



The European Union's IPA Multi – beneficiary Programme

ENTREPRENEURIAL LEARNING

TRAINING NEEDS ANALYSIS FOR SMEs

WESTERN BALKANS AND TURKEY'S EXPERIENCE



Co-funded by the
European Union



This project is implemented by
SEECEL

ENTREPRENEURIAL LEARNING

Training Needs Analysis for SMEs

Western Balkans and Turkey's experience

PUBLISHED BY

South East European Centre for Entrepreneurial Learning
Selska 217/IV
Zagreb, 10000
Croatia

FOR THE PUBLISHER

Sandra Rončević
Sonja Šegvić

©South East European Centre for Entrepreneurial Learning, 2013. All rights reserved.

AUTHORS

Efka Heder
Maja Ljubić

ISBN 978-953-56732-2-4

Copies of this book are available at the SEECEL website at
www.seecel.hr

Printed in Zagreb, Croatia 2013
Printed by Magnus Gubernator d.o.o. (Četiri Boje Group)
Design & Layout by Jelenko Hercog

A CIP catalogue record for this book is available from
the National and University Library in Zagreb under
834690

The South East European Centre for Entrepreneurial Learning (SEECEL) is a regional institution with the mission to promote the development of a lifelong entrepreneurial learning system and entrepreneurship as key competence in eight pre-accession countries of South East Europe (SEE). SEE countries collectively expressed the need for strategic regional cooperation, and one of the identified key areas was the Training Needs Analysis. SEECEL was established in 2009 as direct result of the initiative of the countries of South East Europe/in the pre-accession region. SEECEL is financed by the European Union (EU) through the Multi-beneficiary Package under the Instrument for Pre-Accession Assistance and from the state budget of the Government of the Republic of Croatia through the Ministry of Entrepreneurship and Crafts.

SEECEL member states¹ are (in alphabetical order):

- Albania
- Bosnia and Herzegovina
- Croatia
- Kosovo*
- Macedonia**
- Montenegro
- Serbia
- Turkey

All SEECEL member states share full ownership of the process and actively and equally participate in the governance of SEECEL, in content development and implementation. As an institution, SEECEL is governed by an international steering committee composed of two representative members of each SEECEL member state – respectively from the ministry of education and from the relevant ministry in charge for Small Business Act for Europe (SBA). This ensures the political policy dialogue between the world of

1 In the subsequent text, the country abbreviations are as follows (in alphabetical order): ALB, BIH, HRV, KOS*, MK, MNE, SER, TUR

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of independence

** The Former Yugoslav Republic of

education and economy. SEECEL also cooperates very closely with: European Commission (DG Enlargement, DG Enterprise and Industry, DG Education and Culture, DG Regional Development and DG Employment and Social Affairs), European Training Foundation (ETF), Organisation for Economic Cooperation and Development (OECD) and Regional Cooperation Council (RCC).

SEECEL, as the first institutional development from the SBA, shares all of its developments with European and international institutions and agencies, EU member states and other interested parties. SEECEL activities are an integral and complementary part of the SEE 2020 strategy and the EU Danube Strategy. In sharing its developments and contributing to other congruent strategies and initiatives, SEECEL generates benefits for SEECEL member states as well as EU member states and fully respects all EU policy recommendations in the field of lifelong entrepreneurial learning development.

As identified by the SBA, Small and Medium Enterprises² (SMEs) are the backbone of integrated, inclusive, smart and sustainable growth and economic development. In SEECEL member states, the vast majority of established enterprises are SMEs, and strengthening SMEs will result in more job opportunities and greater prosperity.

The development of the SME sector has consistently been highlighted in national SME strategies, programmes and action plans as one of the economic priorities of South East European countries. To achieve this economic priority, the focus has been placed on fostering the competitiveness of SMEs by improving the competences of SME's human capital. The education and training system, which plays a crucial role in strengthening the competences of SME's human capital, should remain flexible and respond accurately to the demands of the labour mar-

ket. The discrepancy between the expressed needs for training and the training provision offered in the market and the lack of data on SME's training needs should be addressed through systematic Training Needs Analysis (TNA).

A number of SEECEL member states are taking diverse initiatives to build a comprehensive TNA system. This shift to evidence-based policy making is important if SEECEL member states are to ensure that the significant investment in training is cost-effective.

This is why a regional TNA has been identified by national stakeholders as one of the key development priorities of SEECEL's work. Not only does a regional TNA give concrete results for all SEECEL member states but it also provides support to existing national TNA developments in terms of experience, instruments, tools and networks. The SEECEL developed instrument and associated methodology as well as the first implementation of an SEE-wide TNA has planted the seed for a future Training Needs Analysis System (TNAS), a cyclic process that will ensure the continued relevance and efficiency of training for micro, small and medium enterprises.

² According to the EU definition of SMEs, micro enterprises have fewer than 10 employees; Small – fewer than 50 employees; Medium – fewer than 250 employees

This document is the result of a broad and complex SEE effort to promote economic cooperation and foster the competitiveness of SMEs through the Training Needs Analysis as a key element of integrated, inclusive, smart and sustainable growth.

We would like to thank the governments of:

- Albania
- Bosnia and Herzegovina
- Croatia
- Kosovo*
- Macedonia**
- Montenegro
- Serbia
- Turkey

We would like to express our gratitude to SEECEL

member states, represented by their respective ministry of education and the relevant ministry in charge of SBA, for their full support and cooperation, without which this step forward would not have been possible.

We would especially like to thank the European Commission and the Government of the Republic of Croatia represented by the Ministry of Entrepreneurship and Crafts for their financial support.

These developments would not have been possible without the contribution, expertise and knowledge of national and international experts. We would therefore like to thank the experts and institutions that form the SEECEL Development and Advisory Network for Enterprises Training (DANET). We would like to thank all DANET members for contributing their knowledge and experience: Albanian Investment Development Agency, Croatian Chamber of Economy, Economic Chamber of the Republic of Macedonia, Eda Development Agency, KOSGEB, Kosovo* Chamber of Commerce, Montenegrin Employers Federation and the Serbian Chamber of Commerce, as well as Ms Jadranka Arizankovska, Mr Imerali Baftijari, Ms Ayşegül Çelik, Mr Vladimir Čurović,

Ms Biljana Dimitrijević, Mr Ervin Duraj, Ms Ardiana Gashi, Mr Gjergji Gjika, Ms Eneida Guria, Mr Vladimir Ivanković, Mr Goran Janković, Ms Nerka Jugo Ahmić, Ms Ana Maraš, Mr Zdravko Miović, Mr Igor Nikoloski, Mr Omer Pak, Mr Berat Rukiqi, Ms Vesna Štefica and Mr Ejup Qerimi.

Mr Bo Caperman (EC DG Enlargement) and Mr Marko Curavić (EC DG Enterprise and Industry) were extremely supportive of the entire process and their contribution helped us greatly in aligning SEE entrepreneurial learning with EU policies.

SEECEL also looks forward to continuing the excellent cooperation and exchange of ideas and knowledge that has already been established with the ETF. Our special thanks go to Ms Madlen Serban, ETF Director, Mr Anthony Gribben and the ETF Enterprise team.

LIST OF ABBREVIATIONS

- CoP** – Community of Practice
- EL** – Entrepreneurial Learning
- ELP** – The Entrepreneurial Learning Package
- EU** – European Union
- EC** – European Commission
- ETF** – European Training Foundation
- HR** – Human Resources
- ICT** – Information and Communication Technology
- LLEL** – Lifelong Entrepreneurial Learning
- MS** – EU Member State(s)
- MSME** – Micro, Small and Medium-sized Enterprises
- NACE** – 'Nomenclature Generale des Activites Economiques dans l'Union Europeenne' (General Name for Economic Activities in the European Union)
- NCC** – National Charter Coordinators
- NCGE** – National Council for Graduate Entrepreneurship
- OECD** – Organisation for Economic Development and Cooperation
- SBA** – The Small Business Act for Europe
- SEE** – South East Europe
- SEECCEL** – South East European Centre for Entrepreneurial Learning
- SME** – Small and Medium Enterprises
- TNA** – Training Needs Analysis
- TNAS** – Training Needs Analysis System
- VET** – Vocational education and training
- WE** – Women Entrepreneurship
- WETNAS** – Women Entrepreneurs Training Needs Analysis System

TABLE OF CONTENTS

1. DEVELOPMENT CONTEXT	10	4. CONCLUDING REMARKS AND STEPS FORWARD	74
1.1. EU policy framework	11		
1.2. State of play in the region	14		
2. DEVELOPMENT OF A REGIONAL TNA	17	5. INDEXES	81
2.1. Methodology and objectives	18	5.1. Index of tables	82
2.2. TNA instrument – development and implementation	20	5.2. Index of figures	83
3. FINDINGS	23	6. ANNEXES	85
3.1. Methods of data processing and sample quality	24	6.1. Annex 1: List of SEECEL Steering Committee members	86
3.2. General enterprise and employee sample information and business trends	27	6.2. Annex 2: List of DANET members	87
3.3. Challenging areas	40	6.3. Annex 3: Policy Index	88
3.4. Organisation and funding of Human Resources (HR) and Training	44	6.4. Annex 4: TNA Questionnaire	89
3.5. Past, Current and Future Training	52	6.5. Annex 5: Number of enterprises with unknown sectorial affiliation and their proportion in the overall country sample	107
3.6. Future HR and Training	66	6.6. Annex 6: Percentage of enterprises with consistent data	108
		6.7. Annex 7: Usefulness of training areas performed within the company by country	109



DEVELOPMENT
CONTEXT

1.1.

EU POLICY FRAMEWORK

The recent global economic developments presented an opportunity for Europe to grow stronger and to promote smart, sustainable and inclusive growth. In order to take advantage of this opportunity, steps were outlined in the EU 2020 Strategy which set the targets and key priorities and initiatives. Recognizing that Europe can “count on the talent and creativity of [its] people³”, the EU 2020 strategy places a great focus on the development of Europe’s human capital. In particular, it stipulates that promoting smart growth driven by knowledge and innovation necessitates reforms which should improve the quality of education and training, and reforms should contribute to “ensuring that innovative ideas can be turned into new products and services that create growth, quality jobs and help address European and global societal challenges. But, to succeed, this must be combined

3 Europe 2020: „A strategy for smart, sustainable and inclusive growth“ (COM(2010)), p. 7

with entrepreneurship, finance, and a focus on user needs and market opportunities.”⁴

In the development of human capital, special focus should be put on the development of a lifelong learning system that supports individuals through education and training – as defined in the Education and Training 2020 strategic framework^{5,6}. The basis for this system in Europe is a set of eight key competences that define the knowledge, skills and attitudes necessary for a successful life in a knowledge society.

-
- 4 Europe 2020: „A strategy for smart, sustainable and inclusive growth“ (COM(2010)), p. 11–12
 - 5 Council conclusions of 12 May 2009 on a strategic framework for European cooperation in education and training (‘ET 2020’) (2009/C 119/02) p. 1
 - 6 For more elaboration on the topic, see: Rethinking education strategy – Rethinking Education: Investing in skills for better socio-economic outcomes, COM(2012) 669 final, Strasbourg, 20.11.2012

The implementation of the lifelong learning process was further elaborated in the European 'Council conclusions on the role of education and training in the implementation of the 'Europe 2020' strategy'⁷. The conclusion emphasises that: "education and training have a fundamental role to play in achieving the 'Europe 2020' objectives of smart, sustainable and inclusive growth, notably by equipping citizens with the skills and competences which the European economy and European society need in order to remain competitive and innovative"⁸. In particular, the 'An Agenda for new skills and jobs' initiative "should improve the identification of

training needs, increase the labour market relevance of education and training, facilitate individuals' access to lifelong learning opportunities and guidance, and ensure smooth transitions between the world of education, training and employment."⁹ The initiative concludes that: "there is a need to ensure a better long-term match between skills supply and labour market demand."¹⁰ In ensuring better match between training and labour market needs, businesses should be actively involved in "forecasting skills needs, through an employers survey tool and qualitative studies on the skills needs of business, notably SMEs".

EU 2020 Strategy and other relevant documents recognize the impact that entrepreneurship has on

7 Council conclusions on the role of education and training in the implementation of the 'Europe 2020' strategy (2011/C 70/01)

8 Council conclusions on the role of education and training in the implementation of the 'Europe 2020' strategy (2011/C 70/01), p. 1

9 Council conclusions on the role of education and training in the implementation of the 'Europe 2020' strategy (2011/C 70/01), p. 2

10 New Skills for New Jobs (COM(2008) 868 final), p. 13

economy and society and consequently support human capital development in the SME sector as a key driver of competitiveness. This message was further reinforced with the Entrepreneurship 2020 Action Plan¹¹

Developing the human capital of SMEs has its roots in a range of policy documents, with the most recent and relevant, the 'Small Business Act for Europe' (SBA). The SBA builds on Commission and Member States policy achievements and creates a new policy framework that integrates the existing enterprise policy instruments. SBA also promotes SMEs to grow by helping them tackle the remaining problems which hamper their development. The SBA is the policy framework for SMEs for EU member states and pre-accession countries alike, and it

is composed of ten principles with indicators. The eighth principle focuses on "Enterprise skills and innovation"¹² and has as its objective the establishment of a "national policy and support framework to ensure a better fit between supply and demand for training in small enterprises."¹³ As outlined by the principle, it is important to focus on the development of Training Needs Analysis (TNA), which is defined as the "identification of training requirements and the most cost-effective means of meeting those requirements."¹⁴

11 Entrepreneurship 2020 Action Plan: Reigniting the entrepreneurial spirit in Europe, COM(2012) 795 final, Brussels, 9.1.2013

12 „Think Small First“: A „Small Business Act“ for Europe (SEC (2008) 2101, 2102), p. 4

13 Small Business Act for Europe: Human Capital Indicators for the Pre-accession Region 2011, p. 22

14 SEECCEL experts definition

1.2.

STATE OF PLAY IN THE REGION

As the backbone of economies in pre-accession countries, SMEs are a priority in all policy documents. As a part of their accession process, countries are fully implementing the Small Business Act for Europe and regularly reporting to the European Commission. Their participation in the process began in 2003 when they signed the agreement to implement the European Charter for Small Enterprises¹⁵. The countries took a step further and requested a more strategic approach towards reporting on the Implementation of the European Charter for Small Enterprises for the Western Balkans. Following that request, policy indicators were developed and are used as a planning instrument for pre-accession countries in their EU accession process. Indicators, otherwise known as the SME Policy Index (Annex 3), were developed jointly by the European Commis-

sion, European Training Foundation, European Bank for Reconstruction and Development and OECD, together with National Charter/SBA coordinators.¹⁶

This strong cooperation on a regional level has further resulted in the signing of "A Charter for Entrepreneurial Learning: the Keystone for Growth and Jobs" – signed at the Entrepreneurship-Education Regional Summit, hosted by the Ministry of Entrepreneurship and Crafts and the SEECEL, in Zagreb on 23 October 2012. The Charter builds on an existing cooperation framework provided by the SEECEL, where each country's education and economy/entrepreneurship ministries are represented. By signing the Charter, the participating parties reconfirmed their full support to the systematic development of lifelong entrepreneurial learning as a key competence

¹⁵ The European Charter for Small Enterprises was the policy framework for SME development prior to the SBA

¹⁶ National Charter/SBA coordinators are members of the SEECEL Steering Committee (list of SEECEL Steering Committee members in Annex 1)

through continued policy improvement, good practise sharing and regional cooperation.

Pre-accession countries are facing the consequences of the global economic crisis that SMEs feel especially. As a response to the challenges posed by the crisis, countries defined human capital development as one of the key areas for fostering the competitiveness of SMEs as the basis for sustainable growth.¹⁷ A systematic approach to developing human capital requires the identification of training needs of SMEs through TNA.

All SEECEL member states are making progress towards the development of a national TNA as part of their efforts to develop more efficient national policies and support systems for the training of SMEs following the principles of the SBA. Although there were many good examples in all SEECEL member states in 2009¹⁸ and 2012¹⁹, more efforts are still needed to establish a TNA system. Respecting the Open Method of Coordination and peer learning principle, all SEECEL member states decided to cooperate on system de-

velopment in this field through SEECEL for the region as a whole that supports national developments. In the development of a regional TNA, it is very important to account for all differences between SEECEL member states (for example, territory size, population, natural resources, etc.) as this does not present an obstacle to the development but enriches the process.

Additionally, most research shows that the majority of SMEs, when they grow and go international, choose to operate in neighbouring countries and the region.

The New Skills for New Jobs in the Western Balkans²⁰ position paper highlights that there is an identified need for a region-wide all-encompassing analysis (supply-demand; competences-gaps; current-future needs). Hence, the benefits of a regional TNA is that it identifies the similarities, differences and training needs of SMEs on an SEE-level, all of which benefits the home and host country alike. In order to ensure the success of international SME operations, SMEs need specific training and advisory services.

17 European Commission, ETF, OECD; "Progress in the Implementation of the European Charter for Small Enterprises in the Western Balkans—SME Policy Index 2009" (2009)

18 European Commission, ETF, OECD; "Progress in the Implementation of the European Charter for Small Enterprises in the Western Balkans—SME Policy Index 2009" (2009)

19 OECD, et al.: „SME Policy Index:Western Balkans and Turkey 2012: Progress in the Implementation of the Small Business Act for Europe" (2012)

20 Regional Cooperation Council, Friedrich Ebert Stiftung; "New Skills for a new Jobs – Position paper" (2012)

Table 1: Key facts for TNA

	ALB	BIH	HRV	KOS*	MK	MNE	SRB	TUR
GDP per capita (US \$) ²¹	4030	4821	14488	2593	4925	7197	6203	10498
GDP per capita PPS ²²	31 ^e	29	61	N/A	36	43	35	52
²³								
% of SME	99,9	99,1	99,6	99	99,3	99,5	99,4	99,92
% of micro	95,7	75,5	76,2	98,37	82,9	87,36	85,4	95,54
% of small	3,5	17,8	12,1	1,35	6,1	9,83	11,1	4,03
% of medium	0,7	5,8	1,3	0,22	1,6	2,8	2,7	0,35
% of SME-employed population	71	N/A	67,5	62,24	52,5	66,3	59,4	78
% of GDP SME's contribution	73	N/A	45	43,3	60	N/A	N/A	55

21 GDP per capita in US dollars for 2011. GDP per capita is gross domestic product divided by midyear population. <http://data.worldbank.org/indicator/NY.GDP.PCAP.CD>, date: 13/09/2012 – GDP per capita

22 GDP per capita PPS for 2012. The volume index of GDP per capita in Purchasing Power Standards (PPS) is expressed in relation to the European Union (EU-27) average set to equal 100. <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&plugin=1&language=en&pcode=teco0114>, date 13/09/2012 – GDP per capita PPS

23 Information is gathered from National Sources of SEECEL member states

DEVELOPMENT OF A REGIONAL TINA

This text was developed based on the contribution of the
working group coordinator Mr Igor Nikoloski

2.1.

METHODOLOGY AND OBJECTIVES

TNA is a process that identifies the training needs of SMEs (from individual to organisational level) in order to help SMEs to perform effectively and compete in the market. TNA needs to address existing problems, should be tailored to the SMEs' business cycle and be delivered in an effective and cost-efficient manner. Successful business operations and competitiveness of SMEs rest on being aware of and adapting to fast changing market conditions. Consequently, SMEs' needs for training change over time and it is important to establish a system which will continuously monitor this change and improve training provision, starting with needs assessment.

TNA serves as the basis of efficient planning of training, from a content, organizational and financial point of view. In such a way, synergy among individual learning needs and the efforts to promote effectiveness, job performance, as well as strategic organizational development is ensured. In order to maximise the potential of any investment, the preferred areas of training should be those ensuring that the anticipated outcome will be achieved and will have a concrete impact on SMEs. To do so, the data analysis process must allow the collection of the largest pos-

sible volume of information in any given conditions. The information collected should cover: the type of optimum competences required to perform a task, the actual level of competences amongst the population, their opinion concerning their own performance, perception of the potential causes of the gap between the actual and desired situations, and various possible solutions, from a number of perspectives. This information should serve as the basis for future development in the area of training development and the development of a more efficient national policy.

No specific data collection method is associated with the Training Needs Analysis. Several methods are available and can be adapted to this type of analysis. The data collection method should be based both on the methodological criteria, which are developed in cooperation with relevant stakeholders, and on following factors:

- objectives of the TNA;
- limitations of the TNA;
- definition of target groups;
- resources available to perform the TNA;
- time available to perform the TNA;

Some of the data collection methods most commonly used in TNA are: online, postal and telephone questionnaires, as well as eye-to-eye interviews. The specific choice of method depends on the advantages and disadvantages of each particular method in a given situation as well as the defined objectives. Having in mind the required scope, the TNA can be implemented through a census of all SMEs or through a sampling of clearly defined sampling criteria.

Fully respecting the aforementioned, SEECEL established the Development Advisory Network for Enterprises Training²⁴ (DANET) as the first step in developing a regional TNA.

The objectives of the regional TNA are to:

- develop a comprehensive TNA instrument
- pilot the instrument on an equal basis in all SEECEL member states
- support national evidence based policy making
- further develop the instrument.

The target group in the first regional Training Needs Analysis is the SME sector in SEECEL member states. For the purposes of this TNA, the definition of micro,

small and medium enterprises is based on the EU definition of Micro (1–9 employees), Small (10–49) and Medium (50–250) enterprises. The developed TNA also took into account various scopes and ranges of activities of SMEs. The classification of enterprises according to their economic activity used is the “Nomenclature Generale des Activites Economiques dans l’Union Europeenne” (General Name for Economic Activities in the European Union) – NACE classification, which is composed of 21 categories of economic activity.

Given the complexity of the first regional TNA, and in order to ensure immediately relevant information, the method chosen for data collection was a sampling method with specifically defined sample criteria.

It was anticipated that the sample for the pilot phase of the first regional TNA would not be perfectly distributed in all three SME (micro, small and medium) groups and 21 NACE sector categories. It was therefore planned that the analysis would be based on relative figures – which are a proportion of observed subcategories. These methodological obstacles may be considered an important stepping stone in the further development of the TNA system.

24 DANET comprises: most representative business associations from SEECEL member states that participate in the policy development process, recognized national SEECEL member states’ experts, and representatives of national line ministries responsible for the implementation of the SBA (see Annex 2).

2.2.

TNA INSTRUMENT – DEVELOPMENT AND IMPLEMENTATION

The work on the development and implementation of the regional TNA was split into five specific phases:

1. Developing a regional TNA instrument
2. Preparing the instrument for national implementation (translating the survey and defining the national target sample)
3. Conducting the regional survey
4. Developing a unified regional database of survey responses
5. Analysing and disseminating the results.

During the first phase (May 2010 – January 2011) the TNA working group was established, comprising experts of the most representative national business associations from SEECEL member states. Two methods of communication were used: face-to-face working meetings and extensive online discussions via the SEECEL Community of Practice (CoP). The working group started with a critical appraisal of existing TNA tools and methodologies in their respective countries. This stocktaking activity showed that

there are examples of various TNA activities, many of which are limited in terms of: geographic scope, project life cycle or NACE sector coverage. The working group highlighted that the Croatian TNA is a best practice example²⁵ which they would like to use as a starting point in the development of the regional TNA. The Croatian TNA was and is implemented by the Croatian Chamber of Economy (CCE), in cooperation with and fully supported by the Ministry of Entrepreneurship and Crafts (formerly the Ministry of Economy, Labour and Entrepreneurship).

Following peer learning and good practice sharing principles, work group members developed a comprehensive TNA survey which consists of the following areas:

²⁵ This is also stated in the European Commission, ETF, OECD; “Progress in the Implementation of the European Charter for Small Enterprises in the Western Balkans—SME Policy Index 2009” (2009), p. 16

- General Enterprise Information
- Employee Information
- Business Trends
- Challenging Areas
- Organization of Human Resources (HR) and Training
- Funding HR and Training
- Past and Current Training
- Future HR and Training.

Keeping in mind the differences between SEECEL member states in terms of geographical size, populations and economic development, the working group reached an agreement to use the following sampling criteria:

1. The enterprise should be active for at least three years.
The rationale for this criterion is that enterprises that are older than 3 years have finished their start-up phase and are now in a fully operational business cycle. The working group highlighted the importance of an active business cycle because there are many registered companies which are not active, and these companies should not be included in the survey.
2. All NACE sectors should be represented (where applicable).
3. If possible, the sampling structure should reflect the ratio of micro, small and medium enterprise in a country.
4. The total number of fully completed questionnaires should be at least 300 per country.

5. Data collection – specifics

The working group started off with the decision that data collection should be done online, but based on existing experience and discussions, the decision was made to allow for other means of data collection as well as to ensure a larger questionnaire response and completion rate.

Following the defined criteria, the working group developed concrete questions within the previously defined survey areas. Special attention was paid to ensure that there were questions which account for gender specifics.

The decision was made to not have open-ended questions, with the exception of the last question which deals with suggestions for the improvement and implementation of the TNA instrument. The final questionnaire (ANNEX 4) is composed of 27 in-depth questions across the agreed-upon survey areas.

The SEECEL CoP proved to be an excellent platform in supporting regional development of the TNA questionnaire and ensured the active participation and cooperation of the entire DANET.

Special attention was also paid to the time schedule for the implementation of the questionnaire and it was decided that the best period to implement it is the 3rd quarter of the year.

The preparation phase for national implementation started with the identification of the most representative national business association in each SEECEL member state, which was done in cooperation with national authorities most relevant for the SBA process. Members of the working group from the

first phase supported these institutions throughout the implementation.

Business associations translated the questionnaire and ensured that all questions retained their original purpose and meaning. Keeping in mind national specifics and following the agreed sampling criteria, each association prepared a target sample in order to ensure the delivery of the agreed number of questionnaires. During this process, some

associations recognized that they would not reach the agreed number of questionnaires using online methods only and consequently selected and prepared appropriate methods.

The associations conducted the regional survey using different methods and delivered the results to SEECEL.

Table 2: Conducting the regional survey

	ALB	BIH	HRV	KOS*	MK	MNE	SER	TUR
Data Collection Methods	f2f ²⁶	e-mail	web	f2f	e-mail/f2f/post	e-mail/tel/f2f	web	web
Sent	300	700	8236	300	400	300	N/A	52000
Responded	300	155	1364	300	307	300	N/A	399
Completed	300	153	500	300	305	300	78	399

Following the completion of the regional survey, a unified TNA database was developed. This multipurpose database should also serve for national evidence based policy making, SMEs and the broader policy development and research community.

²⁶ f2f – face to face interviews

3.1.

METHODS OF DATA PROCESSING AND SAMPLE QUALITY

Analytical data processing is in accordance with the defined main areas of survey as well as their interdependence and causality. In the analysis, the analysed areas were in line with those defined in the survey instrument.

- General enterprise information
- Employee information
- Business trends
- Challenging areas
- Organization of human resources (HR) and training
- Funding HR and training
- Past, current and future HR and training.

The questionnaire also included very specific enterprise information (section 0 in the questionnaire) that business associations being in charge of TNA collected for national statistical purposes. This information was not shared on regional level in order to respect the SME's data protection rights - consequently each SME was given an identification number for tracking purposes.

Descriptive statistics (measures of central tendency, measures of dispersions) and relation statistics (correlation, multiple correlations) are used to describe the basic features of the data.

In the analysis of questions with answers that qualitatively describe the observed groups of conditions, the answers were quantified, and weighted averages were calculated as measures that provide comparable results between particular interest groups. This was implied for questions where the frequency of repetition is described qualitatively (e.g. never, sometimes, often and always). In all of the mentioned cases the calculated weighted average can be somewhere between the values of 0 to 100, where 0 signifies the least frequency (never), and 100 the highest (always). Weighted averages used in the analyses were defined with the following formula:

$$\bar{\omega}(k) = \frac{0 \cdot x_1 + \dots + (k-1) \cdot x_k}{x_1 + \dots + x_k} \cdot \frac{100}{k-1}$$

In equation (1), k represents the number of offered answers in the questionnaire related to the qualitative estimation of frequency of repetition, while (x_1, \dots, x_k) is the total number of answers of a particular repetition.

For easier understanding we explain weighted averages in the case of one enterprise. For example, if an interviewed person answers on the frequency never, this enterprise is quantified with a score 0, rarely as 25, sometimes as 50, often as 75, and always as 100. For questions with fewer possible answers, points were distributed differently: for never, the enterprise received 0, for sometimes 33, for often 67, and for always 100. A similar analogy of point distribution can be applied to the group of more enterprises where a weighted average is obtained from the equation (1). Thus, the calculated weighted average is incorporated back into the qualitative frequency rank where intervals are applied whose maximum and minimum borders are defined with the following formula:²⁷

$$\bar{w}_i = \left[(i - 1) \pm \frac{1}{2} \right] \cdot \frac{100}{k - 1}, \quad i = 2, \dots, k - 1$$

$$\bar{w}(1)^t = 0; \quad \bar{w}(k)^t = 100$$

²⁷ In the text, there will be only qualitative ratings based on calculated weighted averages. However, this rating is based on the explained calculation.

The formula shows a very intuitive way of defining the interval where the lower and upper border of the interval average value is divided as in the previous example, with the note that the lower limit of the first answer is 0, and the upper limit of the last answer is 100.

Since methods for data collection performed in each country significantly differ, it was expected that the collected data would not reflect equal proportions of enterprises with regard to their size and NACE sector, what is visible from the general statistics of the sample. This is characteristic for all methods of data collection except face to face as it is not possible to know in advance which sectors will respond to the survey.

Considering the fact that the Turkish most representative business association (KOSGEB) is not in charge of all the NACE sectors, a significant proportion of the Turkish sample (17%), or equivalently 68 enterprises, does not have determined sectorial affiliation (Annex 5). On the other hand, all enterprises from the sample from Albania, Croatia and Kosovo* have this information. Since information is usually necessary to register an enterprise, it leads to the conclusion that future TNA samples should include this enterprise data.

These inconsistencies in the data samples are an important issue to be addressed in the further development of TNA as they impact the data results and make comparisons amongst countries more difficult. Consequently, the current analysis will be primarily country-based and wherever possible, enterprise size based.

One of the most important data quality indicators is data consistency. To determine employee data consistency, several questions were compared, in which the enterprise evaluated the number of employees in different categories: demographic range (Q2), educational background (Q3) and professions/occupations (Q5). Additional checks evaluated the consistency between the total number of employees and the size of the enterprise (micro, small and medium). Those enterprises that have both consistent data are considered as fully consistent. The average proportion of fully consistent data totals 62%. Data from Croatia, Kosovo*, Montenegro, Serbia and Albania is above consistency average, while data from Macedonia**, Turkey and Bosnia and Herzegovina is below consistency average (Annex 6).

Data consistency of enterprise revenues according to the market in which it has been achieved has been performed by simply adding the percentages

of different markets. In case where the sum does not account for 100% (or 100, if the data was not inserted in the form of percentages), enterprise revenue shares may not be considered consistent. Similarly as in the case of employees' data consistency, Croatia has the highest level of revenue consistency of almost 99%, followed by Albania (97%) and Montenegro (95%). Serbia and Turkey have the lowest level of revenue data consistency of only 27% and 34%, respectively (Annex 6).

There were several questions that did not have a very high completion rate and that were not the subject of analysis. Keeping this in mind, the analysis was realized using the answers of those surveyed enterprises that clearly and unambiguously responded to questions. All answers left blank and data considered inconsistent were not included in the evaluation of a specific question to which it refers.

3.2.

GENERAL ENTERPRISE AND EMPLOYEE SAMPLE INFORMATION AND BUSINESS TRENDS

The working group agreed that the sample per country will be a national database of 300 completed questionnaires, which in total represents 2400 enterprises from the region. The overall sample used in the analysis contains 2.335 enterprises in eight SEE countries, which of 51% are micro, 34% are small and 15% are medium-sized enterprises. Amongst all the countries, Croatia and Turkey delivered more than the required number of questionnaires, whereas both Bosnia and Herzegovina and Serbia delivered less than the agreed number of questionnaires. It is important to highlight that not all of the questionnaires were fully filled what decreased the number of questionnaires used in the analysis of certain questions. According to national reports, the countries, which did not deliver the full amount of questionnaires, experienced several challenges which they were not able to solve in the first pilot of the regional TNA, which of the most important were: general reluctance to respond to questionnaires, adverse weather conditions and lack of computer knowledge. For Bosnia and Herzegovina

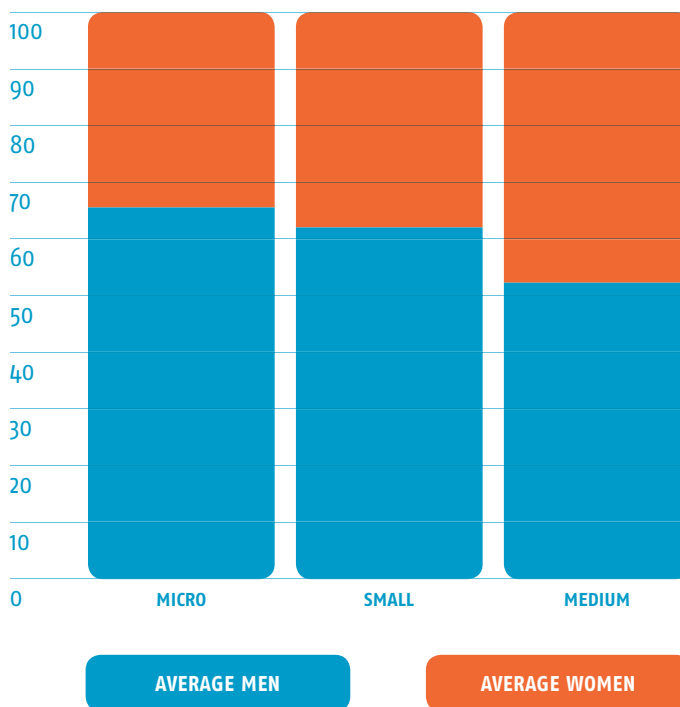
an additional challenge was the geocomplexity of the country. It is also important to note that while other countries decided to take corrective actions for data collection in order to ensure the delivery of 300 questionnaires (see table 2), Serbia decided to continue using the agreed on-line data collection method, which was the first time this method was used in Serbia for the TNA.

All national reports highlighted that the pilot phase can be considered an extremely important step for future development, since a great deal of experience was acquired on how to improve communication with enterprises, how to formulate questions which were clearer, how to cope with low response rates, etc. Considering the lessons learned, the outlook for a future TNA is very positive. Countries remarked that it is extremely useful that they share their experience, knowledge and methods utilised in order to improve future development using regional best practices and to develop regional know-how for the TNA development in the future.

Figure 1: Sample dispersion by countries and size of SME's



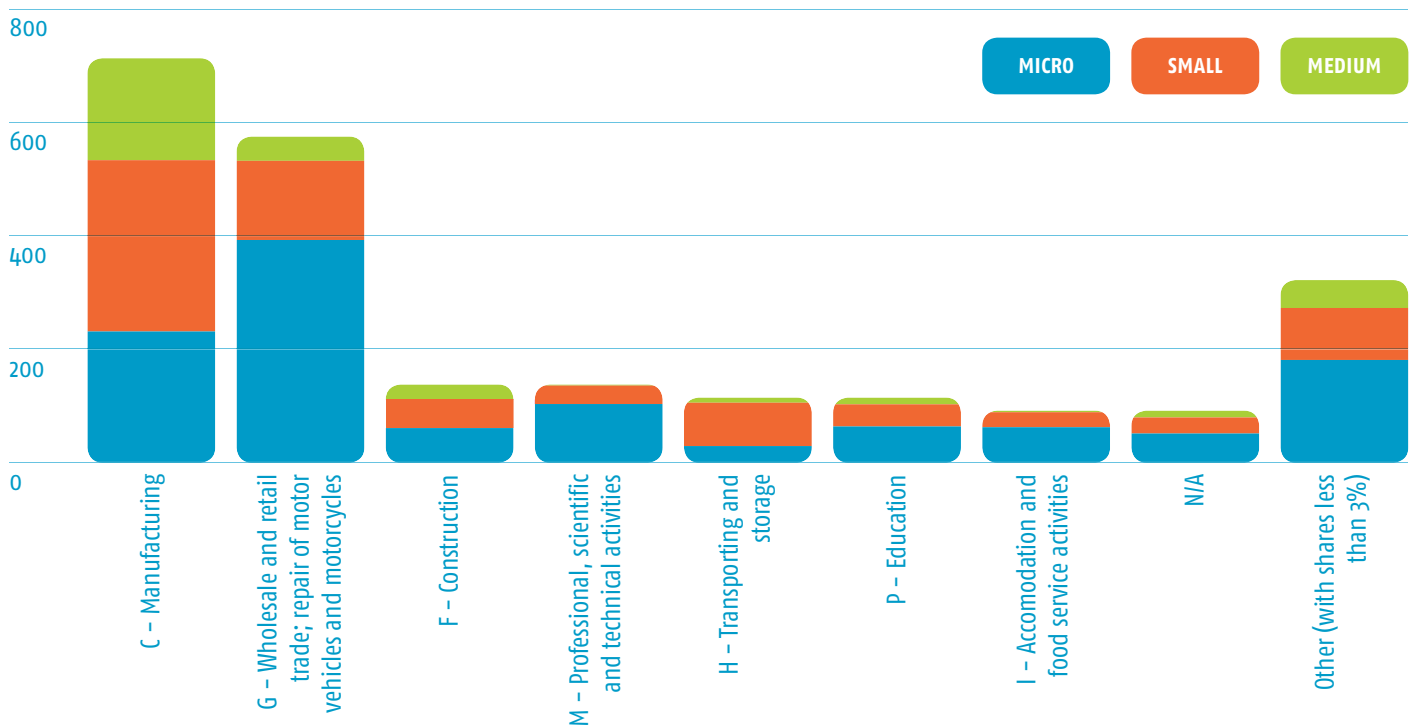
Figure 2: SME gender-based structure



The observed and analysed data sample contains different proportions of enterprises, not only with regard to the countries, but also according to their size. The highest proportion of micro enterprises of 86% is recorded in Kosovo* and the lowest in Albania (27%). On the other hand, Kosovo* had the lowest proportion of medium enterprises of only 2%. This leads to the conclusion that such a low percentage of enterprises may not be considered sufficient in any of the performed statistical evaluations.

It is evident that the percentage of men in all three enterprises sizes is noticeably higher. Women occupy the least in micro enterprises with a total of 35%, whereas in medium enterprises they are very close to complete equality with a total of 49%. There are noticeable differences between countries as well. For example, in Albania, women account for 68% of all employees – in other countries men tend to account for a greater percentage of employees – from 53% in Macedonia** to 82% in Turkey.

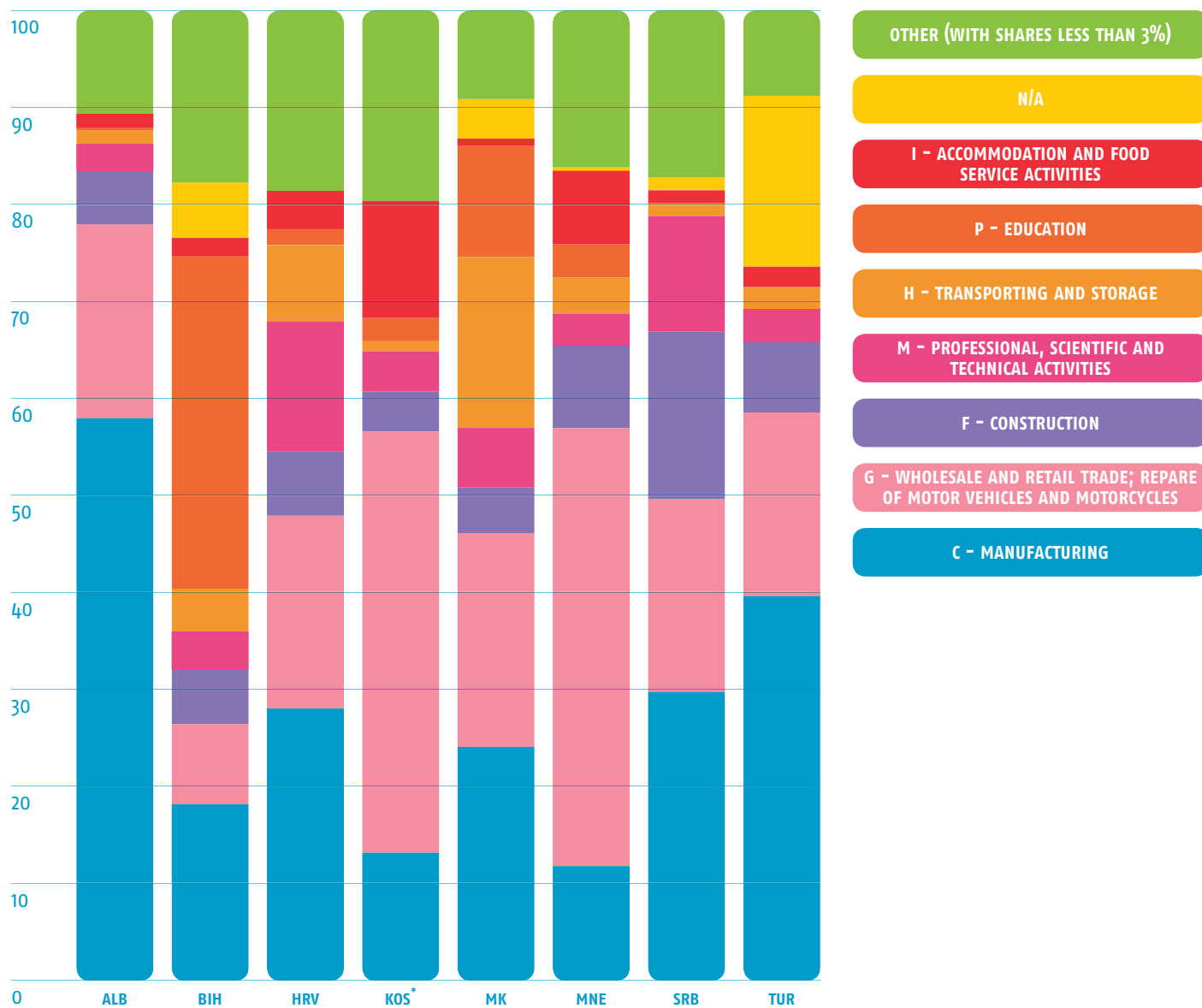
Figure 3: The completion rate of the survey according to NACE sectors and enterprise size



The largest proportion of enterprises – almost a third of the sample (31%) – performs their activity in the manufacturing sector, followed by wholesale and retail trade in proportion of approximately one fourth of the overall sample. All other industries have quite low proportions and significance in the sample. The distribution of enterprises by their size with regard to these industries is an interesting factor as well. For example, 38% of all small and 53% of all medium enterprises are within the manufac-

turing industry. Furthermore, within the real estate sector, out of a total of 25 enterprises, there are no medium enterprises. In mining and quarrying, which is the least represented industry in the overall data sample with only 9 enterprises, there is only 1 micro enterprise.

Figure 4: The completion rate of the survey according to country and industry



The differentiation of the entities regarding country and industry affiliation highlights that the Albanian sample has the highest proportion of enterprises within the manufacturing industry for a total of 60% of the Albanian sample and about one fourth of total enterprises from the manufacturing sector in the overall sample. The two main industries in the sample (manufacturing and wholesale and retail trade) have the highest proportions of almost all country samples (i.e. 50% or more), except in case of Bosnia and Herzegovina where they together account for only 24%. On the other hand, the biggest share of enterprises from the educational sector comes from Bosnia and Herzegovina (47%) and Macedonia** (30%).

The conclusion can be drawn that the two NACE sectors with the highest respond rate (manufacturing and wholesale and retail trade) are the most prepared under the given conditions to develop and participate in strategic approaches to strengthen human capital through training.

Enterprise employees are one of the key drivers of enterprises success in business and change adaptation in the business environment. Some of the biggest challenges to SMEs are demographic changes, particularly ageing populations, the shrinking of the work force and the difficulty of attracting young and skilled individuals.

It is therefore very important to determine a profile of employees and identify general trends in order to get an insight of country specifics.

Figure 5: Demographic structure of enterprise employees by SME size²⁸

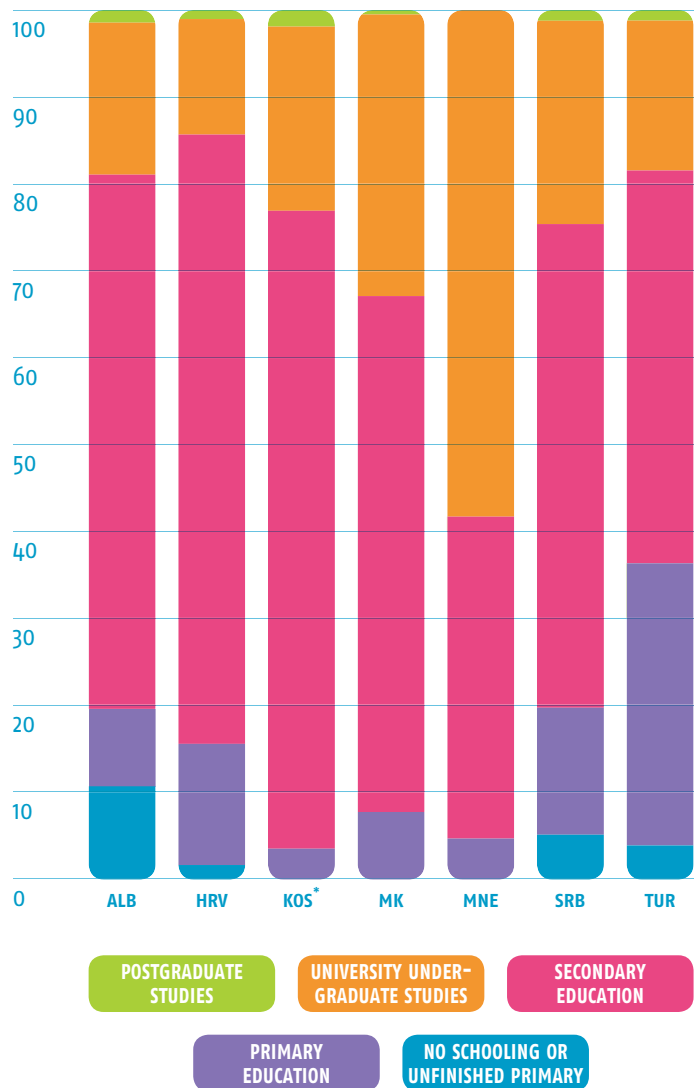


28 The questionnaire also included two further age groups (those under 16 and those over 65). However, they form a statistically insignificant part of the survey results, which can be attributed to positive acceptance and implementation of international and national laws and documents (for example the United Nations Convention on the Rights of the Child (1989), and Council of the European Union Council Directive 94/33/EC 'on the protection of young people at work' (1994) – where the minimum age for children to enter the labour market is 15, and where the majority of countries regulate maximum working age as 65).

From the data it can be seen that the majority of employees fall within the 25 to 49 age category – and their percentage is highest in micro enterprise (73.2%), and the least in medium enterprises (64.9%). SMEs in particular struggle with attracting younger people – as evident from the sample where young people (17–24) represent a nominally smaller percentage of employees. However, a positive trend of young employees can be seen in micro (15.6%) and small enterprises (16.5%) where young people account for a greater percentage than those in the older age group (micro 11.2%, small – 14%). It is only in medium enterprises that this ratio is reversed, where 17 to 24 year olds account for 16.5% of employees and those between 50 and 64 for 18.6%.

Research has shown the significant connection between educational structures and the competitiveness of economies. The following figure demonstrates the educational structure across the countries.²⁹

Figure 6: Educational structure of sample by countries



²⁹ Bosnia and Herzegovina is not included in this sample because of non-consistent and missing information.

The data shows five educational sub-groups, although according to the needs of specific countries, the survey included a much wider sub-division of educational groups and sub-groups.

The educational structure of the sample shows a very unequal distribution amongst the countries which is necessary to compare with the general population education structure in any and all further detailed national analyses.

In most countries, SME employees have completed secondary education (Kosovo* - 73.36%, Croatia - 70.06%, Albania - 61.43%, Macedonia** - 59.32%, Serbia - 55, 62%) except in Turkey (38.49%), where the largest share of the sample in the group finished primary school (42.43%) and Montenegro (37%) where the largest share of the sample finished undergraduate, university or postgraduate studies (58, 25%). Kosovo* with a total of 1.9% has the highest representation of postgraduates in the sample group

and with Macedonia** and Montenegro has no representation in the sample group without secondary education. Conversely, Albania has a total of 10.73% surveyed SME employees with unfinished primary or no schooling.

The relatively low share of tertiary level educated employees can be expected because of the current educational structure in the countries. This further indicates that there is a concrete lack of programmes for entrepreneurial learning as a key competence which would promote an entrepreneurial way of thinking. In line with the goals of the EU 2020 and SEE 2020 Strategy, there is a defined need to raise the educational structure of the general population but of the owners, managers and employees of SMEs as well.

The table below shows the professional and occupational structure of enterprise employees according to their gender³⁰.

³⁰ Bosnia and Herzegovina is not included in this sample because of non-consistent and missing information.

Table 2: Professional/occupational structure of sample by gender

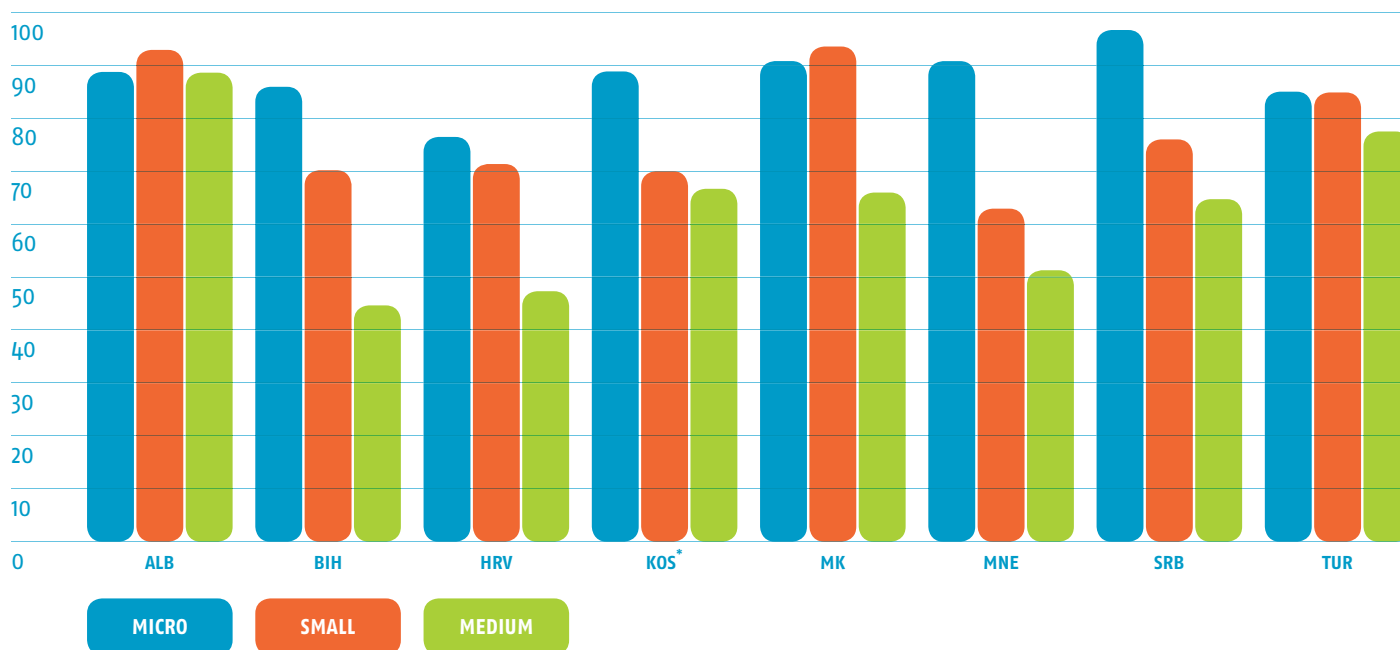
		LEGISLATORS, SENIOR OFFICIALS AND MANAGERS	PROFESSIONALS	TECHNICIANS AND ASSOCIATE PROFESSIONALS	CLERKS	SERVICE WORKERS AND SHOP AND MARKET SALES WORKERS	SKILLED AGRICULTURAL AND FISHERY WORKERS	CRAFT AND RELATED TRADES WORKERS	PLANT AND MACHINE OPERATORS AND ASSEMBLERS	ELEMENTARY OCCUPATIONS	TOTAL
Albania	Men	8.7	21.2	11.9	11.2	18.9	1.8	2.7	23.3	0.4	100.0
	Women	2.1	6.8	4.4	29.1	3.6	0.0	4.2	49.5	0.2	100.0
	Total	4.4	12.0	7.1	22.7	9.1	0.7	3.7	40.1	0.2	100.0
Croatia	Men	4.5	7.7	24.2	5.2	13.8	4.0	8.3	14.5	17.9	100.0
	Women	3.0	10.6	10.9	25.1	23.2	3.1	4.1	5.2	14.9	100.0
	Total	4.1	8.6	20.1	11.3	16.7	3.7	7.0	11.6	17.0	100.0
Kosovo*	Men	12.2	19.4	12.5	14.5	11.6	0.2	2.0	10.9	16.7	100.0
	Women	8.1	20.0	11.6	20.0	26.4	0.0	1.5	4.2	8.4	100.0
	Total	11.2	19.6	12.3	15.8	15.3	0.2	1.9	9.2	14.6	100.0
Macedonia**	Men	4.1	30.0	23.3	5.6	3.1	6.6	7.1	20.3	0.1	100.0
	Women	4.8	22.0	30.6	7.0	2.9	4.4	1.4	27.0	0.0	100.0
	Total	4.4	26.6	26.3	6.2	3.0	5.7	4.7	23.1	0.0	100.0
Montenegro	Men	10.2	11.2	13.8	5.8	24.8	0.0	14.5	14.8	4.9	100.0
	Women	5.9	12.5	8.3	14.6	43.6	0.2	5.6	1.9	7.4	100.0
	Total	8.3	11.8	11.4	9.7	33.0	0.1	10.6	9.2	6.0	100.0
Serbia	Men	8.8	17.8	36.2	1.7	5.8	0.0	3.9	25.0	0.8	100.0
	Women	6.6	21.9	38.0	17.3	6.6	0.0	0.3	7.4	1.8	100.0
	Total	8.1	19.1	36.8	6.7	6.1	0.0	2.7	19.4	1.1	100.0
Turkey	Men	8.8	6.6	8.1	11.0	37.0	24.3	2.2	2.1	0.0	100.0
	Women	7.5	9.9	1.9	1.6	21.5	28.8	18.8	9.9	0.0	100.0
	Total	8.6	7.2	6.9	9.3	34.2	25.1	5.3	3.5	0.0	100.0
Total	Men	6.9	13.1	19.2	7.2	16.6	4.7	6.9	15.6	9.7	100.0
	Women	3.5	10.7	9.9	23.1	15.3	2.0	4.3	25.8	5.5	100.0
	Total	5.5	12.1	15.4	13.8	16.1	3.6	5.8	19.8	8.0	100.0

In the professional and occupational structure of enterprise employees, it is noticeable that significant differences exist, not only when comparing countries also when comparing by gender. Elementary occupations are the highest in Croatia with a share of approximately 17% (male population 18% and female 15%). Plant and machine operators and assemblers account for 49% of female employee population in Albania and only 23% male. Craft and related trade workers account for a small share of the occupational structure, except in Turkey (19% of female employees) and Montenegro (14% of male employees). Skilled agricultural and fishery workers

constitute about one fourth of Turkish employees, while in all other countries they account for much less of the SME employees. Various professionals (including technicians and associate professionals) constitute a major proportion of the occupational structure in Serbia and Macedonia** – 56% and 53% respectively, while in all other countries these occupations account for an average of 23%.

In most countries, the owner of the business is at the same time its general manager. Although this is a region-wide feature, there are still some differences between countries, so this case applies to 91% of Albanian enterprises as shown in Figure 7.

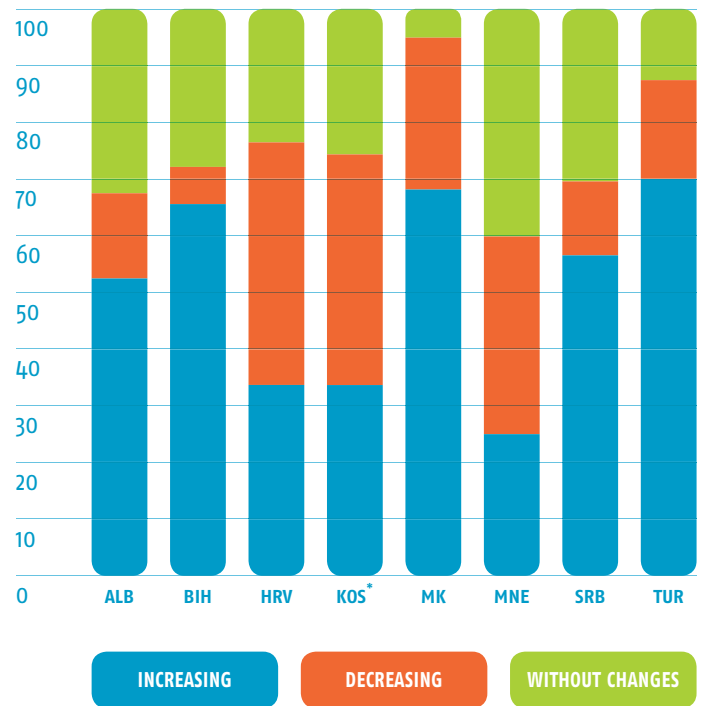
Figure 7: Percentage of enterprises where the owner of the business is at the same time the general manager by enterprise size



The ownership and managerial duties depend on enterprise size as well, so generally smaller enterprises have equal management and ownership structure, while this is somewhat rarer in the case of medium enterprises. This can be clearly seen from the figure, except in Albania, Macedonia** and partially in Turkey. Taking into consideration the entire sample regardless of country the following can be observed – in average, in 85% of micro enterprises, the owner of the business is also the general manager. As the size of the enterprise grows, so does the ownership/manger structure decrease – 77% of small firms and 62% of medium enterprises. This confirms that activities for raising awareness of the importance of the TNA should focus not only on managers but also on business owners.

The global financial crisis, which had a severe impact on all forms of economic activity, did not avoid the SME segment as well. SMEs, which are usually considered as a major contributor of economic growth, were also struck hard with the impact of recession. This analysis includes those enterprises that have been operating for a minimum of three years. In reality, as Porter (1990) states – “Entrepreneurship is at the heart of national advantage”³¹ SMEs are the most relevant for giving structured inputs as they operate and work in spite of economic turbulence and should be examples of good practice for all enterprises.

Figure 8: Percentage structure of total revenue trends in the last three years



In almost all SEE countries, except Croatia, Kosovo* and Montenegro, there are signs of favourable business trends in the last three years, demonstrating the SME's resilience to the impact of the global financial crisis. In these five countries (Albania, Bosnia and

³¹ Porter, M. E. (1990): Competitive advantage of Nations, New York: Free Press, p. 125

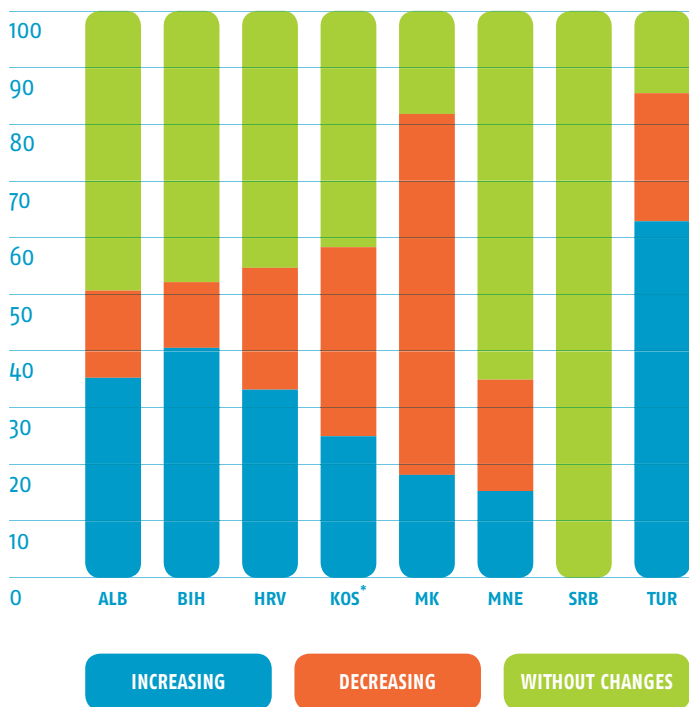
Herzegovina, Macedonia**, Serbia and Turkey) the average number of enterprises that recorded an increase in total revenue amounts to 63%, while only 16% of enterprises recorded a decrease. In Croatia, Kosovo* and Montenegro total revenues increased in slightly less than one third of analysed enterprises, which might suggest an indicator of the economic crisis impact on the business sector. Regarding the enterprise size there are no variations that might indicate statistically significant conclusions.

Figure 9: Percentage structure of number of employee trends in the last three years



According to analysis results, only Croatia and Montenegro reported a negative ratio of enterprises with an increasing number of employees and those with a decreasing number of employees. In case of Croatia, this ratio amounts to 0.9, implying that for each 100 enterprises that recorded an increase in the number of employees in the last three years, there are 111 that recorded a decrease in number of employees. In case of Montenegro, the situation is only slightly worse implying that for each 100 enterprises that recorded an increasing number of employees in the last three years, 112 enterprises recorded a decrease in the number of employees. The best ratio was recorded in Albania and Turkey where for each 100 enterprises with increasing trend of number of employees, 29 and 30 enterprises respectively recorded a decrease in number of employees. In the trend analysis of the number of employees according to the size of enterprises, larger standard deviations (variations from the mean) can be revealed. It is noticeable that the size of enterprise is linked to the changes in the number of employees. In smaller enterprises, the share of those that experienced the change in the number of employees is lower. This is intuitively expected, since smaller enterprises have lower inflows and outflows of workforce.

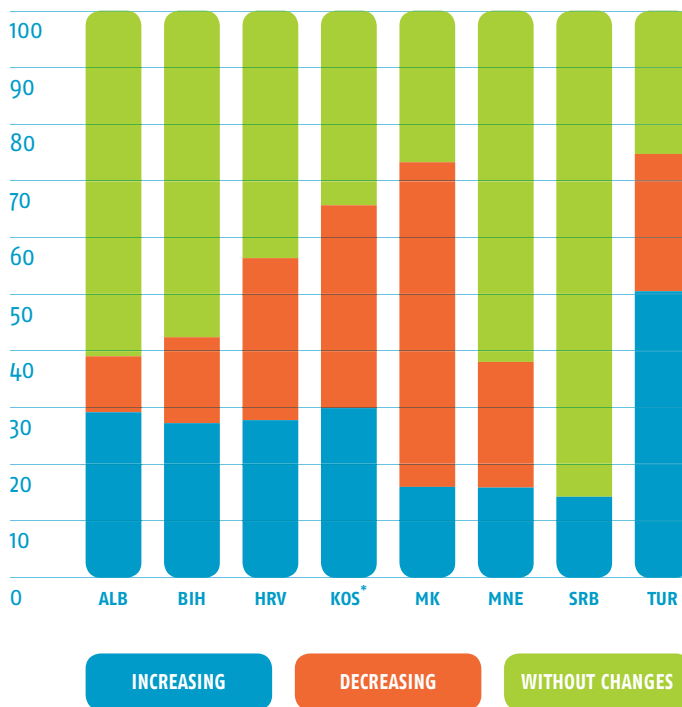
Figure 10: Percentage structure of export trends in the last three years



All sample enterprises in Serbia recorded no change in export in the last three years, while enterprises from Macedonia**, Kosovo* and Montenegro recorded negative trends. In case of Macedonia** 72% less enterprises reported an increase of the amount of export in the last three years compared to those that recorded a decrease, while in the case of Kosovo* and Montenegro this relation amounts to 25% and 22% respectively. Turkey has the highest proportion of enterprises that recorded an increase in the amount

of export in the last three years – 63%, while the highest ratio of enterprises that recorded an increase and those that recorded a decrease of the amount of export is recorded in Bosnia and Herzegovina, and it accounts for 3.5.

Figure 11: Percentage structure of the amount of import trends in the last three years



Quite similar results as in the case of export trends can be observed in trends of the amount of import in the last three years. Although there were no sample enterprises from Serbia that recorded a change

in the amount of export, approximately 14% of them recorded an increase in the amount of import in the last three years. Macedonia** has the highest share of enterprises that recorded decreasing import trends accounting for a total of 57%, while Turkey has the highest share of enterprises that recorded increasing trends of import – a total of 51%.

Table 3: Structure of revenues according to markets

IN %	DOMESTIC	WESTERN ³² BALKAN	EUROPEAN UNION	OTHER
ALB	44.9	6.6	48.3	0.1
BIH	84.4	9.6	5.8	0.2
HRV	83.5	3.1	11.8	1.7
KOS*	98.6	0.3	0.5	0.7
MK	72.6	3.9	19.0	4.5
MNE	93.8	3.8	1.5	0.9
SRB	99.5	0.5	0.0	0.0
TUR	84.1	3.4	4.5	8.0
All	80.2	3.9	14.1	1.8

constitutes a high proportion of revenues (slightly more than 48%). Generally, it can be concluded that enterprise size has a positive correlation with revenues from foreign markets (SEECEL member states or European Union), implying that bigger enterprises are generally more export oriented. This could also be one of the main reasons why Albania has such a high proportion of enterprises that gained their revenues from the EU market, since it was shown that Albania has the highest proportion of medium and small enterprises in the sample.

SMEs from seven countries, except Albania, accounted for the majority of their revenue on the domestic market, varying from the lowest 73% in case of Macedonia** to almost 100% in case of Serbia. Albania is the only country where the European Union market

³² Refers to SEECEL member states.

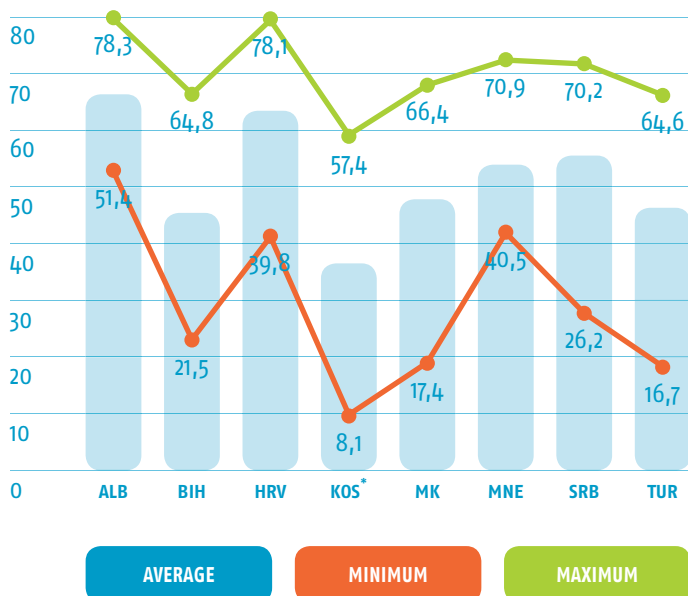
3.3.

CHALLENGING AREAS

SMEs face many varied challenges in their growth and operations. These include both generic problems that SMEs everywhere in the world have to struggle with, and a number of issues that are more specific to the region.

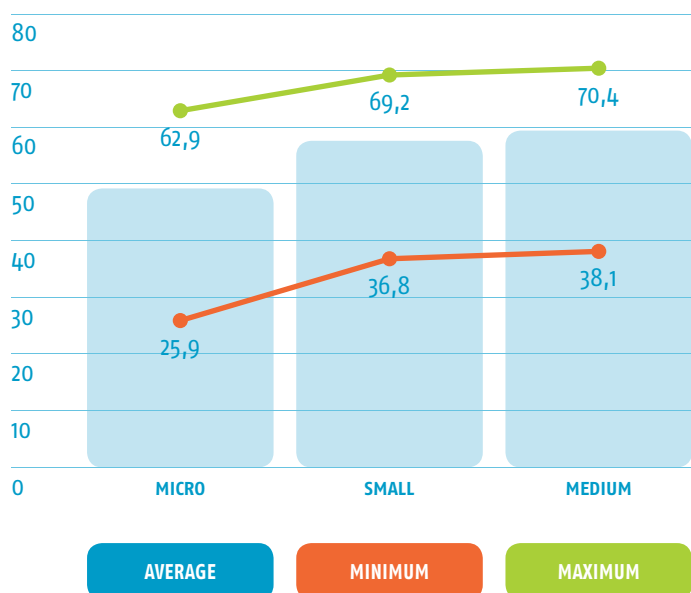
A number of important challenges need to be tackled in order to allow for SMEs to develop efficient growth, business and development strategies and plans. Some of these challenges include issues of financing, accounting, human resource issues, bureaucracy, challenges and opportunities of internationalisation in order to convert problems into opportunities while fully respecting differences.

Figure 12: Average, minimum and maximum importance of challenge areas enterprises are facing (weighted averages) by country



Among the observed countries there are significant differences in the estimation of enterprise challenge areas. While Albania and Croatia stress medium to high average importance of challenge areas, all other countries mark their challenge areas importance with a medium grade. The same conclusion can be drawn upon consideration of minimum and maximum weighted averages of each challenge area per country.

Figure 13: Challenge area average, minimum and maximum - by SME size



From the shown it can be noticed that the perception of challenges between micro, small and medium enterprises varies – the size of an enterprise directly impacts the perception of the importance of challenges. The average perception of importance of challenges for micro enterprises is below 50%, whereas for medium enterprises it is above 60%.

Generally, Albania has the highest average perception of the importance of challenges areas that enterprises are facing. This high level of importance is attributed to the increase of competition, which is at the same time the overall highest weighted average grade. On the other hand, the lowest importance in Albanian enterprises is linked to increase of industrial accidents, although the level of importance is marked with a medium grade. This is important to highlight as Albania has over 70% small and medium enterprise. For contrast, Kosovo* has the lowest weighted average, and a high percentage of micro enterprises (86%) – and relates directly to the importance of industrial accidents. It is also interesting to note that Kosovo* also has the lowest average level of importance when taking into account all challenge areas. The highest average level of importance of a challenges area in all observed countries is attributed to the access to finance and capital, while the lowest relates to an increase of industrial accidents. More details on each challenge area by country are in the following table.

Table 4: Importance of each challenge area SMEs are facing – by country

		ALB	BIH	HRV	KOS*	MK	MNE	SRB	TUR
1.	Technological changes	72.7	40.8	69.5	43.5	50.1	48.4	60.6	47.3
2.	Innovative product/service development	75.0	33.6	67.8	45.7	55.8	53.0	60.5	48.5
3.	Change in production or market needs	70.2	50.2	69.5	45.7	61.6	58.2	66.1	53.4
4.	Decrease in production/service request	75.3	46.5	66.7	44.8	64.9	70.9	69.4	44.0
5.	Increase of production costs	68.8	64.2	63.5	46.0	59.6	60.5	67.7	63.3
6.	Poor or no marketing	67.9	39.1	57.9	40.5	37.0	51.8	55.1	55.4
7.	Change in marketing methodology	60.6	31.6	56.0	40.4	58.6	51.3	64.4	47.2
8.	Access to finance and capital	67.8	62.0	77.8	37.9	59.4	61.4	70.2	64.1
9.	Need to improve quality	72.5	50.9	74.9	53.6	51.7	59.2	60.2	55.7
10.	Increase of customer complaints	66.4	44.8	55.9	19.9	17.4	45.2	28.3	29.8
11.	Government regulations changes	72.8	64.8	70.3	44.1	63.5	53.3	62.7	50.6
12.	Increase of competition	78.3	53.4	68.6	57.4	49.1	65.1	58.8	64.6
13.	Meeting international standards	73.1	47.7	70.2	35.7	36.7	51.4	68.8	41.1
14.	Attitudes and working behaviour of employees	63.6	52.0	78.1	27.3	20.1	58.2	47.4	47.8
15.	Shortage of skilled and experienced employees	59.1	48.2	66.7	30.5	46.7	55.1	57.0	61.8
16.	Increase of industrial accidents	51.4	21.5	40.3	11.2	18.9	40.5	26.2	16.7
17.	Administrative problems	53.5	49.4	55.6	32.9	64.5	52.4	48.2	34.1
18.	Adaptation to environmental factors	58.1	38.6	54.7	28.5	66.4	43.9	48.0	34.4
19.	Change of top management	53.1	23.7	39.8	8.1	27.1	44.4	34.4	20.2
	Average	66.3	45.4	63.4	36.5	47.8	53.9	55.5	46.3
	Minimum	51.4	21.5	39.8	8.1	17.4	40.5	26.2	16.7
	Maximum	78.3	64.8	78.1	57.4	66.4	70.9	70.2	64.6

Albania stresses the highest importance of the first five challenges areas from the table above that enterprises are facing in that country, which of all are nearly equally important, although the decrease

in production and service request has the highest score. In the overall picture, Croatia is quite similar to Albania, but the highest scores are attributed to technological changes and changes in production or

market needs. Bosnia and Herzegovina has a greater level of more fluctuation in importance scores and the highest one relates to an increase of production costs, while the lowest relates to innovative products and service development. Kosovo* has relatively moderate and quite similar importance scores with the highest one relating to the increase of production costs. In case of Macedonia**, Montenegro and Serbia, the highest scores are attributed to a decrease in production and service requests, while Turkey puts the greatest importance on the increase of the production costs.

In the following five challenges the highest scores relate to access to finance and capital which was of particular importance in Croatia. In case of Croatia, this challenge area was also followed by the need for quality improvement, which conversely has the highest importance in Kosovo* and Albania. Bosnia and Herzegovina, Macedonia**, Montenegro, Serbia and Turkey also set the highest importance on access to finance and capital, which definitely leads to the conclusion that the entire SEE region faces challenges in attracting capital and financing possibilities. Taking into account the two mentioned challenge areas, it can be concluded that improvement in quality may stimulate investors' interest for the region, which will lead to attraction of capital and easier financing, benefiting all.

The increase in competition is the most pronounced challenge area in the following group of five challenges with the overall highest importance stressed in Albania, but also in Kosovo*, Montenegro and Turkey. Attitudes and working behaviour of

employees is the second challenge area in overall importance, and highlighted in Croatia as the most important in these five areas. In Bosnia and Herzegovina and Macedonia** the most important challenges relate to government regulations changes, while in Serbia the biggest challenge is meeting international standards. It can be also noted that while Croatia has emphasised attitudes and working behaviour as the most important challenge area, this challenge has very low scores in Macedonia** and Kosovo*. This shows heterogeneity of the observed eight countries and the need for deeper insight into country specifics, but also represents a greater challenge for the region and policy makers.

The last four challenges show that adaptation to environmental factors and administrative problems are the most important problematic areas with the highest level of importance as determined by Macedonia**. Adaptation to environmental factors is also the most pronounced in Albania and Turkey, while administrative problems are the most important in all other five countries (Bosnia and Herzegovina, Croatia, Kosovo*, Montenegro and Serbia). It can be noted that administrative problems have a very homogeneous distribution in terms of the level of importance in the majority of observed countries, meaning that the topic is relevant for all countries, and a very good indicator for policy makers to be aware of. On the other hand, the increase of industrial accidents and change in top management has been evaluated quite differently among the observed countries, but the level of importance for these two problematic areas differs from extremely low to medium.

3.4.

ORGANISATION AND FUNDING OF HUMAN RESOURCES (HR) AND TRAINING

Human resources are the most valuable asset of each enterprise, as a key driver of individual, organizational, civic, and national integrated, inclusive, smart and sustainable growth. Improving human resources is essential as improved competences, higher motivation and greater activation of employees are crucial preconditions for increasing productivity, innovation and high performance-competitiveness of SMEs. However, SMEs are facing both external and internal barriers in improving their key business competence base. In addition to this there are also practical financial and organisational barriers³³.

„Existing training offers and programmes are normally designed and organised from the point of view of larger companies and they simply don't fit into

the organisational needs of smaller companies.“³⁴ – this is particularly evident in terms of financing of training where SMEs cannot match the learning and training investments of larger companies.

There appear to be a number of misconceptions about SMEs and their capacity to provide timely, practical and effective learning and training activities³⁵. This is largely due to unfavourable comparisons with larger companies in terms of organisation, financing and training and learning activities.

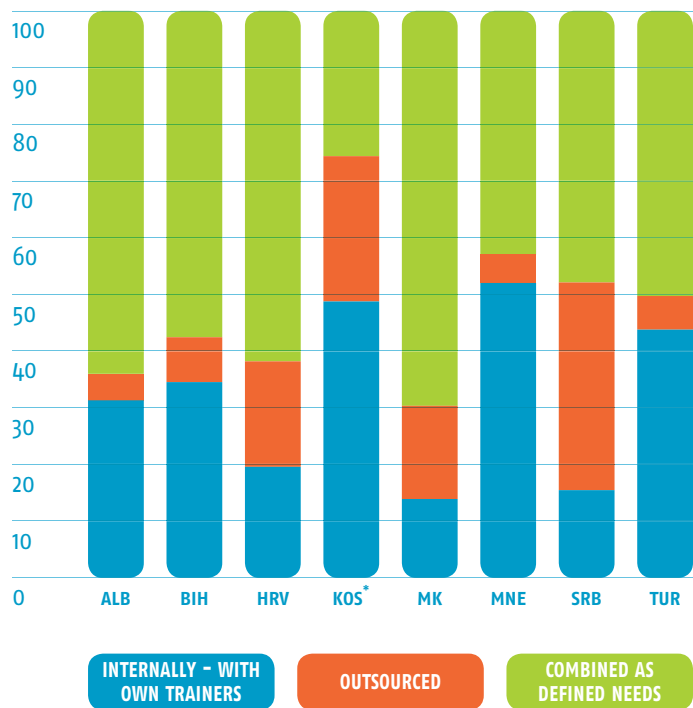
In this part of the analysis, the main focus is on the organisation and funding of human resources and training in SEECEL countries.

33 Buschfeld, D. and all, 2011: Final report: Identification of future skills needs in micro and craft (-type) enterprises up to 2020, Cologne, Hamburg, Vienna, 2011

34 EC, Directorate-General for Employment, Social Affairs and Equal Opportunities, 2009: Guide for Training in SMEs, p. 16

35 Watt, D., Kitagawa, K. 2009: Overview report: Workplace Learning in SMEs: Effective Practices for Improving Productivity and Competitiveness, The Conference Board of Canada

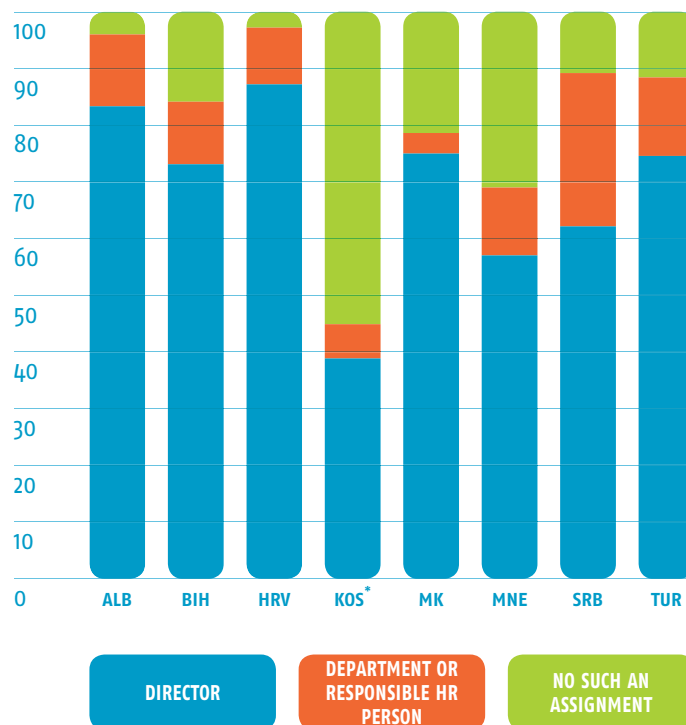
Figure 14: Organization of training within the company (in percentages)



The combined approach with internal and external trainers depending on the enterprises' needs is the most common approach used for training and learning organization within the company. The highest proportion of enterprises that use such an approach is recorded in Macedonia** and accounts for almost 70%. Major shares of enterprises from Albania, Croatia and Bosnia and Herzegovina also mainly use the combined approach (64%, 62% and 58%, respectively). About one half of enterprises from Monte-

negro (52%) and Kosovo* (49%) organize training activities internally, i.e. with their own trainers. The lowest proportion of enterprises that internally organize trainings is recorded in Macedonia** and Serbia with shares of 14% and 15% respectively. The highest proportion of enterprises that outsourced training activities is recorded in Serbia and accounts for 37%, while the lowest share is recorded in Albania (less than 5%) and followed by Montenegro (5%) and Turkey (6%).

Figure 15: Responsible for human resources and training activities within the company (in percentages)



In approximately 70% of all enterprises from the sample, the responsibility for human resources and training activities within the company is dedicated to director. Croatia shows the highest share of enterprises in which the director holds the responsibility for HR development and training and accounts for 87% of total enterprises. On the other hand, enterprises from Kosovo* show the lowest proportion of approximately 40%, but also the highest share of enterprises in which there is no such assignment – 55%. Generally speaking, both theory and practice suggest that with the increase of the firm and/or its number of employees there is a need for more systematic and more comprehensive human resources management, implying that in larger firms, development and training of human resources is in charge of particular persons and/or special departments (units) established for these activities solely. Two evident trends can be revealed based on the size of enterprises, showing that the size of the enterprise is positively correlated with the probability that the enterprise will have someone responsible for dealing with HR development and training activities other than the director, as well as with the probability that there is a specific department or

responsible person for HR. In other words, the share of enterprises that does not have assignments for HR development and training activities decreases with enterprise size in the majority of observed countries, while the share of enterprises in which there is a department or responsible person for HR increases with enterprise size in all observed countries except Serbia.

The most important reason for organizing training is to increase the quality of services or products, followed by improvement of skills of new employees. There are significant differences between countries in evaluating the importance of reasons for organizing the training activities. Serbia has the highest average score of all reasons meaning that all mentioned reasons were very important in their enterprises, while the most important one was to remain in business. The smallest difference between countries with the highest and the lowest weighted average relates to improving the skills of new employees which means that this reason for organizing the training is uniformly highly important in all observed countries.

Table 5: Reasons for organizing learning and training activities

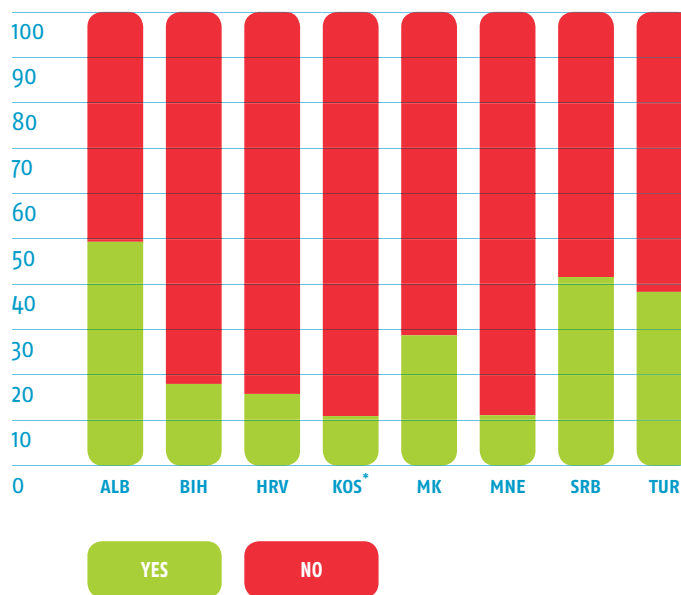
	ALB	BIH	HRV	KOS*	MK	MNE	SRB	TUR
To remain in business	70.8	59.9	77.7	82.2	65.7	58.6	96.5	63.4
To catch up with new technologies and trends	82.5	68.1	81.0	69.9	55.1	64.8	92.1	73.4
To expand the business	79.9	73.0	76.8	79.5	67.1	64.2	94.7	77.4
To increase the quality of services or products	85.9	76.8	87.2	81.1	88.0	72.6	93.5	84.6
To improve the company image	68.5	71.0	77.6	72.0	60.7	65.8	92.2	76.9

	ALB	BIH	HRV	KOS*	MK	MNE	SRB	TUR
To learn about new government or legal requirements	72.1	67.5	75.9	52.3	78.0	58.0	88.6	70.7
To improve the skills of new employees	79.8	73.5	83.2	82.7	86.8	76.0	92.8	78.3
Average	77.1	69.9	79.9	74.2	71.6	65.7	92.9	75.0
Minimum	68.5	59.9	75.9	52.3	55.1	58.0	88.6	63.4
Maximum	85.9	76.8	87.2	82.7	88.0	76.0	96.5	84.6

To remain in business is the most important reason for organizing training activities for enterprises' employees, particularly stressed in Serbia, but this reason is also the most pronounced in Kosovo*. All other countries stated that increasing the quality of services and/or products was the most significant reason. Nevertheless, all of the observed four reasons have a very similar average level of motivation for organizing trainings, although remaining in business and catching up with new technologies and trends have the highest difference between the minimum (Montenegro for remaining in business and Macedonia** for catching up with new technologies and trends) and the maximum (in both cases Serbia) weighted average by countries, showing heterogeneity of the observed countries.

The process of business development planning and planning the learning and training activities and development of employees is an important part of the management strategy of a business entity and its human resources. Further to that, it is extremely important that every enterprise has clearly determined goals, and in accordance with that, clearly defined development and financial plans for training investments.

Figure 16: Existence of annually reserved budget for training investments by country (in percentages)



Unfortunately, the majority of the sampled enterprises do not have their own annually reserved budgets for training investments. Nevertheless, this percentage significantly differs between countries,

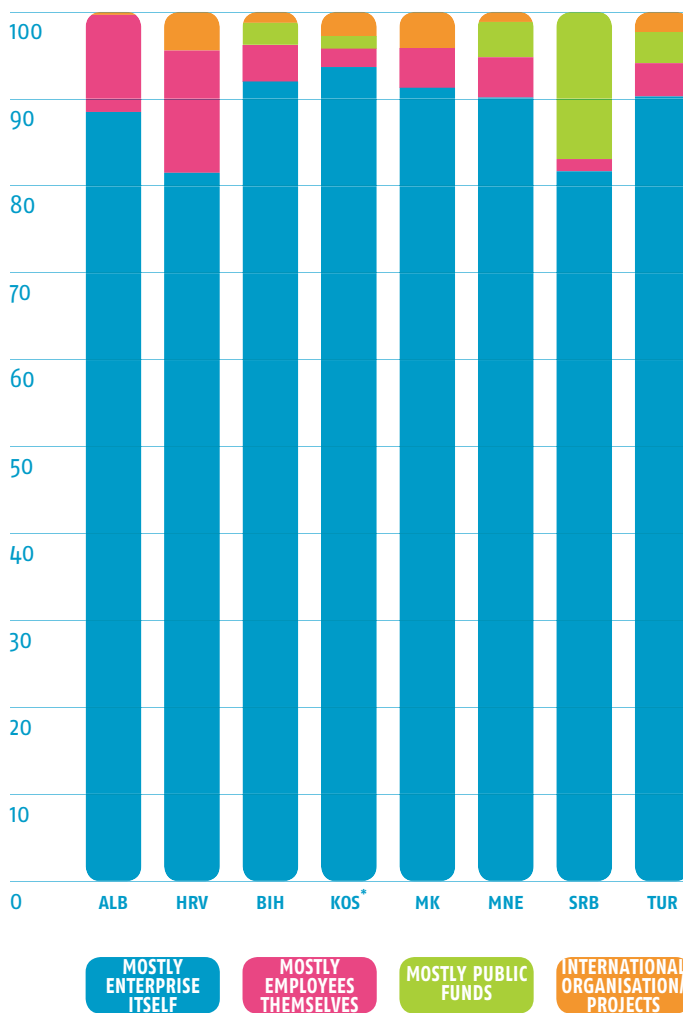
so Kosovo* and Montenegro have only 11% of SMEs that prepare budget plans for HR development, while in Albania this percentage is much higher – accounting for 49%. Generally, the share of enterprises that prepare financial and budgeting plans for learning and training investments and human resources development increases with the size of the enterprise, which is an expected result as shown by the following Figure (17).

Figure 17: Existence of annually reserved budget for training investments by SME size



Given that so few SMEs have budgets for training, it is interesting to analyse the specific sources of their funding – as listed in the figure below.

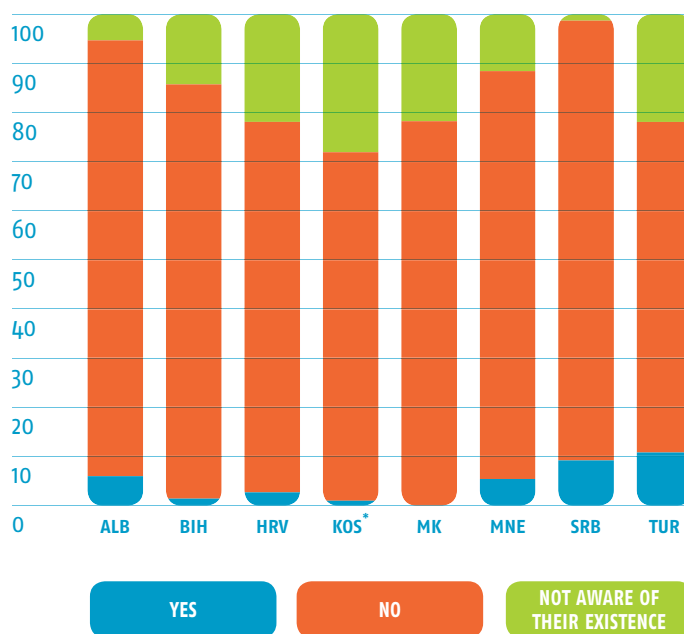
Figure 18: Sources of funding for HR development (in percentages)



The development and enhancement of employees' competences is mainly financed by the enterprise itself, which accounts for 90% of the interviewed

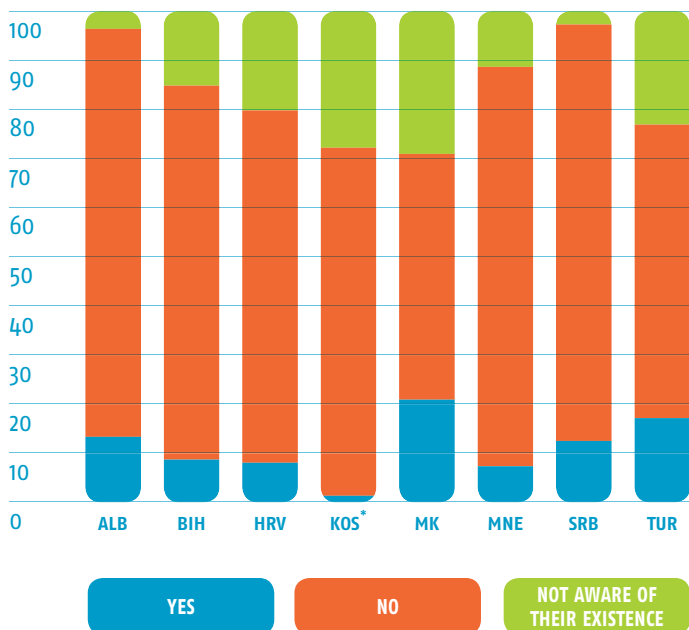
enterprises. Insignificant differences can be seen by comparing results with regard to the size of the SMEs, so the stated share is generally higher in medium-sized enterprises, in comparison with micro and small. Consequently, in micro and small enterprises a slightly higher percentage of interviewees stated that HR development is financed mostly by employees themselves. All other sources of financing for employee development are relatively unimportant. In the case of Albania, Bosnia and Herzegovina and Macedonia** there is not a single enterprise which mainly finances HR development from public funds, while in the case of Serbia there is not a single enterprise which finances development of its own employees mainly from funds of international organisations or projects. This is an obvious indicator that such financing sources need to be improved and that they should be much more incentivised in order to foster development of employees and life-long learning programmes and schemes.

Figure 19: Usage of governmental subsidies in the form of total financing (in percentages)



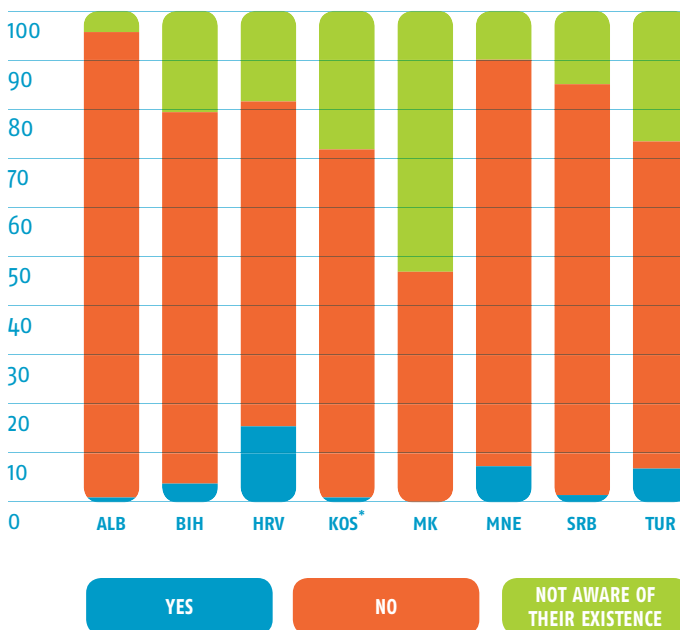
Governmental subsidies in the form of total financing are extremely rarely used. The highest share of enterprises that use such subsidies is recorded in Turkey and amounts to only 11%, while in Macedonia** there are no such enterprises in the sample. Setting aside the low exploitation of existing subsidies programmes, special attention should also be paid to a significant proportion of enterprises that are not aware of the existence of such subsidies. The most concerning share is noticeable in Kosovo* and accounts for 28%. It's followed by Turkey, Croatia and Macedonia** – as stated by a total of 22% of interviewees.

Figure 20: Usage of governmental subsidies in the form of co-financing (in percentages)



Governmental subsidies in the form of co-financing are also rarely used, but slightly more often than subsidies in the form of total financing. The highest proportion of enterprises that use such subsidies is recorded in Macedonia** and followed by Turkey amounting to approximately 21% and 17%, respectively. The proportion of enterprises that are not familiar with the existence of such subsidies is also relatively concerning as in the case of total financing, and the most noticeable is in Macedonia** and Kosovo* accounting for 29% and 28%, respectively.

Figure 21: Usage of governmental subsidies in the form of tax incentives (in percentages)



Governmental subsidies in the form of tax incentives are generally the least used subsidy form. Only Croatia has a higher share of enterprises that use tax incentives compared to other state support for HR development and training – in total it amounts to over 15%. On the other hand, in Macedonia** there is not a single enterprise that used tax incentives in the last 12 months, and there is a high percentage of enterprises that are not aware that such subsidies even exist.

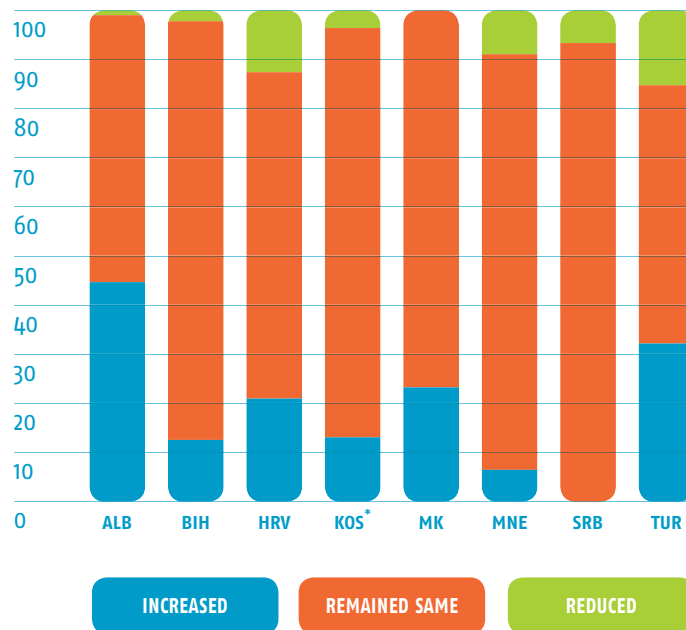
This high percentage of enterprises that are not aware of the existence of state supports of educa-

tional programmes for employee education and development shows that there is a need for constant promotion of existing supports. To strengthen the general awareness, governments should initiate campaigns with the aim of informing potential users about the existing long life-learning programmes and about the possibilities for governmental support, particularly those concerning the development and education of employees. The other important thing that should be done is to develop opportunities for further approach and informing potential users of the existence and the means of getting support.

Reasons for not using the state support may be numerous, – complex procedures, bureaucratic obstacles or the lack of time, but also lack of information for the interviewees. This is an issue that cannot be addressed without a detailed insight into government subsidy systems of each country, which is currently out of the scope of this project. However, this is definitely one of the key messages for policy makers that extensive analyses should be done in order to build efficient subsidy systems that will be more user-oriented and that will provide effective results in short, medium and long term and be flexible in terms of the general trends of economic growth and development.

Although in the last three years many enterprises were strongly affected by the impact of the crisis, investments made in development of human resources generally stayed on the same level or even slightly increased. This is undoubtedly an important finding, particularly as most enterprises had to reduce their

Figure 22: Investments trends for HR development (in percentages)



operating costs, which usually leads to a restriction of the available budget for training and HR development. This study confirms that enterprises in SEE region are still very aware of the need for constant employee competence development. Furthermore, they recognize the quality and expertise of employees as a necessary precondition for the maintenance and development of business entities in difficult market and economic conditions.

3.5.

PAST, CURRENT AND FUTURE TRAINING

The quality of employees and their development through education, learning and training are major factors in determining long-term profitability and sustainability of SMEs. Specific benefits such as increased productivity, reduced employee turnover, and increased efficiency, all of which result in direct financial gains, are indicative of SMEs which invest in the development of their employees.

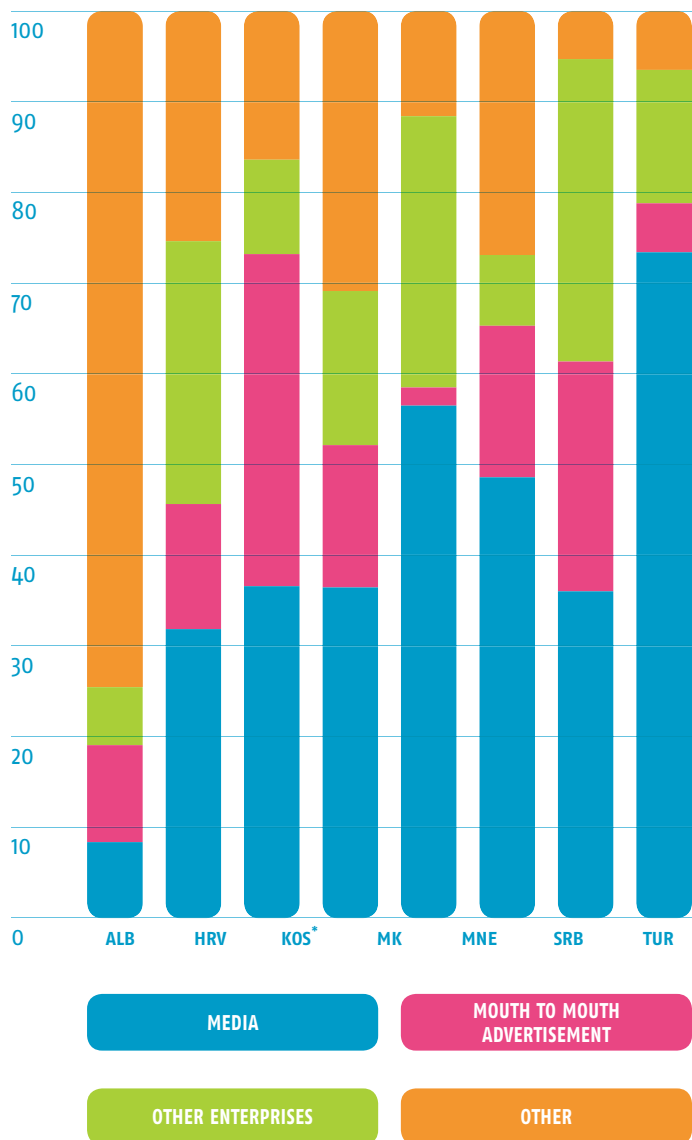
Research has shown that there is a specific need to develop specific approaches and methods for SME learning and training activities, so it is important to pay attention to the following:

„Rather than focusing on the quantity of their learning investments (e.g., money and resources) SMEs need to pay more attention to the value of their learning and training activities (e.g., the quality of the learning output). By focusing on desired learning outcomes and expected training impacts, SMEs have the ability and opportunity to achieve great success.“³⁶

This section deals with the past, current and future training programmes.

36 Watt, D., Kitagawa, K. 2009: Overview report: Workplace Learning in SMEs: Effective Practices for Improving Productivity and Competitiveness, The Conference Board of Canada, p. 5

Figure 23: Sources for finding information about available trainings (in percentages)



Finding information about available learning and training programmes for enterprises' employees is one of the prerequisites for successful cooperation between SMEs and learning and training providers. In order to create links between these two partners, it is very important to encourage the free flow of information from one side to another. SMEs from the sample stressed that media is one of the most important source for information on available learning and training programmes and opportunities. The importance of media is the most pronounced in Turkey, where approximately 73.4% of enterprises stated that this source of information is the most important, followed by Macedonia** with a total percentage of 56.5%. On the other hand, in Albania only 8.4% of enterprises acquire information from media, but over 70% of Albania SMEs obtain information from other sources. Mouth to mouth advertisement is the most pronounced in Croatia and holds the same place of importance as media (36.6%). In Serbia, this percentage accounts for 25.2%. Finding information about available training from other enterprises is also relatively important in countries where approximately one third of enterprises from the survey stressed its relevance (Serbia 33.3%, Macedonia** 29.9% and Bosnia and Herzegovina 29%).

In order to evaluate how often employees really attend training courses, one should consider total days spent on training programmes in the last year per one single employee, which is divided between different types of professions. The highest average result for all employees' categories is recorded in Macedonia**, where the least number of enterprises

reported that their employees spent no days training. The highest weighted average of days spent on training programmes in Macedonia** is recorded in elementary occupations, but due to low number of respondents in this category (only 4) it may be considered unreliable. This category is followed by clerks and technicians and associate professionals employee categories, where 97.9% and 91% of enterprises' employees respectively spent at least one day on training. The lowest average result for all employees categories is recorded in Montenegro, since all categories responded that a high share of their employees did not attend any training (approximately 86%). Taking into account all enterprises from the sample that filled this section, it may be concluded that legislators, senior officials and

managers attended training programmes most often (approximately 64% employees spent at least one day on training) and followed by professionals (approximately 56% employees spent at least one day on training) and technicians and associate professionals (approximately 48% employees spent at least one day on training). On the other hand, only 13% of skilled agricultural and fishery workers and only 12% of elementary occupations workers spent at least one day on training courses in the last year. More details on days spent on trainings by countries and types of profession will be described in the following table.

Table 6: Days spent on training programmes by country and types of profession

	ALB	BIH	HRV	KOS*	MK	MNE	SRB	TUR
Legislators, senior officials and managers	35.8	26.3	42.3	27.1	32.4	13.7	47.1	32.2
Professionals	22.5	16.9	37.0	37.2	38.1	11.6	46.6	23.5
Technicians and associate professionals	37.8	19.6	30.9	26.9	47.7	9.2	41.8	19.3
Clerks	4.4	25.4	22.5	26.8	47.9	8.8	17.3	19.5
Service workers and shop and market sales workers	9.7	17.4	14.3	23.9	13.2	9.3	5.9	20.3
Skilled agricultural and fishery workers	0.6	5.7	5.6	6.8	38.9	1.3	9.3	13.7
Craft and related trades workers	1.2	18.0	4.3	10.9	8.6	5.8	16.7	22.0
Plant and machine operators and assemblers	21.5	21.5	15.4	18.9	37.4	6.1	13.6	7.7
Elementary occupations	1.5	17.7	7.7	9.4	50.0	3.0	15.7	-
Average	15.0	18.7	20.0	20.9	34.9	7.6	23.8	19.8

Macedonia** has the highest number of days spent on training in a total of three employee categories, i.e. technicians/associate professionals, clerks and elementary occupations. Serbia also has the highest number of days spent on training in two employee categories: legislators, senior officials and managers as well as associated professionals. In the case of Albania the most often educated employees were technicians and associate professionals. In the case of Croatia, Bosnia and Herzegovina, Montenegro and Turkey, the employees that spent the most time on training were legislators, senior officials and managers, while in case of Kosovo* it was the associated professionals category. Furthermore, there are differences between Albania, Bosnia and Herzegovina, Croatia, Kosovo* and Montenegro where plant and machine operators and assemblers received most of the training while in Serbia and Turkey craft and related trade workers received most of the training. In average, employees from all professions were very rarely referred to training courses, which is demonstrated by a very low weighted average score, except in the case of Macedonia**.

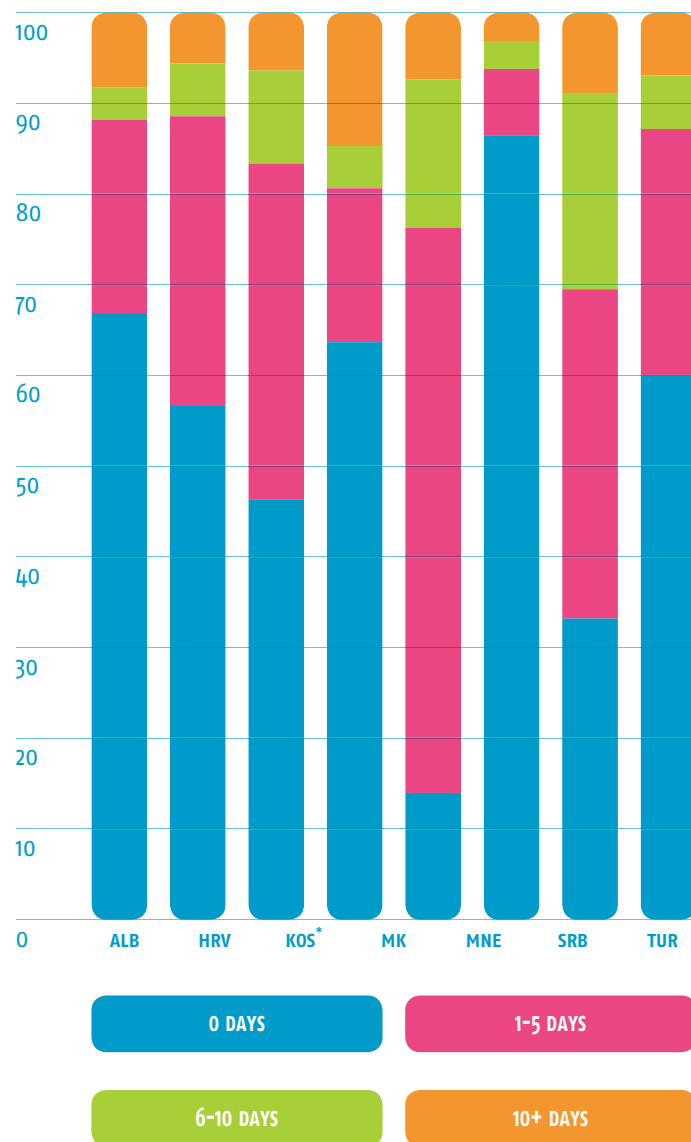


Figure 24: Structure of days spent on training programmes (in percentages)

An additional dimension to the question on training activities by country provides the structure of days spent on learning and training programmes in the last year. This structure reveals several interesting points. First, the lowest proportion of enterprises that haven't sent their employees to any training or skills and competences improvement programmes in the last year is recorded in Macedonia** and it amounts to 14%, while the highest one is recorded in Montenegro and amounts to a very high 86%. At the same time, Montenegro has the lowest proportion in all other categories (1–5 days, 6–10 days and over 10 days) among the observed countries. Secondly, the highest proportion of enterprises whose employees spent over ten days on training in the last year is recorded in Kosovo* and accounts for approximately 15%. Thirdly, in the category 1–5 days spent on training per employee the highest proportion is recorded in Macedonia** and amounts to 62%, followed by Croatia with 37%. In the category 6–10 days spent on training per employee the highest proportion is recorded in Serbia and accounts for 22% and is followed by Macedonia** with 16%.

It is noticeable that there are different training needs amongst the observed countries, that training programmes providers are not fully adjusted to the needs of SMEs and that policy makers should base future development of programmes and policies on concrete feedback provided by the SMEs themselves. In order to increase the efficiency of spending on training activities in future, as well as to provide information on the real SMEs needs for learning and training for policy developers and providers of such services, the relative usefulness of training areas should be closely examined.

General results show that Albanian enterprises rated the majority of training areas within the company as “useful”. The lowest average usefulness is recorded in Kosovo* where the majority of training areas are described as partially useful, while E-commerce, government incentive schemes, intellectual and industrial property rights, the efficient use of energy and innovation management may be considered as useless. Taking into account the entire regional sample, it may be concluded that financial management, information technologies and accounting were the most useful training areas performed within the company, while intellectual and industrial property rights and innovation management were the least useful training areas performed within the company, although they may be considered as partially useful. More details on usefulness of each training area performed within the companies by countries will be described in the following table. Since there were a total of 22 training areas included and evaluated in the questionnaire, for easier understanding and readability, these areas will be divided in groups of four or five and described separately with tables and figures in Annex 7.

Table 7: Usefulness of training areas performed within the SMEs by country³⁷

37 Montenegro is not included in this analysis as there were insufficient statistically significant answers or not enough filled out surveys.

	ALB	BIH	HRV	KOS*	MK	SRB	TUR
Market trends and regulations	98.6	73.7	77.8	54.9	100.0	88.6	70.9
Marketing and sales	86.1	74.2	80.9	62.2	97.2	82.8	78.4
Export/import related knowledge and skills	93.5	67.9	77.8	38.2	95.5	81.8	56.8
Financial management	98.2	88.2	87.3	50.0	100.0	81.3	74.1
Accounting	100.0	90.6	88.8	48.8	91.9	88.5	75.4
Cost management	98.9	86.1	79.3	42.6	78.7	71.4	73.1
Product development	97.8	85.0	81.9	52.4	87.5	84.4	75.0
Innovation management	94.4	73.5	73.7	25.8	50.8	81.8	56.6
Intellectual and industrial property rights	100.0	33.3	67.1	17.9	98.2	50.0	47.5
E-commerce	100.0	58.3	74.0	13.0	94.7	78.6	62.4
Production management	79.2	84.1	82.4	38.2	96.9	85.7	72.8
Operational management	100.0	81.3	80.2	37.1	100.0	83.3	78.0
Government incentive schemes	100.0	38.5	76.8	15.4	50.0	60.0	71.3
Quality management and standards	97.9	87.0	79.1	41.4	98.6	85.7	75.9
Human resources management	100.0	79.4	84.0	44.3	98.6	43.8	67.3
Occupational health and safety	100.0	87.2	83.9	42.9	93.8	81.3	76.3
Business plan preparation	100.0	77.1	80.1	40.0	100.0	77.3	77.6
Information technologies	100.0	86.1	83.2	44.6	100.0	84.6	76.7
Strategic planning and organization	96.2	77.8	81.9	31.7	93.8	70.0	68.0
Environment protection and standards	100.0	82.8	78.7	34.4	65.3	87.5	68.9
Efficient use of energy	100.0	68.8	75.3	22.2	100.0	50.0	74.1
Social and communication skills development	92.3	58.3	76.7	35.0	100.0	73.3	71.5
Average	97.0	74.5	79.6	37.9	90.5	76.0	70.4

The highest usefulness of the training areas from Figure 25 (Annex 7) "Usefulness of training areas performed within the company by country – 1/5" (weighted averages) is associated with market trends and regulations, and financial management in case of Macedonia** and accounting in case of Albania, where every enterprise

that responded to the questionnaire found these training areas useful. Bosnia and Herzegovina and Croatia also set accounting as the most useful one. On the other hand, Kosovo* and Turkey put the highest usefulness score on marketing and sales, while Serbia put it on market trends and regulations. The overall lowest

usefulness is recorded in Kosovo* for all five categories, followed by Turkey. Export/import related knowledge and skills have the lowest average usefulness score amongst the five observed training areas, as well as the highest standard deviation among countries.

Albania has the highest usefulness scores on all training areas based on Figure 26 "Usefulness of training areas performed within the company by country – 2/5 (weighted averages)", Annex 7, although full usefulness is recorded in intellectual and industrial property rights and E-commerce. Bosnia and Herzegovina evaluated cost management as the most useful training area performed within the company, while for Croatia, Kosovo*, Serbia and Turkey this was product development. In the case of Macedonia** the most useful training area was intellectual and industrial property rights. The overall highest usefulness score is associated with product development and the lowest one with intellectual and industrial property rights. On the other hand, the lowest difference in usefulness scores is attributed to product development, measured by a standard deviation of weighted average scores of all seven observed countries, while observed countries show the strongest level of disagreement on the usefulness of the training area dealing with intellectual and industrial property rights, which has the highest standard deviation of weighted average scores of the observed countries.

Quality management and standards is the most useful training area amongst the four training areas shown in Figure 27 "Usefulness of training areas performed within the company by country – 3/5" (weighted averages), Annex 7, while government incentive schemes

can be considered as the least useful. The highest usefulness scores are recorded in Albania and relate to operational management and government incentive schemes. This training area also has a high standard deviation of weighted average scores of the observed countries. The highest usefulness score of Bosnia and Herzegovina relates to quality management and standards. In the case of Croatia, Kosovo* and Serbia the most useful were trainings dealing with production management, although in the case of Serbia the quality management and standards have the same usefulness score as product management. Macedonia** and Turkey stressed operational management as the most useful training area performed within the company.

Albania has the highest usefulness scores of all training areas performed within the company shown in Figure 28 "Usefulness of training areas performed within the company by country – 4/5" (weighted averages), (Annex 7), where every enterprise that responded to the questionnaire found these training areas useful. All enterprises from Macedonia** have also evaluated business plan preparation and information technologies as useful. In the case of Bosnia and Herzegovina and Croatia, the most useful training area was occupational health and safety. In the case of Kosovo* and Serbia it was information technologies, while Turkey evaluated business plan preparation as the most useful training area performed within the company. However, it has to be noted that all four training areas have relatively high average usefulness scores measured by weighted averages, as well as a relatively high standard deviation of weighted average scores of the observed countries.

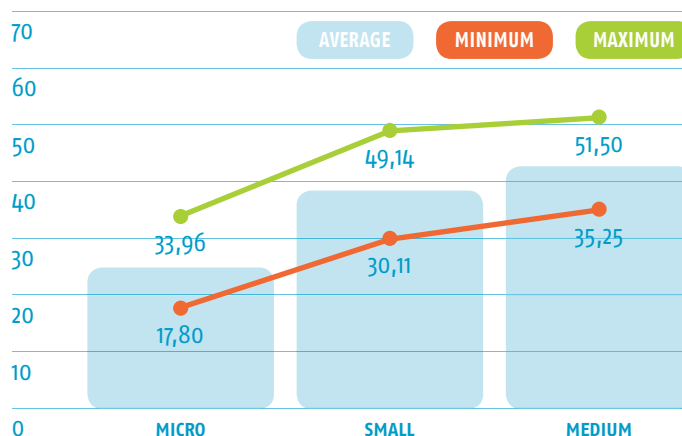
All enterprises from Albania that responded to the questionnaire think that trainings that elaborated environment protection and standards and the efficient use of energy were useful. Training areas related to the efficient use of energy and social and communication skills development were also useful to all SMEs from Macedonia**. In case of Bosnia and Herzegovina and Serbia the highest usefulness score is associated with environment protection and standards. In the case of Croatia, strategic planning and organization is considered highly useful, while SMEs from Kosovo* think it is social and communication skills development and in case of Turkey it is efficient use of energy. The same as before, all four training areas from the Figure 29 "Usefulness of training areas performed within the company by country – 5/5" (weighted averages), Annex 7 have relatively high average usefulness scores measured by weighted averages, as well as a relatively high standard deviation of weighted average scores of the observed countries.

Directly related to the usefulness of learning and training areas are the organisational benefits acquired through training programmes that have contributed to the competitiveness of the enterprise. As Drucker³⁸ highlighted, knowledge is the main factor in competitiveness, but in its modern sense, it is not directed into a person or personal growth, but only exists as applied in practice. It is for this reason

³⁸ Drucker, P., 1992.: Nova zbilja, Novi Liber, Zagreb

that it is important to monitor the perception of the organizational usefulness of learning and training activities. Coupled with factors such as SME size and home country, this information becomes very important for policy planners. More information can be found in the table below.

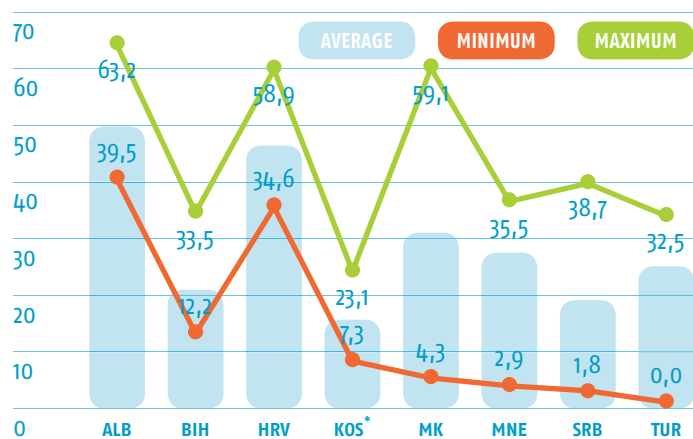
Figure 30: Organisational benefits contributes to competitiveness by SME size



From the shown it can be noted that there is a very low level of perception of the organisational benefits acquired through learning and training programmes. It is the smallest in micro SMEs (25.88%). Average values start to grow with the size of the enterprise, resulting in 39.62% for small enterprises and, 43.37% for medium enterprises.

As mentioned previously, the dispersion of the perception of organisational benefits from training per country also makes for an interesting comparison and is presented in the table below.

Figure 31: Organisational benefits by country



Given the high percentage of medium and small enterprises in Albania, it was anticipated that the highest average perception or organisational benefit was recorded in Albania, closely followed by Croatia. These two countries also have the highest minimum grades and the highest maximum grades, along with Macedonia**.

The table below shows greater details on the perception organisational benefits, subdivided into 18 categories and acquired through training programmes.

Table 8: Perceived organisational benefits acquired through training programmes by country

	ALB	BIH	HRV	KOS*	MK	MNE	SRB	TUR
Production increased	50.9	20.9	37.7	14.8	35.5	2.9	27.2	25.8
Innovation increased	62.3	16.6	42.2	20.4	28.1	28.5	30.8	22.5
Recent investment opportunities increased	45.2	13.3	36.4	12.9	24.7	27.6	6.7	23.1
Business cooperation or partnership opportunities gained	55.9	12.2	48.0	15.0	56.5	26.4	38.7	22.0
Fulfilled some legal requirements operating the business	40.5	14.6	54.5	10.7	48.1	27.9	13.6	28.5
Recent employment opportunities increased	39.5	19.0	39.1	11.6	12.0	26.1	1.8	25.4
New financial opportunities increased	42.0	17.8	38.8	10.3	27.9	26.1	5.9	23.7
Set up of business plans	55.5	17.8	37.9	14.3	8.1	26.9	9.0	26.5
Quality increased	54.3	33.5	58.9	23.1	51.7	26.0	22.8	32.5
Domestic market share increased	44.4	15.2	45.0	16.2	20.3	32.9	25.1	26.9
Foreign market share increased	46.5	15.3	34.6	7.3	28.9	28.4	7.2	20.9
Competitiveness increased	63.2	24.2	55.4	18.7	59.1	26.3	12.1	28.2
Management or accounting system improved	51.0	27.5	46.1	13.9	31.4	31.1	10.0	28.1
Skill level improved	53.7	29.8	58.4	21.1	35.3	30.4	31.8	30.2
Environment consciousness increased	41.6	22.2	43.5	16.3	4.3	35.5	6.9	26.4
Efficiency increased	58.5	31.9	50.6	19.1	36.5	27.3	25.6	30.1

	ALB	BIH	HRV	KOS*	MK	MNE	SRB	TUR
Achieved applicable information	46.9	23.0	55.0	19.9	13.1	32.2	33.3	31.3
Received useful and applicable information	43.7	22.6	53.2	16.7	37.2	33.0	35.9	0.0
Average	49.8	21.0	46.4	15.7	31.0	27.5	19.1	25.1
Minimum	39.5	12.2	34.6	7.3	4.3	2.9	1.8	0.0
Maximum	63.2	33.5	58.9	23.1	59.1	35.5	38.7	32.5

The highest (not weighted) average perceived organizational benefit acquired through training programmes in all countries is linked to increasing quality, while the lowest organizational benefit relates to increased recent employment opportunities. Quality increased is the highest average organizational benefit in Bosnia and Herzegovina, Croatia, Kosovo* and Turkey, while increased competitiveness is the highest average organizational benefit in Albania and Macedonia**. Although increased competitiveness has the highest score amongst all 18 observed benefits, it also has the highest level of disagreement measured by the highest standard deviation of weighted average scores of the observed countries, accounting for over 20. There are significant differences amongst countries with a relatively high standard deviation of weighted average scores of countries.

The dispersion of less average organizational

benefits is also noticeable in terms of foreign market share increased (Croatia, Kosovo*) and recent employment opportunities increased (Albania, Serbia), both of which are perceived as bringing less to the organization.

These results merely scratch the surface and indicate the need for a further in-depth analysis, the need to develop criteria and standards and the need to develop and implement learning and training programmes to satisfy the real needs of SMEs.

There are a plethora of training and qualification institutions offering a wide range of learning and training programmes for numerous target groups. As there is no single best solution, the goal here is not to list the different training providers in the field of lifelong learning and SMEs cooperation with them, but to identify the most useful ones that have been developed for SMEs and adopted from them.

	ALB	BIH	HRV	KOS*	MK	MNE	SRB	TUR
Public or governmental agencies	18.4	18.6	14.8	3.2	28.9	14.1	24.1	30.4
Private services providers and consulting companies	34.4	26.5	23.5	9.0	49.2	13.0	30.6	36.5
Individual consultants	29.9	21.0	18.7	10.8	46.3	15.4	21.9	32.8
Universities	4.3	12.6	13.9	4.4	23.1	11.6	9.3	20.8
Secondary educational institutions / VET providers	3.8	8.6	16.6	5.1	31.8	14.2	13.3	28.5
Chambers	38.3	23.1	25.3	6.6	71.2	12.7	38.0	40.6
Average	21.5	18.4	18.8	6.5	41.7	13.5	22.9	31.6
Minimum	3.8	8.6	13.9	3.2	23.1	11.6	9.3	20.8
Maximum	38.3	26.5	25.3	10.8	71.2	15.4	38.0	40.6

Table 9: Cooperation with training providers (weighted averages)

Enterprises from Macedonia** recorded the highest cooperation with training providers, particularly with chambers where this cooperation can be described as very frequent and followed by private service providers and consulting companies, with individual consultants described as infrequent or sometimes. Turkey, Albania and Serbia cooperate with chambers sometimes, while all other cooperations of enterprises with training providers in all countries can be considered rare or not cooperation at all. The lowest cooperation of all enterprises refers to universities and public or governmental agencies that is realized rarely or never.

These results indicate the necessity to promote and strengthen university-business cooperation as

well as expanding the networking potential of higher education institutions. Likewise, there is a need for a deeper analysis of the measures and activities provided by policy makers, business associations and chambers, but also from the learning and training providers and SMEs.

In the decision-making process for the selection of training and learning programmes, there are many factors that play an important role, e.g. proper timing, duration, applicable competencies in work environment, location, methodology applied, certificates, price, quality and so on. In the TNA questionnaire there were a total of ten items offered and all may be considered as an important factor for the decision to select programmes for HR development. More details on important decision factors for learning and training programmes by countries will be described in the following table.

	ALB	BIH	HRV	KOS*	MK	MNE	SRB	TUR
Proper timing	93.7	95.8	78.8	92.3	94.8	85.5	98.1	91.5
The duration of the program	90.0	69.3	81.2	87.7	67.6	83.7	100.0	89.3
Development of relevant competencies applicable in work environment	95.7	85.6	80.9	84.0	91.1	76.9	100.0	95.7
Location	87.7	71.7	72.8	77.3	63.1	75.6	88.9	80.7
Applied methodology	94.0	75.8	73.7	91.5	48.3	77.2	100.0	81.5
Certificate provision	85.0	84.1	63.6	92.3	55.0	81.8	89.5	74.2
Information on training offered	90.3	94.5	76.9	91.2	87.9	83.6	92.9	93.0
Price	90.0	89.3	90.0	87.2	92.7	85.1	100.0	91.6
Trainers' quality / eligibility	97.7	95.7	94.0	96.3	95.6	85.1	100.0	95.3
The level of motivation among employees	94.3	88.6	87.0	87.6	95.3	86.3	87.5	91.2
Average	91.8	85.0	79.9	88.7	79.1	82.1	95.7	88.4

Table 10: Percentage of important decision factors for learning and training programmes

The highest importance is recorded in Serbia where in average 96% of these decision factors are considered important, while the lowest average importance of all factors is recorded in Montenegro (82%). The trainers' quality and eligibility is the most important

decision factor for the selection of programmes for learning and training where approximately 95% of all enterprises from the sample answered that it is important, while the least important are location and certificate provision.

All SMEs (100%) that responded to the question from Serbia specify that the duration of the programme, the development of relevant competencies applicable in work environment and the applied methodology, the price and the trainers' quality and eligibility are important to make the decision.

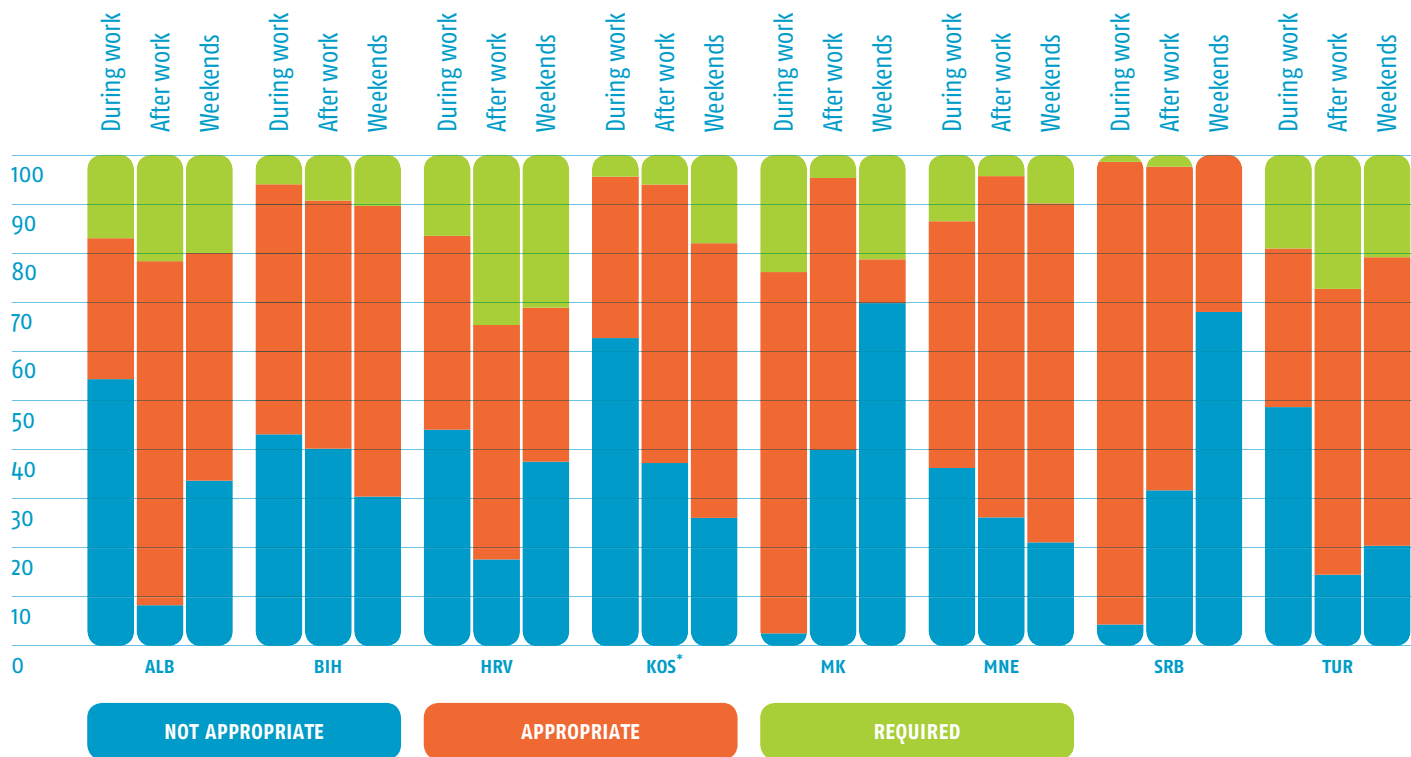


Figure 32: Timing for conducting HR development programmes (in percentages)

There are significant differences amongst the observed countries related to the most suitable timing for conducting the training, education and skill improvement programmes. Macedonian** and Serbian enterprises think that the most suitable timing for training of the employees is during work hours, while on the other hand the majority of enterprises

from Kosovo* (approximately 63%) and Albania (54%) think that the timing during work hours is not appropriate. Over 90% of Albanian enterprises think that after work training is appropriate or required and about 80% of enterprises from Turkey and Montenegro think that training during weekends is appropriate or required.

The figure below shows the differences between countries in terms of the appropriateness of methods used for training.

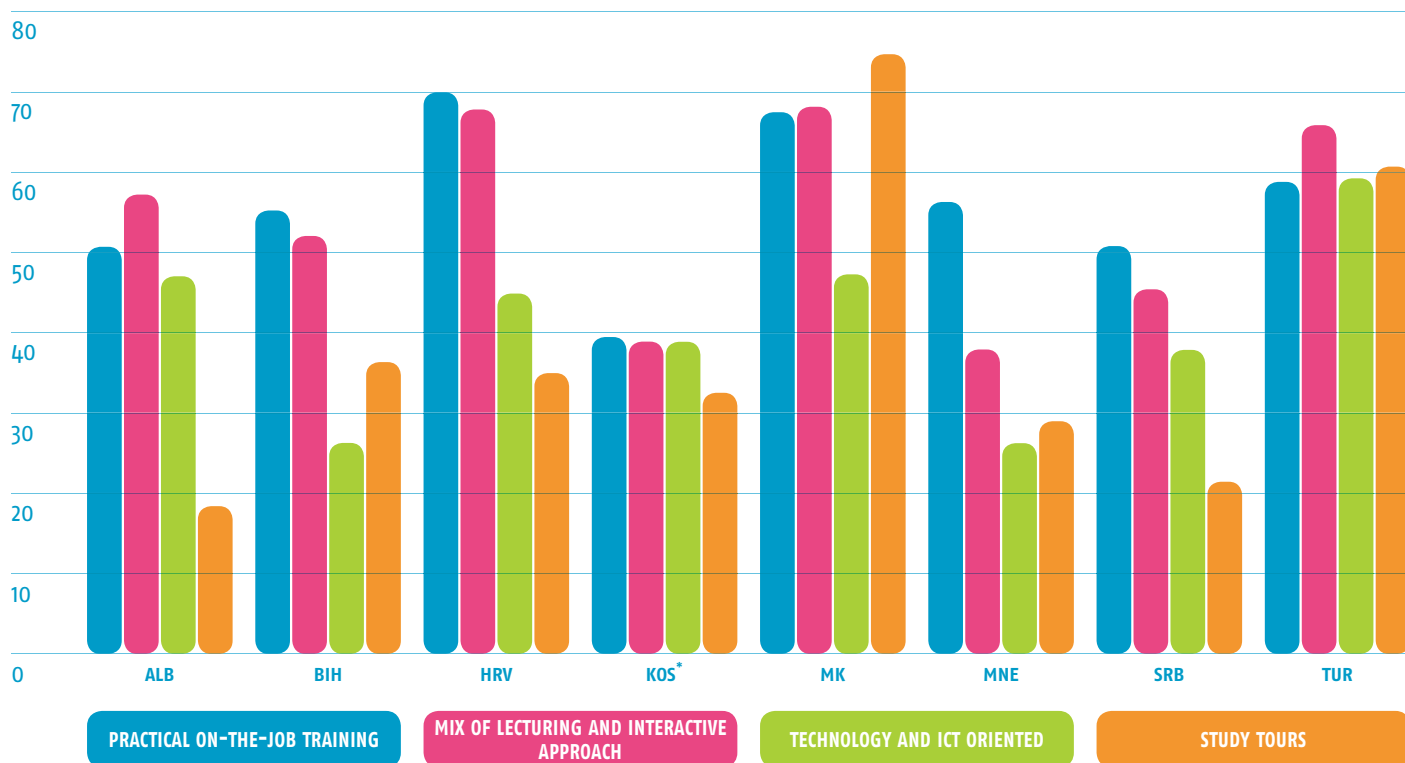


Figure 33: Methods used for conducting learning and training programmes by country (weighted averages)

Practical on-the-job training and a mix of lecturing and interactive approach are generally the most appropriate methods used for conducting the learning and training programmes, with quite a similar level of appropriateness in all countries. Technology and ICT oriented methods like using simulation, distant learning, video conference and similar, as well as different kinds of study tours may also be considered as

appropriate methods in the majority of the observed countries, although showing a generally lower level of appropriateness than the first two. Albania and Serbia prefer practical on-the-job training, a mix of lecturing and interactive approach and technology and ICT oriented methods. Macedonian** enterprises think that study tours are the most appropriate method and that such an approach is required for conducting the learning and training programmes. Turkey and Kosovo* equally prefer all four methods, although Turkey favours them more than Kosovo*.

3.6.

FUTURE HR AND TRAINING

The starting point of any programme planning is the identification phase. In order to better support policy makers and SMEs themselves in their planning for the further development of the competencies of employees, it is necessary to identify the perception

of future training from three separate viewpoints: owners, managers and employees themselves.

Figure 34: Average level of importance of functional areas that should be organized in future by country (weighted averages)



The average level of importance of all functional areas of the employees' development that should be organized in future is generally described as important, except in case of Croatia and Albania where it is described as less important for other employees (other than owner and managers). In general, the majority of SMEs from all countries think that development programmes are more needed for owners and managers than for all their employees. SMEs from Albania and Bosnia and Herzegovina make the biggest difference between functional areas of the employees'

development that should be organized in the future for the owner and managers and all other employees where the weighted averages differ by 20 points. On the other hand, SMEs from Serbia generally do not favour any of the employee categories.

More detailed insight of each functional area by each observed country will be presented in the following three tables.

Table 11: Importance of functional areas that should be organised for owners by country

OWNER	ALB	BIH	HRV	KOS*	MK	MNE	SRB	TUR
Organisation and management	83.9	69.3	59.9	77.2	64.1	59.9	64.6	85.6
Finance, accounting and controlling	65.8	68.5	59.6	73.6	73.2	62.3	68.8	84.3
Services and maintaining oriented towards customer	79.9	70.4	63.1	83.0	58.6	63.2	73.9	85.7
Leading and motivating	81.7	79.3	63.0	80.4	68.2	59.2	66.7	84.4
Conflict and problem solving	77.0	72.2	54.3	73.2	66.0	58.8	69.7	83.0
Following national legislation	89.2	89.9	59.3	70.1	67.7	57.6	69.7	67.7
Following EU legislation and directives	64.2	67.0	60.3	55.2	78.0	62.8	66.7	64.7
Information knowledge and skills	69.1	70.8	60.5	69.9	70.9	62.8	66.7	82.1
Presentational skills	61.3	63.4	56.0	68.9	70.0	60.6	73.3	77.6
Mathematical- numerical knowledge and skills	41.3	54.4	41.3	59.6	60.4	55.5	66.7	72.0
Written/oral communication in the mother tongue	48.8	63.3	51.5	68.8	73.0	60.3	66.7	71.5
Written/oral communication in a foreign language	51.7	65.4	56.8	72.2	81.2	59.7	63.9	66.5
Information and general culture	52.1	59.1	53.2	67.4	73.0	62.4	62.5	75.0
Administrative knowledge and skills	78.6	67.5	49.9	67.1	69.4	59.9	73.3	84.5
Average	67.5	68.6	56.3	70.5	69.6	60.3	68.1	77.5

The most pronounced learning and training area that should be organised for owners in the near future relates to following national legislation (Albania and Bosnia and Herzegovina) and services and maintaining oriented towards the customer (Croatia, Kosovo*, Montenegro, Serbia and Turkey). Macedonian** SMEs think that owners should primarily attend learning and training programmes for written and oral communication in a foreign language. More or less all of the mentioned functional areas may be considered important in average, and without significant differences in the standard deviations of weighted average scores by the countries. The lowest importance for owners is placed

on learning and training areas related to: mathematical and numerical knowledge and skills (Albania, Bosnia and Herzegovina, Croatia, Macedonia**, Montenegro), following EU legislation and directives (Kosovo* and Turkey) and information and general culture (Serbia).

After the analysis of the importance of functional areas that should be organized in future for the owner, the next step is to analyse the same thing for managers of SMEs from the sample, as shown in the table below.

Table 12: Importance of functional areas that should be organised for managers by country

MANAGERS	ALB	BIH	HRV	KOS*	MK	MNE	SRB	TUR
Organisation and management	77.7	75.2	63.9	82.7	68.5	60.8	66.7	88.7
Finance, accounting and controlling	68.9	75.9	58.8	76.0	63.7	63.9	67.6	85.0
Services and maintaining oriented towards customer	69.2	75.9	62.4	85.1	68.0	62.9	67.4	86.0
Leading and motivating	71.8	79.7	65.2	82.7	75.1	62.8	68.5	86.4
Conflict and problem solving	74.0	73.5	58.9	76.0	82.8	62.5	67.6	87.8
Following national legislation	83.3	78.8	59.0	70.7	68.8	61.9	66.7	74.2
Following EU legislation and directives	59.4	68.6	59.7	58.1	62.6	62.9	65.8	72.8
Information knowledge and skills	60.0	72.2	61.5	71.6	56.1	63.9	64.8	84.1
Presentational skills	60.8	69.4	59.2	73.7	37.0	64.9	68.6	82.3
Mathematical- numerical knowledge and skills	43.0	59.3	47.0	63.0	51.9	64.8	50.0	77.3
Written/oral communication in the mother tongue	42.2	69.2	53.4	69.7	68.9	63.3	66.7	76.2
Written/oral communication in a foreign language	48.0	69.1	58.3	75.8	70.2	63.7	67.9	78.0
Information and general culture	47.8	60.8	54.2	71.5	69.0	61.0	66.7	81.2
Administrative knowledge and skills	48.4	73.7	50.1	74.8	71.2	62.4	66.7	88.2
Average	61.0	71.5	58.0	73.7	65.3	63.0	65.8	82.0

Relatively similar as in the case for owners, the highest importance for managers is put on the learning and training area related to leading and motivating, while the lowest relates to mathematical and numerical knowledge and skills. Turkey has the highest need for further learning and training programmes for their managers, particularly in the areas of organisation and management, administrative knowledge and skills and conflict and problem solving. Similarly for owners, the most pronounced training, education and skill improvement area that should be organised for managers in the near future in Albania relates to following national legislation, while enterprises from Kosovo* think that managers should primarily attend training programmes related to services and skills oriented towards the customer. The lowest importance is associated to presentational skills in Macedonia**, followed by written/oral communication in the mother tongue in Albania; while Croatian and Serbian managers should least focus on developing mathematical and numerical knowledge and skills. It has to be noted that relatively small differences between importance

scores of these five functional areas of the manager's development in a specific country imply that none of it may be considered as the most important and that the results are mainly driven by the sample characteristics, i.e. standard errors. Compared to functional areas of the owner's development that have the highest importance, it can be noted that in none of the observed eight countries following EU legislation and directives is not considered the most important. These results are relatively unexpected as in the majority of SMEs from the sample the owner is at the same time manager, as was often reported in the General enterprise and employee sample information and business trends part.

As was already mentioned, the majority of SMEs think that other employees have a lower need for learning and training programmes than owners and managers. More details of each functional area that should be organized in future for employees by countries are presented in the following table.

Table 13: Importance of functional areas that should be organised for employees by country

OTHER EMPLOYEES	ALB	BIH	HRV	KOS*	MK	MNE	SRB	TUR
Organisation and management	46.0	41.2	37.1	43.9	59.7	48.1	66.7	72.9
Finance, accounting and controlling	15.0	44.6	39.2	38.2	60.9	52.1	64.3	70.7
Services and maintaining oriented towards customer	57.6	62.3	58.8	74.7	69.6	56.1	69.2	83.8
Leading and motivating	59.0	60.2	44.8	65.4	34.9	50.3	66.7	74.3
Conflict and problem solving	65.3	60.6	49.7	61.9	31.8	49.7	66.7	82.3
Following national legislation	53.6	50.9	42.8	55.3	57.5	56.0	68.9	56.5

OTHER EMPLOYEES	ALB	BIH	HRV	KOS*	MK	MNE	SRB	TUR
Following EU legislation and directives	20.7	42.0	40.8	42.8	68.2	53.9	65.0	54.9
Information knowledge and skills	64.2	58.1	58.9	63.5	62.8	51.9	66.7	83.1
Presentational skills	63.4	44.9	48.7	71.8	57.7	58.8	66.7	74.9
Mathematical- numerical knowledge and skills	25.3	46.1	39.3	57.7	59.7	59.2	66.7	69.6
Written/oral communication in the mother tongue	25.9	51.5	51.0	70.6	89.1	50.4	69.4	71.9
Written/oral communication in a foreign language	21.3	42.9	48.3	64.2	68.6	52.4	66.7	59.3
Information and general culture	25.9	44.4	51.9	63.4	64.3	49.6	73.3	72.9
Administrative knowledge and skills	15.6	50.8	44.9	54.3	74.6	49.0	68.6	71.6
Average	39.9	50.0	46.9	59.1	61.4	52.7	67.5	71.4

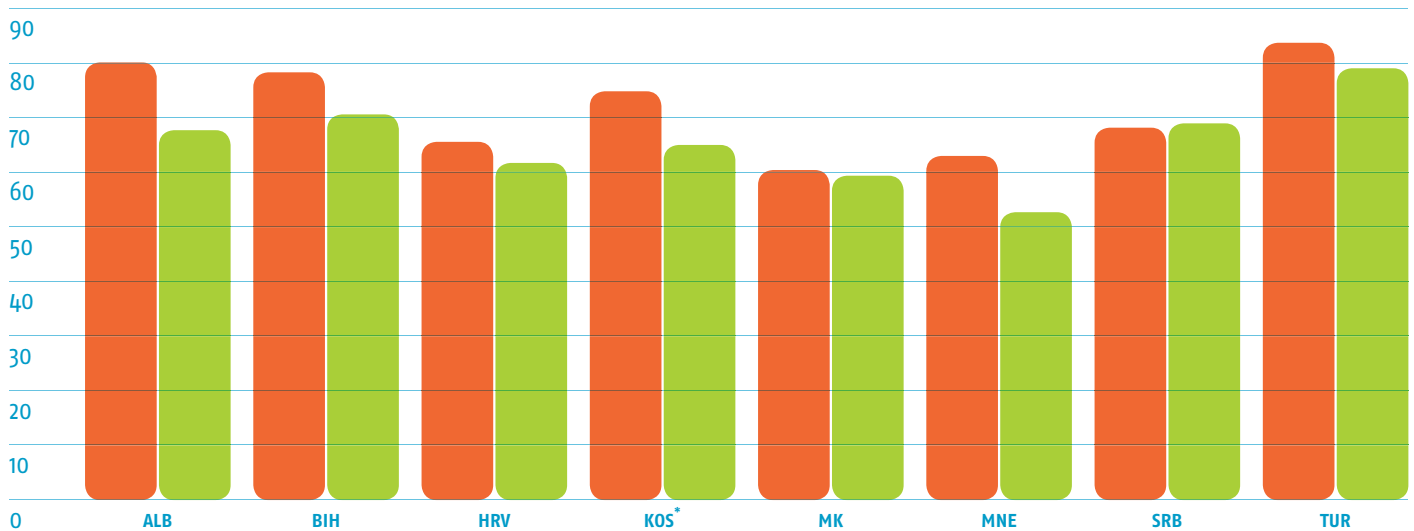
The highest average importance of all countries is associated to services and customer service (Bosnia and Herzegovina, Kosovo*, Turkey), while the lowest importance deals with finance, accounting and controlling (Albania, Kosovo*, Serbia). In Macedonia** written and oral communication in the mother tongue is the most important area of learning and training for employees, which is followed by administrative knowledge and skills. In Turkey, the areas of importance are services and customer service, followed by information knowledge and skills and conflict and problem solving. In Serbia, the highest importance relates to information and general culture, while in Croatia it is information knowledge and skills and services and customer service. In Montenegro highest ranked in importance are mathematical and numerical knowledge and skills and presentational skills. The lowest importance for other employees' development is re-

corded in Albania and relates to finance, accounting and controlling and administrative knowledge and skills.

To summarize results from the analyses of functional areas of the employees' development that should be organized in future it can be emphasised that SMEs from all of the observed eight countries definitely think that their employees, regardless of their position in the firm, should make additional efforts to further develop their competences. This is particularly very important in terms of future economic integration and accession to the EU open market.

For efficient planning and development of policies, aside from the individual, it is necessary to monitor the organizational development of SMEs. As perceived by the managers and employees of the interviewed SMEs, the organization characteristics of SMEs that necessitate further development are explained further below.

Figure 35: Average perception level of importance of organisational characteristics by employee type and by country (weighted averages)



It can be concluded that managers take precedence over employees in terms of future, but the difference is not as high as in case of functional areas of the employees' development that should be organized in future. The improvement of all these organisational characteristics by all countries may be described as at least desirable, while in some cases (AL and BIH managers and TUR both managers and other employees) they can be described as almost necessary. The highest importance of organisational characteristics that are necessary to be improved in the future by countries relates to Turkey, while the

lowest one relates to Macedonian** managers and other employees in Montenegro. A more detailed insight of each organisational characteristic by each observed country from the managers' perspective will be presented in the following table.

MANAGERS	ALB	BIH	HRV	KOS*	MK	MNE	SRB	TUR
Consensus on the need for the improvement	71.3	69.3	59.1	70.8	63.0	60.8	69.1	84.4
Openness for innovations	88.2	75.4	65.1	74.1	59.7	63.9	68.5	80.9
Individual creativity	63.8	81.5	66.6	77.4	53.9	62.9	68.9	83.4
Responsibility for innovations introduction	81.8	77.3	61.9	72.7	58.6	62.8	69.5	80.2
Readiness to the risk taking	81.8	79.0	65.8	72.1	70.9	62.5	68.8	84.5
Loyalty to the company during the process of changes	78.2	87.8	67.7	83.6	62.7	61.9	66.7	85.3
Problem solving approach	86.8	82.7	71.7	80.3	75.5	62.9	67.5	87.7
Result-oriented attitude	79.6	82.7	72.8	81.8	63.7	63.9	70.3	87.3
Increased efficiency	84.2	86.7	76.8	81.4	70.1	64.9	71.8	90.1
Personal improvement	85.8	77.8	64.3	84.4	62.1	64.8	72.1	84.4
Overall organizational structure	80.3	75.7	62.2	73.8	58.9	63.3	63.6	82.1
New standards in business operations	83.4	79.0	63.8	70.8	45.7	63.7	67.6	83.3
Openness towards cultural differences	76.8	66.0	54.6	63.6	35.5	61.0	63.0	77.5
New regulations	79.4	75.0	65.4	60.6	65.3	62.4	66.7	80.5
Average	80.1	78.3	65.6	74.8	60.4	63.0	68.2	83.7

Table 14: Importance of organisational characteristics that should be improved in future for managers

In average, all of the organisational characteristics that should be improved in future for managers may be considered as desirable. The same conclusion can be drawn from analysing the average importance score of all organisational characteristics by countries, except in the case of Turkey where it may be considered even necessary. Going into more details, it can be seen that the most pronounced characteristic that should be improved in the near future relates to increased efficiency in Turkey and it is described as necessary. This characteristic is followed by openness for innovations in Albania and loyalty to the

company during the process of changes in Bosnia and Herzegovina. The highest rated organisational characteristic in Croatia and Montenegro is increased efficiency, while in Kosovo* and Serbia this is personal improvement and in Macedonia** the problem solving approach. The overall lowest importance is associated with openness towards cultural differences in the company and with business partners in Macedonia**, but is also the lowest in all other countries. Generally, the highest importance for managers is put on increased efficiency, while the lowest relates to openness towards cultural differences in the company and with business partners. It should be noted that there is a relatively low level of disagreement and also a very low level of deviations

in the importance of organisational characteristics amongst managers in all countries.

After the detailed elaboration of organisational characteristics that should be improved in future for managers, the next task is to do the same for all other employees as shown in the table below.

Generally, the highest importance for other employees is put on increased efficiency, while the lowest relates to openness towards cultural differences in the company and with business partners, exactly the same as in the case of managers. In average, all organisational characteristics that should be im-

proved in future for other employees may be considered as desirable, and the average importance score by countries shows the same. The most pronounced characteristic that should be improved in the near future relates to result oriented attitude in Albania which is described as necessary. This characteristic is followed by increased efficiency in Turkey and Bosnia and Herzegovina. The highest rated organisational characteristic in Kosovo* and Montenegro is personal improvement, in Croatia increased efficiency, in Serbia overall organizational structure and in Macedonia** these are a consensus on the need for the improvement, openness for innovations and responsibility for innovations introduction, which are all equally rated.

Table 15: Importance of organisational characteristics that should be improved in future for managers

OTHER EMPLOYEES	ALB	BIH	HRV	KOS*	MK	MNE	SRB	TUR
Consensus on the need for the improvement	72.1	54.5	58.6	65.1	66.7	48.1	66.7	83.0
Openness for innovations	78.1	64.8	60.4	62.1	66.7	52.1	67.8	76.4
Individual creativity	68.2	75.4	66.2	71.4	59.3	56.1	66.7	82.9
Responsibility for innovations introduction	59.9	71.3	57.3	55.5	66.7	50.3	63.0	76.7
Readiness to the risk taking	44.1	65.6	56.6	51.9	63.9	49.7	66.7	73.7
Loyalty to the company during the process of changes	76.0	83.0	70.5	78.4	57.4	56.0	69.3	83.8
Problem solving approach	60.3	78.0	70.6	70.7	57.7	53.9	66.7	84.7
Result-oriented attitude	89.2	77.4	71.3	73.4	48.8	51.9	68.8	83.8
Increased efficiency	79.1	84.9	74.8	75.3	60.8	58.8	69.6	87.2
Personal improvement	78.9	75.9	61.3	80.4	56.5	59.2	72.0	83.4
Overall organizational structure	57.0	69.0	51.9	60.7	52.7	50.4	83.3	74.8
New standards in business operations	57.7	68.5	57.2	58.8	61.5	52.4	70.4	71.0
Openness towards cultural differences	58.6	57.5	51.2	56.6	49.3	49.6	68.9	72.4
New regulations	68.2	62.2	56.0	49.5	63.0	49.0	65.4	72.5
Average	67.7	70.6	61.7	65.0	59.4	52.7	68.9	79.0

CONCLUDING REMARKS

**&
STEPS
FORWARD**

“Linking entrepreneurship to economic growth also means linking the individual level to the firm and macro levels”³⁹. Looking from this perspective, learning and training has to be seen as a vehicle first and foremost tasked with enhancing SMEs performance in order to ensure a competitive future. Therefore, learning and training is an essential tool for developing employees and their respective enterprises.

Our analysis has been carried out for the first time in 2012 as a regional activity with the following objectives:

- develop a comprehensive TNA instrument
- pilot the instrument on an equal basis in all SEECEL member states
- support national evidence based policy making
- further develop the instrument.

Our analysis has identified and confirmed that in the field of learning and training programs there are similar needs of SMEs amongst the countries (e.g. regarding the development of employees, the future implementation of learning and training programmes) despite the noticeable differences in some of the survey areas from the surveyed SMEs, particularly in terms of their size. Generally speaking, there is sufficient room for further development, particularly in the field of cooperation with training

providers and in terms of the awareness of the possibilities and availabilities of using state support to participate in learning and training programmes.

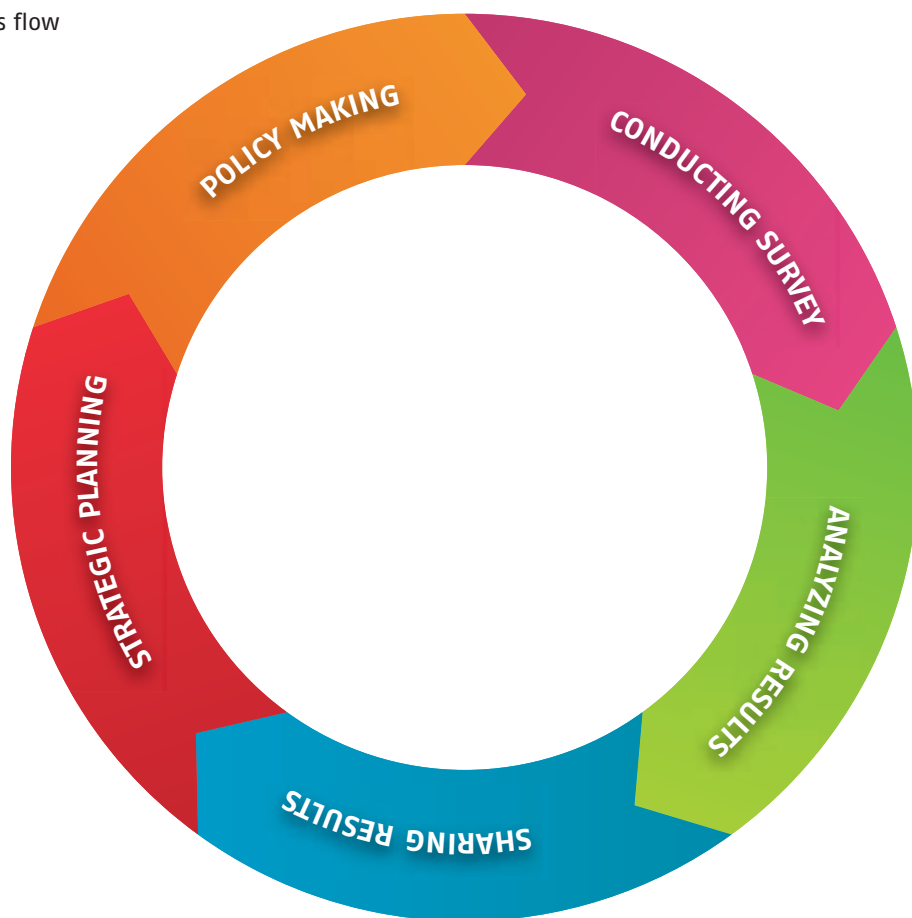
According to all parties included, it can be concluded that the first regional TNA was useful and well received, providing great insight into the existing SME structure in each country involved, enhancing cooperation and communication with them, promoting the benefits of TNA instruments and helping to build in the voice of SMEs in terms of their training and learning requirements. Having in mind all the obstacles encountered in conducting the analysis itself, the regional TNA survey has also provided a great opportunity to learn from experiences in order to improve the process in the future. Therefore, it is highly important to continue the whole process in the following years with improved knowledge and building on:

- the population characteristics,
- the SME's unwillingness to participate in the TNA,
- best timing for the survey,
- best means to deploy the survey,
- additional benefits of such surveys which can contribute to contribute to the EU 2020 Strategy and SEE 2020 Strategy goals and objectives.

This has to be done with a strong promotion of the benefits of such surveys, meaning that SMEs must be aware that their gaps in educational and skilling structure can be filled by participation in and the development of the TNA survey. The whole process has to be constructed as a continuous periodical (desirably annual) cycle, as explained in the figure below.

³⁹ Caree, M. A., Thurik, A. R., 2011: The Impact of Entrepreneurship on Economic Growth, in: ed.: Acs, Z. J., Audretsch, D. B.: Handbook of Entrepreneurship Research, Springer (p. 586)

Figure 36: TNA process flow

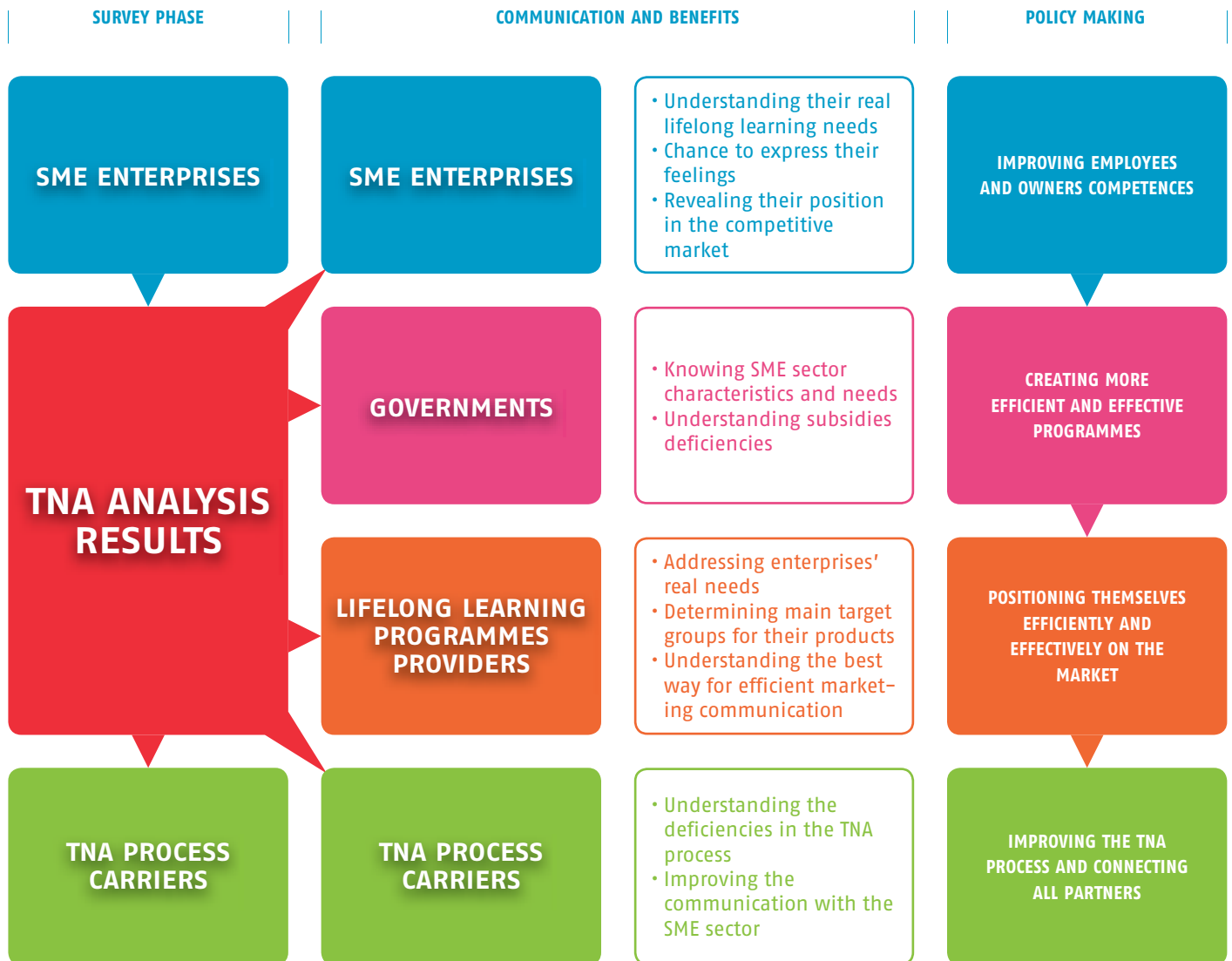


After the implementation of the questionnaire, the main TNA partners analyze the results and identify the main gaps in the process. This phase should be followed by a short report in order to share the results with all partners included in the process by giving them an insight into the key areas of their business that may be improved. Each partner should take these TNA results and recommendations into

account and include them in their respective annual strategic planning. After that, concrete policy measures should be introduced. The measurement of efficiency and effectiveness of implemented policy measures will be evaluated and conducted through the following periodical TNA process.

More details on the TNA process, gained benefits and policy measures are shown on the following chart.

Figure 37: Detailed annual TNA process as it should be constructed

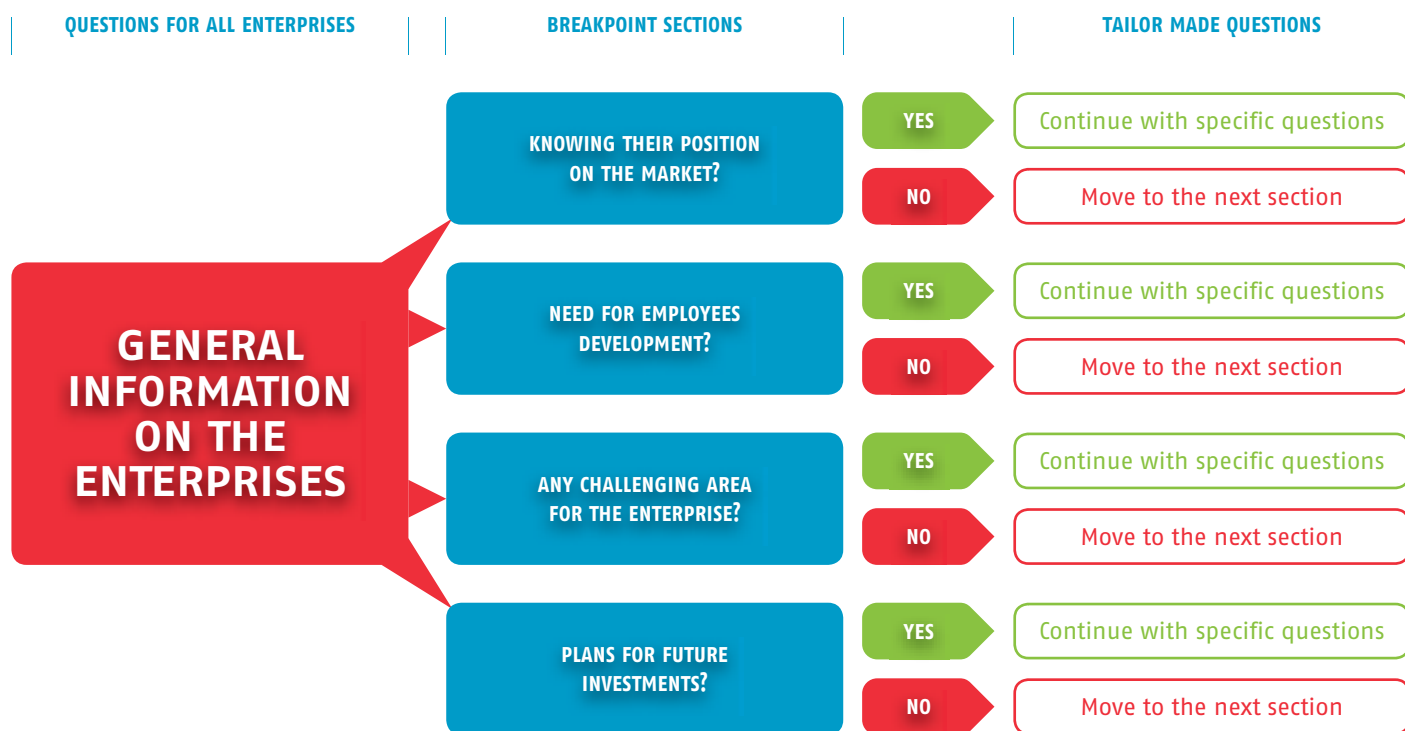


One very important issue related to the quality of the process is the total number of responses. Although in the TNA 2012 there was envisaged that a total 300 fully filled questionnaires would be delivered by each country, some countries could not collect so many responses and some responses used in the analyses were only partially filled. In the future regional TNA process research should definitely address this issue.

Three specific issues were encountered: timing of the survey, the survey method related to the methodology for conducting the survey and capacities for the training need system. Some countries faced severe problems due to the timing of the survey. In the future, the best possible timing for conducting the survey should be taken into account, particularly with the specifics of each involved country. Although the method for conducting the survey is and should be assumed to be based on e-questionnaires, some SMEs from the chosen sample were and are not actively involved in doing business via the internet or are not familiar with using internet as a distribution

channel. Nevertheless, it is highly recommended to continue performing exactly the same method for conducting the survey through the internet, as this really ensures uniformity of the received data. This method also holds within itself a hidden mechanism for training the enterprises in terms of their IT literacy which helps them in everyday business. It also has to be stressed that without proper level of IT literacy the SME sector in SEECEL countries would not be able to compete with their international (EU SME sector) counterparts, or attract investors. A further benefit of e-questionnaires is that they can be tailored in order to ease the actual survey process. The best way to design the TNA questionnaire (if performed through the internet) is to build dynamic blocks on the specific topics, i.e. sections. This means that each enterprise would answer a specific YES/NO question in order to proceed with the specific questions within a section or would stop answering that section and move on to the next one. The basic idea of such a questionnaire is summarized in the following figure.

Figure 38: Dynamically designed TNA questionnaire



The general information on the enterprises is a starting point that should be constructed as simple as possible and after that follows through several break point sections. This means that each section would be dynamically constructed in order to fit as best as possible with the needs of the SMEs. Sections that do not apply to a certain enterprise would be simply skipped. This would significantly simplify the questionnaire and speed up the whole process. Furthermore, a questionnaire designed in this way would not impose the need for the elimination of some questions (which were too complex in some cases for somebody whom it may not even concern), since it would automatically filter questions based on breakpoint section answers. It would also provide specific answers to the questions like: „Do you plan to invest in lifelong learning programs at all? “, „Do you consider educational background as an important indicator?“, „Have you ever been included in some government subsidy programs?“, etc. Unfortunately, answers to these quite specific questions were not so clearly expressed in the present questionnaire, but will be improved upon for the second regional TNA.

The survey data itself should be stored on a database server in order to be available for different queries and complex relationship blocks building. It would be desirable to create an application for conducting such a survey that would be the same for all countries, with a built-in option for differ-

ent languages. The application would not only ease the data collection, but would also impose logical restrictions and provide possibilities to implement specific data logic controls. This would decrease inconsistencies in data and provide an easier and more relevant analysis.

It can be concluded that the whole regional TNA process in 2012 was sufficiently constructed, especially having in mind that this project was at a pilot stage. The regional TNA still has a great deal of possibilities for further improvement. As many as possible will be taken into account in the next period of programming activities, depending on the budget possibilities and subsequent costs of their implementation. The main issue to be addressed in the next years is the evolution of the process in order to create links between actual needs of the SMEs in SEE and Turkey, governmental possibilities and strategic plans of economic development and supply of providers of lifelong learning programs. It is extremely encouraging to see that despite the differences between the countries, the greater percentage of regional SMEs understands the importance of continuous training to facilitate sustainable growth and long-term competitiveness. Given the right tools and channels to express their own needs, regional SMEs will have an excellent chance to push forward in the global market. It is up to policy makers and stakeholders to develop the tools necessary to give the SMEs a voice of their own.

INDEXES

5.

INDEX OF TABLES

Table 1: Key facts for TNA.....	16
Table 2: Professional/occupational structure of sample by gender.....	34
Table 3: Structure of revenues according to markets.....	39
Table 4: Importance of each challenge area SMEs are facing – by country.....	42
Table 5: Reasons for organizing learning and training activities.....	46
Table 6: Days spent on training programmes by country and types of profession.....	54
Table 7: Usefulness of training areas performed within the SMEs by country.....	57
Table 8: Perceived organisational benefits acquired through training programs by countries.....	60
Table 9: Cooperation with training providers (weighted averages).....	62
Table 10: Percentage of important decision factors for learning and training programmes.....	63
Table 11: Importance of functional areas that should be organised for owners by country.....	67
Table 12: Importance of functional areas that should be organised for managers by country.....	68
Table 13: Importance of functional areas that should be organised for employees by country.....	69
Table 14: Importance of organisational characteristics that should be improved in future for managers.....	72
Table 15: Importance of organisational characteristics that should be improved in future for managers.....	73

6.

INDEX OF FIGURES

Figure 1: Sample dispersion by countries and size of SME's	28
Figure 2: SME gender-based structure	28
Figure 3: The completion rate of the survey according to NACE sectors and enterprise size.....	29
Figure 4: The completion rate of the survey according to country and industry	30
Figure 5: Demographic structure of enterprise employees by SME size.....	31
Figure 6: Educational structure of sample by countries.....	32
Figure 7: Percentage of enterprises where the owner of the business is the at the same time the general manager by enterprise size ...	35
Figure 8: Percentage structure of total revenue trends in the last three years	36
Figure 9: Percentage structure of number of employees' trends in the last three years	37
Figure 10: Percentage structure of export trends in the last three years	38
Figure 11: Percentage structure of the amount of import trends in the last three years	38
Figure 12: Average, minimum and maximum importance of challenge areas enterprises are facing (weighted averages) by	40
Figure 13: Challenge area average, minimum and maximum – by SME size	41
Figure 14: Organization of training within the company (in percentages).....	45
Figure 15: Responsible for human resources and training activities within the company (in percentages)	45
Figure 16: Existence of annually reserved budget for training investments by country (in percentages).....	47
Figure 17: Existence of annually reserved budget for training investments by SME size	48
Figure 18: Sources of funding for HR development (in percentages)	48
Figure 19: Usage of governmental subsidies in the form of total financing (in percentages)	49
Figure 20: Usage of governmental subsidies in the form of co-financing (in percentages).....	50
Figure 21: Usage of governmental subsidies in the form of tax incentives (in percentages).....	50
Figure 22: Investments trends for HR development (in percentages)	51

Figure 23: Sources for finding information about available trainings (in percentages).....	53
Figure 24: Structure of days spent on training programmes (in percentages).....	55
Figure 30: Organisational benefits contributes to competitiveness by SME size	59
Figure 31: Organisational benefits by country.....	60
Figure 32: Timing for conducting HR development programmes (in percentages)	64
Figure 33: Methods used for conducting learning and training programmes by country (weighted averages).....	65
Figure 34: Average level of importance of functional areas that should be organized in future by country (weighted averages)	66
Figure 35: Average perception level of importance of organisational characteristics by employee type and by country (weighted averages)....	71
Figure 36: TNA process flow	76
Figure 37: Detailed annual TNA process as it should be constructed.....	77
Figure 38: Dynamically designed TNA questionnaire.....	79
Figure 39: Number of enterprises with unknown sectorial affiliation and their proportion in the overall country sample	107
Figure 40: Percentage of enterprises with consistent employees' data.....	108
Figure 41: Percentage of enterprises with consistent revenue data	108
Figure 42: Usefulness of training areas performed within the company by country – 1/5 (weighted averages).....	109
Figure 43: Usefulness of training areas performed within the company by country – 2/5 (weighted averages)	110
Figure 44: Usefulness of training areas performed within the company by country – 3/5 (weighted averages)	111
Figure 45: Usefulness of training areas performed within the company by country – 4/5 (weighted averages)	112
Figure 46: Usefulness of training areas performed within the company by country – 5/5 (weighted averages)	113

7.1. ANNEX 1

LIST OF SEECAL STEERING COMMITTEE MEMBERS

SEECAL STEERING COMMITTEE		
COUNTRY	NAME AND SURNAME	INSTITUTION*
Chair	Mr Gordan Maras	Ministry of Entrepreneurship and Crafts of the Republic of Croatia
Deputy Chair	Ms Dijana Bezjak	Ministry of Entrepreneurship and Crafts of the Republic of Croatia
Albania	Ms Tefta Demeti	Ministry of Economy, Trade and Energy
Albania	Ms Mirela Andoni	Institute for Education Development
Bosnia and Herzegovina	Mr Dragan Milović	Ministry of Foreign Trade and Economic Relations
Bosnia and Herzegovina	Ms Vesna Puratić	Ministry of Civil Affairs
Croatia	Ms Dragica Karaić	Ministry of Entrepreneurship and Crafts
Croatia	Ms Željka Mrkša	Ministry of Entrepreneurship and Crafts
Kosovo*	Mr Granit Berisha	SME Agency
Kosovo*	Ms Valbona Fetiu-Mjeku	Ministry of Education, Science and Technology
Macedonia**	Mr Imerali Baftijari	Ministry of Economy
Macedonia**	Mr Igor Nikoloski	Ministry of Education and Science
Montenegro	Ms Marija Iličković	Directorate for SME Development
Montenegro	Ms Biljana Mišković	Ministry of Education and Sports
Serbia	Ms Katarina Obradović Jovanović	Ministry of Finance and Economy
Serbia	Mr Radovan Živković	Ministry of Education, Science and Technological Development
Turkey	Mr Ibrahim Bukel	Ministry of National Education
Turkey	Ms Necla Haliloglu	KOSGEB, SME Directorate
European Commission	Mr Marko Curavić	DG Enterprise and Industry
European Commission	Mr Bo Caperman	DG Enlargement
Non-voting members		
Croatian Chamber of Economy		
European Training Foundation		
Regional Cooperation Council		
Organisation for Economic Cooperation and Development		

7.2. ANNEX 2

LIST OF DANET MEMBERS

DANET MEMBERS		
COUNTRY	NAME AND SURNAME	INSTITUTION
Albania	Eneida Guria	Albanian Investment Development Agency
Albania	Gjergji Gjika	The Chamber of Facon of Albania
Bosnia and Herzegovina	Zdravko Miović	Development Agency Eda
Bosnia and Herzegovina	Nerka Jugo Ahmić	Freelance Trainer and Business Consultant
Croatia	Vesna Štefica	Croatian Chamber of Economy
Kosovo*	Berat Rukiqi	Kosovo Chamber of Commerce
Kosovo*	Ejup Qerimi	IPKO
Macedonia**	Imerali Baftijari	Ministry of Economy
Macedonia**	Igor Nikoloski	Ministry of Education and Science
Macedonia**	Jadranka Arizankovska	Economic Chamber of Macedonia
Montenegro	Ana Maraš	Montenegrin Employers Federation
Montenegro	Vladimir Čurović	Montenegrin Employers Federation
Serbia	Biljana Dimitrijević	Serbian Chamber of Commerce and Industry
Serbia	Vladimir Ivanković	Centre for Human Resource Development and Management
Turkey	Ayşegül Çelik	KOSGEB
Turkey	Omer Pak	KOSGEB

7.3. ANNEX 3

POLICY INDEX

SBA POLICY INDEX – PRINCIPLE 8

PROMOTE THE UPGRADING OF SKILLS AND ALL FORMS OF INNOVATION

8.1. ENTERPRISE SKILLS

	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	LEVEL 5
8.1.1. Training needs analysis (TNA)	<p>Small business TNA does not exist or is based on „ad hoc surveys only.</p> <p>There is no regular and systematic collection of data on the training needs or training consumption in the small business community.</p>	<p>Government, social partners and business community are in dialogue with view to establishing a systematic TNA framework for the small business community.</p>	<p>A national TNA framework has been agreed between government, social partners, and business community with particular reference to economic growth sectors.</p> <p>The TNA framework identifies a) skill weaknesses in the workforce, b) skill gaps and c) future skill requirements.</p> <p>Standard data collection instruments and a data management system are in place as part of a wider national economic development plan.</p>	<p>TNA as defined by a life-long EL policy are undertaken in at least 20% of small businesses in growth sectors and reported publicly on a recognised website for access by enterprises, training providers and policy makers.</p>	<p>Annual TNA is undertaken in at least 40% of small businesses in growth sectors and available publicly on a recognised website for access by enterprises, training providers and policy makers.</p>

7.4. ANNEX 4

TNA QUESTIONNAIRE

GENERAL INFORMATION

Please enter your company data in empty fields

Registration or Identification number

Company name

Address

Postal number

City/County

NACE Sector/Code (Main activity)

Telephone

Fax

Email

Web

Year of establishment

ENTERPRISE INFORMATION

1. WHAT IS THE SIZE OF THE ENTERPRISE?

Please choose the correct number of employees

1-9

10-49

50-250

2. WHAT IS THE DEMOGRAPHIC RANGE OF ENTERPRISE EMPLOYEES?

Please enter the number of employees for each gender

years	men	women
Up to 16	<input type="text"/>	<input type="text"/>
17 to 24	<input type="text"/>	<input type="text"/>
25 to 49	<input type="text"/>	<input type="text"/>
50 to 64	<input type="text"/>	<input type="text"/>
65 and more	<input type="text"/>	<input type="text"/>
Total	<input type="text"/>	<input type="text"/>

3. EDUCATIONAL BACKGROUND OF EMPLOYEES?

Please enter the number of employees for each group

level of education

no. of employees

No schooling or unfinished primary education

Primary school

secondary education

general

vet

University / Undergraduate studies

Postgraduate studies

1. IS THE OWNER OF THE BUSINESS ALSO THE GENERAL MANAGER?

Please choose the correct answer

Yes

No

5. WHAT IS THE NUMBER OF EMPLOYEES IN THE FOLLOWING PROFESSIONS/OCCUPATIONS?⁴⁰

Please enter the correct number of employees for each gender

profession/occupation	men	women
Legislators, senior officials and managers	<input type="text"/>	<input type="text"/>
Professionals	<input type="text"/>	<input type="text"/>
Technicians and associate professionals	<input type="text"/>	<input type="text"/>
Clerks	<input type="text"/>	<input type="text"/>
Service workers and shop and market sales workers	<input type="text"/>	<input type="text"/>
Skilled agricultural and fishery workers	<input type="text"/>	<input type="text"/>
Craft and related trades workers	<input type="text"/>	<input type="text"/>
Plant and machine operators and assemblers	<input type="text"/>	<input type="text"/>
Elementary occupations	<input type="text"/>	<input type="text"/>
Total	<input type="text"/>	<input type="text"/>

⁴⁰ International Standard Classification of Occupations

http://epp.eurostat.ec.europa.eu/portal/page/portal/income_social_inclusion_living_conditions/documents/tab/Tab/ISCO.pdf

6. WHAT HAVE BEEN THE BUSINESS TRENDS IN YOUR COMPANY IN LAST THREE YEARS?

Please mark the correct value for each group

	increasing	decreasing	without change	not available	not applicable
profession/occupation					
The total revenue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Number of employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The amount of export	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The amount of import	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7. WHAT IS THE RATIO OF ENTERPRISE REVENUES?

Please enter the percentage for each type of market

type	in percentage						
Domestic market share	<input type="text"/>						
Foreign market share	<table border="1"> <tr> <td><input type="text"/></td> <td><input type="text"/></td> <td><input type="text"/></td> </tr> <tr> <td>western balkan region⁴¹</td> <td>EU</td> <td>others</td> </tr> </table>	<input type="text"/>	<input type="text"/>	<input type="text"/>	western balkan region ⁴¹	EU	others
<input type="text"/>	<input type="text"/>	<input type="text"/>					
western balkan region ⁴¹	EU	others					
Total	<input type="text"/>						

⁴¹ Includes Croatia, Serbia, Bosnia and Herzegovina, Montenegro, Kosovo*, Albania, Macedonia**.

8.
PLEASE CHOOSE THE PROBLEMATIC AREAS YOU THINK YOUR ENTERPRISE
IS FACING AND FOR THOSE PUT THE LEVEL OF IMPORTANCE

Please mark the correct value for each problem area (1–lowest, 5–highest)

problem area	1	2	3	4	5
Technological changes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Innovative product/service development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Change in production or market needs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Decrease in production/service request	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increase of production costs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Poor or no marketing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Change in marketing methodology	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Access to finance and capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Need to improve quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increase of customer/consumer complaints	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Government regulations changes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increase of competition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Meeting international standards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Attitudes and working behavior of employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Shortage of skilled work force- competent and experienced employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increase of industrial accidents	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Administrative problems	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adaptation to environmental factors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Change of top management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify)	<input type="text"/>				
Please enter area.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

HUMAN RESOURCES AND TRAINING

9. HOW THE TRAINING WITHIN THE COMPANY IS ORGANISED?

Please mark the correct value

- Internally - with own trainers Outsourced Combined as per defined needs

10. WHO IN THE COMPANY IS RESPONSIBLE FOR HUMAN RESOURCES AND TRAINING ACTIVITIES?

Please mark the correct value

- Director Department or responsible HR person No such an assignment

11. IF YOU ORGANISE A TRAINING, WHAT IS THE REASON FOR IT?

Please mark the correct value for each type (1-lowest, 5-highest)

type	1	2	3	4	5
To remain in business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
To catch up with new technologies and trends	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
To expand the business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
To increase the quality of services or products	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
To improve the company image	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
To learn about new government/legal requirements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
To improve the skills of new employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

12. IS THERE AN ANNUALLY RESERVED BUDGET FOR THE TRAINING INVESTMENTS?

Please mark the correct answer

- Yes No

13. IS THERE AN ANNUALLY RESERVED BUDGET FOR THE TRAINING INVESTMENTS?

Please enter the percentage

 % of total income

14. IF YOU ORGANISE A TRAINING, WHAT IS THE REASON FOR IT?

Please mark the correct answer

Mostly enterprise itself	<input type="checkbox"/>
Mostly employees themselves	<input type="checkbox"/>
Mostly public funds ⁴²	<input type="checkbox"/>
International organisations/projects	<input type="checkbox"/>
Other (specify)	<input type="text"/>
Please enter area.	<input type="checkbox"/>

5. WHAT HAVE BEEN THE BUSINESS TRENDS IN YOUR COMPANY IN LAST THREE YEARS?

Please mark the correct answer

	yes	no	not aware of their existence
Total financing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Co-financing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tax incentives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

⁴² Use of public funds means Government subsidies such as co-finance for implementing training courses, usage of free of charge services/trainings offered by the state institutions or other public funds. Cases where not companies resources are used.

16. WHAT HAVE BEEN THE BUSINESS TRENDS IN YOUR COMPANY IN LAST THREE YEARS?

Please enter the percentage

Increased	around	<input type="text"/>	%
Remained same		<input type="text"/>	
Reduced	around	<input type="text"/>	%

17. WHERE YOU USUALLY FIND INFORMATION ABOUT AVAILABLE TRAININGS?

Please mark the correct answer

Media	<input type="checkbox"/>
Mouth to mouth advertisement	<input type="checkbox"/>
Other enterprises	<input type="checkbox"/>
Other	<input type="checkbox"/>

18. PROVIDE INFORMATION ABOUT THE DAYS SPENT ON TRAINING OR SKILLS/COMPETENCES IMPROVEMENT PROGRAMMES IN THE LAST YEAR PER EMPLOYEE?

Please mark the correct number of days for each profession/occupation

profession/occupation	no. of days			
	0	1-5	6-10	10+
Legislators, senior officials and managers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Professionals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Technicians and associate professionals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Clerks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Service workers and shop and market sales workers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Skilled agricultural and fishery workers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Craft and related trades workers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Plant and machine operators and assemblers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Elementary occupations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

19. PLEASE MARK WHICH OF THE BELOW LISTED TRAINING AREAS WERE PERFORMED IN YOUR COMPANY DURING THE LAST THREE YEARS, WHICH YOU FIND THE MOST USEFUL AND HOW MANY EMPLOYEES ATTENDED?

Please enter the data

topics	per month	per quarter	per annum	never	useful	partially useful	not useful	no. of emp.
Market trends and regulations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>
Marketing and sales	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>
Export/import related knowledge and skills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>
Financial management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>
Accounting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>
Cost management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>
Product development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>
Innovation management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>
Intellectual and industrial property rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>
E- commerce	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>
Production management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>
Operational management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>

topics	per month	per quarter	per annum	never	useful	partially useful	not useful	no. of emp.
Government incentive schemes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quality management and standards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Human resources management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Occupational health and safety	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Business plan preparation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Information technologies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Strategic planning and organization	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environment protection / standards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Efficient use of energy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Social and communication skills development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify)	<input type="text"/>							
Please enter training area.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

20. WHICH ORGANISATIONAL BENEFITS ACQUIRED THROUGH TRAINING PROGRAMMES HAVE CONTRIBUTED TO THE COMPETITIVENESS (IMPROVEMENT) OF THE ENTERPRISE?

Please mark the benefits (if necessary, choose more than one)

changes	1	2	3	4	5
Production increased	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Innovation increased (new/innovative product or services or new/innovative managerial system)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recent investment opportunities increased	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Business cooperation/partnership opportunities gained	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have fulfilled some legal requirements operating the business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recent employment opportunities increased	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
New financial opportunities increased	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In accordance with company strategies, business plans have been set up	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quality increased	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Domestic market share increased	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Foreign market share increased	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Competitiveness increased	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Management or accounting system improved	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Skill level improved	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environment consciousness increased	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Efficiency increased	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Achieved applicable information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Received useful / applicable information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify)	<input type="text"/>				
Please enter source.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

21. DO YOU CO-OPERATE WITH TRAINING PROVIDERS (FOR EXAMPLE, IN MUTUAL PROJECTS, EXCHANGE OF STAFF, TRAINING ACTIVITIES AND SIMILAR)?

Please mark the correct answer

type	never	rarely	sometimes	often	always
Public/governmental agencies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Private services providers and consulting companies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Individual consultants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Universities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Secondary educational institutions / VET providers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chambers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

22. HOW IMPORTANT ARE FOLLOWING FACTORS IN YOUR DECISION RELATED TO THE SELECTION OF PROGRAMMES FOR HR DEVELOPMENT (TRAINING, EDUCATION AND SKILL IMPROVEMENT)?

Please mark the correct answer

	important	not important
Proper timing	<input type="checkbox"/>	<input type="checkbox"/>
The duration of the programme	<input type="checkbox"/>	<input type="checkbox"/>
Development of relevant competencies applicable in work environment	<input type="checkbox"/>	<input type="checkbox"/>
Location	<input type="checkbox"/>	<input type="checkbox"/>
Applied methodology	<input type="checkbox"/>	<input type="checkbox"/>
Certificate provision	<input type="checkbox"/>	<input type="checkbox"/>
Information on training offered	<input type="checkbox"/>	<input type="checkbox"/>
Price	<input type="checkbox"/>	<input type="checkbox"/>
Trainers' quality / eligibility	<input type="checkbox"/>	<input type="checkbox"/>
The level of motivation among employees	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify)	<input type="text"/>	
Please enter factor.	<input type="checkbox"/>	<input type="checkbox"/>

23. WHAT IS THE MOST SUITABLE TIMING FOR CONDUCTING THE TRAINING, EDUCATION, AND SKILL IMPROVEMENT PROGRAMMES?

Please mark the correct answer

	not appropriate	appropriate	required
During work hours	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
After work hours	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
During weekends	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

24. WHAT ARE THE MOST APPROPRIATE METHODS USED FOR CONDUCTING THE TRAINING, EDUCATION, AND SKILL IMPROVEMENT PROGRAMMES?

Please mark the correct answer

	not appropriate	appropriate	required
Practical on-the-job training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mix of lecturing and interactive approach (discussions, case studies, examples etc)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Technology and ICT oriented (using simulation, distant learning, video conference)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Study tours	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Please enter method.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

25. WHICH FUNCTIONAL AREAS OF TRAINING, EDUCATION AND SKILL IMPROVEMENT IN THE NEAR FUTURE SHOULD BE ORGANISED FOR THE DEVELOPMENT OF BUSINESS LEADERS AND OTHER EMPLOYEES?

Please mark the correct answer

	owner				managers				others employees			
	not important	less important	important	very important	not important	less important	important	very important	not important	less important	important	very important
Organisation and management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Finance, accounting and controlling	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Services and maintaining oriented towards customer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leading and motivating	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Conflict and problem solving	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Following national legislation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Following EU legislation and directives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Information knowledge and skills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Presentational skills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mathematical-numerical knowledge and skills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Written/oral communication on mother language	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Written/oral communication on foreign language	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Information and general culture	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Administrative knowledge and skills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

26. FROM YOUR POINT OF VIEW WHICH ORGANISATIONAL CHARACTERISTICS ARE NECESSARY TO BE IMPROVED IN THE FUTURE?

Please mark the correct answer

	managers				others employees			
	not important	less important	important	very important	not at all	less important	desirable	necessary
Consensus on the need for the improvement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Openness for innovations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Individual creativity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Responsibility for innovations introduction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Readiness to the risk taking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Loyalty to the company during the process of changes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Problem solving approach	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Result oriented attitude	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increased efficiency	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Personal improvement – needed skills development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall organizational structure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
New standards in business operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Openness towards cultural differences in company and with business partners	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
New regulations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify)	<input type="text"/>							
Please enter characteristics.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

27. YOUR FURTHER SUGGESTIONS, OPINIONS AND PROPOSALS FOR THE FUTURE IMPROVEMENT OF SURVEY AND/OR QUESTIONNAIRE?

Please enter your suggestions and personal data

Name of the person in charge for the questionnaire
(please enter name)

Function/position of the person⁴³
(please enter function)

Telephone
(please enter telephone)

Email
(please enter email)

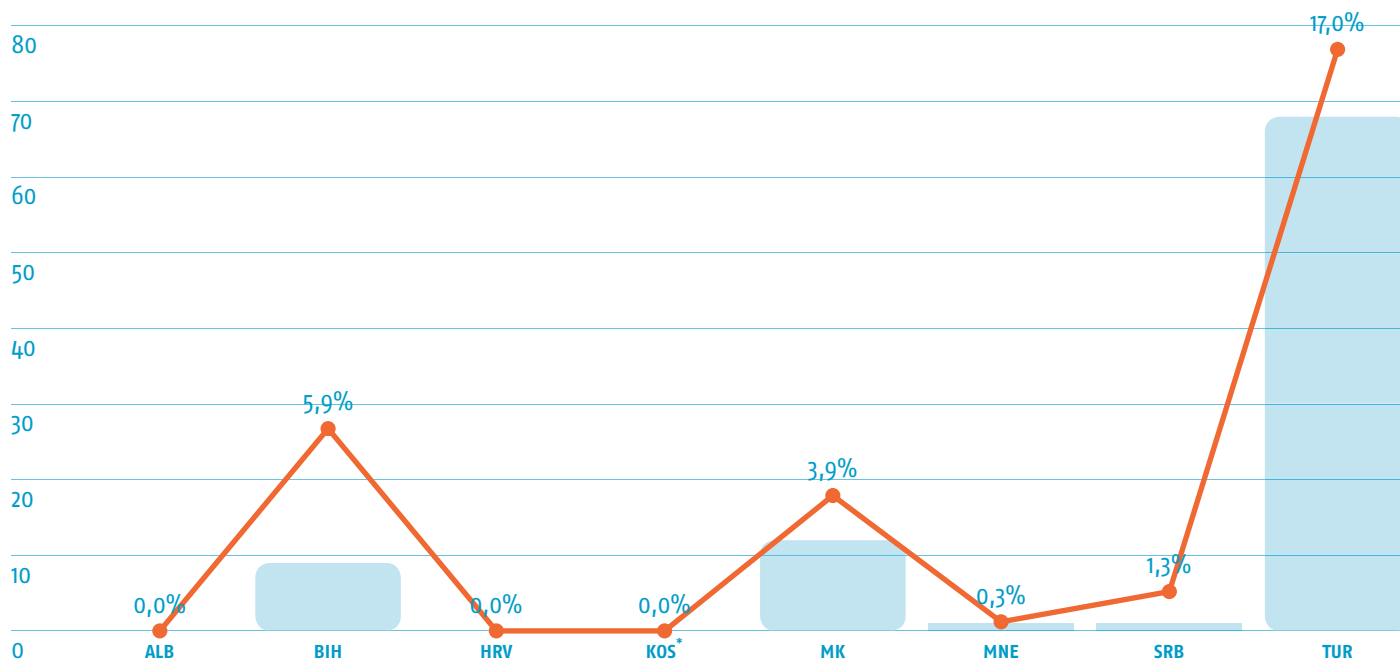
Date
(please enter date)

43 The person who answers the questionnaire should be either manager or the owner of the company

7.5. ANNEX 5

NUMBER OF ENTERPRISES WITH UNKNOWN SECTORIAL AFFILIATION AND THEIR PROPORTION IN THE OVERALL COUNTRY SAMPLE

Figure 39: Number of enterprises with unknown sectorial affiliation and their proportion in the overall country sample



7.6. ANNEX 6

PERCENTAGE OF ENTERPRISES WITH CONSISTENT DATA

Figure 40: Percentage of enterprises with consistent employees' data

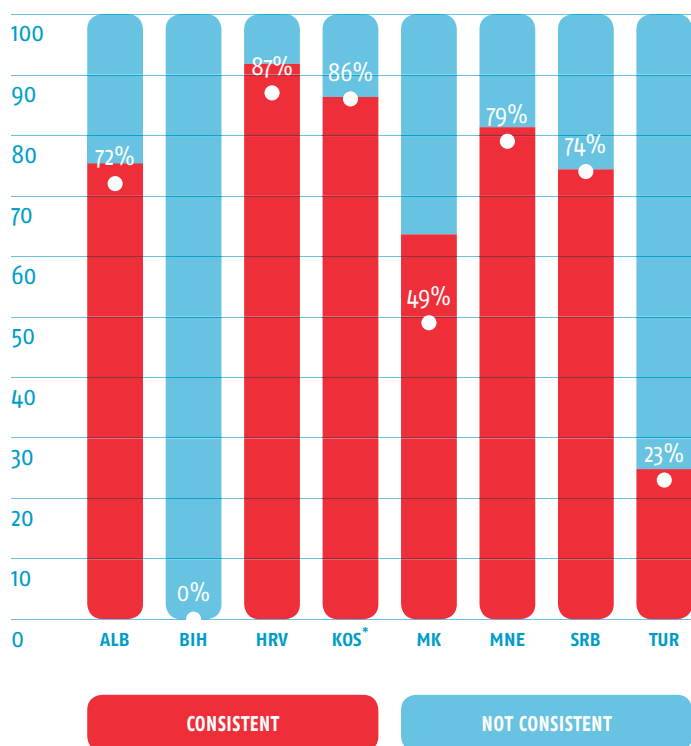
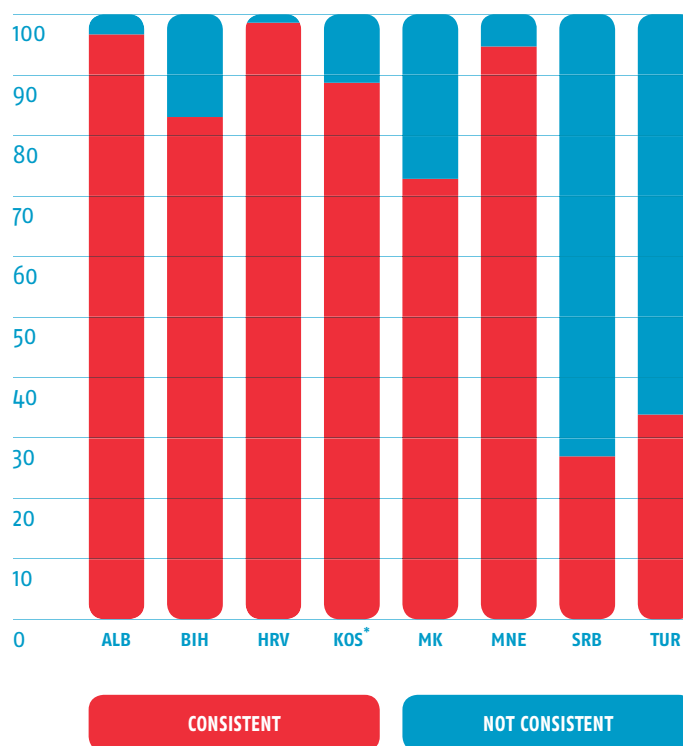


Figure 41: Percentage of enterprises with consistent revenue data



7.7. ANNEX 7

USEFULNESS OF TRAINING AREAS PERFORMED WITHIN THE COMPANY BY COUNTRY

Figure 42: Usefulness of training areas performed within the company by country – 1/5 (weighted averages)

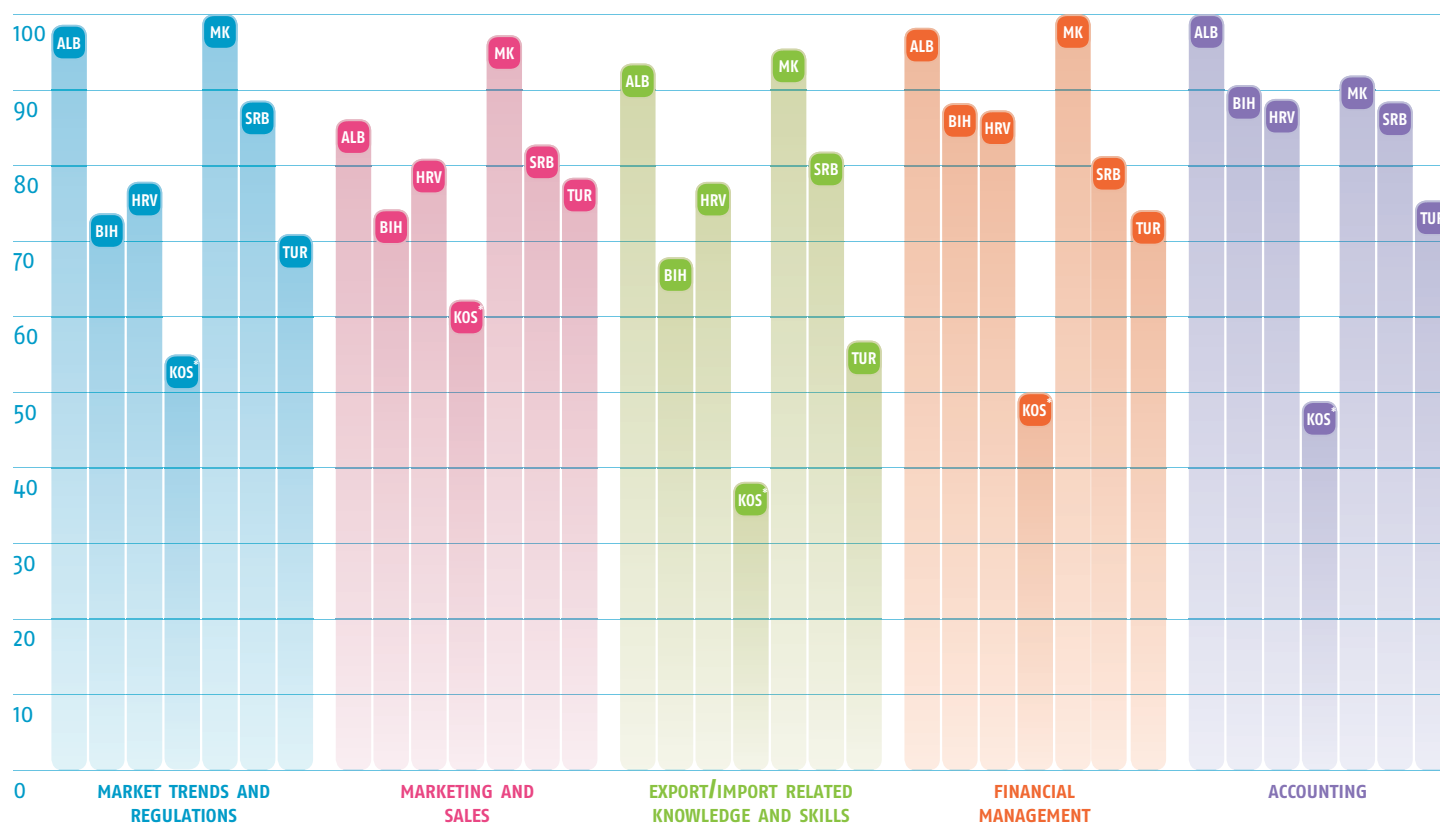


Figure 43: Usefulness of training areas performed within the company by country – 2/5 (weighted averages)

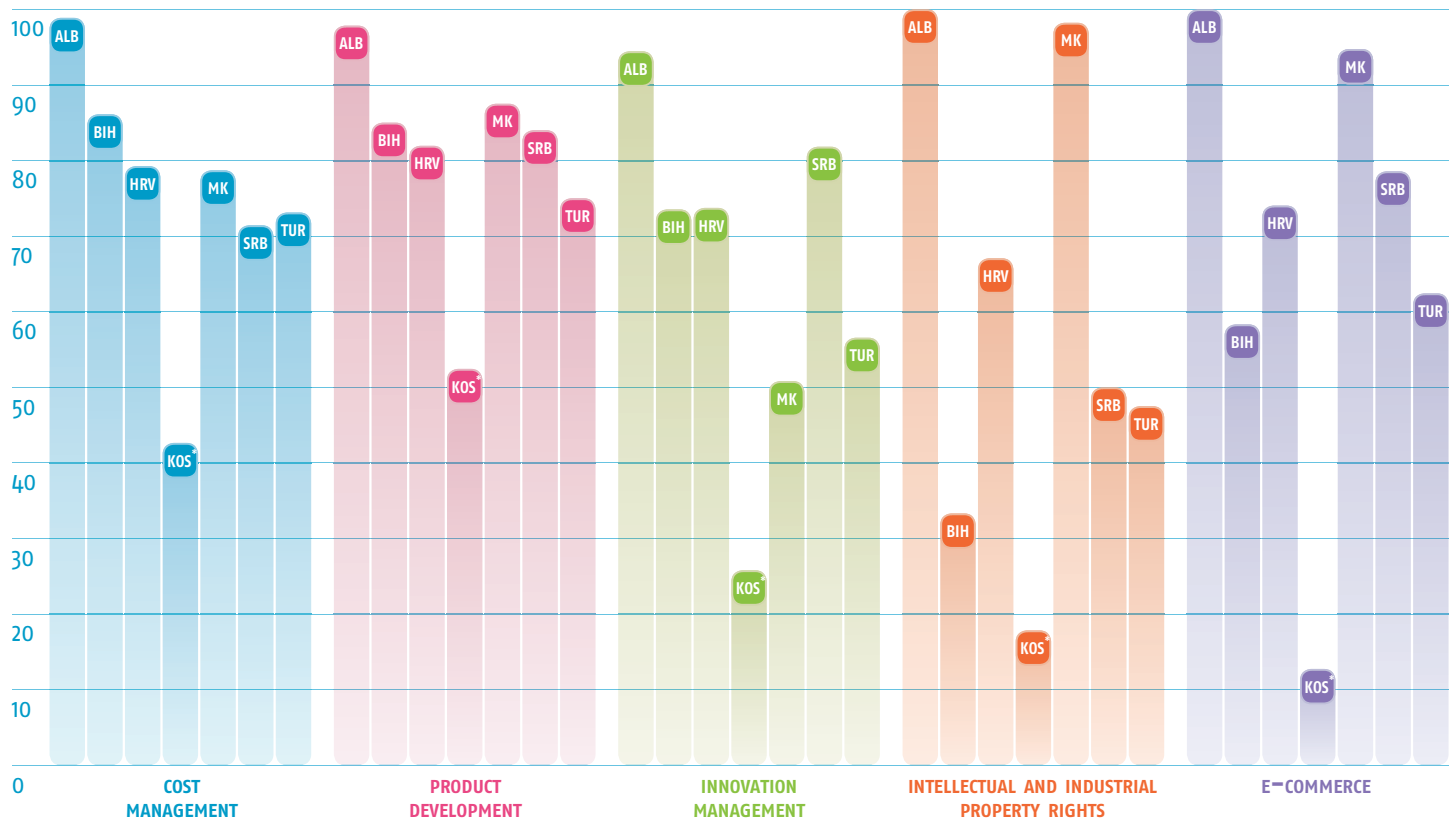


Figure 44: Usefulness of training areas performed within the company by country – 3/5 (weighted averages)

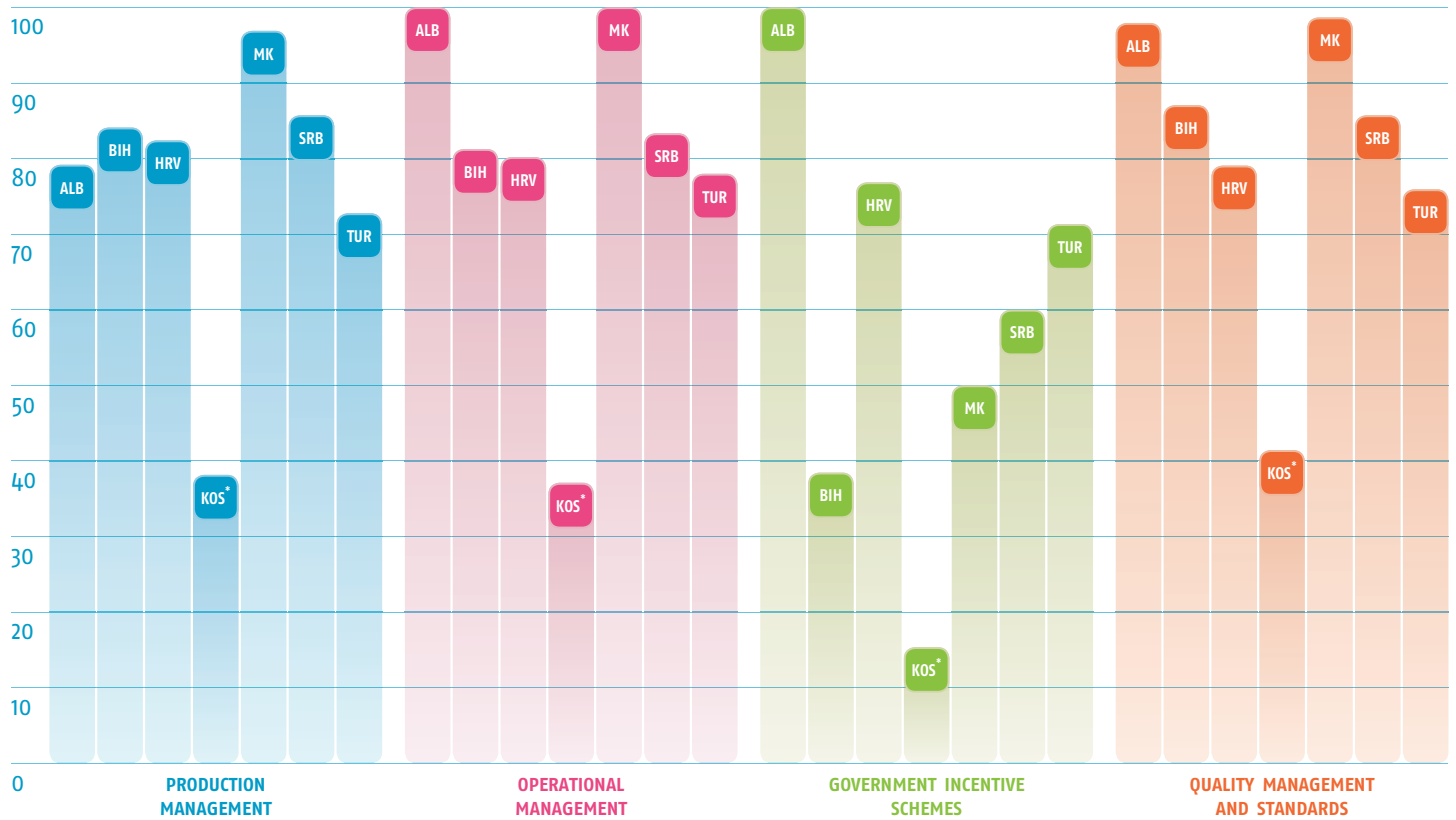


Figure 45: Usefulness of training areas performed within the company by country – 4/5 (weighted averages)

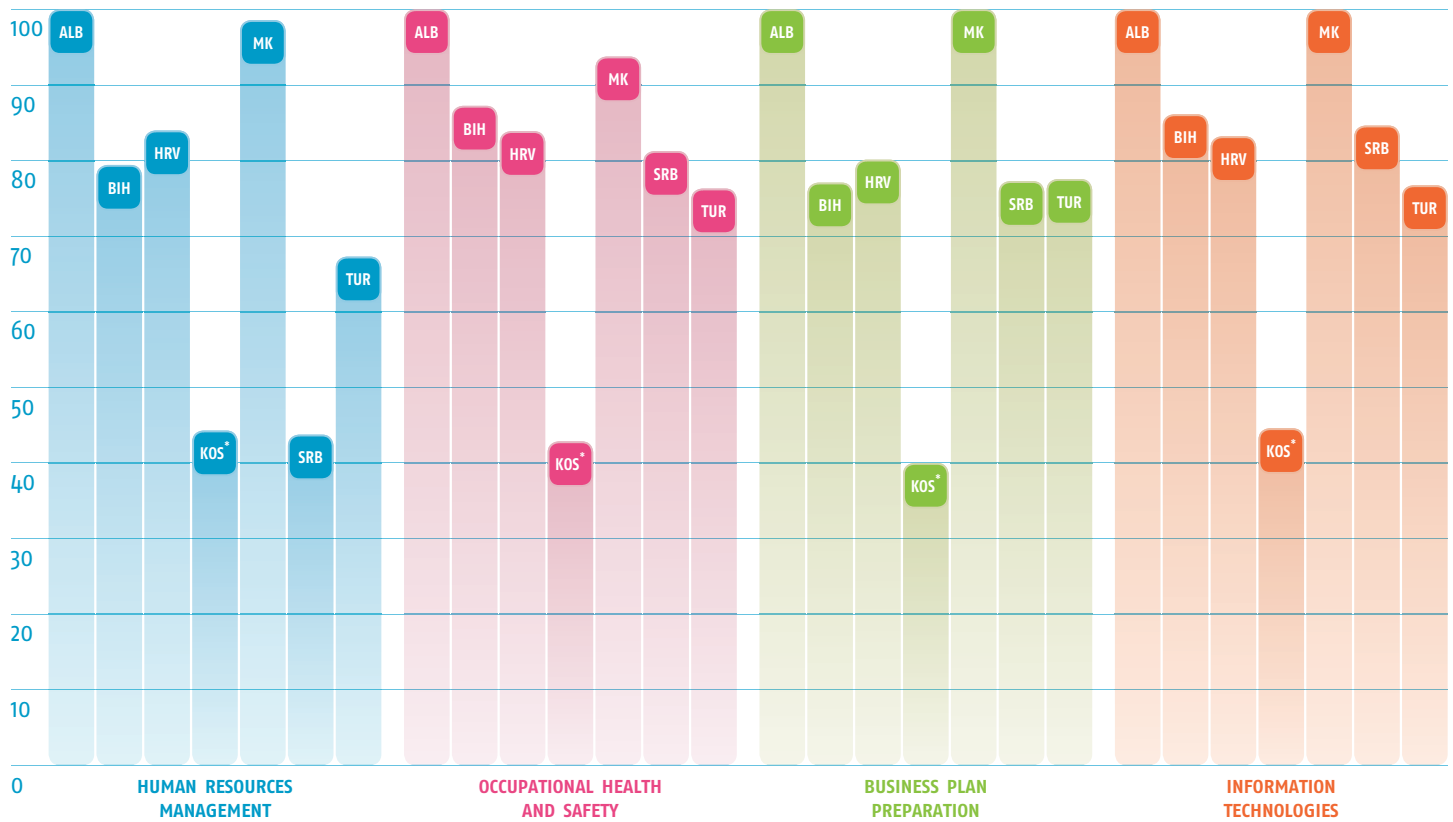
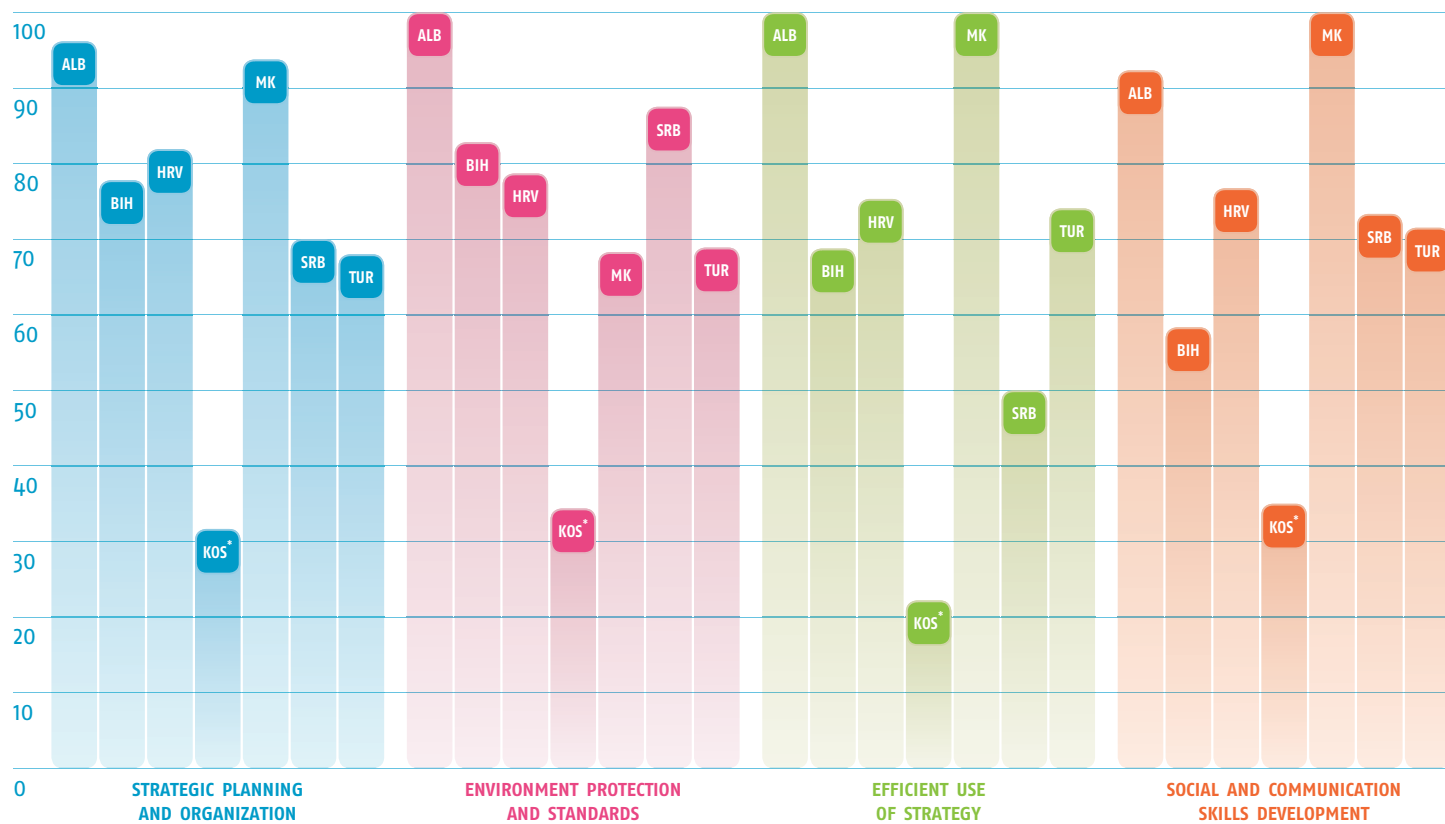


Figure 46: Usefulness of training areas performed within the company by country – 5/5 (weighted averages)





SOUTH EAST EUROPEAN CENTRE
FOR ENTREPRENEURIAL LEARNING

SELSKA CESTA 217 / IV
HR - 10000 ZAGREB, CROATIA
WWW.SEECEL.HR



Co-funded by the
European Union



This project is implemented
by SEECEL



This project is supported by the Ministry of
Entrepreneurship and Crafts of the Republic of Croatia

"This publication has been produced with a financial assistance of the European Union. The contents of this publication are the sole responsibility of SEECEL and can under no circumstances be regarded as reflecting the position of the European Union."

