



Skills shortages are a serious problem for majority of EU SMEs, Eurobarometer shows

Brussels, 14 November 2023

A [new Eurobarometer survey](#) released today finds that skills shortages are one of the most serious problems for Small and Medium-sized Enterprises (SMEs) in the EU. The challenge of skills shortages has grown over the years and now encompasses all EU Member States and all sectors of the economy.

The survey is a useful tool in understanding the impact of skills shortages on SMEs, and will feed into the Commission's policy making. Among other things, it will inform the implementation of the [SME relief package](#) that was adopted in September 2023 and stipulates various actions to improve the skills situation for SMEs in the EU. The survey also complements another recently published [Eurobarometer study](#) which, among other things, focuses on the training and skilling activities of businesses.

Some of the **key conclusions** of the Eurobarometer study are:

- Skills shortages represent a serious problem from the smallest to mid-sized companies in Europe, being identified as such by 53% of micro companies (<10 employees), 65% of small companies (10-49 employees) and 68% of medium-sized companies (50-249 employees). Looking back over the preceding two years, 61% of micro companies and 80% of medium-sized companies found it difficult to find and hire staff with the right skills.
- SMEs are most frequently faced with a skills shortage for technically trained staff such as lab-workers, mechanics, or others. Almost a half (42%) of European SMEs indicated they faced shortages of qualified staff. This particularly problematic for SMEs in the industry sector and manufacturing, with 47% and 50% of SMEs claiming problems in hiring relevant technical staff.
- Skills shortages affect SMEs in various ways, leading to increased workload for existing staff, the loss of sales or sales opportunities as well as reduced profitability and growth.
- Only one in seven (14%) of SMEs report hiring staff from other EU Member States as a way of addressing skills shortages, although this percentage is higher for bigger SMEs. Language barriers and, to a lesser extent, administrative difficulties were identified as the main obstacles to increasing the recruitment of qualified staff across the EU.
- A majority of SMEs expressed relative satisfaction with the policy support they received in tackling skill shortages while indicating further room for improvement. When it comes to policies that best support their needs, micro companies mostly mention fiscal incentives (39%) and direct subsidies (28%), while 38% of medium sized companies highlight training for upskilling as most useful.

Background

Today's [Eurobarometer 537 study on 'SMEs and skills shortages'](#) was initiated in the context of the [European year of skills](#). It was carried out between September and October 2023 in the 27 EU Member States as well as Iceland, Norway, Switzerland, the United Kingdom, North Macedonia, Turkey, the United States, Canada and Japan. More than 19 350 companies (both SMEs and large companies) were interviewed via telephone. The main analysis report focuses on SMEs in the EU (13 253 interviews), which are compared to those for large companies (with 250 or more employees) surveyed in the EU (855 interviews), and to those for SMEs in a selection of non-EU countries (3 925 interviews).

Following today's publication, the survey will be presented at the EU's annual [SME assembly](#) which takes place from 13 to 15 November in Bilbao, Spain and is the EU's flagship event for SMEs, bringing together hundreds of policy makers.

The need for additional policy support as regards skills was also recognized in the EU's [SME relief package](#), which addresses the hardship experienced by many EU SMEs throughout the ongoing string

of political and economic crisis. It presents a comprehensive set of measures related to the reduction of administrative burden, improved access to finance, life cycle support measures as well as actions in support of skills, including among other things the facilitation of the mutual recognition of qualifications of third country nationals. The package also foresees that the Commission will soon present a proposal to establish an EU Talent Pool and an initiative to improve the recognition of qualifications and skills of third country nationals to help skills gaps in the EU labour market. Moreover, the Commission will work with groups whose untapped entrepreneurial potential remains high, such as women, young people and persons with disabilities, through awareness, mentoring and coaching campaigns.

For More Information

[Eurobarometer 537 study on 'SMEs and skills shortages'](#)

[Eurobarometer website](#)

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Quotes:

Overcoming skills shortages is a priority for the European economy. The Commission is already working on addressing skills shortages in key strategic sectors like batteries or other net zero technologies. This study will contribute to our understanding of how skills shortages affect SMEs, which represent 98% of the European economy, in view of improving their overall competitiveness.

Thierry Breton, Commissioner for Internal Market - 14/11/2023

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