

## TAPPING THE EMPLOYMENT POTENTIAL OF SMES

There are two particular problems that are very evident in the labour market in Flanders. Firstly, the low number of people in the 50-64 age group who remain in employment. In 2003, it was only 42.4% compared to 52.9% for EU-15 as a whole. Secondly, in 2002, the unemployment rate of Belgian nationals was 4.5%, while those people who were resident in Belgium but were non-EU nationals had an unemployment rate of 25.3%. The majority of these migrants are from Turkey or the Maghreb countries.



In its Recommendation ([2004/741/EC](#)) on the implementation of Member States' employment policies, the European Council highlights the need in Belgium:

- To increase the coverage of unemployed adults, disadvantaged young people and immigrants in the measures run by the employment services; and
- To define a comprehensive strategy for active ageing, access to continuing training, the promotion of a flexible working environment and effective job search for older unemployed workers, including determination in reducing early retirement schemes.

These needs are reflected in the main thrusts of the Flemish Government's diversity policy that encourages cooperation between sectors, invests in the social economy to create subsidised jobs, promotes equal opportunity policies and supports organisations in developing their own diversity policies. In the case of migrants, there is also a political will to ensure proportional labour market participation by 2010, so that their rates of employment reflect the percentage of the population that they represent.

*"Paradox has developed a very effective and efficient way of matching the employment needs of older people and non-natives with the job requirements of smaller employers,"* says Fons Leroy, the Head of Cabinet of the Flemish Minister of Employment, who also hopes that "this approach will be continued in the normal work of its partners!"

### DEVELOPING NEW SERVICES FOR SMES

The Paradox Development Partnership (DP) is unique in Belgium in its exclusive targeting of SMEs to realise its main objective of increasing the employment rates of older and 'non-native' people.

IDEA Consult, the managing organisation of this EQUAL DP, is convinced that its methodology will be transferred to the wider labour market. The methods and tools will be disseminated throughout Flanders by the Public Employment Service (VDAB) and by Sub-Regional Employment Committees and they will also be promoted by the Belgian Federation of the Self-Employed. In addition, the results of the project will be transmitted to policy makers through the Flemish and the Federal Employment Ministries. Finally, its outcomes will be presented on the European stage, as Paradox will be featured in a book called 'DiverCities' to be published later this year by ENGIME, a Network of Excellence in the EU's Fifth Framework Programme.

Paradox is firmly focused on SMEs in and around the City of Antwerp. These small, local firms or family businesses do not have Human Resource Departments nor are they particularly concerned or interested in concepts such as Corporate Social Responsibility. Thus, a different and often more personal approach must be adopted if the people in charge of these companies

are to be convinced that they should review their recruitment policies and consider employing older and 'non-native' persons. It requires extra efforts and explanations if managers are to understand that these target groups actually possess relevant competences and that there are grants, subsidies or allowances available to support the employment and/or training of individuals from these groups.

In terms of its awareness raising, the DP has been very successful. Most contacts with SMEs take place through a personal visit by one of three counsellors employed in the project. Access to companies, even on the basis of this 'cold-calling', seems to be relatively easy and employers are willing to share their experiences that relate to older or 'non-native' workers. The counsellor is also able to explain that there is a range of benefits or services that the DP can offer including better matching, advice on existing employment measures and guidance for the employer and the prospective employee. These counsellors are available to help candidates with the application process and then continue to provide on-going support and monitoring. This support is obviously invaluable to both employers and new employees. Luc Van den Broeck from VIDEP, a firm that repairs TVs and video recorders, feels that *"Open communication with the workforce is crucial for a productive atmosphere. Also the counselling of older employees is important. Older employees are often perfect and loyal employees if they feel 'safe and at home' in their working environment."* Inan Ureyil who comes from a Turkish background had started a placement with EXKI making and selling sandwiches. He *"found it very positive that the Paradox-consultants call me or visit me from time to time in order to see how things are going. In case of problems, I can always go back to them and even if I have no problems, I can always visit their office for a short talk."*

The DP has also produced a guide for employers that outlines diversity profiles for SMEs and explains how it is possible to move from one profile to the next by creating a Diversity Action Plan. The five different profiles are:

- **Profile 1:** Unknown, unloved when there is a uniform group of employees who are younger, European and of the same religion;
- **Profile 2:** Every start is difficult when one or more 'diverse' people enter the company;
- **Profile 3:** Learning by doing when several 'diverse' people have been hired, as a kind of good practice for the company.
- **Profile 4:** Towards full implementation when the staff is gradually becoming a reflection of the diversity in society;
- **Profile 5:** Diversity pays when the staff is an accurate reflection of the diversity in society, diversity is part of the company culture and its advantages are fully exploited.

In total, 1250 contacts were made with SMEs and of these firms, 750 received a face-to-face visit from a counsellor. Some 154 SMEs asked the counsellor to determine their diversity profiles and while the results below were encouraging, they showed that there was still a lot more work to be done with many of these firms.

Total	Profile 1	Profile 2	Profile 3	Profile 4	Profile 5
154	38%	23%	25%	12%	2%

Through its direct contact with SMEs and the analysis of jobs advertised in newspapers and web sites, Paradox identified a total of 320 vacancies and was able to offer placements to 130 members of its target groups. In filling 40% of the vacancies, its placement rates were higher than the Public Employment Service and other employment projects. Also, over half of these placements have led to more permanent employment.

To promote its outcomes, Paradox has organised events during which those employers who have had positive experiences of recruiting people from ethnic minority or older groupings have testified to the benefits of hiring such workers. Similarly, the DP has produced the Paradox newsletter that is designed for, and targeted at, employers in general. The events and the newsletter give employers a chance to exchange what they have learnt. For example, the Human Resource Manager of the Christelijke Mutualiteit (one of the three main providers of Health Insurance in Belgium) warned his peers that *"In selection, the language, skill level and way of presenting are important. As a personnel manager, you should be aware of your own role as an interviewer and your own expectations that might often be based on stereotypes."* While Luc Van



*Employers and the panel discuss the first profile or phase to be used to create a Diversity Action Plan*

den Broeck was keen to point out that “*You have to pay attention to ‘latent racism’. You should not think ‘I do not trust this person, because he is a non-native.’ On the contrary, you should say ‘I do not trust him yet, because he is a new employee in my company.’*”

Apart from the newsletter and the diversity guide for SMEs, the project’s methodology results and learning effects have been described in a handbook. There is also a second publication aimed at counsellors and other professionals who play intermediary or mediation roles in the labour market.

## THE PARTNERSHIP IN ACTION

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### THE EVOLUTION OF THE DP

IDEA Consult gradually created the EQUAL Development Partnership. The first to join was Randstad – a temporary employment agency with considerable experience of placing older people but mainly in larger companies. Then, as things progressed two other important players came on board:

- Vitamine W – an NGO that had good contacts with the migrant community;
- VDAB – the Flemish Public Employment Service.

The development of the project’s methodology would not have been possible without the composition of the partnership itself, particularly as operational partnerships of public bodies, private firms and NGOs are relatively rare in Flanders. Also, the fact that IDEA Consult was a company providing research and consultancy was helpful to the smooth management of the project. As it was not involved in the same field of activities as the other partners, IDEA Consult was seen as being independent and impartial and could therefore resolve any potential tensions between the public and private partners and ensure that everyone worked together to achieve the project’s goals.

### STRENGTHENING THE PARTNERSHIP’S POWER BASE

From a very early stage, it was decided to keep the actual partnership as small and as manageable as possible but, at the same time, the four partners realised that they would need some external help and their solution was to establish a group of experts including:

- The City of Antwerp;
- The Antwerp Sub-Regional Employment Committee;
- The Belgian Federal Ministry of Employment;
- The Belgian Federation of the Self-Employed;
- The Chamber of Commerce (Antwerp Region);
- The Federation of Moroccan Organisations; and
- An independent consultant on age management.

Individuals and agencies from this group played important roles in providing the DP with credibility and contacts, in supplying co-financing, in steering the overall direction of the project and in testing or even proof-reading its pilot or draft outputs such as the guide for SMEs. Through the group, the Antwerp Sub-Regional Employment Committee became aware of the DP’s success in helping SMEs to draw up their individual Diversity Action Plans and this fitted with the Committee’s priorities and also the grants that it offers to employers if they commit themselves to develop a more “inter-cultural” work force. Thus, the Antwerp Committee will be promoting the DP’s approaches to the other Sub-Regional Employment Committees in Flanders who have similar objectives. Some members of the group also assisted the DP’s partners in their promotional campaign to reach the target groups through more informal channels. These included radio spots, posters in the foyers of evening schools and sports centres and the use of

migrant organisations. This networking was very important as many self-referrals were made to the project because *“a friend told me about what you were doing and I’m interested!”*

## LEARNING WITHIN THE PARTNERSHIP

The DP’s demand-oriented approach assumes that the requirements of the employer are the most important criteria. This has important implications for those public and voluntary agencies that are concerned with the social and professional (re)-integration of older or ‘non-native’ people. These agencies have learned a lot about what employers consider to be important and also how to use this knowledge to assess the employment potential of their clients or members. They are now much more aware of the need to respond speedily to demands from employers and of the types of skills, attitudes and personal qualities that employers require from would-be employees. On the other hand, the experience of its EQUAL transnational partners, most of whom were concentrating on, or working with, the supply side reinforced an understanding that was developing in the DP about the need to pay greater attention to the guidance and support of the job seekers and new workers. Certainly in the last year and a half, the DP has placed much more emphasis on preparing beneficiaries to seek and to sustain employment.

The last word on Paradox is left to its manager Anneleen Peeters who is convinced that, *“No single partner could have achieved what we achieved together. Paradox really was a case of the whole being greater than the sum of the individual parts!”*

## Contact

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