

# Study on mapping opportunities and challenges for micro and small enterprises in offering their employees up- or re- skilling opportunities

Contract No.: VC/2018/0681



## PROJECT INTRODUCTION

Micro and small enterprises represent the vast majority of business in the EU, amounting to almost 99% of the total number of enterprises. As such, these companies provide an important source employment to the EU population. Employment in micro and small enterprises should be devoted particular attention not only because it represents a high share of total employment in the EU, but also because there is a negative correlation between company size and employees' rate of participation in learning. This issue is worth attentive investigation especially in the context of changing nature of work that technological change is bringing about at a fast pace.

In this context, the EC has launched important initiatives to promote renewed skills strategies in the EU, such as the New Skills Agenda for Europe<sup>1</sup> and the Renewed European Agenda for Adult Learning<sup>2</sup>, and has included key principles and rights on quality and inclusive education, training and life-long learning in the European Pillars of Social Rights<sup>3</sup>. Specific needs for upskilling are recognised to low qualified individuals, who are targeted by the Recommendation Upskilling Pathways<sup>4</sup> and its implementations across Member States, as part of the New Skills Agenda.

A study on mapping the opportunities and challenges for micro and small enterprises in offering their employees up- or re-skilling opportunities is paramount to develop a sound understanding on the subject and provide insights on how these instruments can adequately target this important portion of the EU businesses and their employees.

While acknowledging the overall insufficient provision of lifelong learning opportunities in the EU labour markets, the "Study on mapping opportunities and challenges for micro and small enterprises in offering their employees up- or re- skilling opportunities" is concerned with two principal issues: (i) the insufficient provision of up- and re-skilling opportunities for working adults by micro and small enterprises and (ii) structural imbalances in the existing provision, more specifically the bias towards more educated employees.

The study aims to answer a two-fold research question throughout five tasks that are undertaken. On the one hand, it investigates the reasons why the situation is as it is, thus looking at the challenges to face for up- and re-skilling in micro and small enterprises. To do so, the desk research in Task 1 provides an overview of existing issues, which will be tested and analysed closely through the survey of enterprises in Task 2 and the interviews with employers and employees in Task 3. On the other hand, the study explores the possibilities and opportunities at hand to improve the situation, thus looking at policies and strategies that can benefit up- and re- skilling for these enterprises. The desk research in Task 1 provides a scanning of existing practices, which is deepened and completed in Task 3 and Task 4 with the interviews to employers, employees, stakeholders and public authorities. The desk research has remarked the importance of micro and small enterprises in the EU and the paramount role of adult education and training in the future of work. The desk research has also confirmed its suboptimal provisions precisely in

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<sup>1</sup> Available [here](#)

<sup>2</sup> Available [here](#)

<sup>3</sup> Available [here](#)

<sup>4</sup> Available [here](#)

smaller companies, presenting data and making comparisons across the EU. To explain this, four groups of challenges are analysed, reviewing the literature to provide both theoretical background and empirical evidence for each of them. Accordingly, four groups of opportunities, mainly in terms of policy options, are discussed, providing examples from ten shortlisted countries, namely Czech Republic, Germany, Denmark, France, Spain, Italy, Ireland, Romania, Netherlands and Slovakia. The desk research has highlighted a variety of opportunities and policy options in these countries, developed against an equally heterogeneous background in terms of demand and supply for skills. Reflecting this variety, as well as geographical balance, Germany, Denmark, France, Ireland, Italy, Netherlands and Slovakia are proposed as countries to select for further investigation.

Finally, task 5 will analyse the overall results to come to conclusions and recommendation.

## KEY DATES FOR THE STUDY

Deliverable		Date
✓	D1 - Inception report	21 January 2019
✓	D2 - Interim report	<del>18 April 2019</del>
	D3 - Survey results report	30 September 2019 (Draft version 30 <sup>th</sup> August)
	D4 - Leaflet on challenges and opportunities	31 October 2019
	D5 - Summary of interview results (companies)	30 September 2019
	D6 - Dissemination version of 20 good practices	31 October 2019
	D7 - Summary of interview results (stakeholders)	30 September 2019
	D8 - Dissemination version of 10 good practices	31 October 2019
	D9 - Draft final report	15 November 2019
	D10 - Guidance pack for micro and small companies (dissemination format)	15 November 2019
	D11 - Guidance pack for intermediary organisations (dissemination format)	15 November 2019
	D12 - Final report	16 December 2019