



Common Competency Framework Consolidated Report



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Contents

1	INTRODUCTION.....	3
2	BACKGROUND INFORMATION.....	4
3	METHODOLOGY.....	6
3.1	National Reports.....	Error! Bookmark not defined.
3.2	Consolidated Report	Error! Bookmark not defined.
4	COMMON COMPETENCY FRAMEWORK.....	8
5	COMPETENCY MODULES.....	12

1 INTRODUCTION

This document is produced within the framework of the LEONARDO ECON-IT project, as the consolidation of the six country-specific reports for Work Package Wp02, Competency Framework Development, with the purpose of providing a direct input to the identification, design and production of the competency modules that will constitute the core of the ***ECON-IT on-line training tool*** to be developed in the next Work Packages.

The report is structured in the following way:

- Section 2, *Background Information*, summarises the main activities and findings of the previous activities of the project providing the adequate feedback for the production of this report.
- Section 3, *Methodologies*, explains the steps followed for the preparation of the report in each partner country
- Section 4, *Common Competency Framework*, merges and unifies the results of the national competency framework reports in order to present a consolidated view.
- Section 5, *Competency Modules*, determines the list of modules to be developed and included in the ***ECON-IT training tool***.

2 BACKGROUND INFORMATION

The first months of the project were dedicated to providing a general overview of the Business Advisors' sector in the different partner countries, especially addressed to the analysis of their training needs. A Market Assessment Report was prepared in each country, collecting information through questionnaires, individual interviews with stakeholders, and focus groups' meetings. The findings of the local Market Assessments were then consolidated in order to find general facts and trends that could provide a common scenario for the following research about Competency Frameworks.

The results of the Market Assessment phase show of course the strong differences that can be found in the different partner countries about the Business Advisor profession, from a well-structured activity in the UK with strongly representative bodies, to the more or less individual endeavour that the practice of business advising represents in Spain. Nevertheless, common grounds have been found, and the following is an overview of the generally shared conclusions extracted from the local reports:

- In general terms, the sector is an unknown through Europe. There must be a comprehensive definition of the Business Advisor activity, as a first step for a clear-cut categorization in terms of the services they offer, and then a census at EU, national and regional levels should be carried and maintained.
- Unbiased information about available services by Business Advisors should be provided to potential users, especially at a local level. This information should be provided by public institutions or by Business Associations.
- The sector operates in a range of different markets and knowledge, along with variable resources in addition to the different sizes of companies worked with ranging from the very small to the large business. There would appear to be no vertical structure in place to allow the career of the business adviser to advance in relation to the size of the business that they are working with and their particular expertise and speciality
- Specific EU initiatives should target Business Advisors', understanding that the sector is one of the foundations for the progress and competitiveness of the industrial fabric, especially SMEs.
- There is a clear market for EU-supported training tools for Business Advisors, but the non-existence of specific intermediate bodies is a difficulty for this offer reaching the targeted collective
- Business Advisors have clear training needs in transversal matters, not related to their specific area of activity but to their relation with their customers, from interpersonal relationship to marketing of their services. Any comprehensive training package should take this into account
- Web-based training tools and solutions are the most preferred training vehicle, but training packages must be offered as a mix of presence and Internet sessions. If this is not possible, at least, some contact with external experts should be provided during the training period.
- There is no single dedicated business advisory body in the EU or at national level in many member states which addresses the generic training needs of small business advisers, and provides specific tangible support to this vital sector including a formal accreditation process. On the other side, there are a

plethora of both public, non governmental and private sector organisations and institutions. This clearly underpins the need for the ECON IT project as this is at its core

- Provision of information and indeed research into the needs of this increasingly important and growing business advisory sector is limited to say the least with only some basic research carried out at local, and to a lesser extent at regional level. Development, training, and continuous improvement of the business adviser is very much dictated by the character of the individual, with some constantly seeking to improve their expertise whilst others merely “pay lip service” by becoming a member of some associated business organisation where entry requirements are basic
- There is no formal training for business advisers at a European level in the lines of action that ECON-it partnership is currently working.
- There is no pan European accreditation for business advisers provided by a European body.

3 METHODOLOGIES

The partners have applied different methodologies to the collection of information in order to prepare their national reports. These differences are basically related to the structure of the business advisors' sector in each country (see national Market Assessment reports): partners have used in each case the tools and procedures most appropriate and efficient in order to obtain a realistic overview of competencies. All the partners complemented their field interventions with extensive desk research.

- CIDO, Craigavon Industrial Development Organisation developed a questionnaire based on a set of core competencies previously suggested by the Small Firms Enterprise Development Initiative, a UK-based standards setting organisation. The questionnaire was sent electronically to the UK members of the Institute of Business Consulting, and 65 answers were collected. Subsequently, the key issues identified from the answers were validated and discussed at a Focus Group with IBC members in Northern Ireland.
- LEA-HEVES, the Local Enterprise Agency of Heves County, adopted the same questionnaire that CIDO after validating its adequacy to the Hungarian framework. The questionnaire was electronically answered by 16 Business Advisors from different parts of the country. The analysis of the answers led to results that were further discussed and validated at a Focus Group meeting in Eger with local business advisors.
- The Northern Chamber of Commerce (Szeczin) did a completely different approach, and focussed on the different categories of Business Advisors in terms of their professional field of activity. The five more relevant professional categories were identified, then a variable number of advisors from each category were personally interviewed (the total number of interviews were 12) and asked about their initial qualifications, their on-the-job training and their requirements in order to better exercise their profession. This provided a map of Business Advisors' skills, some of them very specific to their field of activity, but others actually shared by several categories.
- EBN, the European Business and Innovation Centre Network, has carried a cross-sectorial survey within its Business Incubator Centres network. A sample of BIC managers and Business Advisors was built, including the following European countries: Ireland, Italy, Spain, Hungary, Switzerland and Germany. A total of eleven experts were organised in two Focus Groups that held their respective meetings in Brussels and in Paris. A third focus group gathered via electronic means (google groups). The key issues identified in the meetings were subject to further discussion, person-to-person or electronically, and completed with inputs from other Business Support organizations. This provided a solid overview of the competencies a Business Advisor should possess.
- MCEB, the Meath County Enterprise Board, carried a training needs analysis on all the personnel of the 35 County Enterprise Boards in Ireland (CEBs provide financial and non-financial support and assistance to micro enterprises in their respective areas. A questionnaire was sent to the CEOs of all the CEBs, getting back 17 answers about the training needs of the different positions in the CEBs. The Business Advisor competence framework thus

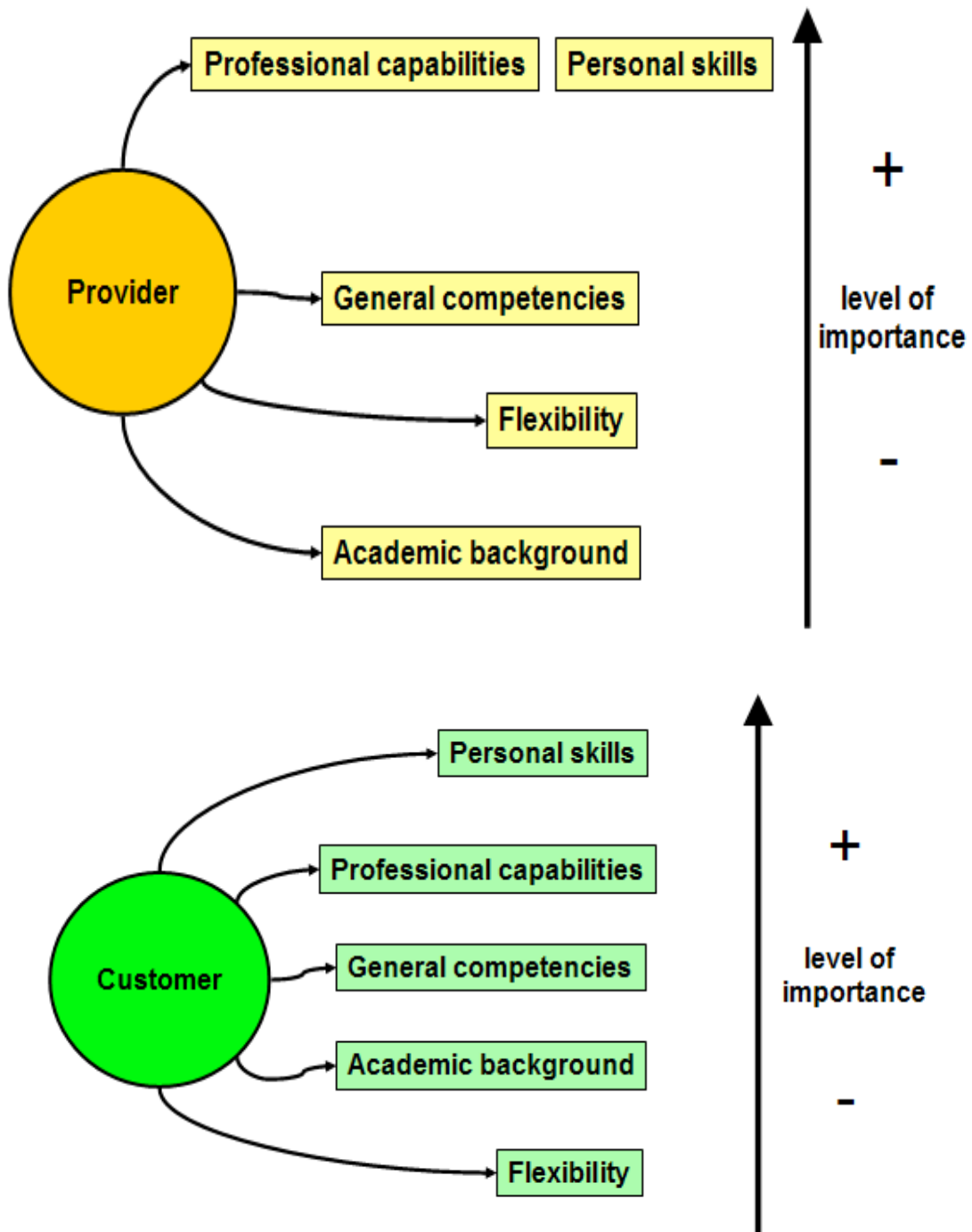
obtained was benchmarked to an existing tailored development course in order to validate its contents.

- IEP, Instituto de Economía Pública, carried in Valencia a double approach. On one hand, the advisor side was consulted, using the same actors already participating in the WP01 research – 10 practising business advisors and 7 business support organizations were interviewed personally about the required skills for professionals in the sector; this was completed with a focus group meeting to further discuss and validate the results of the interviews. On the other hand, the point of view of the user was introduced through management-level interviews in 15 SMEs. Both groups of results were blended into a single competence framework definition.

4 COMMON COMPETENCY FRAMEWORK

The challenge is to propose a single list of competency modules to be integrated into a comprehensive training package. This objective has been reached through an iterative process of blending, clustering and prioritisation, completed by desk research.

The first general finding is the high importance that both providers and customers assign to Personal Skills and Professional Capabilities, and the relative low appreciation for Flexibility and Academic Background, as shown in the following diagrams:



This confirms the statements made in the different studies about “taking for granted”, in general terms, the specific professional knowledge and skills of Business Advisors in their area of activity (accounting, finance, human resources, organization, ICT... and so on). To this effect, the initial list of relevant skills and competencies has been stripped of any reference to specific professional career knowledge. Moreover, the surveys also show that Business Advisors take care of their continuous training in their own academic skills from different sources private and public.

This leaves the required Competency Framework with an extensive list of transversal skills and training needs that Business Advisors should be required to master. Just merging the results from all countries, the initial list includes the following topics:

- Interpersonal and communication skills
- Supporting relationships
- Business analysis
- Business planning
- Business governance
- Supporting client development
- Problem solving
- Networking
- Performance monitoring techniques
- Personal behaviours
- Return on Investment
- Train the Trainer
- Refresher on policy/procedures/eligibility of grant applications etc
- Assessment of Business Plans and Financial Análisis
- Market Information-trends, global analysis etc
- Exporting and Internationalism
- Networking-how to establish successful networks
- Customer Service and Quality
- Management Accounts
- Refundable Aid Management
- Conflict Resolution
- Change Management
- Leadership
- Access to finance
- Regional and local environment
- Cross-sectorial competencies
- Methodology knowledge
- ICT/Information/Networking
- Business-financial planning
- Pedagogy
- Local/national/EU law and directives

- Languages
- Company restructuring
- Human resources-, selection and management

The items in the list have been subject to an analysis, merging and clustering process, resulting in the following 13 areas that this Report presents as the desired basic ***Business Advisor Competency Framework***:

- ***Access to finance.*** The knowledge about sources of financing, their identification, selection, adequacy to the company's needs, procedures for access, benchmarking of the different sources available.
- ***Innovation and change management.*** How the company manages innovation and change in the different areas (production, sales, internal organization, human resources, planning, quality, customer service, etc. How the information, internal and external, to keep innovation alive in the company, is managed.
- ***Advisor/client relationship management.*** How to build and maintain a strong and efficient working relationship with customer companies, based on reliability, availability and optimum schedule and activity planning
- ***Business planning.*** How to develop short and mid-range business planning taking into account internal and external variables in a shifting globalised environment
- ***Strategic planning.*** Help customer companies to develop a long-range vision of their business activities and translate it into a meaningful strategic plan completed with checkpoints and milestones
- ***Interpersonal communication.*** Application of interpersonal and communication skills –being a good listener and communicator, being accurate in the feedback, having good negotiating talent...- in order to maintain an effective working relationship with the customers
- ***ICT tools.*** The application of ICT tools to management and strategy, from the day-to-day business operations to long-range planning and scenario building
- ***Intellectual property.*** How to manage and protect the knowledge of the company
- ***Operations management.*** How to build in customer companies an efficient organization for the day-to-day operations, including the optimization of the internal structure and the management of the human and other company's resources
- ***Market research.*** Provide companies with the information and insight required to better know the competitive position of their products in the current global markets and the best strategies to promote their adoption and use by customers
- ***Networking.*** How to build durable, useful and efficient relationships with other companies, institutions, stakeholders and other bodies in order to complement activities and share information, experiences and expertise.

- **Performance evaluation.** How to create, maintain and analyse a set of indicators to measure the performance of companies in their different areas and fields of activity, both internal and external. Benchmarking techniques.
- **Coaching and relationship building.** How to design, develop and maintain personal relationships inside the company in order to promote the exchange of ideas and achieve the objectives by better exploiting internal resources, attitudes and skills.

5 COMPETENCY MODULES

The Business Advisor Competency Framework represents in theory the ideal content of the ECON-IT Business Advisor training course to be developed in the next months. However, some realism must be introduced, in terms of

- Materials already existing
- Extension and overlapping of the topics
- Universality vs localism
- Relevance and priorities
- Resources available
- Time frames.

After a thorough analysis of these variables applied to the 13 areas described in the previous section, it was unanimously agreed that the basic content of the **ECON-IT training course** will be organised into **six Competency Modules**, to be drafted by the partners according to the following list:

ECON-IT Training Course development	
Module	Partner
Access to Finance	Lea-HEVES
Innovation/Change Management	EBN
Advisor/client relationship management	CIDO
Business Planning	MCEB
Strategic Planning	IEP
Interpersonal Communications	Northern Chamber of Commerce