Workplace Learning in Small and Medium-sized Enterprises: Effective Practices for Improving Productivity and Competitiveness

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Executive Summary

This report offers insights into the relationship between effective workplace learning activities in small and medium-sized enterprises (SMEs) and desired firm-level outcomes like improved productivity, quality, sales and profits.

In particular, this report addresses how comparative advantages in labour productivity and performance can be realized in SMEs through the strategic development of their human resources; and how this can be best realized through the implementation of relevant, cost-effective, targeted training and learning development initiatives.

Effective Learning Practices in SMEs—A Matter of Fit and Function

Small and Medium sized Enterprises (SMEs) are the backbone of most nations. Worldwide, SMEs represent over 95 per cent of all enterprises, account for 80 per cent of global economic activity, and are found in all sectors of the economy. In Canada, close to 97 per cent of our estimated 2.4 million registered businesses are SMEs (having fewer than 500 employees) employing over 55 per cent of the labour force.

Workplace learning activities within SMEs play an important role in maintaining or introducing the skills, knowledge and abilities needed to succeed.

To understand the context within which effective learning programs are designed, implemented and supported in order to improve the productivity and performance of employees and their organizations, the Conference Board of Canada interviewed owners, operators, managers and key personnel in 65 SMEs from 10 countries (including Australia, Canada, China, England, India, Ireland, New Zealand, Norway, Northern Ireland, Scotland, and the United States). A range of public, private and not-for-profit organizations were selected.

Successful SMEs Align their Learning Programs with their Organizational Goals

SMEs that do workplace learning (and training) activities well target and align their learning to address the most critical business issues that they are grappling with. They also match the scale and intensity of their learning response to the scope and importance of their needs—doing more doesn’t mean doing better. It is all about making sure that the learning offered, regardless of its size or scope, cost or duration, is meaningful and relevant.

Key findings include:
- Successful SMEs find an approach to learning that fits with their business model and organizational culture;
- Successful SMEs ensure that their learning activities are aligned with the needs of individual employees and current and future goals of the organization;
- Successful SMEs link workplace learning and training with performance management activities—which measure the effectiveness of performance, not the amount of learning or training completed;
- Successful SMEs leverage workplace learning providers and learning/training content that already exists in the market;
- Successful SMEs recognize the value of industry standards, credentials and certifications; and
- Successful SMEs always relate workplace learning and training activities back to the business issues that they are trying to address.
1 Small and Medium-sized Enterprises (SMEs)

This report looks at the value of investing in workplace learning and training practices in Small and Medium-sized Enterprises (SMEs) and the context within which effective learning programs function. The report also looks at the impacts and outcomes that SME workplace learning programs have on individual learners (e.g., enhanced skills) and organizational performance (e.g., improved productivity).

Through a global review of literature, and interviews with key personnel from industry associations, industry training federations, and government training and learning agencies, the Conference Board identified 65 replicable and effective (e.g., nationally recognized and award-winning) SME workplace learning practices from 10 countries: Australia, Canada, China, England, India, Ireland, New Zealand, Norway, Northern Ireland, Scotland, and the United States. A range of public, private and not-for-profit organizations were selected. See Appendix 1 for details.


Each of the 65 SME workplace learning case studies included in the compendium report, and highlighted within this overview report, demonstrates a practical learning response to a critical business issue. Through telephone interviews with the owners, operators, managers and key personnel in each of the SMEs; or a review of award submissions; the case studies provide the context within which a learning program was designed, implemented and supported in order to improve the productivity and performance of employees and the organizations.

1.1 Defining Small and Medium-sized Enterprises (SMEs)

SMEs are the backbone of most industrialized nations and play a significant role in their social and economic fabric. They are often the driving force behind a large number of innovations, and they contribute to the growth of national economies through employment creation, investments and exports. Worldwide, SMEs represent over 90 per cent of all enterprises, and are found in all sectors of the economy (e.g., manufacturing, tourism, construction, health, technology, and transportation).

Typically SMEs are non-subsidiary, independent firms that employ a relatively small number of employees. Although this number varies across countries, small firms are generally those with fewer than 50 employees, while micro-enterprises (MSMEs) have at most 10, or in some cases 5, workers. Financial assets are also used to define SMEs. In the European Union, the turnover of medium-sized enterprises (50-249 employees) must not exceed (EUR) € 50 million; small enterprises (10-49 employees) should not exceed € 10 million; and micro firms (less than 10 employees) should not exceed € 2 million.

The most frequent upper limit designating an SME is 250 employees, as found in the European Union. However, some countries, like Australia and New Zealand, set the limit as low as 20 employees. Canada and the United States consider SMEs to include up to 500 employees.

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2 See: www.prospects.ac.uk/cms/ShowPage/Home_page/Explore_job_sectors/SMEs/overview/p!edcaXFi.
1.2 **SMEs are Important Contributors to all Economies**

Globally, SME’s make up 99 per cent of all businesses. They are the lifeblood of socio-economic development & prosperity and are the engines of most economies. They are found in all sectors and all regions and account for 80 per cent of global economic activity.

A 2005 World Bank report: *Whither SME Policies* notes that within OECD (Organization for Economic Cooperation and Development) countries SMEs comprise the majority of firms and contribute over 55 percent of GDP and 65 percent of total employment.4

In Canada there are an estimated 2.4 million registered businesses, of which close to 97 per cent of them are considered to be SMEs. 56 per cent are businesses with no payroll employees and are operated exclusively by the owner/family members or rely on contract workers; 25 per cent have fewer than 5 employees; 13 per cent have 5-19 employees; 4 per cent have 20-49 employees; and 2 per cent have 50-499 employees. There are approximately 13.3 million Canadian employees of which, 32 per cent (4.3 million) work in companies with fewer than 50 employees; and another 24 per cent (3.2 million) work in medium-sized firms with 50-500 workers.

- In the United States 99.7 per cent of all employer firms are SMEs, employing 50 per cent of all private sector workers, and accounting for 60-80 per cent of net new jobs annually/decade.
- In the United Kingdom, 99.9 per cent of the country’s 4.5 million businesses are SMEs and account for 59 per cent of all employment.
- In New Zealand, SMEs employ 29.6 per cent of all workers and account for approximately 40 per cent of the country’s value-added output.
- In Norway over 99 per cent of businesses (approx. 116,000) are SMEs with fewer than 100 employees. 80 per cent of them (93,678) have fewer than 10 employees.

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4 In low-income countries, SMEs account for over 60 per cent of GDP and 70 per cent of total employment; and in middle-income countries, they produce close to 70 per cent of GDP and 95 per cent of total employment. See Qimiao Fan, Alberto Criscuolo, and Iva Ilieva-Hamel, “Whither SME Policies?” Development Outreach: Putting Knowledge to Work for Development. The World Bank Institute, March 2005. See: www1.worldbank.org/devoutreach/mar05/article.asp?id=286.
2 Valuing Workplace Learning and Training in SMEs

As new technologies and globalization reduce the importance of economies of scale in many activities, the potential contribution of smaller firms is enhanced. However, many of the traditional problems facing SMEs such as a lack of access to financing, difficulties in exploiting new innovations, challenges in tapping into global supply chains, constrained managerial capabilities, and increasing regulatory burdens are becoming more and more acute in today’s globalized, technology-driven environment.

“The only unique asset that a business has for gaining a sustained competitive advantage over rivals is its workforce: the skills and dedication of its employees.”

Source: Robert B. Reich – Past U.S. Secretary of Labor; and, Professor of Public Policy, University of California, Los Angeles, at Berkeley. T&D Magazine, September, 2006, p. 32.

SMEs, like larger organizations, need to constantly and consistently upgrade their management skills, their capacity to gather information, their technology base, and their commitment to investing in the skills and knowledge of their employees.5

The benefits of investing in workplace learning and training impact both the overall performance of an organization, and the performance and opportunities of individuals. For those SMEs that think investing in learning is too expensive, or not critical to their business success, they should carefully consider the alternatives: mediocrity, apathy, lost sales, lost customers, lost productivity, decreased performance, poor quality, and poor working environments.

2.1 Human Capital and SMEs: Talent for Success

Human Capital is defined as the knowledge, skills and experience of an organization’s people. It is a key driver of individual, organizational, community, and national performance. Human capital is an organization’s DNA. Improving human capital is essential, therefore, to strategies for increasing productivity, innovation and high performance-competitiveness within SMEs.

The challenge, however, is that many SMEs in Canada feel overwhelmed by the thought of having to provide workplace training activities to their employees. In particular, there is a misconception of costs and time commitment toward training and workplace learning within many SMEs that must be overcome. And when it comes to providing training and learning activities, many SMEs wrongly compare themselves to bigger companies – whose training and learning resources are much bigger. For example, in 2005-2006:6

- Ernst & Young spent approximately US$1 million on its learning curriculum.
- The Olive Garden had 8,466 full-time trainers: a ratio of 1:8 full-time trainers to worldwide employees.
- Lockheed Martin spent approximately US$48 million on tuition reimbursement.
- 10.4 per cent of Pfizer’s payroll went to training.

• IBM had 1,328 full-time trainers, and an annual training budget of US$775 million.
• The Ritz-Carlton Hotel had no maximum on its tuition reimbursement program.
• The average ‘Top 100 Learning company in the United States had a training budget of US$50 million, and did 52 hours of training per employee.

SMEs cannot match this level of investment. To do so would be the wrong strategy or approach to take as they typically fall short of the training and learning investments that larger companies are able to commit. 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.

### Effective Workplace Learning in SMEs Drives Business Results

Workplace learning is most effective when it is aligned to corporate objectives and corporate strategies. It should drive business results while equipping employees with the skills they need to excel in their current and future roles.

Done right, workplace learning should impact on the amount of work that takes place (productivity) and the quality of the work being done (leading to improved performance, customer satisfaction, quality and profits).


In addition, the metrics that SMEs use to track the impact of their training and learning activities need not be overly complicated or detailed (like some larger companies that use sophisticated learning-impact dashboards and detailed return-on-training-investment scorecards). SMEs can use simplified measures to understand and track the relationship between learning and improved quality, customer service, productivity, revenue, market share, and health and safety. The key is to focus on clearly defined learning goals and to align learning expectations with corporate objectives.

### 2.2 Some Common Misconceptions of SMEs and Workplace Learning

There are a number of misconceptions about workplace learning and training that dog SMEs. The following list summarizes some of the more common beliefs and realities around SMEs and their capacity to provide timely, practical and effective workplace learning and training activities.

**Misconception 1:**

**SMEs lack the resources needed to learn and train properly.**

Reality: Workplace learning and training is not about how much you spend per employee, or how much you have to invest in learning and training in terms of time and money. It is about whether the time and money invested in each employee relates to addressing ones business issues head on.

For example:

Prior to 2002, Dulux Paints, a paint manufacturer in Ireland that employs over 135 permanent and 30 temporary full-time employees had a “one job/one person for life” employment pattern, with formal training provided through external courses. To address a growing need, management introduced a full-time training coordinator within the office, and today the company emphasizes skills upgrading, complete job flexibility in every department, and internal promotion.

Personal coaching for the company’s new productions and operations staff is now a big part of Dulux’s training. The goal of this coaching is to define challenging roles for employees with high potential. Employee training needs are identified through departmental and individual performance reviews, along with capability reviews. And employees can also take advantage of a further education grant scheme, in which work-related courses done on employees’ own time are entirely paid for by Dulux Paints.

The benefits to the company have been significant. By training more of its staff to use certain pieces of equipment Dulux Paints can conduct more chemical tests on raw materials used in manufacturing, at a faster speed. As well, through its workplace learning and training activities the company’s employees have visibly enhanced their confidence and self-esteem—particularly older workers who find it a huge life step to be studying again after years or decades of neglect.

The complete Dulux Paints case study is found in the *Effective Workplace Learning Practices in Small and Medium-sized Enterprises: A Compendium of 65 SME Workplace Learning Case Studies from Around the World.*

**Misconception 2:**

*SMEs lack the capacity to train large numbers of staff, potentially even the whole staff.*

Reality: Workplace learning and training is not about how many (volume) or how comprehensively (intensity) employees are trained. It is about the quality of the learning and training, how well it equips employees to do their jobs more effectively, how closely aligned the learning and training of individual employees is with individual and organizational needs (and with a firm’s business model) and how the learning and training contributes to business results.

For example:

- **RecruitIreland.com** is an online job recruitment website that brings together employers and jobseekers with a comprehensive job database. Established in 1999, the company’s workforce consists of 15 employees split between two offices in Cork and Dublin, all of whom are in sales and marketing. Training (along with lifelong learning and up-skilling) has always been a priority for the company. Initially it was focused on key business objectives, taking the form of technical systems training, sales training and training about the recruitment industry. As the company grew and employees stayed on (5 of 15 employees have been with the company since 1999), the training focus broadened. Now almost all of the RecruitIreland.com employees have done external education courses taking them beyond the company’s key business objectives.

An evaluation of sales training needs for each employee is carried out through annual and interim evaluations, with training needs identified by employees themselves and through quantified sales performance indicators. Today, technical training is delivered in-house by employees teaching other new system users in groups and then through one-on-one role playing. And all sales and marketing training is delivered by outside experts, supplemented by one-to-one internal training and team meetings.
The impacts have been significant with managers observing that training gives employees confidence as well as the capacity to take control of their own job roles by setting goals and expanding the horizons of their potential future roles in the company. It is also reflected in a good team ethic and workplace culture, as well as a very low staff turnover rate. Longer-term impacts are assessed through improved sales performance.

Misconception 3:
SMEs lack the time to learn and train.

Reality: Workplace learning and training is not about how often (frequency) or how long (duration) employees learn or are trained. It is about ensuring that employees are trained when they need to be trained, for as little or as long as they need in order to support improved business performance.

For example:
- Eaton’s U.S. Engine Valve Company located in Westminster, South Carolina, supplies engine valves to Japanese vehicle manufacturers in North America and Europe, and to other North American automakers. To continue its long history of innovation and expertise in valve train technology, resulting in innovations and new products, the company recognizes the value in making time for learning and training activities.

The company’s five-year strategic training plan is updated annually to support the performance goals of the operation and individual employee development goals. At U.S. Engine Valve every training initiative is linked to a specific organizational performance goal such as finance, safety or leadership. As well, the company subscribes to lean manufacturing principles in an effort to reduce waste and improve productivity. And all employee learning initiatives strive to support these principles with an aim to improve workplace effectiveness.

Employees receive customized training as appropriate for their job tasks and expected work outcomes. In keeping with the company’s lean manufacturing processes, Human Resources staff members collaborate with administrative employees to standardize methods and procedures for maximum effectiveness. Job task templates, standardized measures and processes are developed with employee input to build ownership of the results. All new production technicians receive four to six weeks of on-the-job training, and are paired with a qualified trainer. In addition, a blended e-learning program provides new employees with a multimedia interactive self-paced training tool.

The impact of U.S. Engine Valve Company’s training has been significant. For example, a cross-functional team received specialized training and was able to reduce unnecessary inventory by 12 per cent. Administrative teams also received training giving them the skills to create standardized administrative processes, which significantly reduced the time needed to perform administrative tasks.

Misconception 4:  
**SMEs lack the depth required to be building strategic learning and training partnerships.**

Reality: Workplace learning and training is not about partnerships with the training industry or the education system or key clients or like-minded firms as such. It is about whether the partnerships help the firm to leverage its learning and training investments, avoid “re-inventing the wheel”, open doors to new business, and to maximize impact on the business issues the firm is facing.

For example:
- Taylor’s Fish is a small family-owned and operated fish and chip shop in the U.K. that employs 13 people. A couple of years ago the company felt the brunt of a more ‘healthy eating’ public, a desire by patrons for more global dishes, and stricter health and safety regulations. Caring deeply about their little shop and not wanting to risk leaving it in the hands of a disinterested new owner, Taylor’s Fish decided that the best way to increase revenues was to revamp the shop by turning their traditional fish and chips into a modern restaurant that served a wider range of healthier foods.

Part of the revitalization required the company to increase the level of customer service. And as a result, the owners decided to offer staff the training needed to complete the transformation from a humble ‘chippy’ to a hip restaurant. The owners set several specific objectives for the training offered to their employees, including:
- to adhere to the health and safety conditions required by law;
- to produce more skill-intensive products in the kitchen;
- to interact with customers on a professional level; and
- to run the shop with reduced management supervision.

The training offered was flexible so that employees could accommodate their regular shop and home life responsibilities. The first step involved skill sharing sessions where a person who was efficient at one task would show the others how best to do it. The second step involved working with local continuing education colleges, where employees took courses on food hygiene: including cleaning, cooking, chilling and cross-contamination. Once the community college course work was completed, Taylor’s Fish employees received a food hygiene certificate that was proudly displayed in the restaurant to build consumer confidence.

The end result: employees are far more engaged in running the restaurant; the work environment is more rewarding and engaging for the workers; revenues are up more than double, leading to increased profits; and staff members are able to meet the health and safety standards imposed by legislation. As well, many company employees have continued to pursue external training: two staff members have pursued formal apprenticeships in “Quick Serve”; three have pursued computer training courses at the local college; and one staff member has attained a vocational qualification in customer service.

The complete Taylor’s Fish case study is found in the *Effective Workplace Learning Practices in Small and Medium-sized Enterprises: A Compendium of 65 SME Workplace Learning Case Studies from Around the World.*

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**Misconception 5:**

**SMEs lack the sophistication to learn and train to industry-based standards.**

Reality: Workplace learning and training is not about standards as such. It is about whether training to industry standards contributes to business performance in terms of securing coveted quality assurance
status (which helps with attracting new business and integrating the firm into lucrative supply chains), or in terms of enhancing workplace safety or increasing productivity.

For example:

- Sanghi Industries Limited, in India, began in 1985, as a PVC foam leather cloth manufacturer, but now manufactures self-adhesive tapes, PVC insulation tapes, hard leather, tarpaulins, and cement. The company’s operating philosophy is to provide customers with the best products and services. Management encourages employees to go “above and beyond”; to respond quickly to customers’ current needs, and anticipate future needs. This commitment to customer satisfaction is manifested through continuous improvement of all key processes within the company’s operations.

Learning initiatives at Sanghi Industries stem from the business decision to absorb state-of-the-art technologies while adhering to strict industry standards, and high quality and delivery schedules. Employees are provided with a variety of opportunities to hone and maintain their skills at peak levels. New employees spend their first few weeks being mentored by experienced workers who perform the same or similar job tasks. Employees receive formal training in on-site classrooms by in-house and external experts on the care and use of world class equipment, and sample tests for product quality are conducted frequently. Managers review the results with employees and come up with solutions to any quality issues.

Customer satisfaction is paramount to the organization’s successful operations. To that end, a portion of the formal employee learning program is devoted to developing communications skills. In addition, successful completion of the foundation learning programs paves the way for employees to take part in more advanced training programs (including training based on industry standards) that cover identification and resolution of issues, leadership and management skills, and decision making. As the company prefers to promote from within, its learning programs lay the groundwork for developing employees for managerial positions with increased responsibility.

Management at Sanghi Industries is satisfied with the learning opportunities offered to its 395 employees. The training programs continue to build the skills of its workforce and to maintain customer satisfaction which is currently at the highest level in the company’s history. The newly skilled workforce allows the company to utilize its resources to its maximum potential; minimize waste; avoid accidents and fire hazards; meet industry standards; and conserve energy while producing quality products with minimum costs.


Misconception 6:

SMEs lack the imagination to offer elaborate workplace learning or training programs and activities.

Reality: Workplace learning and training is not about how elaborate the learning or training offered to employee is. It is about how the learning and training a firm makes available to its employees fits with its business and helps the firm via its employees to address its business issues.

For example:

- The Buccleuch Arms, located in Moffat, Scotland, is an independent family-run 14-room hotel with 24 employees. Staff training is central to the success of the hotel, and getting employees on board with a
new “learning culture”, one that gave employees faith in the management’s commitment to their long-term well-being and development, was a challenge.

Staff learning and development at the hotel focuses on three areas: (1) individuals and their own aspirations for the future; (2) the departmental needs within the hotel, and how to make employees excellent at their specific functions, including customer relations ‘soft skills’; and (3) the corporate need of the business to provide a distinctively excellent experience to guests.

Staff views on their personal development needs are solicited by management, who then contact local learning and business support agencies for external courses and programs of study. Training for “soft skills” begins with the hiring process, which focuses exclusively on an applicant’s willingness to study and be trained. Soft skills training is also done by the General Manager, who gives constant customer-relations instruction in areas like greetings, energy, enthusiasm, conversational interaction and eye contact. In the restaurant all wait-staff are shown not just the prepared dishes on new seasonal menus but also the raw ingredients, in order for them to be able to tell guests fully about the offerings and understand the quality of the dishes served.

Three to four times a year, the hotel closes for a day in order to bring in external consultants to train all staff in customer care. It is here where suppliers are asked to train staff on their products. Outside experts are also brought in for wine education, and staff are sent on industry courses for specialized needs such as bartending.

The outcomes speak for themselves: there have been vast gains in the quality of hotel service and the “ownership” that employees show in their work and in the hotel operations (the hotel now has a national reputation for its service and food); there is a waiting list of employee applicants; and total sales have increased by 105 per cent in the first year of operation under the new learning initiatives (with dinner covers increasing by 81 per cent and wine sales increasing by 512 per cent).

The complete Buccleuch Arms Hotel case study is found in the *Effective Workplace Learning Practices in Small and Medium-sized Enterprises: A Compendium of 65 SME Workplace Learning Case Studies from Around the World*.

**Misconception 7:**

*SMEs lack the expertise to measure workplace learning and training.*

**Reality:** Workplace learning and training is not about how much one measures. It is about whether an organization takes the initiative to review (in whatever ways makes sense to a firm) how a learning or training program has helped to improve business performance (including, for example, improved customer satisfaction, employee self-confidence, and bottom line results).

For example:

- Sør-Norge Aluminium (SORAL) is the fourth largest producer of aluminum in Norway, and employs approximately 390 people. The local chemical workers’ union approached SORAL with the idea of instituting a comprehensive training program, and the company’s Working Environment Committee—made up of management, worker, and health personnel to ensure the health and safety of employees in the workplace—agreed with the union, citing that a training program would also be an effective means of engaging employees into SORAL’s team-centred approach, and ensure that all employees reached their full potential.

SORAL’s comprehensive training program has the following objectives:
• Develop highly competent employees.
• Increase the level of teamwork among employees through enriched communication skills.
• Achieve a zero-injuries work environment.
• Foster a positive work environment and community for employees to work and live.

SØRAL collaborated with different worker groups, including Bergen University and the Workers’ Educational Association—an international body concerned with labour education. To ensure success, management gathered information, and sought input from all departments within the company. Today, the company is an approved educational institute in 9 subjects, and they collaborated with other aluminum companies to develop a specialized training institute for specialist operators. Employees must complete a test upon enrollment, to gauge their overall competency levels, and to tailor the training to each specific individual. The cornerstone of the SØRAL training program is the safety training that focuses on employees’ attitudes, as well as knowledge and capabilities. Basic reading and writing course further strengthen the safety training program.

The outcomes of the program have been tracked through an ongoing evaluation process. Evaluations are carried out with the participants, those responsible for the training, and the Workers’ Educational Association—which has conducted their own third-party evaluations. Some of the benefits realized include: a decrease in the number of work-related accidents; an increase in the confidence and self-esteem of employees; an increase in communication and teamwork among employees; and upon completion of the training courses, employees are presented with full certification from the Workers Educational Association.

The complete Sør-Norge Aluminium (SØRAL) case study is found in the *Effective Workplace Learning Practices in Small and Medium-sized Enterprises: A Compendium of 65 SME Workplace Learning Case Studies from Around the World.*

**Misconception 8:**

*SMEs lack the specialized knowledge to build something new in terms of workplace learning and training, or lack the money to “buy the Cadillac” learning or training programs.*

Reality: Workplace learning and training is not about how experienced one is in developing training or how deep one’s pockets are. It is about the fit with the business of whatever learning or training is developed or bought; the alignment of the learning and training with business objectives; the linkage of learning and training to bottom line results; and, the leverage the learning and training gives individual employees and the organization to meet current and future business issues.

For example:

• The Horticulture and Food Research Institute of New Zealand Ltd. (HortResearch) is a commercially focused research institute owned by the Government of New Zealand, that provides scientific research, new technologies and innovative fruit and fruit derived products with high consumer appeal. In 2003, following a series of workshops in which over 80 employees—representing all backgrounds, gender, ethnicity, experience, and time at the company—participated, the company mapped out twenty-two core competencies relating to effective leadership (e.g., responsibility, business acumen, problem solving, strategic perspective, communications). Through these competencies HortResearch established two of its flagship leadership programs:

  1. *A Team Leadership Program*—comprising of a series of learning development modules (e.g., interpersonal skills, focusing on results, managing change).
2. A Senior Leadership Program—focusing on what an individual leader needs to do in the future (e.g., building trust, setting standards).

Rather than paying attention to the company’s leaders’ shortcomings it was found to be more efficient and effective to focus on those areas in which they were already “good” (50th to 60th percentile) but had the opportunity to develop their skills to become “great” (80th percentile).

Measureable impacts of HortResearch’s leadership training include: a significant improvement in staff morale; a significant decrease in the number of disengaged employees, dropping from 29 per cent to 13 per cent; and a significant drop in the voluntary employee turnover rate, dropping from 8.7 per cent to 4.6 per cent. Finally, before training 31 per cent of team leaders on the program had three or more strengths. Twelve months after the start of the program 50 per cent of team leaders had three or more strengths.

The complete Horticulture and Food Research Institute of New Zealand Ltd. (HortResearch) case study is found in the Effective Workplace Learning Practices in Small and Medium-sized Enterprises: A Compendium of 65 SME Workplace Learning Case Studies from Around the World.

Misconception 9:
SMEs lack the savvy to know if workplace learning or training is needed.

Reality: Workplace learning and training is not about making shrewd calculations about whether it is needed. It is about appreciating what kind of learning and training is needed, who needs to be trained, when they need to be trained, how the learning and training will be delivered, who delivers it, and how each of these factors is linked to an organization’s bottom-line.

Our study of 65 effective SME workplace learning practices highlights examples of relatively simple yet targeted learning and training programs that have had significant positive impacts on companies and their employees. For example:

- **Bison Bede** manufactures stairlifts and bahtlifts in England. To ensure that its dealers were up-to-speed on the products and services offered by Bison Bede the company introduced a certification training program to help dealers install products quickly, identify and fix faults on their own, and raise the overall market perception of Bison Bede’s product lines. Within 12 months of implementing the training program the company began to see results, including increased sales, fewer help calls, and a decrease in warranty claims.

  By investing in an in-house training facility with significant amounts of hands-on experiences, and investing in ‘mobile training units’ with vehicles customized with all the necessary equipment, Bison Bede was able to address its learning and training needs in a cost effective and efficient manner.

- **Klæburuten** is a small Norwegian company, employing 110 people, that provides bus transportation services within and around the city of Trondheim. To improve the competencies of its drivers the company implemented an industry-recognized driver certification course on transport laws, first-aid, behind-the-wheel training, and regulations. The results of their investment included: improved customer service, improved customer satisfaction, and increased employee confidence. To date, half of Klæburuten’s bus drivers have earned their driver’s certification.
The complete Bison Bede and Klæburuten case studies are found in the *Effective Workplace Learning Practices in Small and Medium-sized Enterprises: A Compendium of 65 SME Workplace Learning Case Studies from Around the World*.

The compendium of 65 SME workplace learning case studies provides in-depth reviews of learning initiatives and the impacts they have had on individual and organizational success (including the context within which workplace learning programs are implemented, the resource requirements, keys to success, challenges faced, and replicability of the learning models) from a selection of SMEs from around the world. The compendium report is available from the Canadian Council on Learning.

### 2.3 The Benefits of Workplace Learning in SMEs

Our research into the effective workplace learning practices of 65 small and medium-sized enterprises found a number of common benefits to employees and organizations.

**Organizational benefits include:**

- Increased profitability and competitiveness (improved efficiencies and effectiveness).
- Increased customer retention.
- Increased output of products and services; and reduced time per task.
- Increased quality of work.
- Reduced absenteeism rates.
- Reduced error rates and wastage of materials.
- Improved ability to change and adapt.
- Better health and safety records.
- An engaged workforce (e.g., improved workplace culture, morale, and employee retention rates).

**Individual benefits include:**

- Improved leadership and management skills.
- Enhanced literacy and basic/entry-level skills.
- Improved technical/technological skills.
- Improved job-specific skills.
- Better health and safety skills.
- Enhanced employability and essential skills (e.g., teamwork, problem-solving, and communications skills).

The learning practices in SMEs that have an impact on both individual and organizational improvement are the ones most likely to be successful and sustainable over the longer term.
3 Key Human Resources Issues Driving Workplace Learning in SMEs

SME investments in employee learning tend to be triggered by emerging business needs rather than any longer-term strategies. Typically, these needs deal with: solving more immediate or pressing problems (e.g., how to use a new software program); addressing individual performance issues (e.g., literacy skills, language skills, or technical skills); or helping new recruits become familiar with the work culture, machinery and equipment, or health and safety issues of a company.

Our research on effective workplace learning practices within 65 SMEs identifies four primary human resources issues that lead SMEs to invest in workplace learning and training activities:

1. Improving the quality of their employees’ skills.
2. Increasing the quantity of their skilled workers.
3. Improving the leadership and management skills within their organizations.
4. Improving the operational performance of their organizations.

3.1 Workplace Learning Improves the Quality of Skills

SMEs invest in workplace learning activities to enhance the skills and competencies of their current workforce. In particular, SMEs look to workplace learning to:

- Up-skill current workers (e.g., bring them to higher competency levels, improve their understanding of health and safety standards, and enhance customer service expectations).
- Improve worker efficiencies and effectiveness.
- Raise quality standards (e.g., to meet certification criteria, compliance and governance standards).
- Give workers the confidence, competence and ability to perform more than one job or task.

Mad About Plants, for example, is a 15 person horticultural company in Australia that supplies a variety of materials and plants (predominantly trees, palms, shrubs, indoor plants and ground cover) to landscapers, local councils, resorts, retail nurseries and large department stores that needed to improve the quality of worker skills, product knowledge and work processes. With a commitment to quality products and services Mad About Plants knew that a well-trained workforce would enable the nursery to provide a premium product to its customers—which in turn would enhance business prospects. But it wasn’t always this way.

When the nursery was bought from receivers, in 1998, a lack of skilled employees made it impossible to grow quality plants and run a profitable business. The new owners—Darryl and Katherine Madder—recognized this critical skills shortfall, and took responsibility by introducing some much needed training. In 2004, Mad About Plants was crowned the Prime Minister’s Small Business of the Year at the Australian Training Awards.

Today, the nursery supports team members interested in growing their knowledge and expertise and in pursuing industry-recognized qualifications. It partnered with TAFE (Technical and Further Education) in Queensland, and it is now compulsory for all staff to work towards a Certificate III in Horticulture. As a result, staff members are now continuously looking for ways to improve their work practices and work environment. For example, the use of pesticides and chemicals has been reduced, and the maintenance and quality of stock has improved dramatically.
• When new employees begin work at Mad About Plants they are given a general orientation of the layout of the nursery along with its policies and procedures. They are situated within the business based on their education, training history, and interest with a particular area. Staff holding a Certificate III in Horticulture train new members until they have completed their “probationary period”, at which time, and if considered suitable for the position, they are given the opportunity to commence traineeships to further their careers.
• Team leaders are occasionally sent off-site for job specific courses, seminars or work experiences at other production nurseries. The knowledge and skills they obtain is brought back and shared with members of their teams.
• Periodically, staff members are rotated to other areas of the nursery so that everyone is aware of the overall operation, and further task compatibility (i.e., maximizing the capacity of employees) can be assessed. This “staff rotation” raises the awareness and an appreciation for the tasks performed by colleagues, and avoids apathy of occupation.

The end result of Mad About Plants’ investment in workplace learning includes: improved sales; happy customers; and lower operating costs.

3.2 Workplace Learning Increases the Quantity of Skilled Workers

SMEs invest in workplace learning activities to increase the quantity of skilled employees. In particular, SMEs look to workplace learning to:
• Address shortages of skilled workers.
• Address ageing workforce issues.
• Address retention issues and staff turnover.
• Integrate foreign workers (e.g., through language training, credential recognition, cultural learning, or settlement programs).
• Reduce absenteeism rates.

Pinepac Ltd., for example, is a New Zealand-based family-run fully integrated forestry, sawmilling and processing operation, established in 1943. The company’s 150 employees grow, mill, cut, dry and treat its own pine timber for local use and export.

Having a positive working environment, where the health and safety of workers is paramount, was the driving force behind Pinepac’s interest and investment in workplace training. Prior to implementing their literacy program the company’s employees—the majority of which are from the Polynesian/Tuvaluan community with English as a second language—were somewhat disengaged from their work and the company’s broader goals and principles. As well, communications and problem-solving among employees was limited, absenteeism was a concern, and a general lack of self-esteem found throughout the organization was impacting productivity and performance. Many employees did not enjoy going to work.

Basic literacy issues prevented many employees at Pinepac from applying the technical and industry-specific knowledge they needed to succeed within the timbre operation where logging trucks, forklifts, log loaders, pole and post peelers, and saw milling equipment are in constant use. To address this issue Pinepac partnered with Workbase—an independent non-profit organization that provides customized
training programs to improve employee literacy, numeracy, language, information technology and communication skills.\(^7\)

Using industry-based terminology and site-specific text (e.g., Pinepac’s accident incident forms) a professionally-trained Workbase tutor spent one-and-a-half days each week at the plant (for a total of 48 weeks) giving workers hands-on, one-on-one literacy training. Approximately ten employees (44 per cent of the plant staff) received this private literacy tutoring—customized to meet their specific literacy needs (e.g., focusing on spoken or written English)—delivered in a context that they could easily relate to.

The benefits of Pinepac’s literacy program have been significant for both the organization and individual employees. Pinepac has more capacity to achieve its business goals of safety, quality improvement, improved compliance outcomes, and productivity gains. Other notable outcomes and impacts attributed, in part, to Pinepac’s literacy program include:

- A significant drop in absenteeism and workplace accidents. The number of lost-time injuries per thousand hours of work was cut in half after the Workbase literacy training was put into place.
- A work environment that employees want to be a part of (with greater understanding and more positive attitudes). Pinepac workers talk about the way things are supposed to be done, the correct way to do a process safely, why things went wrong and how things should be communicated.
- Improved staff retention. Pinepac has a much more happy work environment in which employees are empowered and interested in making decisions independently, and more capable of addressing day-to-day challenges. Staff turnover has stopped dead in its tracks.

### 3.3 Workplace Learning Improves Management and Leadership Skills

SMEs invest in workplace learning activities to improve the skills of their managers and leaders. In particular, SMEs look to workplace learning to:

- Improve leadership competencies and management skills.
- Delegate responsibilities – let go of control (e.g., address succession planning issues).

Coll Electrical Ltd., for example, is a 100 per cent locally owned and operated electrical contracting company in Auckland, New Zealand. It offers commercial and industrial electrical engineering contract services throughout the country. Coll Electrical has been a successful company under the direction and guidance of Pat Coll, the company’s founder and proprietor. Coll Electrical employs 60 staff.

Around 2001, with just under 25 staff, things were going smoothly. Yet, for Pat Coll, who was trying to do everything and run the company if it was a much smaller shop, the workload and pace of things was becoming too much to handle. At around the same time, Coll Electrical was approached by the Electro Technology Industry Training Organization (ETITO)\(^8\) to participate in a pilot project with Investors in People to improve the performance of the company by setting “good levels” of practice and maximizing the full potential of its workers.\(^9\)

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\(^7\) Established in 1996, Workbase is The New Zealand Centre for Workforce Literacy Development. It works with business, government and the adult literacy sector. Workbase is a New Zealand Qualifications Authority (NZQA) and a registered and accredited private training establishment (See: [www.workbase.org.nz](http://www.workbase.org.nz)).

\(^8\) The obligations that the ETITO delivers include: developing national standards and qualifications; developing arrangements for the delivery of industry training (e.g., purchasing, monitoring, and the assessment of training); and identifying current and future skill needs. For more information, go to: [www.etito.co.nz/index.sm](http://www.etito.co.nz/index.sm).

\(^9\) [Investors in People](http://www.iipnz.co.nz) New Zealand, established in 1999, has a “standard” level of good practice for improving a company’s productivity by maximizing the potential of its people. For more information, go to: [www.iipnz.co.nz](http://www.iipnz.co.nz).
Investors in People conducted an analysis of the company to find out what was working well and what was not. It found that one of its biggest hindrances was its management practices, and how Pat Coll was not willing to let go of the day-to-day operations, and rarely passed on work or delegated responsibility to his staff. The end result: the company was not as productive as it could have been, and some felt that their talents and skills were not being utilized fully on account of the company’s micro-management approach.

The objectives of the learning program were to manage people more effectively, increase productivity, and address recruitment and staff retention issues. To do this the company focused on four areas:

- Building its leadership and management capacity.
- Improving the extent to which people collaborated, networked and communicated with one another.
- Increasing its commitment and focus on investments in people and skills.
- Creating a workplace culture that recognized and valued good work.

Staff members were asked to provide detailed job descriptions of what was expected of them, and what a “good practice” looked like. Coll Electrical had a clear understanding of the “fit” between employees and jobs, and where appropriate training might be sought and provided. By introducing performance standards and core competencies into the workplace; and addressing any skills and knowledge gaps with targeted training courses (e.g., project management, health and safety, and general up-skilling) Coll Electrical was in a position to flourish.

Investors in People provided training to Coll Electrical staff for a couple of hours per week. In addition, Coll Electrical implemented a number of informal learning and skills development activities including:

- Having management and staff review all projects that exceeded budget to learn from them and identify where future improvements can be made.
- Holding social events, such as barbeques and staff get-togethers, giving employees and management the chance to relax and get to know one another in informal settings.

Within eighteen months of initiating the program, Coll Electrical tripled the size of its workforce, tripled its profits, and tripled its staff retention rates.

- Coll Electrical enhanced its reputation for delivering efficient, cost-effective and high-quality work.
- The company improved the quality of its workmanship and cut down on material wastage.
- Workers were encouraged to share their ideas and improve the ways in which projects were managed and implemented. Employees worked up to their full potential and took pride in their work.

### 3.4 Workplace Learning Improves Operational Performance

SMEs invest in workplace learning activities to improve operational performance. In particular, SMEs look to workplace learning to:

- Improve competitiveness, and build capacity for growth.
- Control costs.
- Address shifting market preferences.
- Manage global competition.
- Use new technology and machinery and to adapt to new legislation.
- Improve work cultures and attitudes.
The WA Freightlines Group of Companies, for example, is a transport logistics operation in Australia that specializes in the movement of freight. It employs 187 people, and to become the preferred supplier of transport services to its customers the company actively encourages employees to achieve their full potential by providing education, training and delegation of authority.

Training is used to improve the skills of employees, achieve higher levels of efficiencies and to have safer work environments. The company provides a training pathway for each employee depending on their roles and responsibilities—and every new employee is introduced to the training pathways available to them once they have completed their probationary period. The aim is to create a professional team that can cope with any situation or problem that might be put in front of them. In 2006, the company was the winner of the Australian Training Awards—Western Australia Medium Employer of the Year award.

Occupational Health and Safety (OH&S) underpins all training, and all employees are required to complete mandatory national training units through the Australian National Training Authority’s Transport and Distribution Training Package. The training units help employees understand how to: follow OH&S procedures, apply fatigue management strategies, load and unload goods, apply basic first aid, coordinate breakdowns and emergencies, shift materials safely using manual handling methods, and work effectively with others. The bulk of the training is delivered by Registered Training Organizations (RTOs). The company’s training manager ensures that the quality of training delivered meets the needs of the company, and that proper assessment and delivery mechanisms are used.

The benefits of training at the company have been significant:

- Employees are able to put into practice the new skills they acquire very quickly, as the learning is designed around the daily activities of employees.
- There has been a 25 per cent reduction in damaged freight due to better loading practices used by staff.
- Drivers are more aware of their responsibility to follow safe work practices. The company estimates that it has seen a reduction in accidents/near misses by approximately 30 per cent.
- The number of customer complaints (misdirected freight, damaged goods) has reduced.

## Monitoring and Evaluating the Effectiveness of Workplace Learning and Training in SMEs

The best measure of workplace learning and training effectiveness is when learning outcomes help an organization—through its employees, teams and managers—meet its business challenges and accomplish its business objectives (e.g. improving productivity rates, increasing revenues, reducing error rates).

SMEs that monitor and evaluate their workplace learning and training use a variety of methods, including:

- Having employees indicate in their performance appraisals how they use their learning and training to improve their effectiveness on the job.
- Having managers provide feedback on employee learning objectives to ensure that goals are achieved.
- Asking employees and their managers to comment on how useful a learning program or training module is and how it might be improved or made more useful.
- Comparing a firm’s “bottom line” pre- and post-learning.
- Asking customers for their feedback on customer care, quality of products and services, etc.

4 Keys to Successful SME Workplace Learning Practices

Many SMEs offer very effective workplace learning programs. Our study of 65 SMEs and their workplace learning practices shows that SMEs are just as capable of using learning activities as a vehicle to address their business issues as larger firms. And the seriousness of their commitment to workplace learning, the degree of sophistication of their learning practices and programs is not a function of the size of the organization doing the training. Rather, much depends on how effective a firm is in terms of understanding the business issues it faces and the practical intelligence of its response to those issues, including:

- finding an approach to learning and training that fits with its business model and organizational culture;
- ensuring that learning and training is aligned with the needs of individual employees and current and future directions of the organization;
- linking learning and training with performance management;
- selectively leveraging training providers and learning content that already exists in the market;
- deliberately maximizing the impact of learning and training (e.g., by having those who are trained coach and mentor others, make presentations, develop learning and training manuals for the use of other staff based on what they have learned); and
- relating learning and training back to the business issues the company is trying to address.

The Integration and Alignment of Workplace Learning in SMEs

When SMEs design and implement their workplace learning and training activities it is best if they do so within the context of their business issues. The integration and alignment of workplace learning and training with business functions are critical factors in “making training work”.

To respond most effectively to business issues, SMEs tend to integrate and align workplace learning and training with such things as:

- overall business objectives (mission, vision, mandate);
- organizational capacity (present and future);
- organizational culture;
- strategic workforce planning issues (e.g., compensation, recruitment, and retention);
- performance evaluation and management (including the needs of individual employees as it relates to workplace performance); and
- customer feedback.


SMEs that learn and train intelligently do not embark on a journey down some magical “training road” that leads to solutions and successes. Instead, they “stick to their knitting” and use training to help their firm, and their employees, do even better in what they already do well. Effective learning and training is about staying on course, following the business signs, and refueling wherever necessary.
### 4.1 Typical Triggers for SME Workplace Learning and Training Initiatives

To compete and grow, many companies (particularly SMEs) need to be able to shift to changing preferences and markets. They may also have the capacity or influence to drive the market to where they want it to go. In either case, businesses must rise to the competitive challenge and develop strong business responses. Often, workplace learning and training initiatives are used to assist companies and their employees succeed.

<table>
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<tr>
<th>SME Business Strategies for Competitiveness and Growth</th>
<th>Rationale for Workplace Learning and Training Initiatives</th>
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<td>1. Cut Costs</td>
<td>• Learning new ways to become “leaner and meaner”.</td>
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<td>2. Improve Quality</td>
<td>• Challenging the market to pay higher prices for products and services that are of superior quality.</td>
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<td></td>
<td>• Setting a new standard for the industry for top-of-the-line products and services.</td>
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<td>3. Diversify and Innovate</td>
<td>• Creating and taking new products and services to market.</td>
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<td></td>
<td>• Mitigating risk by making sure that a company’s ‘eggs’ are not in one basket—workplace learning and training can help.</td>
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<td>4. Move up the Value Chain</td>
<td>• Producing higher value-added goods and services to generate higher returns—workplace learning and training can help.</td>
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<td>5. Improve Productivity</td>
<td>• Working smarter, and doing more with less to maximize returns.</td>
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<td>6. Implement New Value Propositions</td>
<td>• Rebranding based on new offers to the market—workplace learning and training can help.</td>
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<td>7. Implement Environmentally Sustainable or Ethical Practices</td>
<td>• Learning and training to comply with industry and government regulations.</td>
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<td></td>
<td>• Abiding by voluntary codes of conduct to appeal to market segments who value environmentally sustainable and ethical business practices.</td>
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<tr>
<td>8. Be an Employer of Choice</td>
<td>• Attracting better quality hires and retaining talented workers in a tight labour market—offering workplace learning and training programs can help.</td>
</tr>
<tr>
<td>9. Grow</td>
<td>• Taking advantage of economies of scale through superior buying power, or achieving “commanding heights” in the market to dictate price—workplace learning and training can help.</td>
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</tbody>
</table>

needs assessment, designing and delivering its own workplace learning and training activities and establishing its own standards and ways of measuring training effectiveness. In the other extreme, an SME may decide that it needs to partner with others and seek external providers who can develop and implement a custom solution. Between the two extremes, many approaches are possible that combine firm-driven action with or without the involvement of partners.

A number of common patterns emerged in the course of studying the 65 effective SME workplace learning practices. In particular, our research noted that successful SMEs:

1. See learning as an investment.
2. Align individual learning objectives with organizational goals.
3. Leverage internal and external resources to make the most of their learning practices.
4. Build strong learning environments.

### 4.2 Successful SMEs See Workplace Learning as an Investment

Many SMEs continue to see learning as a cost, or as a discretionary expense that is part of the administration function of their organizations, budgeted as a corporate overhead. Any indirect costs associated with their training activities (i.e., lost hours when their employees are off the job attending a course) are also included in their cost structures as opportunity costs. Naturally, these organizations seek to minimize spending on training, and often limit the amount of learning to what is required by law, what is immediately necessary to survive, or what is required to “enrich” an employees’ compensation package. Unfortunately, this attitude does not lend itself well to effective workplace learning practices.

On the other hand, the majority of the 65 SMEs included as part of this research project recognize workplace learning and training as an investment. They incorporate workplace learning as part of their operations function by linking it to things such as revenue, productivity gains, and new product development.

Take, for example, The City of Albany, a community of 34,000 people located on the southern coast of Western Australia—an established “holiday playground”, where tourism, recreation, food and hospitality continue to be a key to the community’s economic success. The City employs approximately 250 permanent staff including works/operational staff, administration and technical-based staff, and community services facilities staff.

The City of Albany is committed to being a “learning city” and recognizes that education, learning and training are key drivers for the future prosperity, stability and well being of its citizens’ and economy. Its mission statement says that the City will be renowned for its “commitment to training and development” and that at all times it “values and develops its people”. On average, City of Albany staff members spend 3 days a year on formal “offsite” training. Additionally, on-the-job training (including mentoring) is continuously undertaken and encouraged. Learning, innovation and change are valued attributes at the City. In 2005, the City of Albany was recognized as the Large Employer of the Year at the Western Australia Training Excellence Awards.

In 1999, the City of Albany began to pay particular attention to its training and development activities—moving away from an ad hoc approach to a more coordinated and strategic approach to staff development. Today, staff training and human resource development is identified as a strategic imperative, and is now integrated within the City’s overall objectives and systems. Offered in-house or through local colleges, universities, or registered training organizations (RTOs) the majority of training activities offered at the
City of Albany are “needs-based” and “job-specific” in nature. They are designed primarily to upgrade or refresh the day-to-day job skills, behaviours and knowledge required of staff.

Some of the key training and learning activities offered and funded by the City of Albany include:

- First line or front line managers are required to complete a Certificate III in Business Management (through TAFE).
- Supervisors, coordinators and senior technical officers are required to complete a Certificate IV in Business Management (through TAFE). They may also decide to voluntarily complete their diplomas in business management.
- All City Managers are required to complete their Advanced Diplomas in Business Management; and all Executive Management staff must have either completed or working to complete Master’s degrees in Business Administration (MBAs).
- The City has a postgraduate study cost reimbursement scheme, whereby staff wishing to pursue tertiary qualifications can receive financial assistance provided that the courses are relevant and assist in achieving work-related objectives and key job responsibilities.10
- After four years of continuous service, eligible employees can receive an AUS $2000 per annum accumulating service allowance for legitimate professional development or training activities, work related expenses, or the repayment of outstanding Higher Education Contribution Scheme (HECS) debts.
- The City pays for all reasonable travel and accommodation expenses for staff attending conference and training seminars relevant to their job functions.

The City of Albany has a philosophy of investing in its people and promoting good quality employees from within. Training is guaranteed to all staff, and is driven primarily from the City’s two-way performance and review and personal development process (where, each year, a copy of all completed external training undertaken by staff members is attached to performance reviews and personal development forms so that informed decisions are made in consultation with managers about future training needs).

By viewing training and learning as an investment in the skills, attitudes, and behaviours of its employees, The City of Albany has benefited greatly. Training has assisted the organization enhance staff skills, meet its strategic objectives, improve staff retention and morale, encourage innovative approaches, and make the City of Albany an attractive place to work.

- Through targeted training the City has reduced its reliance on external expertise and outsourcing costs. For example, the City developed its entire HR strategy using the skills and knowledge of staff who had completed their post-graduate management qualifications, rather than having to rely on external consultants (a savings to the City of over AUS $90,000).
- The City has experienced increased levels of trust within teams and among staff.
- The self-confidence of staff has increased significantly on account of training. For example improved time management skills have enabled staff to be better organized and have more confidence in prioritizing their tasks.
- Fifty-eight of the City’s Outside Works staff members have completed their Certificate III in Rural Operations—a nationally recognized qualification.

10 Tertiary qualification assistance is limited to one completed diploma, degree or postgraduate qualification.
4.3 Successful SMEs Align Individual Learning Objectives with Organizational Goals

SMEs that align their learning programs and activities to organizational goals are more likely to see positive results than those that do not.

The logic map is simple: organizational goals (e.g., increasing profits) should flow into departmental goals (e.g., sales targets) which should then flow into individual goals and performance objectives (e.g., increasing sales of machinery by 20 per cent). It is equally important that individual goals relate to departmental and organizational goals. When this occurs, workplace learning is often a powerful tool.

The La Ronge Motor Hotel is an example where individual and organizational goals converge. The motor hotel is located in a small northern Saskatchewan community and employs 65 local residents. It is owned and operated by the Lac La Ronge Indian Band.

Prior to 1995, the work culture and ethic of staff at the hotel was indifferent, and the attitudes toward learning ranged from non-existent to downright negative. As a result, the La Ronge Motor Hotel was not meeting the industry standards of a full service medium-sized hotel. To address the need for skills upgrading and higher levels of customer service, hotel management and employees made a conscious decision to adopt a positive approach. They chose to move away from a tendency to blame others for problems and elected to work together to come up with training solutions.

To address the varied skills needs of its workforce, the hotel adopted a progressive training program, the Workplace Training Puzzle. The strategy views each employee’s skills needs as a unique “training puzzle” to be solved by management, instructors, supervisors, and the employee all working together as a team. Through a customized training solution, the personal circumstances and skills needs of the employee, as well as the needs of the organization, are addressed.

The training plan relies on committed hotel management working collaboratively with the hotel administrator (Kitsaki Management Limited Partnership) and a local community college (Northlands College). The provincial post-secondary skills training department (Saskatchewan Learning), the Saskatchewan Tourism Education Council (STEC) and the Saskatchewan Labour Force Development Board (SLFDB) also help bring the project to life with funding and training expertise.

Today, La Ronge is meeting its hotel training objectives. It has also achieved its vision and is now recognized as an industry standard, full-service medium-sized hotel. Employees have received certification in recognition of their skills upgrading and are now performing at industry standard levels. The customized training programs offered at the hotel also meet their personal development needs.

Those SMEs that use a blend of informal and formal learning activities, along with an assessment of some sort (e.g., performance reviews) and a motivational component (e.g., rewards/compensation) reap the greatest rewards.

Single learning programs are not nearly as successful as learning approaches built around an integrated, multi-faceted continuum of learning activities.

4.4 **Successful SMEs Leverage Internal and External Resources**

Some of the most effective SMEs make use of their internal expertise and knowledge—through mentoring, coaching, job-rotations and job-shadowing activities. They also recognize that they cannot “go-it-alone” all the time and tap into the expertise of training authorities, sector councils, government services, “training clusters”, and public and private education systems when needed.

A case in point is the Ballybay Credit Union, located in a town of 1,100 people in a remote rural area near the border with Northern Ireland. The Credit Union is a financial cooperative specializing in small savings and loans as well as insurance products. The Ballybay Credit Union has 6 employees and hired its first manager in 2002. When the first manager arrived the organization had no business plan and no active management at all except for a volunteer Board.

The new manager’s first initiative was to have the Credit Union gain certification by the *Excellence Through People* (ETP) program, a national human resources management standard administered by the Irish government’s Training and Employment Authority. The dual goals of this program are “to act as a business improvement tool as well as being a driver for change and innovation” and “to promote employee learning, development and involvement in line with the organization’s goals.” The manager believed that gaining ETP certification would produce a huge boost in employee confidence and public recognition, and would also make training part of the core business operations.

Because the ETP certification required a business plan, which the Credit Union then lacked, the manager spoke to other area credit unions about the idea of jointly working on business plans, and got four to agree to participate. The group asked a local technical business college to recommend a lecturer who could facilitate workshops on drawing up business plans. Ballybay Credit Union conducted a SWOT analysis by looking at people, products, processes, marketing, and price—underscoring the importance of training to improve the credit union’s products and quality of service. The analysis brought into focus the importance of further employee training and development as an indispensable component of advancing the Credit Union’s new business objectives.

Most external training at Ballybay Credit Union is delivered through private training courses identified through Skillsnet (a government-funded business networking program). First-aid courses are delivered through the Red Cross; and on-site training for the volunteer Directors is provided by the Irish League of Credit Unions.

In October 2006, the Ballybay Credit Union was presented with the *Excellence Through People* Award. Improved training and attention to customer needs have resulted in the introduction of new products and pricing regimes. Other impacts include:

- The credit union has a much higher profile in the region.
- Employees’ enthusiasm is rekindled and they are motivated to do things better.
- Employees understand how their own jobs fit into the overall business plan.
- The new training initiatives have enabled the Credit Union to comply with recently-introduced Irish legislation requiring employees of financial institutions to have minimum standards of financial training.
4.5 Successful SMEs Build Strong Learning Environments

A learning organization, according to David Garvin, is one that is “skilled at creating, acquiring, and transferring knowledge and at modifying its behaviour to reflect new knowledge and insights.”¹¹ Most of the SMEs studied for this research project showed clear signs of either being a ‘learning organization’ or they were in the process of becoming one. In particular, many of the SMEs studied:

- Embrace a culture of learning & engagement.
- Share ideas, practices, and knowledge among employees and managers.
- Integrate learning into daily work life.
- Package learning so that it is accessible and directly relevant

One example drawn from the compendium of international SME case studies is DDB Reklamebyrå, in Oslo, Norway. DDB is an advertising company that employs 84 full-time workers with expertise in various forms of media communication.

Over time, DDB Oslo had built a considerable expertise in delivering creative products. To differentiate their product DDB Oslo wanted to be able to think even more creatively, more outside of the box. DDB Oslo noticed that too many professionals in the advertising community thought and talked alike. Without new ideas, the whole industry seemed to be stagnating.

DDB Oslo sought a way to develop the new ideas needed to create memorable messages and ethical communications. Management believed that educating employees was a way of developing the new areas of knowledge that would foster new ideas: by gaining new areas of knowledge, employees would be more inclined to develop innovative and effective advertising. Knowledge in a wider array of topics would allow employees at DDB Oslo to add more value to the company’s services.

In the late 1990’s, a self-motivated DDB Oslo employee established a key contact at the University of Oslo. This was the beginning of collaboration between DDB Oslo and the university. The Institute of Cultural Studies at the University of Oslo and DDB Oslo created a continuing learning program that challenged employees’ ways of thinking by having them take courses in humanities and cultural studies. The continuing education program allowed employees to gain an understanding of the advertising business beyond marketing.

Initially the program was intended for those senior creative staff responsible for the development of brand strategy and communication. It was soon realized that meaningful change would only be possible if this new knowledge was integrated into the competencies of the whole company. Other people who offer creative input in the company were soon offered the training as well. The external training counts for two credits at the Institute of Cultural Studies at the University of Oslo. Instructors at the University of Oslo teach by e-mail, phone and in person at the DDB Oslo office.

DDB Oslo has the opinion that training within an organization must be a long-term endeavor. If the training is not long enough then little long term knowledge is created. Learners must be able to use the material and evaluate their own use of it before significant behaviour change occurs. Therefore training at

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¹¹ David A. Garvin is a Professor of Business Administration at the Harvard Business School. His research interests include: general management and strategic change; organizational learning; business and management processes; and the design and leadership of large, complex organizations.
DDB Oslo is typically carried out over a longer-period of time—seminars for DDB Oslo’s employees last approximately eight months from the first lecture to the final exam.

The training program is built around mutual trust between the employee and the agency. There are no formal agreements between DDB Oslo and its employees surrounding the training program. However there are some unwritten rules that include:

- Employees must complete the program.
- Participant groups agree to present projects and lead discussions to the whole company.
- Based on the company’s interest in new knowledge, there is no need for systems and structures regarding integrating new knowledge in the work. After projects and exams have been successfully completed, groups and individuals present their work at general meetings. In part due to these presentations, the new competency quickly spreads throughout the company, becoming an integral approach to the work.

The success of the learning programs is a product of both employees and a company dedicated to continuous competency development. Since the training program began, DDB Oslo believes that:

- the ability of the company to deliver creative and quality advertising has risen significantly;
- their advertising has developed an ethical dimension—creating better results for their clients;
- their reputation within the field has been enhanced and the company is recognized for its creative flair and its professionalism; and
- their reputation has helped spur profitability. DDB Oslo calls this the “golden wheel” phenomenon in which solid finances allow investment in competencies, which in turn improves finances.

In addition, management has found that the training program has had a positive impact on the work environment in four ways:

1. Fosters a sense of confidence in the employees’ professional abilities, which in turn fosters creativity.
2. Generates a unique sense of pride throughout the organization.
3. Makes the workplace more egalitarian by offering training to a broad range of employees.
4. The company enjoys the lowest employee turnover in advertising agencies within Norway.

In recognition of the excellent results from DDB Oslo’s workplace training program they were made a finalist for the 2005 Vox prize for effective workplace training programs in Norway. Since the introduction of the training program, DDB Oslo has been voted the most attractive place to work within the advertising field several times.

4.6 Successful SMEs Recognize the Value of Standards, Credentials and Certification

All businesses have certain core competencies in terms of the goods and services they produce and take to market. These core competencies are related to price sensitivity, value, level of customer care and so on. Accordingly, all employees within a firm need to have knowledge, skills, attitudes and behaviours that support the core competencies of their organizations.

It makes sense that each organization has a unique blend of knowledge, skills, attitudes and behaviours that it expects each of its employees to have and use—whatever the function they perform within the

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12 The Vox prize is an award given out by Vox – an agency of the Norwegian Ministry of Education and Research, responsible for promoting continuous and workplace learning. See: www.vox.no
organization. Clearly, the level and sophistication of these skills will vary from position to position depending on the type of responsibility vested in the employee, the nature and amount of contact they have with internal and external customers, and so on. These unique skill sets are part of the culture of an organization. Some companies describe these skill sets in a kind of short hand—for example, a firm might describe its manner of doing business as “The Company X way”, by which it means something very specific and well understood by staff and customers.

The Value of Credentialing and Certification to SMEs

Individual Gains:
- Credentials meet a need for continuous development.
- Credentialing increases an individual’s marketability.
- Certifications are sought by employers and clients because they provide a competitive edge, and demonstrate commitment to a profession and career. They provide a standard and a measure of trust.
- Building and maintaining a greater skill set

Organizational Gains:
- Provides for a more competent, capable and committed workforce.
- High correlation to customer satisfaction.
- Competitive advantage.
- Recognized level of competence required by customers.


Firms have a vested interest in developing their employees to the standards they set for themselves, and often have a variety of formal and informal means of ensuring that employees understand what is required of them in order to emulate corporate practice in what they do in their jobs. Training, coaching and mentoring on these skills are part of the daily life of most firms.

At the same time, firms operate in an industrial context where certain kinds of skills and knowledge are common to firms and jobs across an entire sector (e.g., manufacturing, tourism and hospitality, retail, mining, healthcare, etc.). In many cases industry standards exist and are mandatory (e.g., occupational health and safety). Other industry standards may be voluntary and relate to quality (e.g., ISO). While voluntary, it may be in the interest of firms to comply with these standards in order to be included in a lucrative supply chain. Other voluntary standards may be defined by industry associations or government agencies such as sector councils based on consultations with firms in the industry sector. Such standards may be set out as a guide for smart business practice or be used to attract candidates to the sector or map out career paths within the sector.

For business reasons, an organization may elect to bring its employees up to industry standards. This can be done by hiring external trainers, partnering with sector councils or postsecondary institutions, or taking advantage of training opportunities available through larger firms in a supply chain.

Gerco UK Limited, in Scotland, is a good example of an SME that recognized the value of training to standards. Established in 1989, Gerco UK is a specialist contractor delivering supply and fit of dry lining, passive fire protection and air integrity sealing within the construction industry (primarily for commercial
buildings, hotels, hospitals). It has a permanent staff of 40–50 people, all of whom have completed high
school, but none below the Managing Director have university degrees. Some of the workers are
Romanian and Polish foreign migrants.

Gerco had been affected in recent years by an industry-wide movement to upgrade quality levels and
safety standards in their construction workforce.

While external courses at colleges existed to provide skills accreditation for employees many experienced
workers resisted attending the college accreditation programs (finding the process not relevant in terms of
its relation to actual job conditions). In 2002, an in-house Employee Assessment and Development Centre
was established at the company to provide top-quality skills training and assessment services for all Gerco
UK employees as well as other construction workers. Today, Gerco’s accredited training centre, which
delivers National Vocational Qualification (NVQ) standards, is unique among Scottish SMEs in the
construction industry.

Each year employees and managers together complete Personal Development Plans aimed to develop each
employee’s skill and safety awareness and to increase skill flexibility. These plans describe what kinds of
development employees need, and prepare them for the NVQ assessment. Using its on-site training
process, Gerco UK has:

- A workforce that is almost 80 per cent accredited with NVQs.
- Business improvements such as a 40 per cent increase in skills flexibility, a 25 per cent increase in
  performance productivity, and a 25 per cent reduction in remedial work.
- Improved employee loyalty and satisfaction as evidenced by lower employee turnover.
- Increased self-confidence and motivation among employees who now hold a nationally-recognized
  skills accreditation.
- Immeasurable gains in the company’s reputation, recognition and competitiveness.
- Achieved a flexible workforce with many employees having NVQ’s in two and three skills.
- A company work ethic that now predominantly regards NVQs and employee development in a
  positive light rather than as an onerous requirement.
- Recognition for Excellence in Skills and Learning at the Scottish Enterprise Awards.
5 Conclusion

Some SMEs see themselves as having “already gone down the training road” or have characterized their organizations as being “committed to training over the long haul…but not right now”. Curiously, these companies share a number of things in common with organizations at the other end of the spectrum; those that are intimidated by the prospect of “getting in over their heads” or “throwing away good money” when it comes to training and workplace learning.

In reality, neither type of organization is focused on the real issue of addressing business and personal performance – and the opportunity that workplace learning and training can provide. Although workplace learning and training may be seen as something that is “good in of itself”, in a business context it is first and foremost a vehicle for enhancing business performance in order to ensure a competitive future.

Ultimately, SMEs that meet the challenges of competitiveness and growth are the ones that stay on top of business issues. They use workplace learning and training as a vehicle for meeting these business objectives; and they take measured steps to make certain that their learning and training initiatives provide meaningful results. In particular, they:

**Assess:** Effective SMEs determine current company needs and their learning and skills levels. They define their workplace learning goals using the ‘S.M.A.R.T.’ criteria (Specific, Measurable, Achievable, Relevant and Time-defined):

- **Specific** – they describe clearly what they want to change (e.g., certain employee behaviours or skills, or the workplace culture).
- **Measurable** – in concrete, measurable terms, they describe the change.
- **Achievable** – they define workplace learning goals that are attainable within reasonable constraints of time and resources.
- **Relevant** – they set workplace learning goals that have an impact on organizational effectiveness or that are important to the SME.
- **Time-defined** – they define a reasonable time-period to achieve the learning goals.

**Align and Associate:** Effective SMEs arrange their learning and skills development activities with corporate strategies in mind. They understand the link between learning and performance.

**Collaborate:** Effective SMEs work in partnership with government, education, labour and other stakeholders, as appropriate.

**Evaluate and Benchmark:** Effective SMEs develop baselines for evaluating their learning and skills initiatives based on outcomes and impacts, and performance expectations.

**Continuously Improve:** Effective SMEs initiate and modify learning strategies and objectives, as appropriate.

The checklist, below, is a tool designed to help SME owners/operators and managers ensure that their workplace learning and training programs achieve maximum impact. Where learning or training activities are lacking, SMEs should consider what actions are needed to address and overcome the shortcomings.
5.1 **A Checklist to Successful SME Workplace Learning and Training**

Effective workplace learning and training requires that SMEs’ offer meaningful programs and activities: ones that match the needs of their business objectives and the developmental goals of their employees. This checklist gives SMEs seven insights on what it takes to implement successful workplace learning and training activities.

<table>
<thead>
<tr>
<th>Keys to Success</th>
<th>YES</th>
<th>NO</th>
<th>Approach to Learning and Training Success</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Clarity</strong></td>
<td>☑️</td>
<td>❌</td>
<td>• Your learning and training activities are clearly articulated.</td>
</tr>
<tr>
<td></td>
<td>☑️</td>
<td>❌</td>
<td>• Your learning and training outcomes are well defined and, where applicable, linked with industry or nationally-recognized standards and credentials.</td>
</tr>
<tr>
<td></td>
<td>☑️</td>
<td>❌</td>
<td>• Your employees know why they are involved in a learning activity and what they are expected to gain from it (from an individual and company perspective).</td>
</tr>
<tr>
<td><strong>2. Consistency</strong></td>
<td>☑️</td>
<td>❌</td>
<td>• Your learning and training objectives are aligned with your company’s core values and objectives.</td>
</tr>
<tr>
<td></td>
<td>☑️</td>
<td>❌</td>
<td>• Your learning and training activities and outcomes are attainable and measurable.</td>
</tr>
<tr>
<td><strong>3. Control</strong></td>
<td>☑️</td>
<td>❌</td>
<td>• Your managers and leaders know what learning and training opportunities are available to them (both formal and informal), who is involved, what resources are required, and what the anticipated outcomes are.</td>
</tr>
<tr>
<td></td>
<td>☑️</td>
<td>❌</td>
<td>• Your company has a tracking and reporting system in place—one that meets the learning and training needs of your company and its employees.</td>
</tr>
<tr>
<td><strong>4. Choice</strong></td>
<td>☑️</td>
<td>❌</td>
<td>• Your learning and training activities are flexible.</td>
</tr>
<tr>
<td></td>
<td>☑️</td>
<td>❌</td>
<td>• Your learning and training activities meet both near-term needs and longer-term goals (of your employees and your company).</td>
</tr>
<tr>
<td><strong>5. Commitment</strong></td>
<td>☑️</td>
<td>❌</td>
<td>• Your managers and leaders “walk the talk” by making learning and training a priority within your company.</td>
</tr>
<tr>
<td></td>
<td>☑️</td>
<td>❌</td>
<td>• Your managers and leaders are actively involved in learning and training activities themselves.</td>
</tr>
<tr>
<td></td>
<td>☑️</td>
<td>❌</td>
<td>• Your company provides adequate funding and resources for learning and training activities.</td>
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</tbody>
</table>
### Checklist: Seven Keys to Successful SME Workplace Learning and Training

<table>
<thead>
<tr>
<th>6. Communication</th>
<th>☑</th>
<th>☒</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Your learning and training expectations are clearly articulated.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Your employees receive timely, personal feedback and reinforcement.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Your managers and leaders understand the importance of learning and training activities, and know how to communicate this message to employees.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>7. Celebration</th>
<th>☑</th>
<th>☒</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Your learning and training activities and outcomes are recognized, celebrated, and wherever possible, rewarded.</td>
<td></td>
</tr>
</tbody>
</table>

6 Appendix

A mix of small and medium-sized companies (ranging in size for less than 10 employees to 500 employees) from different sectors and regions from around the world were selected for this research project.

6.1 Industry Sector Representation

The 65 SMEs selected represent a number of key industry sectors, including:

- manufacturing (24 per cent);
- tourism and hospitality (14 per cent);
- retail services (8 per cent);
- financial services (8 per cent);
- construction (6 per cent);
- transportation and logistics (6 per cent);
- health care (6 per cent);
- public sector (5 per cent); and
- Information Technology (5 per cent).

6.2 Country of Participation and Number/Size of SMEs

<table>
<thead>
<tr>
<th>Country</th>
<th>(n)</th>
<th>0 - 99</th>
<th>100 – 199</th>
<th>200 – 299</th>
<th>300+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>8</td>
<td>3</td>
<td>3</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Canada</td>
<td>6</td>
<td>3</td>
<td>2</td>
<td>–</td>
<td>1</td>
</tr>
<tr>
<td>China</td>
<td>1</td>
<td>1</td>
<td>–</td>
<td>–</td>
<td>1</td>
</tr>
<tr>
<td>England/Northern Ireland</td>
<td>7</td>
<td>4</td>
<td>3</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>India</td>
<td>4</td>
<td>–</td>
<td>–</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Ireland</td>
<td>11</td>
<td>7</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>New Zealand</td>
<td>6</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Norway</td>
<td>6</td>
<td>3</td>
<td>2</td>
<td>–</td>
<td>1</td>
</tr>
<tr>
<td>Scotland</td>
<td>6</td>
<td>6</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>United States</td>
<td>10</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total SMEs</strong></td>
<td>65</td>
<td>31</td>
<td>15</td>
<td>6</td>
<td>13</td>
</tr>
</tbody>
</table>

6.3 **Web-based Search for Effective SME Learning Practices**

The Conference Board looked at numerous web-based sources in different countries in order to find effective SME workplace learning practices including:

**Australia:** TAFE system (Technical and Further Education); Dusseldorpf Skills Foundation; Australian Training Awards (National and State); Business Enterprise Centres; National Centre for Vocational Education Research (NCVER); Australian National Training Authority (ANTA); Registered Training Organizations (RTOs); and the Australian Institute of Management.

**Canada:** CFIB (Canadian Federation of Independent Businesses); Human Resources and Skills Development Canada (HRSDC); Industry Canada; Sector Council Program, The Alliance of Sector Councils (TASC); the Association of Canadian Community Colleges (ACCC); The Conference Board of Canada’s workplace learning awards and case studies; Provincial Departments of Education; various Chambers of Commerce; and a number of Regional Economic Development Agencies.

**England, Ireland, and Scotland:** LearnDirect Scotland; Investors’ in People; UK National Training Awards; Scottish Enterprise Awards; Industry Training Boards; Sector Skills Councils; Chartered Institute of Personnel and Development (CIPD); Chambers of Commerce; Excellence Through People; SkillsNet; Irish National Training and Employment Authority (FAS); Irish Institute of Training and Development; 50 Best Places to Work for in Ireland; Enterprise Ireland; and the National Vocational Qualification System.

**India:** Federation of Indian Micro and Small and Medium Enterprises (FISME); India Brand Equity Foundation; Ministry of Commerce and Industry; India’s SME Development Agency; and the Confederation of Indian Industry and Export (CIIE).

**New Zealand:** Industry Training Federation; Workbase; Investors in People; 20 Best Places to Work in New Zealand; and various Industry Training Organizations (ITOs).

**Norway:** VOX – nationally recognized government training award.

**United States:** ASTD (American Society for Training and Development) Awards; and Society for Human Resources Management Awards.

6.4 **List of SME Workplace Learning Practice Case Studies**

**Australia**
1. The City of Albany (250 employees) – a healthy, thriving, learning City.
2. Mad About Plants (15 employees) – building a qualified and multi-skilled team.
3. Australian Vinlys (110 employees) – leveraging training to improve safety and competitiveness.
4. dal Gourmet Café and Catering (42 employees) – employing and training people with special needs.
5. Therapy Focus (110 employees) – a focus on outcomes-based learning.
6. WA Freightlines Group (145 employees) – leading the way in nationally accredited training courses.
7. Eurobodalla Shire Council (450 employees) – retaining and upgrading skills through accredited training programs for mature workers.
8. Midpro Engineering (17 employees) – implementing job rotation for skills development.
Canada
9. La Ronge Motor Hotel (65 employees) – solving the training puzzle.
11. National Silicates (93 employees) – developing through a chemical process operators program.
12. Royal Star Foods Ltd. (400 employees) – building through a workplace education program.
13. Stedfast Inc. (100 employees) – bringing skills development and knowledge management to the workplace.
14. Elmsdale Lumber Corporation (57 employees) – at the cutting edge of workplace education.

China
15. Zhejiang NAMAG (55 employees) – building a global enterprise.

England and Northern Ireland
16. Luminary Solutions (36 employees) – coping with change.
17. Bison Bede Limited (111 employees) – recognizing approved dealers.
18. Express Parcels (120 employees) – reducing staffing problems by empowering middle managers.
19. The Streat Café (100 employees) – standardizing franchises through training.
20. Oakwood Builders and Joinery Ltd. (35 employees) – driving growth.
21. Stanair Industrial Door Services Ltd. (64 employees) – training to grow.
22. Taylor’s Fish (13 employees) – moving into retirement, how training can help.

India
25. Graphite India Limited (415 employees) – growing global skills for global markets.

Ireland
27. Ballybay Credit Union (6 employees) – helping a small organization become nationally-recognized.
29. Hochtief Facility Management Ireland (215 employees) – formal IT training helps.
30. RecruitIreland.com (15 employees) – training a small and specialized workforce.
32. Thomson Financial Ireland Ltd. (80 employees) – training a diverse workforce in financial expertise.
34. Alternative Cater Hire (25 employees) – increased training for rapid business growth.
35. AVA Systems Limited (9 employees) – training to build a motivated and technically expert staff.
36. ICI Dulux Paints Ireland (137 employees) – a comprehensive prize-winning training program.
37. Ardkeen Quality Food Store (130 employees) – training to help a company differentiate itself.

New Zealand
38. DDB New Zealand Limited (250 employees) – unleashing the potential of people in the workplace.
39. HortResearch (500 employees) – “feed-forward coaching” and the “good to great” leadership program.
40. Pinepac (150 employees) – improving self-esteem, and safety through workplace literacy training.
41. Outward Bound New Zealand (55 employees) – acknowledging that people make the difference.
42. Coll Electrical Limited (60 employees) – investing in people and their skills.
43. Marley New Zealand Limited (220 employees) – succeeding through a skills-based pay system.

**Norway**

44. DDB Reklamebyrå Oslo (84 employees) – thinking outside the box.
45. Klæburuten AS (80 employees) – taking the competency development bus route to success.
46. Mo Industritransport AS (135 employees) – helping employees get certified.
47. Sør-Norge Aluminium AS (390 employees) – there’s safety in literacy training.
48. Auranor Luftfördeling AS (120 employees) – getting the skills needed to perform multiple tasks.
49. Bramiljøs Eidskog Næringsservice KF (45 employees) – from cleaning ladies to service associates.

**Scotland**

50. Gerco UK Limited (40 employees) – using in-house training centre for vocational skills qualifications.
51. CairnGorm Mountain (80 employees) – aiding business transformation through a ‘people first’ culture.
52. The Point Hotel (89 employees) – multi-faceted training for a transient multi-national staff.
53. Remploy Stirling (55 employees) – training for business and non-profit social service goals.
54. Solas Scotland (60 employees) – basic skills training in a non-profit community business.
55. The Buccleuch Arms Hotel (24 employees) – training to build a culture of pride in excellence.

**United States**

56. Army Management Staff College (92 employees) – developing army civilian leaders.
57. Badger Mining Corporation (177 employees) – engaging the workforce through flexibility.
58. Triage Consulting Group (229 employees) – getting support for workplace training.
59. Holder Construction Company (359 employees) – paving the way for employee success.
60. Nevada Federal Credit Union (308 employees) – investing in employee development.
61. Lincoln Industries (479 employees) – manufacturing a successful workforce.
62. Michigan State University Federal Credit Union (331 employees) – engaging the workforce.
64. Northwire Inc. (122 employees) – focusing on flexibility.
65. Bunkhouse Leather (3 employees) – mentoring to sustain traditional skills and methods.
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