

eSkills: The Challenge for SMEs

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What is PIN-SME?

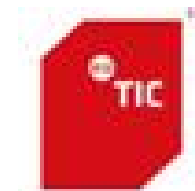
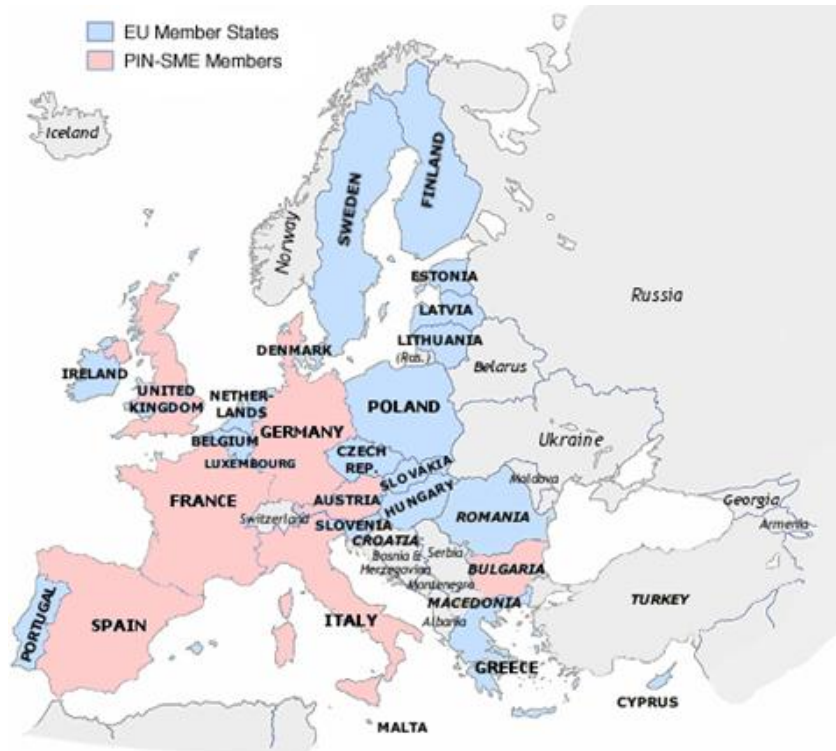
- Mission: Provide a voice for Europe's ICT SMEs in the business and political arenas
- First European industry association focusing on interests of ICT SMEs
- Founded December 2007
- Currently represented in eight European countries:
 - accounting for 50,000 companies
 - employing around 200,000 people



A Voice for ICT SMEs



- Founder members of PIN-SME



Work Programme for 2008:

- Ensure strong role for SMEs in take-up of existing technologies
 - e-health, e-procurement, e-invoicing, RFID
- Promote partnerships with/by SMEs for research and development
- Ensure a sound business environment for ICT SMEs
 - Standardisation, IPR and **e-Skills**



SMEs and eSkills: eSkills in the Economy



- In the UK, 1 in 20 people work in ICT
 - 1.5 million (of which 890k in ICT industry itself)
- High-skilled/high-value occupations:
 - 40% managerial, 30% software professionals
- High growth area:
 - 1.9% p.a. to 2016 vs 0.5% p.a. UK average
- Boosts productivity
 - worth £35bn (€44bn) for UK alone

Source: IT & Telecoms Insights 2008, eSkills UK

SMEs and eSkills – The Issues

Why are eSkills so important for PIN-SME members?

- **The Skills Shortage**
 - Europe's ICT industry faces severe shortage of ICT practitioners
 - ICT SMEs are at the end of the line and suffer most
- **The Skills Gap**
 - eSkills essential for competitiveness in eEconomy
 - ICT SMEs well placed to deliver training & knowledge



SMEs and eSkills: A Snapshot – Skills Shortage



- UK needs ~140k new entrants per year to 2012
- One-fifth (22%) of companies report recruitment difficulties
- Sharp decline in computing degrees
 - 13.5k applicants in 2006 vs 27k in 2001
- Gender imbalance is severe and worsening
 - degree courses: 15% in 2006 vs 18% in 2001
 - ICT workforce: 19% in 2006 vs 22% in 2001

Source: IT & Telecoms Insights 2008, eSkills UK



SMEs and eSkills: A Snapshot – Skills Gap



- Small companies lag behind large companies in use of ICT
- Small companies much less likely to provide training for ICT professionals
 - 15% in micro vs 64% in large companies
- Vendor-specific awards a key feature
 - 40% of technical training, but expensive

Source: IT & Telecoms Insights 2008, eSkills UK



What are SMEs Doing?: EPSI (France)



- **What:** Ecole Privée des Sciences Informatiques - Industry-led institute promoting ICT training
- **How:**
 - An engineering school operated jointly by the ICT industry and the education system
 - Offering mixture of professional and vendor qualifications
 - Established 1961, now six locations across France
- **Who:** GPNI (PIN-SME member)
 - plus many industry partners and sponsors



What are SMEs Doing?: Best-Practice-IT eSkills (Germany)



- **What:** Improve awareness of owners and decision-makers in SMEs on need for eSkills and provide practical support tools
- **How:**
 - Wide-ranging campaign of events & information
 - Concrete guidance and tools for developing human resources
- **Who: BestPractice-IT (PIN-SME member)**
 - plus BITKOM, Fachhochschule des Mittelstands (FHM), Institute AIFB Universität Karlsruhe, Q-Verband e.V. ...and others



What are SMEs Doing?: eAdoption in Tourism (UK)



- **What:** Initiative to help micro businesses in tourism and leisure make better use of ICT
- **How:**
 - Over 100 regional tourism businesses supported in 2007
 - Services provided: e-business advice; website development; video tutorials; training & networking
- **Who:** UKita (PIN-SME member)
 - plus University of Wolverhampton & 12 UKita ICT SME members

What SMEs are looking for

- A joined up approach
 - Universities and industry working together
- An appropriate balance
 - Formal education complemented by specific training and certifications
- A proactive role from government
 - Fiscal incentives & other financial support to invest in eSkills training

What SMEs are looking for (2)

- Mobility for ICT professionals
 - Remove administrative hurdles to employing workers from other countries
- A positive image for the ICT industry
 - Make the ICT sector an attractive place to work, especially for women and returners

Summary

- ICT SMEs are acutely affected by e-skills issues:
 - At the sharp end of the e-skills shortage
 - Key players in plugging the e-skills gap
- SMEs are ready and able to provide solutions
 - As PIN-SME examples show
- Solutions require strong partnerships with large industry, government and education



Thank You

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