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**ABSTRACT**

An examination of the ways in which vocational training can be extended to small and medium-sized enterprises in the European Economic Community, this document consists of: an introduction; four parts containing multiple chapters; 10 case studies; and a bibliography. Following the introduction, which is an update of a report made in 1985, part one defines relevant terms. The three leading characteristics that differentiate small and medium-sized enterprises (SMEs) from larger enterprises (being legally and financially independent, being run by owners, and possessing a relatively small part of the market) are discussed. The economic reality of the SMEs is explained, as well as the concept of "diffusion." Part 2 deals with the SMEs and their relations with employment, training, and information. A conclusion is reached that a local approach to the SMEs is needed, which would form the foundations of an information exchange strategy. Part 3 explains communication structures and networks. After the characteristics of communication structures are compared, five principles for action are summarized. Part 4 gives a general framework for an exchange network and six proposals for action to be taken to coordinate information, desegregate information, promote exchange, make CEDEFOP (the European Centre for the Development of Vocational Training) a monitoring unit for community exchange, set up a community reference plan, and stimulate and coordinate efforts to organize an exchange network. Case studies of Belgium, Denmark, France, Ireland, Italy, The Netherlands, Federal Republic of Germany, and the United Kingdom follow. The document concludes with 1 English and 15 French references. (CML)

CEDEFOP Document

# Concept of an exchange network for the development of vocational training in small and medium-sized enterprises

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**Concept of an exchange network for the development of vocational training in small and medium-sized enterprises**

Report drawn up in 1985 and updated in 1988 at the request of CEDEFOP

**René Boudet**

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## Preface

Anyone listening to the declarations of our day would believe that training has invaded all the spheres of society ... all? No!

The SME "still resists and will continue to resist the invader". And life will not be easy for the legions of civil servants, counsellors and trainers who untiringly assault the organizational, financial and psychological defences of this unyielding bastion.

Epinal's imagery is the first to benefit from this epic confrontation which has been enriched by some additional clichés: self-taught heads of firms, trained on the job, hostile to all integration of training ... inadapted, traditional and repetitive programmes ... trainers who are either too scholarly or too university-minded and always far removed from reality ... poor institution/enterprise relations, mutual lack of knowledge, etc. ...

One of the merits of the international seminar organized by CEDEFOP in Luxembourg from October 10 to 12, 1983 was that it exposed some of these false beliefs by asking the real questions and disclosed some of the essential lines of thought.

Vocational training continues to develop. The needs grow and change, the institutions are in a process of transformation. Given these changes, the enterprises and the

training organizations are confronted with decisive strategic options. It is quite evident that only those which succeed in adapting their development strategy will be able to survive the challenges of our times.

In view of these conditions, would it not be a hazardous venture to attempt to develop training in the SMEs?

There is no doubt that, on this question, the views of the reader are identical with those of the author: the heterogenous universe of the SMEs cannot endure norms or accept general recipees; in other words, there is no magic potion.

INTRODUCTION

Update of an initial report  
written in 1985 at the request of  
CEDEFOP



1985 - 1988

When the first report was written in 1985 at CEDEFOP's request, the unemployment rate in the Member States of the European Economic Community compelled those responsible for economic policy to concentrate their attention on a sector which, more than the others, seemed to be able to resist this malaise and, despite all ups and downs, to maintain a positive balance in the creation of new employment - namely, the sector of small and medium industry.

This vitality of the SMEs was always intriguing because it seemed to develop without the aid of the support systems accompanying economic development, starting with the training systems which, by nature, were mainly designed to respond to the needs of large companies.

Today all diagnoses show the same picture. The perspectives for the net creation of employment in the large industrial and services companies are limited.

Fortunately, public opinion - and public institutions - have become aware of the predominant position of SMEs in the industrial fabric of Europe and of the impetus they give to the economic growth of our country and consequently, to new employment.

Thus, it is from the existence and development of a dense and complex network of competitive and innovative small

and medium enterprises responding to the needs of regional and local life, but also ready to meet the demands of the large single European market that we may expect a better equilibrium on the labour market.

The essential factor is to provide all the conditions for the organization of such a set-up.

- Training, - a key element for the competitiveness of firms - is one of these conditions.

It is also necessary to precisely identify the key issues, the obstacles and the means to achieve this goal.

- The establishment of an "exchange network for the development of vocational training in the SMEs" is one of the means studied by this report.

But, nothing is easy. That is well-known fact. After the idea has been conceived, it has to be implemented.

This decisive stage requires joint action by the Member States and the Community.

However, since 1985, there have been many changes in the SMEs, both within the individual Member States and at Community level.

## I. The situation in the Member States

In the last few years the various institutions in the Member States charged with the task of observing or supporting the development of the SMEs, have shown growing interest in continuing training policies for this type of firm.

In particular, special attention was devoted to innovations and the promotion of innovative measures.

The growing number of initiatives, taken either by the SMEs themselves or launched on the incentive of their environment, makes it possible to identify some trends:

### **- Improved access to training**

Considerable efforts have been undertaken by several countries to induce the SMEs in highly disadvantaged areas to take more interest in training:

- . either by creating new infrastructures, as is the case in Greece and Portugal;
- . or by encouraging the firms in one region to pool their resources, as has been done in France and the Federal Republic of Germany;
- . or by increasing the provision of distance learning, as can be seen in the United Kingdom, Denmark and Italy.

### **- Regrouping of the firms**

A particularly interesting measure - the regrouping of firms by branches, occupations or sectors - may be observed in quite a few countries, mainly in the Federal Republic of Germany, the Netherlands and France. This makes it possible to solve common training problems and to overcome two major obstacles to the development of training in the SMEs - training costs and motivation.

- . It is possible to reduce training costs by pooling training resources and reducing the number of individual units including external support structures.
- . Through these joint efforts undertaken with their colleagues to examine the concrete problems confronting their companies, the managers of the SMEs have the feeling of being really involved in the act of training, especially when they make it a personal concern.

### **- Flexibility of the training programmes**

Another major constraint in the development of continuing training in the SMEs is the fact that the staff, due to their small numbers, cannot always be released for training during working hours and are thus unable to benefit from training given outside the enterprise in the form of inter-company training or training in a centre.

In order to overcome this obstacle some Member States have set up flexible and open training programmes which are mainly based on individualized multi-media distance training courses. This revolution in the media and in pedagogical methodology makes it possible to "de-sequester" the SMEs today and to reach - mainly rural - geographical zones with inadequate infrastructure or isolated individuals.

There seem to be excellent prospects for this type of training offered on the spot or in locations close to the enterprise at a time and a pace most suited to the trainees.

#### **- Integration of guidance and training**

Fortunately, all Member States seem to have finally recognized and accepted the idea that the trigger and the driving force of development in training in the SMEs is and will continue to be the owner of the enterprise or the managerial staff.

Observation has shown that they are more receptive and motivated for training when this training is the culmination of an integral process consisting of several successive stages starting with pre-diagnosis, moving on to a diagnosis of the enterprise and then on to actual training.

This process is accepted more readily when the owners and managers of the firms have played an active role in

establishing and implementing it and when the training has the aim of improving the existing situation of the enterprise in terms of its turnover, its productivity and its competitiveness.

**- Public intervention**

In the Federal Republic of Germany, Ireland and France a new policy including the participation of public authorities in financing training guidance for the SMEs has enabled these enterprises to accompany their investment policy with a concomitant, coherent training effort.

It is clear that the course of things has changed: the SME is undergoing a slow transformation. Two convergent lines of action underline this trend.

Firstly, the Member States have realized that an aggregate of isolated measures does not constitute a coherent training and employment policy.

As for the SMEs, they have progressively discovered that if they wish to become competitive they cannot rely solely on their own force and their own experience.

What is necessary for all of them is to let men and techniques develop side by side, but at the right time.

This report which proposes the creation of a dynamic movement based on local initiative networks, tries to

develop the solidarity of the enterprises, to encourage their sharing of experience and to forge a suitable environment through a demultiplier effect, so that the SMEs may benefit from collective effort because, within a changing economy, they lack means, reference points and supports.

In order to overcome this apparent inability of the SMEs to invest in the intangible, i.e. in information, training and communication, the European Economic Community has mobilized its resources for action.

## II. Community Strategy

The Community has set up an SME Task Force and appointed a Commissioner who is responsible for SME policy because it has realized that the SMEs give an important impetus to increased employment and regional development, and because, at the same time, it has recognized the specific nature of the needs of these enterprises.

Since November 1986 an action programme based mainly on the financial instruments of the Community has been adopted.

### a) **On-going activities**

The new programme supplements existing Community action to give specific support to SMEs (mainly in the form of advice) either within the context of sectoral programmes

for vocational training, innovation and industrial development, or through its structural financial instruments (ERDF, ESF).

ERDF supports endogenous development activities which aim at assisting the enterprises: market surveys, common services, service centres, etc.

The ESF provides limited financial support for vocational training measures required for technological development, and accompanies industrial re-training programmes or prepares people for specific jobs.

It may be noted that these financial aids are intended more for the training of the workers in the enterprises than the managers.

Since July 1985 the Integrated Mediterranean Programmes (IMP) have paid particular attention to the creation and development of SMEs by intensifying the aids to improve the organization of the enterprise or encourage the innovation and development of new technologies.

#### **b) Specific programmes**

The policies for the promotion and support of the SMEs are also implemented to encourage industrial innovation and transfer of technology. Amongst others these include:



- EBN: European Business Network intended to improve the development of innovative SMEs in the areas of industrial re-training (steel, textiles, etc.)
- BC-NET: Business Cooperation Network created through a Commission Decision in November 1985, a computerized support structure containing a network of "business consultants" who can help the SMEs to find industrial, financial, technical and commercial partners.
- STAR: "Special Telecommunication Action for Regional Development" tries to establish telecommunications services which are common to several SMEs.
- SPRINT: "Strategy Programme for Innovation and Technology Transfer" supports the training activities of intermediate agents for the transfer of technology and innovations.
- EUROTECNET: is mainly intended to make the managerial staff of SMEs more aware of the new technologies and to organize the necessary re-training.
- COMETT: adopted by the Council in July 1986, organizes cooperation between Universities and enterprises for advanced training in new technologies and gives special priority to projects emanating from the SMEs and SMI.

This list, without claiming to be exhaustive, would nevertheless commit a sin of omission if it did not mention

the activities of CEDEFOP which can justly be proud of its studies and comparative research, its publications and seminars on distance learning, its contribution to the exchange of experience and information, and its very rich network of experts, through which it has helped to make the Community aware of the specific problems of the SMEs and the fact that they have to be tackled separately, and has shown the paths to be followed to develop continuing vocational training in the SMEs.

#### CONCLUSION - PERSPECTIVES FOR ACTION

The development of continuing vocational training in firms and in SMEs in particular is a subject to which much attention is being devoted in the Community today.

Irrespective of whether the organizations involved are the SMEs or their private or public partners, or whether this is at local, national or Community level, everyone today is aware of the fact that the constraints of economic competition make it necessary to have permanent adjustments and adaptations in order to respond to the short and medium-term demands of the market.

Nevertheless, it must be admitted that there is a lack of information and knowledge of the solutions adopted by the SMEs in response to the changes affecting them.

It would, however, be futile to try and compile a general inventory of these measures. If one wishes to identify

the salient points it would be more expedient to forego a systematic analytical approach and try instead to:

- identify the trends which seem to be relevant,
- try to strengthen them,
- and try to influence those who set them in motion, i.e. the owners and managers of the SMEs.

In order to achieve this, CEDEFOP has included the creation of an instrument to analyse the supply and demand of training for SME owners and managers in its 1988 work programme. This instrument is intended to prepare the management of SMEs/SMI and cooperatives to cope with the broad scale of the 1992 European market, i.e. to make a contribution to "the movement towards strengthening SMEs and crafts firms in the economic structure of the European Communities" as Mr. Müller, Member of CEDEFOP's Management Board wrote (see Bulletin "Vocational Training" No. 3/1987).

This report follows the same goal by proposing the establishment of an exchange network for the development of vocational training in the SMEs.

Part One

DEFINITIONS AND METHODOLOGY

Chapter I - Definition of a SME

Chapter II - The economic reality of  
the SMEs

Chapter III - The concept of "diffusion"

## Chapter I

### Definition of a SME

Before proceeding with a study of the SME, it would be useful to identify the object of the analysis and suggest a demarcation of the SME sector. The definitions used in the various Member States of the EEC are extremely diverse.

The commonly used term "small and medium-sized enterprise - SME" is far from being precise and includes concepts which can sometimes differ greatly. The criteria used to define the SMEs can be divided into two distinct categories: qualitative and quantitative criteria.

There is relative unanimity on the qualitative factors which enable an identification of the SME and make it basically different to the large companies.

We shall select three leading characteristics which differentiate the SME from the large firm:

- Legal and financial independence; the SME is not part of a larger economic entity and the owners are normally not subject to outside control and can take their own strategic decisions.
- Organization; there is a unity of the owners of the capital and the actual management of the firm; in other words, the owners personally and directly run their

business without having to go through a formalized managerial structure.

- Finally, the economic aspect; a SME is an enterprise which, in economic terms, does not possess more than a relatively small segment of a market.

These different qualitative definitions identify the major typical characteristics of a SME.

There are certainly other criteria which refer to the responsibility of management (distribution of profits and losses), the mode of financing, the sources of supply or access to capital markets. But, on the whole, these other definitions and criteria are not very operational. Also, it is not surprising to learn that the legislators - when they have to deal with SMEs - prefer quantitative criteria because of compelling statistical requirements.

But, the moment an attempt is made to go beyond the qualitative approach, the choices become less simple.

The quantitative criteria most used are employment, turnover, balance-sheet totals and profits. But, even after the figures have been collected, the threshold beyond which a firm is qualified as small, medium-sized or large, still has to be determined. The size of the enterprise depends on sectoral characteristics, production conditions, type of market, nature of consumption, etc.

The delimitation of the sectors is, therefore, wholly and fully the function of their weight in the national economy.

In the United Kingdom, because of the absence of a crafts sector and the marked decline of SMEs since the beginning of the 'thirties, all firms in the industrial sector with a workforce below 200 are grouped under the generic heading "small businesses".

In contrast, in the Netherlands or Denmark, an enterprise with 100 employees is already considered to be a large firm.

In France and the Federal Republic of Germany the crafts sector is a distinct entity, but otherwise all firms employing 10 to 500 people are often called SMEs without any discrimination.

Therefore, for the purpose of this study, let us take an empirical approach and agree that in all the countries of the EEC:

- Small enterprises are firms employing less than 50 people, and the very small enterprises are those with less than 20.
- Medium-sized enterprises are those with a workforce between 50 and 500.
- The large enterprises have a workforce above 500.

## Chapter II

### The economic reality of the SMEs

There are few studies on the SME and the majority of recent research works on the evolution of the SMEs, undertaken since 1983, the "European Year of Small, Medium-sized and Craft Enterprises" have the disadvantage of insufficient data.

The collection of information is a problem because of the fundamental weakness of statistical sources.

The first difficulty arises from the general confusion between the concepts of "undertaking" and "enterprise" and the concepts of "branch office", "agency" and "subsidiary". This confusion may not cause any difficulties for small firms (less than 50 employees), but anything larger is affected.

Another difficulty is that statistics for each enterprise are seldom available over a long period of time and they are fragmentary in certain areas of activity such as commerce and services.

#### 1. A new partiality for SMEs

Will the SMEs provide the new impetus, be the tool which experts and decision-makers have sought for so long in order to attenuate the disequilibrium seen in the balance



between supply and demand in employment? Can their development contribute to a better regulation of the labour market?

Let us wager that if this were to be the case, it would be common knowledge.

The large company seemed to have been one of the prime movers during the growth period, but today, with a reversal of trends, there is a certain partiality for the SME.

It is not surprising that, during a critical period marked by a rapid and general rise in unemployment in Europe, those responsible for economic and social policy in the countries of the EEC have turned their attention and their efforts towards the organizations and the procedures which are capable of reversing the disastrous trends in employment. In brief, the SMEs suddenly find themselves the centre of attention.

They are, in fact, regarded - perhaps rather impulsively - as a reservoir of initiative, creativity and social and technological innovation.

It is certainly not the purpose of this study to undertake a general and exhaustive analysis of the SME sector within the European economies. But, it is useful to take a look at the performance of the SMEs with regard to employment.

## 2. Do the SMEs create employment?

There are few studies and statistics on this question. An analysis of those which do exist nevertheless reveals some facts and characteristic trends.

### a) **The facts**

Europe is experiencing a renewal of SMEs. Apart from the diversity of national situations this renewal has some common features:

- expansion of the very small enterprise in the industrial sector,
- proliferation of SMEs in the tertiary sector,
- a growth in the number of newly established businesses,
- development of sub-contracting and establishment of branch offices by the large companies.

The results are, however, far from being homogenous and depend on the regions, the periods, the sectors of activity or the types of enterprises.

But there are indications of a rather spectacular growth of SMEs and we shall examine them in greater detail to see what contribution they have made to the creation of employment.

### b) Employment trends

An analysis of available statistics shows a dual movement in opposite directions:

- the progressive decrease in the contribution of large companies to the creation of jobs between 1960, a year they were very active, and 1975,
- the apparent upsurge of the SMEs in the 'seventies after a clear decline in the previous decade.

This observation leads to three remarks:

1. The similarity between these trends does not mean there are no significant gaps in terms of time and country.
2. This phenomenon is to be found both in industry and in commerce and the services. But, it is generally most prominent in the tertiary sector. Also, it may be quite apparent in the case of the small firms, but it is less so in the case of medium-sized enterprises in the industrial sector where the situation varies from country to country.
3. It should not be forgotten that the contribution of the SMEs to employment is linked to their great "volatility" and the demographic component "creation of new businesses" (creation rate and mortality rate) should be distinguished clearly on the positive or the

negative side of job creation during the period under consideration.

If these trends continue to rise, it is evident that the SMEs offer a potential for employment and accelerated measures should be taken to mobilize it.

Vocational training - although not the sole intervention measure - should however play a prominent role in the policies to be implemented.

### Chapter III

#### The concept of "diffusion"

The approach proposed in this report is based on the principle of diffusion. Experiments conducted in France at the request of the Ministry of Education by organizations such as CENECO\* have shown that there is interest in this type of relationship which does not follow the traditional principle of "master-pupil" or "dispenser and receiver of information". The task now is to give information on social and economic matters, fields in which such a high degree of complexity reigns that it is rare to find someone who can claim to have a really comprehensive knowledge of the field.

##### 1. The concept

Diffusion is the application of human and material resources in order to spread "BROADLY" experience, processes, expertise, in short, everything relating to the transmission of information and knowledge.

As it is situated between neighbourly exchange and mass communication, it entails two consequences:

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\* Centre d'Entrainement à l'Economie  
(Centre for Training in Economics)

- a) the "professionals" within or outside the enterprise, the "experts" can no longer cope with this task alone. They need help from "volunteers".
- b) In order to function well on a large-scale basis, as will be required at Community level, diffusion calls for the implementation of well-organized, compact systems which are firmly directed and controlled (role proposed for CEDEFOP).

## 2. Justification of the method

The diffusion approach is one of the possible responses to the specific need for information and training which will grow rapidly under the impact of lags and delays (the case of training in the SMEs) and the accelerated evolution of new techniques, methods and expertise.

It is a means of reacting to the institutional compartmentalization which reinforces the natural tendency to compartmentalize functions in the enterprise.

The diffusion approach also offers the opportunity of permanently focussing the actions not only of SME managers but of all SME staff around the projects in the enterprise, its value systems and its principles for action.

It enables new forces to be detected at a moment when skills are becoming more and more specific and recourse to external generalists is no longer feasible.

### 3. Conditions for a successful application of the diffusion approach

The diffusion approach implies:

- A firm commitment on the part of institutional authorities. Diffusion is, by nature, a force which will mobilize human resources in large numbers and with high standards. This means that there has to be a firm commitment on the part of decision-makers to allocate resources and to arbitrate between the different organizations and persons participating in the exchange.
- A good selection of diffusion agents.
- A person to steer the exchange operation; his role will be to carry out negotiations with the institutional authorities, ensure the management of the project, select the diffusion agents and give a boost to the operations.
- Active methods applicable in an environment which is also active (exchange is, by definition, a process in movement).

### 4. The role of the diffusion agents

Diffusion is the key factor of the mechanism. The intervention should, therefore, be prepared with care. This phase of the process of diffusion will include:

- the preparation of a diffusion guide,
- intensive reflection on the role, the status and the actions of the agent,
- the need for the diffusion agent not to be content with the simple role of transmission but to feel the necessity of playing the role of change agent in full,
- the organization of a seminar for the preparation and the implementation of diffusion; this could safely be placed in the hands of CEDEFOP.



## Part two

THE SMEs AND THEIR RELATIONS WITH  
EMPLOYMENT, TRAINING AND INFORMATION

- Introduction - The need for new approaches to  
the enterprise
- Chapter I - The SMEs, employment and training
- Chapter II - The SMEs and information
- Chapter III - The hypothesis of the networks
- Conclusion - The need for a local approach to  
the SMEs: the foundations of an  
exchange strategy

## Introduction

### THE NEED FOR NEW APPROACHES TO THE ENTERPRISE

Will the success of the employment policies launched by the Member States of the Community be linked to the creation and the development of competitive SMEs? (1)

Will the competitiveness of enterprises, small and medium-sized, be dependent in turn on the training policies which are implemented?

There is no certainty, but there appears to be a close relationship between the existence of a viable structure of SMEs and successful results in the fight to lower unemployment and achieve better qualification.

This, in any case, is one of the conclusions which emerges from the studies undertaken by CEDEFOP and the meetings and seminars organized on CEDEFOP's initiative in the last two years.

These different indications also make it clear that three lines of action gain priority if a contribution is to be made to the creation of new activities, the integration of new technologies and the emergence of new forms of enterprise.

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(1) See definition of a SME and the economic reality of the SMEs (Part One, Chapter I and Chapter II).

The necessary lines of action mentioned above are:

1. The training of SME managers and executives and also of the people working in the SME,
2. information, advice and aid to SMEs,
3. exchange of experience and cooperation.

The purpose of this research scheme is to set up the concept of an exchange network for the development of continuing vocational training in the SMEs of the EEC.

However, we are compelled to admit that, as far as training and employment are concerned, the models and theories developed for many years are mainly based on observation of the large companies, and this makes it unfeasible to transpose them to the SMEs.

The latter cannot be regarded as reduced versions of the large companies. They are quite different, especially in one point which this study intends to examine in further detail: the local environment is of vital importance for them.

## Chapter I

### The SMEs, Employment and Training

#### Section 1: The SMEs and employment

The great wave of growth and industrialization which swept over Europe up to the mid-seventies stemmed to a great extent from the growth of large companies; concentration, merger, creation of multinational concerns - these were the key-words of industrial policy.

Today, in almost all the Member States of the Community, the share contributed by large firms to employment in industry is definitely on the decline. In contrast, the overall contribution of the SMEs to employment did not stop growing until quite recently (see the economic reality of the SMEs - Part One, Chapter II).

This partly explains the growing attention observers are now paying to the functioning of this type of enterprise.

But, whatever the issue at stake may be - employment, training, professional relations or working conditions - on all these points the SMEs should not be viewed as "small large companies". Their problems cannot be analysed or understood by a simple homothetic reduction of the problems of large firms.

The world of the SMEs is highly heterogenous. It is not limited to crafts enterprises alone but also includes distribution, small and medium-sized enterprises and the cooperatives, both in the tertiary and in the industrial sectors.

For the requirements of this study, let us recall at least three common characteristics in the envisaged enterprises:

- It is difficult for them, on the basis of their resources alone, to ensure an initial training with a sound balance between practical know-how and theoretical knowledge.
- They are firms with little capacity to create, on their own, internal channels of training or training systems for adults which will qualify them for mobility.
- These are enterprises where the different functions of management, marketing, production, etc. are in the hands of one person or a very limited group of executives.

These three characteristics are typical of enterprises where the organization of work is such that each person has a relatively large and diverse number of tasks to perform, as against the extensive specialization which is to be found in the large firms.

The SMEs are also the enterprises where the functions of management and control are closely interwoven and where the functions requiring expertise are assumed by

generalists who may be lacking in the specialized skills (management of human resources, training, export promotion, financing, introduction and acquisition of new technologies).

Furthermore, we should not forget that, in their relations with the environment, the SMEs are embedded in complex patterns of relationships and communications which include other enterprises of the same type or groups made up of different enterprises and external partners.

Thus, the attempt to organize exchanges between SMEs is not an easy task at all. The competitive nature of their activities, the tendency to guard their "professional secrets" and the apparent unavailability of their owners/managers does not make it easy to arrange meetings or dialogues between SMEs in the same region.

How much more difficult would this then be in the case of international exchange which would be complicated even more by questions of language and culture?

## Section 2: The SMEs and vocational training

### 2.1 Restrictions and limitations

The international seminar organized by CEDEFOP from October 10 to 12, 1983 in Luxembourg highlighted the setbacks and difficulties SMEs face when they try to get involved in training even though their needs in this field are

particularly compelling and urgent. The following constraints or obstacles were stressed:

- the lack of motivation of SMEs to receive information from the outside, and the determinant role of the head of the firm and the managerial staff in this context,
- the absence of a direct relationship between vocational training and the development strategy of the SME and the vital role played by change agents in the enterprise - research workers, analysts, counsellors, trainers - in organizing this relationship,
- the lack of a relevant needs analysis method which makes it difficult to formulate needs, the ensuing confusion on the concept of training in the SME and the interest to organize "within networks" the enterprises and their support structures in order to develop contacts and exchange information and to ensure complementarity and coherence between business policy and training policy; these different aspects cannot function without a sustained policy of technical aid to and promotion of the SME.

## 2.2 The training of managers

As the training of managers and the executive staff of firms will be the subject of an additional report to be prepared by the European Foundation for Management Development (EFMD), we thought it would be useful to

present - with the kind permission of the FNEGE (Foundation Nationale pour l'Enseignement de la Gestion des Entreprises - National Foundation for Education in Business Management) - some extracts from the "Cahier Enseignement et Gestion No. 25 - printemps 1983 (Journal - Education and Management No. 25 - Spring 1983)" summarizing the results of a colloquium organized by the EFMD in Lille in 1982.

"The aid requirements of a small business are hazy and highly diverse". The manager is a "one-man orchestra" who, more often than not, has not had university training or higher education. But, education, like training, does not fully meet these requirements. Therefore, the participants of the 12th EFMD Conference, held in Lille in September 1982 on the subject "Business Management and Training", envisaged a number of measures to improve the effectiveness of training vis-à-vis the specific requirements of the small firm.

- Innovate and break with traditional educational approaches.
- Encourage the expression and the awareness of needs in the firm: listen rather than instruct.
- Select and train the experts (whether they are teachers or consultants) in such a way that they have the skills and the psychological profile required for the specific needs and perceptions of the individual entrepreneur.



- Develop appropriate training supports and contents which are not a reduced version of the material prepared for the large firm.
- Coordinate the activities proposed by the trainers and the consultants, show how to use the experts.
- Encourage changes in outlook and behaviour by developing the capacity of the entrepreneur to predict, anticipate and plan events in a rapidly changing environment.
- Facilitate exchange, develop information networks such as the establishment of a data bank accessible to researchers, consultants and entrepreneurs.

## Chapter II

### The SMEs and Information

#### Section 1: The paradoxes of information

Economic and social information is a stake which brings a dual return - power and knowledge.

Generally, anything which is not familiar is prone to suspicion. Many attitudes today - indifference, reserve or hostility vis-à-vis businesses or production, consumption or exchange networks - are often the result of a lack of information.

Therefore, the first paradox, in less than twenty years Europe has moved from an era of scarcity to an era of over-abundance in the sphere of information on training. Unfortunately, in most cases, scanty or inadequate use is made of this information.

The modern means of information processing which the countries of Europe possess in large measure, are in fact only accessible to a limited number of users.

But, the second paradox, this information has the disadvantage of being over-abundant and insufficient at the same time. Designed for specialists and insiders, it is a global and synthetic information with its own language and its own requirements.

However, in the SMEs there are signs of precise and localized demands for clear and relevant information which can be applied right away in the daily work of the enterprise. Thus, the purveyors of information should go beyond the mere production of data and try to explore these new needs and satisfy these unknown demands right from the start.

## Section 2: The inadequacy of communication between the Member States

The vocational training systems of the Member States of the EEC still remain highly independent and closed within themselves. They suffer rather than encourage the different Community initiatives as these are discussed and decided upon by a small part of the practitioners of vocational training alone, but are applicable to all.

The rule continues to be the accumulation of information which does not circulate between the different components of the systems.

In the meanwhile tremendous progress has been achieved in the last twenty years in the production of economic and social information in Europe. But, who benefits from this progress?

A sound appraisal of information needs is only possible if it is based on high-quality communication between the producers of information and the users.

Observation has, however, shown that the enterprises, on the whole, seldom make direct use of the information issued by the public systems. They prefer to turn to private initiative.

It is also paradoxical to see that the heads of the large companies and the small firms agree in deploring the overabundance of information and the lack of relevant data for the problems which they have to solve.

International social information, above all, is restricted to a small circle of experts, and the demand for it is very low.

The publications of international organizations only have a rather limited circulation, and specialized journals, such as those of CEDEFOP, only reach a small national audience.

One of the most important problems will, therefore, be the differentiated processing of information, depending on the sources and the legislation of the country of origin.

Here, it is a "law on the establishment of undertakings" which obliges owners and managers of SMEs to have a particular type of knowledge; there, it is a "finance plan" which determines the specific relations between the enterprise and its fiscal and financial partners; also, a sophisticated social legislation justifies the organization of a particularly pertinent and efficient documentation network.

It is quite clear that information should be one of the privileged fields of cooperation between the European countries.

If there is to be rapid and effective progress in this field, experience has shown that two limitations should be placed on the work right from the start:

- do not duplicate something which has been done elsewhere,
- do together the things which cannot be done alone.

### Chapter III

#### The Hypothesis of the Networks

Taking these considerations as the point of departure, this research scheme has the aim of designing the architecture of an exchange system and the conditions under which it can be implemented.

It is based on the assumption that the centre of the structure is the concept of a "network" which is a permanent fixture. The underlying concept is not that of a single network but the simultaneous existence of a large number of small networks which are slightly or not at all structured and which generally have no communication between themselves.

But, whether they cover a small geographical territory or a larger area, these small-scale networks which transport limited flows of information can be interconnected or superposed on one another. Their interlinkage should ensure a progressive increase in the spread of innovation and experience, mutual fertilization and an enrichment of training policies.

This attempt to advance from a traditionally one-way communication (from those who "know" to those who "do not know") to an interlinked system of information based on exchange is rich in development potential both for training and for the SMEs. This is what this study proposes to explore.

- How can one gradually weave the "links" of a network of exchange and interrelations between the existing or potential agents of training in order to enable encounters and the exchange of ideas, information, projects or programmes between persons and organizations which otherwise would continue to be totally ignorant of one another?
- How can one organize the "interactivity" between networks, either informal or more or less structured, training agents and the information and communications systems which are developing "in" and "between" the Member States of the Community?
- How can one identify and organize the "relays" or the intermediate organizations, the "network junctions" which make it possible to bring together two or more partners who feel this explicit or implicit need?

These are some of the questions examined in the course of this study, without of course omitting the question which surrounds them all: how can one make the structures which already exist function well?

Some progress may have been achieved in this context, but even more can be achieved at two different levels: through decompartmentalization and mobilization of existing networks.

Section 1: Decomartmentalization of institutional networks

Information is dispersed between separate compartmentalized networks:

- the international organizations produce a great deal of information which is little used in the countries it is meant to serve,
- the national ministries all have their own information network, there is little coordination with other networks elsewhere,
- some associations and large companies tend more and more to develop their own specialized information networks by setting up branch offices or correspondents, etc.

This - non-exhaustive - list shows that information is compartmentalized in many parallel networks which seldom converge and are often totally ignorant of one another's existence.

Thus, the first objective of these proposals will be to mobilize this information by organizing its circulation and dissemination without causing any damage to the specificity of the actual sources which often have a high standard of quality.



## Section 2: Mobilization of personalized networks

The collection of data and the way in which it is mobilized and made easily available to SMEs - even those which have a tendency to hover on the periphery of traditional social information circuits, - is the function of a multitude of intermediate agents.

These networks, which we will call the "mobilization networks", consist of all the persons and institutions which the SMEs can approach throughout their lives.

It is their task to research and process the information coming from the institutional networks.

All the established findings on the question of SMEs' access to the world of information lead one to believe that what the SMEs need most of all is someone to listen to them and help them to formulate their problems, in short, information should be personalized.

In this connection it is recommended that an appeal or an approach be made to the natural partners of the firms (chambers of commerce, trade unions, trade associations, universities, consultancy firms or other territorial representatives) to assume the role of a "relay" in the communication circuits which lead from the producer of information to the user.

The effort to mobilize such personalized networks is all the more important and interesting because it holds the prospect of reciprocity.

At one end of the circuit the entrepreneurs will find a specialized partner in the "relay agent", and at the other end the producer of information can, by means of this same relay, contact the SME in order to finalize his plans.

Thus, an adjustment factor which is missing in the present system of Community information on training, will be introduced. This system is confronted with certain structural handicaps: the absence of direct representatives in the Member States, a role which is purely one of information and incitation and of an administrative nature, a mode of functioning which is still centralized, etc.

It is true that some progress has been made, mainly because of information processing techniques which enable a better distribution of stored information.

But, the important thing is to improve the downstream links with the enterprises. Here, it will be useful to organize and progressively develop one or more communication networks, non-administrative structures, whose function would be that of information purveyors or intermediate agents serving the SMEs.

Because, in the last resort, it is up to the natural partners of the SMEs (chambers of commerce and industry, trade unions, consultancy and counselling firms, etc.) to induce them to make better use of information as a means of attaining their development goals.

## Conclusion

### The need for a local approach to the SMEs

The attempt to use local development strategies to tackle the problems of employment and training in the SMEs is not an innovation in itself.

But it is a fact that the stakes involved in economic and social policy are vital for Europe and they will give a greater impetus to a number of initiatives and experiments which can no longer simply be considered "marginal".

Vocational training today has arrived at the interface of some of the stakes which are decisive for the economic and social future of our countries, three of which at least, are relevant to our subject:

- firstly, the institutional stakes: the emergence of decentralized policies and the successful regional planning of vocational training opens up new possibilities from which the SMEs can benefit,
- secondly, economic and social stakes: national vocational training policies have generally been implemented in a highly centralized manner. As a result of this, they permeate very slowly through the social body and the economic fabric of the regions. Statistics show that

the majority of the working population has not been reached by these policies. They also show that a very large number of firms, and SMEs in particular, are not in the field of action covered by government policies, and therefore, do not integrate training and employment in their development strategy,

- finally, stakes for Europe and the regions: the unbalanced distribution of vocational training efforts between local territories and regions gives rise to the main problem of local development - the development of rural zones and some urban areas.

#### **The foundations of an exchange and cooperation strategy**

Encounters, exchange and cooperation between SMEs of different nationalities could serve several objectives:

- correct the inadequacies resulting from a generally over-centralized organization of labour markets and training policies,
- give a boost to employment by means of the regeneration of the local economic fabric by helping to overcome the weaknesses of newly established firms and preventing the closure of undertakings, mainly through support to existing SMEs and aid for the creation of new businesses,

- develop sound training programmes which are a source of motivation for managers and staff because they are incorporated in the plans for the economic development of the firm and the local region,
- upvalue vocational training by supporting its integration into the firm.

This strategy for local development is situated at the juncture of the leading priorities for the economic and social activities of the Member States. It consists of a dual approach:

- better integration in the field of national policies regarding matters such as education, distribution of work, large-scale sectoral investments or the vocational entry of young persons,
- greater benefit from the possibilities offered at local level today; their importance for the creation of new activities, wealth and employment is minimized in the broad macro-economic debates.

Part three

TRAINING, COMMUNICATION STRUCTURES AND NETWORKS

(Comparative study)

Chapter I - Method of analysis

Chapter II - Common characteristics in  
communication structures

Chapter 1**Method of analysis****Section 1: The scientific point of departure**

The leading idea of this research scheme is that much of the adaptation phenomena which is linked to economic and social developments can only be analysed scientifically at the level of the "locality", because the different phenomena interact with one another and it is, therefore, necessary to re-arrange the different aspects of the programmes in order to understand their relative autonomy and their inherent dynamics.

Of course, differing views are held on the meaning of the term "locality". It is the level which gives a better overview of trends or mechanisms which, in some way, are obliterated by a national analysis? Is it a study object in itself which will eventually enable the elaboration of a valid theory?

The ambition of the author of this report is more empirical and more modest. He will confine himself to a description of change mechanisms in their local environment with due consideration of national influences.

This means that the cases studied in this report will, under no circumstances, be seen as the application of a national policy to different segments of society, as this



would only give individuals limited freedom of adaptation.

In this case, the responses of training to the on-going changes would assume the aspect of a game of powerful trends, national or international. They would be elaborated by the élites and leading groups and would move down the social ladder until they reached the lowest levels.

For the requirements of this study we thought it necessary to reverse this perspective and instead observe the responses to change as if they were "localized" products.

In other words, change is regarded as the end result of a multitude of individual or collective decisions, as the result of an aggregation of strategies which can emanate from individuals, local social groups or institutions.

The validity of this approach, i.e. research based on observation, can then be measured by its results.

## Section 2: Choice of a method

### 2.1 A monographical and comparative analysis (see Annex)

This research is based on a cross-sectional examination of several cases presented in the course of the studies and seminars conducted by CEDEFOP, in particular the seminar on SMEs which was held in Luxembourg on October 12, 13 and 14, 1983.

It also includes the cooperation experiment sponsored by CEDEFOP with the aid of FSE, undertaken by the Lyon Chamber of Commerce and Industry and FEDERINDUSTRIA of Liguria (Franco-Italian case) (1), and the organization of exchange days between Lille-Courtrai-Tournai (Franco-Belgian case).

The study tries, through a socio-economic monographical and comparative analysis, to interpret correctly the methods of communication applied in schemes directly or indirectly involving SMEs within a regional or local framework.

The author is fully aware that the purpose of this research is not to produce norms. His main concern is to identify the principles of the unit around which highly diverse policies are applied, and to deduce certain common features of communication structures and methods.

## 2.2 Selection criteria

The selection of a few case studies from the multiplicity of exemplary initiatives for the promotion of SMEs and employment in the Member States of the EEC, may appear to be a hazardous venture.

Therefore, apart from the great diversity of experiments, the necessity to identify the main impulses behind these schemes and the need to take account of the variety of

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(1) see description on the following page.

## FRANCO-ITALIAN CASE

The objective is to organize exchange of experience between the Lyon Chamber of Commerce and Industry and FEDERINDUSTRIA in Liguria. CEDEFOP considers this exchange to be a pilot scheme.

Its objectives are as follows:

- create and develop exchange of know-how and expertise between the training organizations of the Member States of the European Community,
- design and implement original training schemes which are geared to the development of SMEs/SMI and which promote the creation of new activities and employment while making use of the know-how available in the country,
- prepare the conditions for the reception of vocational training experts from other countries and other organizations. These conditions are, for example, basic documentation, a list of key partners in the world of training and in the most representative institutions of the region, contacts with management and labour, examples of innovative projects, etc.

communication methods (with regard to geographical areas, content of exchanged information and the technical means) has led us to study ten schemes which are presented in project sheets in the annex.

Some of these schemes are not intended to benefit the SMEs directly even though the latter are heavily involved in the programme. But, each one of the ten cases studied has one factor in common, and that is, it shows, explicitly or implicitly, that every initiative designed to support the development of a geographical zone is always the result of several impulses given by various political, economic and social agents linked to one another through different types of relations.

In other words, every act of development is closely linked to an act of communication between the persons and institutions involved in this development, and this applies to more than just production, exchange and the use of information on training and employment. Because of this, a purely technical approach based on "communication networks" is ruled out and this leads us, at least provisionally, to give preference to the term "communication methods".

Let us add that a primarily technical analysis of these communication methods will not per se reveal their diversity and their richness.

But it would exceed the scope of this report to move from a socio-economic analysis of communication methods to a socio-political study of their significance.

It is up to each person - in the context of his political project or his concept of development - to penetrate this diversity, to meet one or more of the change agents, to acquire the experience which will enable him to fulfil his task more efficiently by drawing on the inspiration he has received from the experience of others.

It is up to the national and Community bodies to take measures to enable persons and institutions to converge so that the fabric of the SMEs may be enriched for the benefit of the local communities.

## Chapter II

### Common characteristics in communication structures

Despite the diversity of the experiments presented in the annex, a number of features common to all or to the majority of them may be discerned.

Given the fact that these communication structures are all oriented towards the elaboration and the implementation of projects aimed at changing the economic, social and even cultural situation, not only of the people participating in the training programmes, but also of their environment, three main common characteristics emerge.

The communication structures and methods applied in the analysed experiments are innovative methods as compared to customary practice. They are also voluntary and organized methods.

#### Section 1: The innovation characteristic

The communication structures and methods analysed in this study make little use of sophisticated techniques. If they do happen to use modern techniques (information technology, for example, which is to be found in many cases) it is quite obvious that this technology is seen as a new teaching tool used to achieve greater efficiency, and it would be wrong to believe there is a concealed objective

envisaging the introduction and control of these technical tools.

It is rather the wealth and diversity of their content which attracts attention to these methods.

They may be called innovative both in terms of their objectives and their content, and also in terms of their forms and the individuals, groups and institutions which they link together.

#### 1.1 The integration strategy

Above and beyond the immediate objective of the programme - establishment of new businesses, training of managerial staff, vocational integration of youth, new qualifications, etc. -, there is the openly stated or implicit intention of all the promoters of these communication structures and methods to achieve a change in the economic, social and even cultural situation, not only of the participants of the training courses but also of the environment in which they function.

This is true of the Brusgaard school in Denmark, the AnCO scheme in Ireland, the Highland CRAFTPOINT in Scotland and, a fortiori, the experiments which are trying to organize new forms of enterprise (Italy) or to encourage local employment initiatives (LEIs) as in Oberhausen in Germany.

This result can only be achieved through the participation of a large number of people - elected political representatives, economic leaders, public officials, socio-professional representatives, company counsellors, active members of associations, and even simple citizens with no specific responsibilities - and by the establishment of relations between the different partners.

It even appears that this is the very condition which enables these projects to be recognized as "public interest" projects which consequently receive political, technical and financial support from local, national and international bodies.

#### 1.2 New forms of expression

The problems tackled in the different programmes under study are not new in themselves. Nor is the information conveyed.

What is new is the fact that these questions are the subject of communication structures and methods.

The concerns of the underprivileged youth in the region of Oberhausen in the Ruhr area or those of the young people in the province of Groningen in the Netherlands certainly existed well before the establishment of the Ruhrwerkstatt in 1977 or the Groningen Foundation in 1980. But, these young people and their families remained outside the organized information circuits.



In Belgium the training of SME managers is not a new topic for the enterprises, the innovation lies in the fact that it has become the subject of a computer-based programme.

The business start-up courses in the county-borough of Århus in Denmark, or the attempts by Highland CRAFTPOINT to restore and re-launch the crafts industry in the north of Scotland deal basically with questions which have unfortunately become quite banal: how to promote the creation of new enterprises and protect existing firms in regions which are severely hit by the crisis. The innovation lies in the forms used to define and discuss these questions and in the goal pursued by means of these new forms.

It should also be noted that this innovative characteristic is reinforced by the fact that many of the promoters of these communication structures also wish to provide training in expression and information techniques for those who have never had an opportunity to exercise these faculties for the simple reason that no one ever gave them a chance before to express themselves.

The communication structures and methods analysed in this study are innovative in terms of their objectives, their forms and the change agents they mobilize.

Let us say in conclusion that the various innovative aspects could be indivisible to the extent that they seem to reinforce one another.

## Section 2: The voluntary and organized characteristic

### 2.1 Nature of the offer of communication

The structures and methods observed have to a large extent been openly accepted by the individuals and organizations which participate in them (1).

At the beginning one of the persons or institutions involved in development (usually several) makes a suggestion to other persons or institutions that they should enter into communication with them and establish relations. This is a proposal made quite voluntarily, irrespective of whether the initiator has a public or private status.

Thus, the principle is that the offer of communication is quite voluntary. The same applies (in varying degrees) to the subject of this offer, i.e. the subjects on which information can be exchanged. These subjects, proposed by one or the other development agent, can cover an extremely vast field of research and thus enable a great diversity of responses and modes of expression from the approached partners. This means that the freedom of

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(1) In certain respects the Belgian law which compels companies with a workforce of 50 or more to take in a number of young trainees equivalent to 3 % of the workforce for six months to one year, makes it necessary to consider separately the experiment "Training of programmers/analysts for SMEs" presented by this country.

proposal on the part of those who offer to open communication circuits corresponds to the freedom of reaction from the approached partners or agents.

Thus, little by little, the "communication networks" are set up. They gradually bring together, on the basis of mutual recognition, the persons holding offices or fulfilling various functions in political, economic and social life, in the territories concerned (locality, region, country) or in fields between these territories.

Everyone confirms that they share the same point of view on the whole or a part of the proposed programmes.

Thus, in this way, they freely establish communication links between themselves (exchange of information, comparison of action projects, elaboration of common lines of thought, mutual services, etc.).

At this stage of the study it is seen that the starting hypothesis is confirmed, namely, that the offer of communication is not identical with the offer of training.

The first refers to a relational information based on exchange, the second refers to a centralized and traditional concept according to which training is a process of transfer of knowledge "from those who know to those who do not know". This classical analysis of the provision of training regrettably contains some confusion on the concept of training within the SMEs which in itself

would suffice to explain why there has been a delay in the development of training in the SMEs, even if there was no need to add structural causes inherent to the nature of the SME (see annex 3).

## 2.2 Structuring the networks

The necessity (desired or tolerated) for the promoters of the cases under study to develop expression and exchange between a large number of agents in regional and local development, plus the voluntary nature of participation in the networks thus established, does not mean that the operation of these communication methods occurs in a disorderly manner, without direction or structure.

On the contrary, the agents who give the initial impulse or who participate in the communication structures, always show that they have the intention of organizing themselves in terms of objectives which are more or less precise or more or less explicit and which are generally presented in the form of training objectives: initial training in the German SMEs (supra-company training centres), the continuing training of SME managers in Belgium, learning to start up a business in Denmark, computer-based training at home in Ireland, etc.

But, even though this wish to organize communication and exchange is always to be found, the degree of implementation varies a great deal from one programme to another

The wish to organize is more strongly emphasized when the offer of communication is presented as such - quite separate from the offer of training - by a development agent who is placed in a central position from the beginning (Franco-Italian case and Franco-Belgian case).

One may also observe from these cases that the structuring of communication methods is more strong when the approached agents give a positive response to the proposal made to them and participate actively in the circuits through which information circulates (horizontal network of the CCIs in the Franco-Belgian case and the vertical network of national and Community bodies/FSE/CEDEFOP in the Franco-Italian case).

This substantiates the rule that the more the development agents - activated by the promoters of a training programme - enter into the exchange networks, the more they enrich these networks by organizing more and more information circuits for the circulation of information.

An attentive study of the cases presented also shows that the wish, even a very strong desire, of one regional or local development agent (or a group of agents) to organize an exchange and cooperation network between SMEs, is generally insufficient.

The structure of exchange, its constitution in sound networks is given a boost if it is included in collective choices and the priorities set by various agents who progressively feel the need for this.

## Conclusion

After having described the common characteristics of communication structures observed in the different case studies, it would perhaps be instructive to examine the significance they have for the concepts of economic, social and cultural development, and the social agents who inspire and implement the various methods.

Let us be content with saying that this aggregate of communication structures and methods applied during the implementation of the training programmes under study seemed to respond to certain objectives.

These objectives are sometimes very elaborate and give birth to precise schemes (the "hot line" in Ireland, "dinner and screening of a film" in Århus in Denmark). Sometimes they are just sketched and are found in the form of principles or more or less implicit intentions (Belgium, France).

Despite the variety of the formulations, they are to be found behind every programme.

This variety should not lead to illusions. From one experiment to another some of the development perspectives present similarities.

It is not the purpose of this report to identify the precise political goals of each one of the projects.

Let us state for the benefit of the reader that the communication structures and methods analysed seemed to be grouped around several development models and tried to achieve the following objectives:

- solidarity and autonomy (cooperative development models),
- a global economic strategy ("productive" development model, either liberal (Scotland, Ireland, Denmark) or with more planning (Belgium, France),
- integration of local companies into larger regional entities (Italy),
- the attempt to break out of isolation undertaken by a region (Scotland, Denmark) or a quarter (FRG).

We see that each one of these structures has its foundation and its goal in the desire for development which, although specific, responds to the needs of the national community.

What we should retain is that the diversity of agents in the social field (with different locations in the social and political structure of the areas concerned and each one with their own ideological targets), is far from being a drawback to development; on the contrary, all the evidence shows that it is a necessary condition for the conception and implementation of these different models.

## SUMMARY

### Five principles for action

The comparative study which has just been presented offers a number of perspectives which should be taken into account when the final proposals are made.

These perspectives are grouped around the five following principles:

1. The foundation of a strategy for exchange and cooperation between SMEs should be sought within local development strategies.
2. All measures to develop exchange and cooperation are closely linked to a method of communication.
3. The methods of communication are much more efficient when they are innovative, voluntary and organized by an agent in a central position.
4. The resulting exchange networks are all the more structured depending on the extent to which the supply of communication is distinct from the supply of training.
5. The exchange is more consistent and fruitful if it is incorporated in the development perspectives resulting from collective options and if it implements the priorities fixed by the persons and institutions in the field.



**Part Four**

THE NEED FOR A PROGRAMME TO MOBILIZE,  
STIMULATE AND SUPPORT EXCHANGE BETWEEN SMEs

Chapter I - General framework

Chapter II - Proposals

## Chapter I

### General framework

The development of vocational training in the SMEs through information, exchange and cooperation is a long-term process which must be undertaken at all levels of the Community: local, regional, national and international.

Before enumerating the various recommendations for the organization of exchange between SMEs and the support of the training efforts which they will be encouraged to undertake, it is necessary to underline the fact that all measures which may be introduced for this purpose are inseparably linked to a spirit of innovation and tolerance.

Innovation, because progress can only be achieved if every single person is aware of the urgent need to find and promote, within the present economic and social context, new solutions most suited to respond to the needs of the SMEs and to the aspirations of the men and women working there; in other words, the region.

Tolerance, because the proposed programme requires the determination and concord of all development agents in the pursuit of the fixed objectives and it cannot achieve these objectives without a positive attitude on the part of all the partners concerned.

Let us add that by proposing that a policy of communication be based on personalized information and exchange networks, this report is, in fact, supporting the elaboration of a sound "Community exchange strategy".

Irrespective of whether we are dealing with groups of enterprises, their support structures of formal or informal information and training networks, the purpose of these recommendations is not to create new structures but to organize the interaction of the different components making up what we may call a multiplier and unifier system. (1)

Consequently, the proposals which follow and which all deal with the organization of an exchange network result from a policy of communication and promotion.

In this connection, let us stress once again that all the factors and the agents required for this policy already exist, they are all on the spot. The only things missing are:

- a sense of direction for the whole structure, a kind of guideline which will enable the different partners to pool their efforts to help SMEs and fit them into a framework of Community action,

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(1) See definitions and methodology.

- a well identified organization, known to all and accessible to the largest number, which has the task of channelling and facilitating users' access to the information which they need for exchange,
- harmonization, development and promotion of resources and means required to launch the exchange, support it and disseminate the results.

That is why, without wishing to define or, even less, to impose any model, this report proposes the initiation of a "mobilization programme for exchange between SMEs" based on the following actions and mechanisms.

Chapter II

## P r o p o s a l s

These proposals are complementary; they can be implemented progressively according to an empiricial and practical plan as part of a medium-term target. They are based on the principle of diffusion.

## Proposal No. 1

## COORDINATE INFORMATION

A "reflection group" consisting of the leading producers and users of information could be set up in order to propose ways and means of coordinating production and improving the access of the enterprise to this information.

The first step towards this indispensable coordination could be the establishment of a catalogue of sources and a list of specialists and intermediate agencies.

An international "directory of experiments" could be maintained and updated, without having the ambition of being an exhaustive documentation tool for the use of the experts. There are other tools for them.

The fact that there is no coordination of information between Member States leads us to propose that an urgent effort should be made to achieve this objective.

It should be well understood that this suggestion only applies to the mobilization programme proposed at the end of this report. These proposals are based on the analyses and principles obtained from this study.

## Proposal No. 2

### DE-SEGREGATE INFORMATION

The gap which exists between the producers and the users of information leads us to propose that the barriers and the obstacles to sound relations between the different circuits of communication should be reduced.

That is why, after having made an inventory of possible "relay agents" (Proposal No. 1), it seems useful to motivate and mobilize them through a system of accredited correspondents.

The implementation of Proposals 1 and 2 (catalogue of sources, list of relay agents, directory of experiments and accredited correspondents) should quite naturally lead to the organization of a "clearing house" from which the different partners could draw the information they require.

Relay agents are a necessary pre-requisite for the organization of an exchange network.

But, one can go even further and give them more responsibility. This is the purpose of Proposal No. 3.

## Proposal No. 3

## PROMOTE EXCHANGE

The creation of a network of promoters for exchange should considerably improve the dissemination of information on training experiments and programmes meant for SMEs. The analysis undertaken for this study showed – if the conclusions are accepted – that the existence of agents situated in positions of initiative and responsibility is an essential factor for the implementation and development of exchange. For instance, the system of accredited correspondents can be completed by introducing a specifically regional policy of exchange promotion. For this it would be necessary to set up a network of promoters and the Commission could support the initiatives taken by these intermediate agents.

For example, the Standing Conference of the CCIs of the EEC could, in very short periods of time, inform, mobilize and engage all or a part of the network of 577 CCIs of the Community in a scheme which is considered to be of general interest.

These promoters could have the function of disseminating information among the users, advising them and helping them to establish exchange programmes.

In order to accomplish this task they will eventually be linked by computer to the Community Exchange Monitoring Unit which is the subject of Proposal No. 4.



## Proposal No. 4

## MAKE CEDEFOP A MONITORING UNIT FOR COMMUNITY EXCHANGE

As a real and permanent observation unit and a junction for dissemination of information, this Monitoring Unit would have the following tasks:

- draw up, for the Commission, a "guideline for exchange between SMEs at Community level",
- think along strategic lines by getting together the producers and the users of information,
- propose the direction to be followed,
- recruit potential partners,
- suggest subjects for research and studies,
- help those trying to set up exchange networks with the procedures required to develop their network,
- evaluate completed networks,
- disseminate the results of exchange.

When preparing the guideline, it would be useful to take account of the priorities set by each one of the Member States.

If this is not done there is a risk that too much centralization will swiftly lead to incompatibility between the national objectives of exchange and the objectives of the Commission. The purpose of Proposal No. 5 is to prevent this eventuality.

**Proposal No. 5****SET UP A COMMUNITY REFERENCE PLAN**

In order to prevent wastage and dispersion, the Community Exchange Monitoring Unit could set up a concerted reference plan which could identify the questions of interest and the national concerns on which efforts and new activities are focussed, so that the impact and the results may be enhanced and duly exploited.

Aimed at ensuring the coherence of the overall programme, it will enable:

- the harmonization and balance of exchange,
- the organization of trans-national solidarity,
- the encouragement and support of certain initiatives.

### Proposal No. 6

#### STIMULATE AND COORDINATE EFFORTS TO ORGANIZE AN EXCHANGE NETWORK

In order to promote exchange and the coordination of efforts, the Monitoring Unit, the network of correspondents and the network of promoters should take the initiative and encourage the partners to join together in clubs or associations. This element of the mobilization programme would respond to the need to obtain information on the potential user and the change agent of the target populations.

The promoter organizations could serve as a forum, as a place of encounter for these clubs and associations whose propagation would, in the course of time, establish the links of a communication network and exchange promotion. No fixed rules should be laid down or applied in this case, but the following points should be kept in mind:

- The need for an infrastructure: a place of meeting, secretariat facilities, relay agencies, experimentation, and the implementation of ideas coming from the club or its members. This infrastructure could be provided by the promoter or by one or more of those participating in the exchange.
- The proper choice of the men or the group of men whose task it is to stimulate the exchange programmes. The whole future of the organized schemes or activities will depend on their dynamism and their commitment.

A N N E X E S

TEN COUNTRY PRESENTATIONS  
OF CASE STUDIES

## B E L G I U M

TITLE OF THE PROGRAMME: Programmers/Analysis for SMEs

LOCATION: In various regions of the country with the training base in the training centres in Brussels.

OBJECTIVE OF THE PROGRAMME: The need of the SMEs to combine investment in hardware with a new staff capable of putting information technology to optimum use.

TARGET GROUPS: Jobseekers, engineers, economists, teachers of all subjects, generally with a higher-level education.

SPONSORS: The National Office of Employment (l'Office National de l'Emploi - ONEM), Adult Vocational Training (la Formation Professionnelle des Adultes - FPA) and hardware manufacturers.

PROVIDERS: The hardware manufacturers place their training centres (plus their customer files) and their specialist trainers at ONEM's disposal; analysts working in the reception centres.

PARTICIPANTS: Three-quarters of the trainees are below 30 and have no experience in SMEs (18 % women).

OTHER PARTNERS: Consultants, public authorities.

ORGANIZATION: Alternate periods of training in the training centre and the firm. Practical training of 5 to 6 months in various firms, sometimes as a team under the leadership of an established analyst.

CONTENT OF THE COURSE: Introduction to new technologies, mainly information technology, training in production, administration and management of the enterprise.

FINANCING: Varies depending on the length of the practical training. Funds are only required for the allowances paid to the trainees as, in this case, the trainers and the hardware manufacturers work free of charge.

DEVELOPMENT OBJECTIVE: Basic training because this is total re-training with a new vocational orientation, whatever the initial profile of the trainee may be; the purpose is to prepare the trainees to support SMEs in the computerization of their day-to-day work.

DIFFICULTIES: Need to have a good selection by the manufacturers. Placement rate: 95 to 100 %.

## B E L G I U M

TITLE OF THE PROGRAMME: Training of SME managers

LOCATION: On the French-speaking side: Brussels-Liège-Charleroi-Mons; on the Flemish-speaking side: Brussels-Ghent-Antwerp-Hasselt.

OBJECTIVE OF THE PROGRAMME: To satisfy the needs of SMEs for new staff, and also to create new employment.

TARGET GROUPS: School-leavers and University graduates, mostly engineers and economists; older jobseekers, mainly unemployed executives.

SPONSORS: Vocational Adult Training (la Formation Professionnelle des Adultes - FPA) and the National Office of Employment (l'Office National de l'Emploi - ONEM).

PROVIDERS: Trainers from the training centres, SME owners/managers and consultants.

PARTICIPANTS: 373 trainees, of which three-quarters have no experience in SMEs (12 % women). 361 industrial and commercial enterprises (80 % employ less than 50 persons).

OTHER PARTNERS: Public authorities, trade organizations.

ORGANIZATION: Alternance training: 4 weeks in the training centre and 10 weeks in the firm (1 day in the week reserved for discussion of the project in the training centre).

CONTENT OF THE COURSE: Preparatory training for the study and implementation of projects (business management, financial management, staff management, information technology), then development of a SME project and evaluation of the results.

FINANCING: Assumed by the state, local authorities and trade organizations; distribution as follows:  
24 % (cost of theoretical training in the regional centres),  
59 % (allowances paid to trainees),  
17 % (remuneration for consultants).

DEVELOPMENT OBJECTIVE: Opportunity to make good use of the knowledge and expertise acquired at university or in previous job experience. Immediate returns from new staff.

DIFFICULTIES: Confusion between training objectives and placement objectives, plus the obligation for the majority to get work fast, made it difficult sometimes to select the SMEs.



## D E N M A R K

TITLE OF THE PROGRAMME: The higher production school

LOCATION: Municipality of Randers, in the departmental district of Århus, in the heart of Jutland.

PERSON IN CHARGE: Attaché for External Relations:  
Niels HAUBERG.

OBJECTIVE OF THE PROGRAMME: Training institute oriented towards the development of production and cooperation with local economic circles, where a production considered to be positive permits the creation of new products and employment.

TARGET GROUPS: Young enemployed persons with no precise qualification.

SPONSOR: Ministry of Education.

PROVIDERS: 30 permanent teachers and temporary teachers; consultants from the labour market, the educational system and social administration.

PARTICIPANTS: 120 young persons.

OTHER PARTNERS: The local and departmental authorities, the Institute of Technology in Copenhagen, economic groups.

ORGANIZATION: In order to combine teaching and production activities, the school is equipped with a department for the development of production and with production workshops. Teaching hours per week are as follows: 20 hours at least in the production workshop and 20 hours for theoretical instruction, meetings and other activities.

CHARACTERISTICS: The different workshops and activities of the school cover the following: agriculture-gardening (60 hectares under cultivation), woodworking workshops iron and metal-working workshops, workshops for foundry and construction, electronics, fishing (trawler), administration, plastics workshop. Teaching: all sorts of subjects taught.

FINANCING: Subsidies given in equal parts by the Ministry of Education, the municipality of Brusgaard and the departmental district. Some revenue from the sale of workshop products. The production department is subsidized by the Institute of Technology in Copenhagen.

DEVELOPMENT OBJECTIVE: Development of production based on work/production within an educational framework. Creation of new products and employment.

DIFFICULTIES: Need to raise the level of qualification for production and to avoid a production which is not well done.

## D E N M A R K

TITLE OF THE PROGRAMME: Business start-up courses

LOCATION: County-borough of Århus.

PERSON IN CHARGE: Niels RAVN, Director of the Centre for Business Start-up.

OBJECTIVE OF THE PROGRAMME: To offer those starting up in business a better basis for their venture.

TARGET GROUPS: Businessmen planning to set up their own firms.

SPONSORS: The county-borough of Århus and the Jutland Institute of Technology.

PROVIDERS: A team of trainers consisting of a lawyer, an accountant, a salesman, a local bank representative and a local business starter.

PARTICIPANTS: 500, generally male (25 to 40 years of age) divided into 25 courses.

OTHER PARTNERS: Public financing institutes, vocational guidance services, hotel owners, the local press.

ORGANIZATION: The courses start with a week-end in a hotel and then consist of one evening a week for four weeks.

CONTENT OF THE COURSE: After a film on business start-up there is a discussion between the participants and a local business starter. Then there are interviews and personal meetings with members of the training team. Finally, each week there is a discussion with one of the trainers on the problems arising in his specific field.

FINANCING: The project is jointly financed by the Århus county-borough authority and the Technology Council.

DEVELOPMENT OBJECTIVE: Two projects selected from the initial interviews are analysed by the trainers. Thus, two new businesses are produced from each business start-up course. There are various forms of follow-up assistance given by the county-borough and the Jutland Institute of Technology where advice and aid are offered to the new business starters.

DIFFICULTIES: The need to have good coordination and evaluation of these new activities so as to provide maximum support for business starters.

## F R A N C E

TITLE OF THE PROGRAMME: A pilot scheme for vocational integration in SMEs

LOCATION: Lyon

PERSON IN CHARGE: Jean BRUNET-LECOMTE, Head of Delegation, Lyon Chamber of Commerce and Industry, Delegation for continuing training and employment (Délégation à la formation continue et à l'emploi).

OBJECTIVE OF THE PROJECT: Set up a scheme for the training and vocational integration of young technical and commercial staff in SMEs, with the aim of increasing the innovation and adaptation capacity required for their development, and providing solutions for the problem of unemployment, particularly youth unemployment.

TARGET GROUPS: Young jobseekers and SMEs.

SPONSORS: The Lyon Chamber of Commerce and Industry.

PROVIDERS: The "Délégation à la formation continue et à l'emploi", heads of SMEs, trainers from the training centres.

PARTICIPANTS: 32 young jobseekers with a baccalaureate, aged 22 to 26, with an employment-training contract. A group of SMEs (30 SMEs engaged in developing their commercial function).

OTHER PARTNERS: Other SMEs, industrial and commercial organizations, financial and administrative organizations, experimental and research centres.

ORGANIZATION: Alternance training; 250 hours in the training centre and 250 hours in the enterprise.

CONTENT OF THE COURSE: Four main themes:

- the salesman's environment and marketing principles,
- sales methods,
- the main management tools,
- organization of one's own work.

Supervision and follow-up of the integration of the young person in the enterprise through regular meetings and accompanying measures.

FINANCING: 40 % of the cost borne by the SMEs, 60 % by the state and the CCI.

DEVELOPMENT OBJECTIVE: Make it possible for SMEs to acquire new techniques (information technology, innovation, development of marketing). Upgrading of expertise, learning to adapt to change.

DIFFICULTIES: Real problem of recruiting the right people of following up training in the enterprise, need for good selection.

## I R E L A N D

TITLE OF THE PROGRAMME: Computer-based training:  
the use of technology as a training method for  
small businesses

LOCATION: Small business sector in Ireland.

PERSON IN CHARGE: John BUTLER, Manager, Small  
Business Service.

OBJECTIVE OF THE PROJECT: Introduce the computer in order  
to have a better structure of information and documentation  
in the small enterprise.

TARGET GROUPS: Owners and managers of small businesses,  
SME staff.

SPONSORS: AnCO (The Industrial Training Authority)  
together with the "Digital Equipment Corporation".

PROVIDERS: A team of specialists (experts in design/  
development and in the subjects taught), programmers.  
The computer functions as a trainer.

PARTICIPANTS: Managers and owners of small businesses,  
staff members.

OTHER PARTNERS: Information consultants, commercial associations, government agencies, banks, hardware manufacturers.

ORGANIZATION: The pace of training, lasting for about 12 hours, is determined by the trainee himself. Interaction between the trainee and the computer, individualized instruction. 150 hours of preparatory work for one hour of actual training.

CONTENT OF THE COURSE: After an introduction to the computer keyboard, the course is divided into two main sections: records and accounts. Under these headings the main body of the course is divided into six modules.

FINANCING: The business firms.

DEVELOPMENT OBJECTIVE: Give people access to information on their premises, in a planned way. Reduce training periods and increase the economic returns of the operation in the disciplines most in demand.

DIFFICULTIES: Need for high overall investment. Accept the computer as a training tool and as a means of access to information.



## I T A L Y

TITLE OF THE SCHEME: Promoters of associated work

LOCATION: Mezzogiorno

PERSON IN CHARGE: Saul MEGHNAGI, research worker at IRES-CGIL (Inst.tute of Economic and Social Research), Labour market and industrial relations, responsible for training.

OBJECTIVE OF THE PROJECT: Give training which will enable technical assistance to be given for the establishment and development of cooperatives; experiment on and test the validity of a training curriculum drawn up for the vocational training of executives; set up operational projects for the creation and support of associated work during the course.

TARGET GROUPS: Men and women who already have job experience, graduates from a college or the university.

SPONSORS: COOPSIND (Joint Organization for vocational training and technical assistance to cooperatives) set up by LUCM (National Cooperative Union) and CGIL (General Labour Confederation of Italy), in cooperation with IRES-CGIL.

PROVIDERS: Cooperative officers, national leaders, experts, university professors, public officials from public and private organizations, counsellors, labour and management.

PARTICIPANTS: 25 men and 7 women, aged 20 - 35, higher level education, half coming from LUCM and half from CGIL, assured of getting a job at the end of the course in the field for which they are qualified.

OTHER PARTNERS: Trade unions, public authorities, employers' associations, national financing institutions.

ORGANIZATION: "Assisted self-training": The participants have skills and knowledge in their field. 5 seminars with a duration of 1 week each, spread over 9 months, which deal with programming and the evaluation of local initiatives and are based on three elements:

- learning about the method (introduction to systematic and continuous procedures of analysis of the scheme)
- learning about the process (formulation of hypotheses, organization and evaluation of local initiatives)
- learning about the product (identification of procedures to adopt in order to get real projects).

CHARACTERISTICS: Validity of the alternance between theoretical/methodological training and training in the field which permits an effective "in vivo" training; necessity of having technical support such as the "tutorial" which makes it possible to check the intervention hypotheses ..

FINANCING: Financed by COOPSIND with the aid of FSE.

DEVELOPMENT OBJECTIVE: Try to raise the level of negotiations on employment questions and be able to administer the labour market better.

DIFFICULTIES: To be sure of the skill and the dynamims of the promoters.

## T H E N E T H E R L A N D S

TITLE OF THE SCHEME: Provincial foundation for vocational integration measures for disadvantaged youth (SWP)!

LOCATION: Province of Groningen.

PERSON IN CHARGE: B.M.J. HUIZING, responsible for the preparation of projects and public relations officer.

OBJECTIVE OF THE PROJECT: Elaborate and implement projects for the vocational integration of disadvantaged youth into the labour market; offer them temporary paid employment combined with training and education measures.

TARGET GROUPS: Young jobseekers, dropouts from school, having socio-pedagogical problems, recruited after strict selection.

SPONSOR: Province of Groningen.

PROVIDERS: A technical and socio-pedagogical teaching team for each project (5 at present). Trainers in the training institutions.

PARTICIPANTS: The number varies according to the projects. Some have serious socio-pedagogical deficiencies (mixed group of 10 young persons).

55 young people have already selected an occupation and are receiving the initial training. 40 others have clearly stated their preference for the construction sector or hydraulic engineering.

OTHER PARTNERS: Representatives of the public authorities, trade unions, youth organizations, school authorities, the provincial branch of the Association for "marginal" youth, the provincial Employment Office, the School of Water Management, Forestry and Crops, the public services, regional counsellors.

ORGANIZATION: The 5 projects implemented up to now create a "normal" work situation. 4 trainees have a 1-year contract, 1 has a 2-year contract. 2 projects lead to a diploma which is nationally recognized.

CHARACTERISTICS: The principle of build-up in stages shows the intrinsic relations between the projects. 5 at present:

- project with remedial training for young persons with major deficits,
- project with employment in a non-profit organization with training facilities for the young person; he visits a vocational training school once a week,
- project for individual placement of young people in a public service,
- project for minor restoration work on monuments,
- project of vocational training for work along the waterways.

FINANCING: Financed by the Ministry of Social Affairs and Labour, The Ministry of Well-being, Public Health and Culture, the province of Groningen, the municipality of Groningen, the regional planning body of East Groningen and the villages of Tourbières de Drente, the municipalities of East Groningen.

DEVELOPMENT OBJECTIVE: All these projects have been set up to enable young people to improve their starting situation and to offer them a real chance of finding a job.

DIFFICULTIES: Necessity of finding ways and means of integrating theory and practice in order to tackle the problem of dropouts from school. Need for financing. Guarantee the continuity of the activities of the Foundation through a large number of new employment projects.

## FEDERAL REPUBLIC OF GERMANY

TITLE OF THE PROJECT: Network of local projects for the gradual qualification of disadvantaged youth within the framework of a global training strategy.

LOCATION: "Ruhrwerkstatt" \* training centre at Oberhausen, in the Ruhr region.

PERSON IN CHARGE: Roland MATZDORF, Director of the "Ruhrwerkstatt" Centre.

OBJECTIVE OF THE PROJECT: Interest a particular group of disadvantaged youth in vocational training measures which are situated between the school and the world of work.

TARGET GROUPS: Group of young people with incomplete schooling and social disadvantages who are unable to undergo vocational training or have dropped out of a training course for social reasons, and who live in the locality or the surroundings of the Ruhrwerkstatt.

SPONSORS: The Ruhrwerkstatt together with the "Oberhausen network".

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\* The Ruhrwerkstatt is a registered association, recognized as a training workshop and a centre of continuing vocational training for youth.

PROVIDERS: A team consisting of the Director of the project, a master craftsman and a master industrial worker, a social worker, a scientist, an architect (part-time) and a clerk (part-time).

Close cooperation between the trainers and the theoretical teaching staff.

PARTICIPANTS: 25 to 30 young unemployed disadvantaged persons.

OTHER PARTNERS: "The Oberhausen network" consisting of organizations from the public authorities and the churches, and also from the enterprises. The Federal Institute for Vocational Training in Berlin. The trade unions, employers and government services.

ORGANIZATION: Part occupational/part school learning process based on the actual knowledge and the practical skills of the young people; the need for the young people to participate in the planning, implementation and evaluation of the project in the course of long learning sessions. Meetings in "working groups" for the representatives of all bodies dealing with youth.

CHARACTERISTICS: The combination of work in the "workshop" and work in the "locality" makes it possible to link training with employment. The pedagogical approach may be defined as the quest for a "dual qualification" at the level of school and vocational training and at the personal and social level.



FINANCING: The pilot project is financed for 5 years, 75 % from the Federal Ministry of Education and Science at Bonn and 25 % from the Social Fund of the European Communities for a period of 3 years (the Ruhrwerkstatt will assume 25 % of the costs in the 4th and 5th year).

DEVELOPMENT OBJECTIVE: Develop abilities and know-how which will enable the participants to earn their living themselves in the long term.

DIFFICULTIES: Need for cooperation and understanding within the team of trainers, need for aid from the public authorities and the employers.

## UNITED KINGDOM

TITLE OF THE PROGRAMME: Highland Craftpoint

LOCATION: In the north of Scotland in Inverness.

PERSON IN CHARGE: D. PIRNIE, Director of Highland Craftpoint.

OBJECTIVE OF THE PROJECT: Introduce methods which will stimulate, guide and improve the overall situation of the crafts industry and help to safeguard its commercial future.

TARGET GROUPS: Businessmen and business starters, innovators, graduates from the colleges of art, design and textiles who plan to set up their own businesses.

SPONSORS: In order to respond to the economic situation the public authorities participated in the establishment of SARL Highland Craftpoint.

PROVIDERS: Consultants, specialized trainers, 22 permanent members, enterprises and other institutions, agencies under contract.

PARTICIPANTS: Clients, 50 % of the crafts enterprises, the apprentices.

OTHER PARTNERS: Fairs, exhibition centres, financial establishments, the press, government organizations, the Royal College of Art in London.

ORGANIZATION: The policy of the company is elaborated by a Management Board of 7 members, an advisory crafts committee, the schools of art, design and textiles and the crafts industry. The 22 permanent staff members are distributed among 4 departments: development, training, marketing and administration.

FIELDS OF ACTION: Three main fields:

- the development department which offers commercial and technical aid,
- the training department which ensures initial and continuing training with special programmes,
- the marketing department.

FINANCING: Government subsidy, revenue from the course fees, entrance charges for some exhibitions, and fees from a contract for product development. The services offered to clients are not subject to direct charges.

DEVELOPMENT OBJECTIVE: General updating of knowledge of the laws of commerce and the market. Quality of the staff. The concept of integration which underlies the services and structures of Highland Craftpoint proved to be the right one and brought success; perhaps it is due to the fact that economic criteria are very popular in Scotland today.

DIFFICULTIES: No significant rise in the level of employment, even a slight decline of this level parallel to progress in management and working methods.

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**Concept of an exchange network for the development of vocational training in small and medium-sized enterprises**

**René Boudet**  
APCCI, Paris

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