion, will be important in the future and it was not mentioned as an option in a survey.

- SME's from the three countries believe that they, in the future, will be still experiencing some of the challenges they are facing now, namely – 1) "Committing resources (budgetary, human, time, etc.) to staff development", 2) "Motivating employees to continue professional and personal self-development" and 3) "Linking organizational, operational and individual training needs". Majority of respondents also believe that 4) "Making learning one of the fundamental values of the company" is going to be an obstacle.

- Majority of respondents agreed that 1) "Clear staff development strategy/policy", 2) "Clear and effective tools for employee skills and training needs assessment" and 3) "Better programmes/systems to evaluate the benefits of staff development programmes (like

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increased productivity, etc.)" could help SMEs to overcome upcoming challenges and continue offering staff development opportunities in the future. Experts and professionals from Portugal and Greece also believe that "Bigger employees' motivation", "Reasonable price of training programmes (available outside the company)" and "Availability of tailor-made of programmes (available outside the company)" would be needed to overcome challenges.

- Respondents from Greece added that "Government incentives/external financing" would help to overcome the challenges, as well.

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RECOMMENDATIONS

Growing

1. For Employers

To improve career guidance and learning at the workplace, while overcoming the existing challenges, SMEs have to design a strategic approach that will place learning at the centre of daily activities of the company and make learning a fundamental value. The main recommendations to help SMEs build/improve their strategic approach to learning at the workplace are:

Figure 29 – Main recommendations to guide SMEs defining a strategy for the learning at the workplace.

Each one of these recommendations are described in more detail in the tables below.

Figure 30 – Brief description of the recommendations to support SMEs defining and implementing their strategy for learning at the workplace.

1) Cooperating with social partners (trade unions, employers' organisations, governmental bodies, etc.)
The social partners can offer information and resources on skills development and help in lowering administrative burdens. SME's can cooperate with these organisations and seek their support and organise activities for employees' skills development. For example, trade unions usually offer courses to employees, provide networking opportunities and information about the trends in sector and industry. Employers' organisations also can provide training, take care of administrative aspects, provide information about opportunities available, etc.
2) Cooperation with adult education and training providers
Close cooperation with public and private education and training providers is necessary to develop the tailor-made courses for SMEs. Tailor-made courses most of the time have higher success rates than ready-made courses. SMEs should keep in touch with their local providers and work with them on recognising the skills that need to be developed and the best way to do so.
3) Building Networks with other companies
Networking with other companies similar in size or companies in the same sector can help to overcome existing barriers in the supply of desired skills training. For example, companies that have similar skills development and training needs can team up together in asking for education and training providers to prepare a tailored course for them, thus reducing its cost. Companies and their employees, as well, in case they are not direct competitors, can benefit from work exchange visits. Furthermore, participating in business networks and networking events can foster cooperation and new partnership opportunities, benefiting business in general.

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4) Clear staff development strategy and Employee development plan

The clear staff development strategy is a key step to develop/improve career guidance and learning at work. The strategy must clearly define the skills employees already possess and the skills that need to be developed (a skill gap analysis), what skills should be prioritised, etc. as well as what actions or steps need to be taken to achieve these skills/goals. The staff development strategy should also include quality monitoring and evaluation tools and systems to ensure that learning at the workplace remains relevant and effective. The most important, the development strategy should be flexible and not become too formalised in order not to add an extra administrative burden on the company. Besides adopting a clear staff development strategy, SMEs should also think of creating an employee development plan. In some countries, e.g. Portugal employers may have obligation to provide skill development plans or training by law[25]. Essentially, the employee development plan is a document that contains specific objectives & an action plan for employee skills development that is used by both employee & employer. An employee development plan can help employees to learn, grow, & scale and, in general, it can help to improve employee retention. Having set up development plans for employees allows the SME to address future planning & business strategy building too.

5) Encouraging and promoting learning in daily business activities

To be successful most of SMEs must be able to adapt quickly and find new ways of developing the business. This way new learning opportunities can arise from new projects or services being offered by the company, for example linking training to a new company's project. Embedding employees' skills development objectives in these activities can allow them to reach the development goals without interrupting or with minimal interruption to daily activities and increasing out of work time.

6) Promoting non-formal and social learning

Besides the formal learning, SMEs and their employees can also benefit from non-formal and social learning at the workplace without requiring a lot of resources (time off from work; budget for training, travelling, lodging, etc.). Like formal learning, non-formal learning can also be highly structured or semi-structured with specific aims and objectives. Non-formal may be used to introduce new employees into the culture of the company, develop the technical and interpersonal skills of existing workers, and sharpen the skills of managers and supervisors. This type of learning is valued because it is typically immediately relevant and could be put into practice. The example of non-formal learning – in house training. Social learning means learning from other people, in this case, colleagues, supervisors, managers, etc. by observing them, asking questions, sharing knowledge resources, etc. Social learning can also be done outside the company by using digital tools – participating in discussion forums, blogs, video tutorials, etc. This type of learning is done on a just-in-time basis, allowing the employees to get information exactly when they need it and quickly apply it to complete the task or achieve a goal. Social learning not only supports continuous learning, but it also enhances organizational culture, fosters workplace collaboration, and increases productivity. Some of the examples of social learning can be mentoring, coaching, online learning. However, it is important to understand that both non-formal and social learning are not used to replace the formal learning activities (e.g. training) but rather to overlap, helping to enable knowledge transfer in a way that formal learning cannot. Also, contrary to formal learning, the competences and qualifications gained during non-formal learning and social learning most of the time are not formally recognised. Ideally, SMEs should aim to

[25] European Foundation for the Improvement of Living and Working Conditions, "Código do Trabalho; Lei n.º 105/2009, de 14 Setembro", available online here.

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combine formal, non-formal and social learning methods and strategies, resulting in a more coherent and holistic approach to employees' skills development. However, every company needs to consider the context of its activities and the nature of skills involved to choose the best combination. Besides the formal learning, SMEs and their employees can also benefit from non-formal and social

7) Online learning and digital tools for tracking the skills development process

Online learning provides SMEs with much more choice especially when it comes to specific training and the speakers/trainer that are not available locally as well as it saves the resources and allows to overcome geographical constraints. It also offers flexibility to employees regarding the time, as they can learn online at whatever time suits, whether during or outside the workday. Furthermore, online learning can be a more efficient way of learning as it serves different learning styles as well as allows employees to learn at their own pace. However, if the company does not feel ready for online learning due to limited resources, lack of knowledge or employees' digital skills, blended learning can be a great option. Blended learning combines both face-to-face teaching and various forms of online learning for sustainable and tailor-made learning opportunities. There are various digital tools and software that companies can use to track the skills development process. Such tools can range from simple online sheets to more advanced online tools and include current skills and skills that the company and employees need to further develop to meet the objectives. The tools can be adapted to the specific characteristics of the company and can gather the data from both employee and employer. The main advantage of using such digital tools is that they make the relevance and efficacy of skills and competences development evident to both the SMEs and employees. Nevertheless, it is important to keep in mind that the more complex tool/software is, the more expensive it can be.

8) Recognising and valuing skills development within the company

Learning in the workplace is beneficial to both employers and employees. As people tend to spend a large share of their time at work, the workplace becomes a crucial learning environment where adults can not only develop job-related skills but also basic and transversal competences that they can use in their professional and personal life. Skilled and trained employees are an invaluable factor in keeping the business competitive, productive and increasing staff retention. To develop and promote a positive and supportive working environment as well as make employees feel valuable, SME should align the needs of the employees with the overall needs of the company. To ensure a positive learning environment where employees are motivated to learn and develop their competences, recognition place an important role. Even if employees are developing new skills and competences through non-formal, in-formal and social learning where usually no official certificate or qualifications are given, it is important to recognise it, make the progress visible and reward employees for their work. There is no one-size-fits-all strategy when it comes to valuing and recognising the skills gained, each company usually develops its strategy. For example, the strategy can include skills development as criteria for career progression, pay rise, non-cash rewards, better access to more learning opportunities within out outside of the company, etc. Considering official recognition, there are legal frameworks, public schemes and some private initiatives, usually at the national level, for validation or accreditation of non-formal, informal and social learning, that companies can take a look at.

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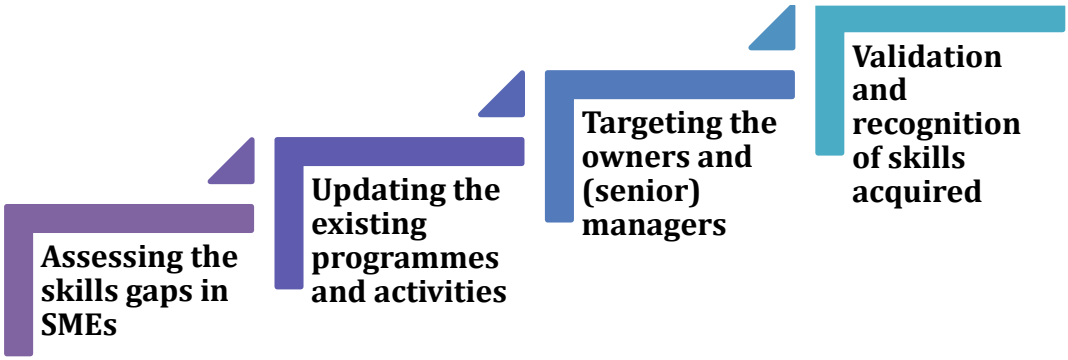
2. For Intermediate organisations

In the context of this paper, the intermediate organisations are described as organisations that cooperate with SMEs, supporting them in providing development opportunities for their employees, such as training courses as well as counselling, human resource management, etc. Such organisations can be public and private education and training providers, trade unions, employers' organisations, chambers of commerce and other professional organisations.

Intermediate organisations are often seen as the key players in understanding the needs of SMEs and relieving them of administrative burdens related to employee skills development. For example, through cooperation, education and training providers especially, can support SMEs needs by providing development opportunities that correspond to constrains existing in SMEs and specific skills and competencies they are lacking. Furthermore, intermediate organisations are often involved in dialogue with public authorities and the implementation of policies. [26]

Below are recommendations that intermediate organisations may consider increasing their performance and achieve better results in supporting SMEs on their journey of developing/improving professional and personal development opportunities for their employees.

Figure 31 – Recommendations to intermediate organisations to support SMEs providing career development opportunities



[26] European Commission – Directorate-General for Employment, Social Affairs and Inclusion "Up- and re- skilling in micro and small companies", 2020. Available online here.

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Figure 32 – Brief description of the recommendations to intermediate organisations support SMEs in providing career development opportunities to their employees

1) Assessing the skills gaps in SMEs

Intermediate organisations should regularly contact SMEs to understand and assess the existing skills gaps. This is a first step that needs to be taken allowing such organisations to design and offer the education and training programmes or actions that fit the specific needs of SMEs, thus making it more attractive and valuable. In addition to this, setting up regular communication can help to advertise and spread information about the existing skills development opportunities and actions, that responsible persons in SMEs may have trouble finding due to limited or excessive information available.

2) Updating the existing programmes and activities

Organisations need to acknowledge the changes happening in the SMEs and society overall. Long established programmes and activities, as well as the way they are delivered, may not necessarily fit the needs of new workforce generation, different characteristics of organisations and changing economic conditions. For example, when cooperating with the SMEs for formal or non-formal education and training, education and training providers can develop courses that create synergies with informal and social learning at work, making them relevant to employees' daily tasks, thus often leading to greater outcomes. Reflecting on the current situation caused by the pandemic and unpredictable future, intermediate organisations should also, if not done yet, consider offering quality digital learning opportunities both to address the specific skills required by SMEs as well as basic digital skills. Furthermore, alongside the online courses, education and training providers could also offer online skills assessment tools, before and after the course, allowing the employees and employers to see the actual progress by tracking the skills development. Digital learning resources produced by education and training providers can often be at lower-cost and offer greater programme variety than face to face courses. Furthermore, Online learning allows flexibility for employees in terms of time, space and learning pace while at the same time it also addresses the financial and time constraints of SMEs.

3) Targeting the owners and (senior) managers

Considering the survey results and experts groups, the owners and (senior) managers are the main groups that most of the time make decisions about employees' development in SMEs. Unfortunately, for various reasons, coming from specificness of the sector or business as well as from the lack of opportunities, information and recourses available, in a lot of companies training and other development opportunities are not perceived as important by owners or managers as well as workers. To promote learning at the workplace and development opportunities, there is a need for change in employers/employees' mindset first. Only owners and managers understanding and appreciating the benefits of continuous development, having the right knowledge can organise consistent quality skills development opportunities for their employees. Thus, intermediate organisations, especially training and education providers, and employers' organisations should target training to the owners and managers as well as human resource departments, where existing, first. The training should raise awareness of life-long learning, develop skills needed to plan and implement the learning at work opportunities and actions, as well as skills assessment and tracking. Furthermore, the training should also teach the skills needed to guide and mentor the employees. Providing such training to the employers and helping them to think strategically is essential to make sure that they are aware of the benefits and importance of skills development at work, and this awareness will result to concrete actions.

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4) Validation and recognition of skills acquired

Validation and recognition of skills are very important, especially when it comes to non-formal, informal or social learning. Intermediate organisations can help SMEs to keep track of skills development of their employees – what skills they already possess, what skills they need to develop, and how development is progressing. Intermediate organisations that provide education or training to SMEs such as education and training providers, labour unions, employers' organisations, etc. can issue certificates or other documents indicating the skills identified and tested. These documents may not necessarily be formally recognised in the national context. Intermediate organisations can also offer support and guide SMEs regarding the implementation of existing national legal frameworks, public schemes that can be used to formally identify, test and recognise skills (formal, non-formal, informal and social learning).

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3. For policy makers at regional and national level

There are various policies approaches, programmes and measures at national and EU level designed to support SMEs in their workforce development. Despite this, SMEs are still facing serious challenges and do not necessarily have easy access to all the support available. Below there is a list of recommendations for policy makers at the regional and national level, designed by researching good examples of existing policies.

Figure 33 – Recommendations to policy makers to support business in providing career development opportunities to their employees.

The recommendations showed above are briefly described in the following tables:

Table 4 – Brief description of the recommendations addressed to policy makers to support business structuring and providing career development opportunities to their employees,

1) Raise awareness and increase information about existing frameworks, policies and measures
SMEs, especially micro and small companies, usually have limited time resources resulting in managers not having much time to look up for information about existing policies and measures that could support the company in workforce skills development. The information available is often presented in an unclear way in terms of the terminology used or in excessive quantity. Systems and actions such as dedicated one-stop online portals, short face to face or online meetings, recorded videos, continuous communication through email, etc. using simple and terminology, should be developed to spread the information about existing or new policies among SMEs, helping them to overcome lack of time and language barrier as well as, in some cases, lack of confidence to seek information and get involved in policy programmes. It is important to mention that most of the countries offer various public financing support measures, using either national or EU funds, however not all of SMEs are aware of them in general or how to access them.
2) Building partnerships with key actors
To be effective and successful, policies and frameworks must be designed in the way that it addresses the existing challenges and obstacles SMEs are facing as well as targets the skills that are or will be needed in the future. To design the quality policies, cooperation and communication between policy makers, SMEs and social partners is crucial. Policy makers should aim to develop direct communication links and bring together the representatives from all key actors, to discuss and prepare the frameworks together. One programme that is implemented in consideration of the needs of key players is better than several programmes implemented just because there is funding available.

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3) Diversifying public support to target specific needs of SMEs

It is important to consider that SMEs are comprised of micro, small and medium enterprises which each have their different characteristics, specific challenges and needs. The frameworks and policies should consider this and diversify actions not only to be designed for the broad group such as SMEs but rather actions designed for micro and small enterprises, and actions designed for medium enterprises. The policies can also be diversified considering the specific sectors.

Furthermore, frameworks and policies should be designed in a way that reduces bureaucracy, promotes informal and social learning, offers some sort of financial support and assists with skills assessment and planning.

When it comes to publicly available training programmes, it should be as well-tailored to the specific characteristics and needs of companies in respect of the content, methodology, duration and administrative work required.

4) Developing or updating the existing frameworks for validation and recognition of skills

Learning at the workplace is mostly about the development of the new skills and competences by various means of learning rather than the attainment of specific qualifications. However, it is equally important that these skills and competences can be constantly assessed, validated and recognised throughout national frameworks allowing employers to track the skills development of their workforce and motivating employees to learn and achieve better results.

Most of the countries have some legal frameworks and public schemes for validation or accreditation of learning at work. However, these frameworks mostly due to their complexity or terminology used, etc. usually are not widely used by SMEs and social partners. Policy makers should encourage the development of the frameworks that would not only exist at the theoretical level but will be easily adaptable on a practical level as well. Such frameworks should be developed in consultation from representatives of SMEs themselves as well as social partners such as labour unions, employer's organisations, training and education providers, etc. Once such a framework is developed, all key players should be consulted on how to implement it in practice.

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