



# **RESTART:** Resilience and Training for SMEs **RESTART Position Paper**

# Findings from the trainings developed and conducted by the RESTART Project Partners

#### Introduction

This document, RESTART Position Paper serves double purposes in the framework of the project. **First, it summarises the policy environment for post-COVID MSMEs**, draws on existing policy measures and provides recommendations for ensuring MSME's resilience and capacity to build and grow in the times of permanent challenges. **Second, it also synthesises the lessons learnt from the partners' experiences in developing and testing the training materials** of the project, which composed PR03 of the project activities. Third, it **provides recommendations on the policy as well as the VET** educational ecosystem as well for further enhancement of entrepreneurial trainings such as the RESTART initiative.

Entrepreneurship is one of the key competences for Lifelong Learning. The RESTART project aims to support entrepreneurship, especially MSME development by providing – after adequate background research and analysis – training materials available online in several different topics relevant in the post-COVID era, to be used not only by existing MSME leaders and staff but very importantly by the VET training system, preparing future MSME founders and employees understanding key phenomena and adapting to the constantly changing environment.

The key topics elaborated include **innovation**, **servitization**, **localization**, **new business models for MSMEs**, **as well as digitalization**, **cybersecurity and sustainability trainings**. Last but not least, a **lesson on emotional intelligence** is also provided in order to help MSMEs improve their internal HR structures, communication with staff and clientele and also support MSME leaders in fighting the challenges of not only the post-pandemic socio-economic environment but increase their capacity to cope.





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# **List of Abbreviations**

AI: Artificial Intelligence COVID-19: the Coronavirus disease of 2019 COSME: Competitiveness of SMEs Programme EEN: Enterprise Europe Network EIC: European Innovation Council ES: Spain EU: European Union EUR: Euro EU27: The countries being members of the European Union since 2020 (post-Brexit) FMUK: Faculty of Management at the Comenius University (Univerzita Komenskeho v Bratislave) (Slovak Partner) GAP: Green Action Plan GDP: Gross domestic product GERD: Gross domestic expenditure on R&D HETFA: Hétfa Kutatointezet Kft (Hétfa Research Institute) (Hungarian Partner) HGC: High growth companies HU: Hungary IDP: IDP Sas di Giancarlo Costantino (Italian Development Partners) (Italian Partner) IHF: Institut de Haute Formation aux Politiques Communautaires (Belgian Partner) IT: Italy IWS: Internet Web Solutions SL (Spanish Partner) ML: Machine learning MSME: Micro, Small and medium-sized enterprise(s) NACE: Statistical classification of economic activities in the European Community used for identifying various industrial branches (among others) **OER: Open Educational Resources** R&D: Research and development R&D&I: Research, development and innovation

RRF: Recovery and Resilience Facility for mitigation the impact of COVID-19





RRP: Recovery and Resilience Plan for mitigation the impact of COVID-19

SME: Small and medium-sized enterprise(s)

SBA: Slovak Business Agency (SK Project Coordinator)

SBA (policy context): Small Business Act (of the European Union)

STEP RI: STEP RI Science and technology park of the University of Rijeka (Croatian partner)

UCF: University of Customs and Finance, Ukraine

VET: Vocational Education & Training System

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# **Executive Summary**

The **RESTART Position Paper builds on the results and lessons learnt within the RESTART project**, its developed training modules, implemented training exercises and online platform.

First, the Position Paper provides an overview of the **background of the RESTART project**. The life of **MSMSs** – while they are crucial to the European economy – is within a constant flux of challenges and opportunities in the post-pandemic business environment and the 21<sup>st</sup> century's global economy. Supporting the MSMEs, entrepreneur-to-be-s, and potential employees and educate them in issues such as modern business models, innovation, servitization, localisation, etc. contributes not only to their business success but also to their confidence and personal well-being and resilience. In this first chapter, we review the current state of the economic outlook for MSMEs in Europe and the existing relevant European policy initiatives.

The second chapter describes the lessons learnt from the validation training exercises, and provides feedback, a reality check on the needs and perspectives of the MSMEs. The RESTART training concept and materials provide ample opportunity to be used in diverse environments, with participants from various countries, age, background, educational level etc. It has been tested and validated in metropolitan as well as disadvantaged (rural) areas, among male and female participants, with age groups ranging from 18 to 60+. The validation also included various international participants outside the countries of the project partners, the training modules have even been tested in Ukraine. The report lists the trainings conducted, and describes the participants' feedback, fed into the quality assurance procedure of the project while also being a bases for the Mainstreaming Guidelines paper, also prepared in the framework of the project.

The **third chapter** summarises the policy options and recommendations both for local and national as well as on the EU level. To effectively support MSMEs at the local and national levels, it is crucial to develop strategies that **enhance the clarity and inclusivity of training materials**. Additionally, providing training on **financial literacy** and exploring financial assistance options - market based and subsidies as well – is a great service to local MSME communities. **Digital literacy**, trainings on digital challenges and opportunities are also at the centre of interest in case of MSME training programs.

**Collaborative efforts** involving educational institutions, local authorities, and stakeholders can ensure that training content is universally accessible and caters to individuals with diverse learning needs. Leveraging successful local entrepreneurs as mentors and organizing networking events further enhances the **support ecosystem for MSMEs**.

The adjustment of entrepreneurial trainings to the local context, and placing it well into the local – formal or informal – VET education ecosystem is crucial. The proper needs assessment and identification of local bottlenecks, as well as the professional monitoring system to evaluate initiatives and programs greatly enhance their success.

**On the European level, the further integration of MSMEs into the European economy** strengthens not only the MSMEs but the European perspectives and its position in the global ecosystem as well. **Allocation of EU funds for that integration and further support to MSME resilience** is a necessity as well.





Finally, the **fourth chapter** offers a more detailed insight into the local **VET ecosystems** and the diverse background in which the RESTART entrepreneurial training can be used. Different countries operate with various levels of centralisation and method. Despite variances in VET approaches, a common challenge emerges: integrating entrepreneurship education and knowledge related to MSMEs into the VET ecosystem. While elements like **digitalization**, **innovation**, **and cybersecurity are present in certain courses and official training materials**, **systematic entrepreneurial training often lacks representation in official VET curricula**. This underscores the need for concentrated efforts in **extracurricular trainings**, **frequently provided by VET training centers**, **educational institutions**, **NGOs**, **and entrepreneurial support organizations**. These efforts aim to bridge the gap and ensure that aspiring entrepreneurs and MSMEs receive the necessary skills and knowledge within the evolving VET landscape.

The RESTART project has created a training program, developed training materials, provided an online learning platform that addressed these challenges as proved successful in a significant set of validation workshops, conducted in various countries, involving a very diverse target group coming from disadvantaged areas as well as metropolitan cities and the international arena. Challenged communities such as MSMEs from Ukraine were also included. Different age groups, male and female participants took place in the validation exercise and the training method of RESTART catered well their needs and interests.





# 1. Background to the RESTART project

1.1. Economic background – the need for supporting MSMEs in being resilient in a post-COVID, multi-crisis environment

**European MSMEs are currently navigating a labyrinth of unprecedented socio-economic challenges**, highlighted initially by the outbreak of the COVID-19 pandemic.

The pandemic has acted as a catalyst, exposing businesses, particularly MSMEs, to a spectrum of vulnerabilities, necessitating a renewed focus on resilience to ensure survival and sustainability. The onset of the COVID-19 pandemic only marked the beginning of a turbulent era for MSMEs. It highlighted the fragility of existing systems, prompting a rethink of operational strategies and a scramble to adapt to new norms, causing substantial disruptions in business models and supply chains.

Following the pandemic, a substantial rise in the cost of living and an inflational crisis have further compounded the struggles of MSMEs. The escalating costs have led to tightened consumer spending and heightened operational expenses, straining the financial viability of many enterprises.

Furthermore, the recent war in Ukraine has brought additional geopolitical challenges to the forefront. The uncertainty and instability emanating from such conflicts have a cascading impact, causing disruptions and augmenting the risks MSMEs need to manage, especially those operating in or connected to the affected regions.

These sudden challenges above, categorised as shocks to the socio-economic system (also called "black swans"), came and will come in the future suddenly, unexpectedly, therefore specific policy measures to counteract them are almost impossible to design, the only course of action is to build resilience by education, training as well as remodelling the policy environment to provide further support.

In addition to these sudden shocks, certain stressors – long-term processes that although emerge gradually, create just as significant challenges as the shocks above – also force European MSMEs into constant changing and adapting.

First of all, rapid technological advancements, especially in terms of digitalisation, AI, ML and cybersecurity challenges necessitate continuous learning and evolution, while the complexity of these technologies are already beyond the laymen's understanding and average-trained MSMEs often find it difficult to interpret and utilize such more complex technologies in their everyday process flow.

Parallel to these, the business models themselves keep on evolving, shifting towards servitization and localization that are reshaping the business landscape. MSMEs are striving to innovate and remodel their strategies to stay relevant and competitive in this constantly morphing ecosystem, while also addressing the growing consumer preference for local and service-based solutions. While localization is a key issue for many, however, globalization trends are still affecting many MSMEs, by digital opportunities, IT-based platforms opening up new markets and forcing these companies to compete on a larger scale.

Another set of stressors are represented by the need to adapt to sustainability requirements and find their place in the developing circular economy, which present both opportunities and challenges. MSMEs are grappling with integrating sustainable practices into their operations, balancing economic





viability with environmental responsibility, and aligning their business models with circular economy principles. Finally, the cumulative effect of these challenges has intensified emotional stress within MSMEs, highlighting the crucial need for emotional wellbeing and intelligence. Coping with multiple stressors require not only structural resilience but also emotional resilience, both within organisations and in interactions with clientele.

The myriad of socio-economic challenges implies that constant learning and adaptation is no longer optional but a fundamental requisite for European MSMEs. The ability to withstand and grow in the face of these challenges is fundamental for sustaining businesses and fostering innovation and development.

Given these diverse and multifaceted challenges, **developing resilience by constant learning in MSMEs is imperative**. Resilience will not only equip MSMEs to navigate through current predicaments but also empower them to embrace future challenges and uncertainties, fostering a robust and sustainable business environment in Europe.

The concept of enterprise resilience development, particularly in case of MSMEs, bears critical importance **in learning how to navigate through disruptions.** This notion is not novel; the strength of a company has often been synonymous with success and endurance, painting a picture of a resilient entity. Historically, resilience is recognized as a pivotal element reflecting a firm's survival and profitability.

Through the exploration of varied methodological frameworks such as those by Burnard et al., and Supardi et al., organizational resilience is investigated, focusing on how enterprises, especially MSMEs, respond to disruptions and discern the factors influencing these responses. They proposed a comprehensive matrix categorizing organisations into distinct resilience-focused types, shedding light on their preparedness and adaptative capabilities.

MSMEs face unique challenges in embedding resilience; while diversity in business portfolios and models as well as investments in innovation and technology are essential resilience tools, it is the interplay of managerial skills, entrepreneurial spirit and intelligence that decides the resilient trajectory of these enterprises. This is supported by Croitoru et al.'s classification of entrepreneurs and the subsequent correlation with the economic performance of the companies, emphasizing the critical role of the entrepreneurial mindset in business resilience.

The role of the RESTART project is to offer actual training materials that support the companies in those learning processes, as well as to summarise the policy framework and recommend actions for various stakeholders to improve those framework conditions in order to gain those socio-economic benefits that a healthy MSME environment can provide for our countries and for Europe.

# 1.2. Economic outlook for MSMEs in the EU and in the RESTART countries in particular

The COVID-19 pandemic clearly has hit the European economy very strongly, impacting also the countries participating in the RESTART project. Though GDP per capita rates started to climb back after the first shock of COVID in 2020, the cost-of-living crisis, inflation and other factors strongly and negatively influence the capacity of growth of Europe's economy (Chart 1.)

Employment has also suffered heavily in each of these countries under the COVID-19 outbreak, but has been able to stay on the rise, even if slightly, between 2021 and 2022 (Chart 2.)





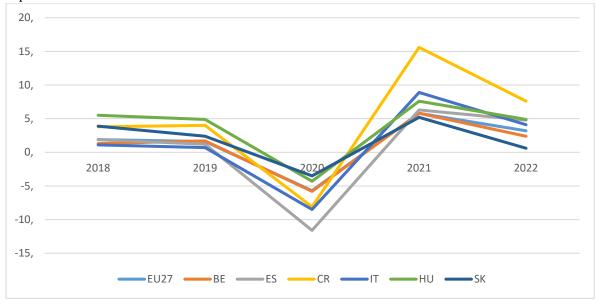


Chart 1. Real GDP growth rate, chain linked volumes, percentage change on previous period, per capita

Source: Eurostat

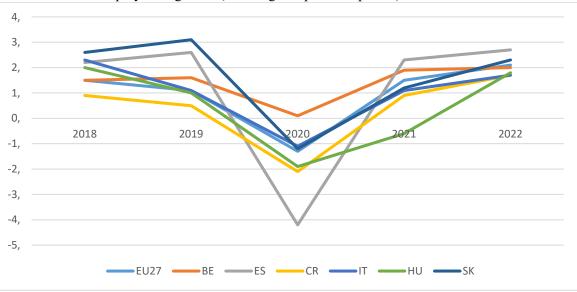


Chart 2. Overall employment growth (% change on previous period)

Reliable and comparative data available on the transformative resilience after the COVID-19 of European SMEs is still scarce. Nevertheless e-commerce is an adequate indicator in terms of SME capacities to adapt to the changing business environment. Chart 3. provides a 5-year time series on e-commerce development.

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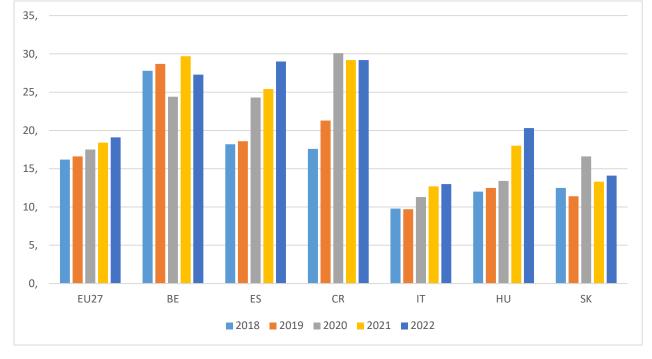


Chart 3. Enterprises with e-commerce sales of at least 1% turnover (10-249 employees)

Source: Eurostat

Chart 4 below shows valuable insights into the economic trends and environment for businesses in the post-COVID era: new business registration fall below historical numbers in 2020, in the year of COVID outbreak, and while business expectations improved in 2021, the ongoing challenges are posing continuous obstacles and resulted in a drop in almost all examined countries in 2022.

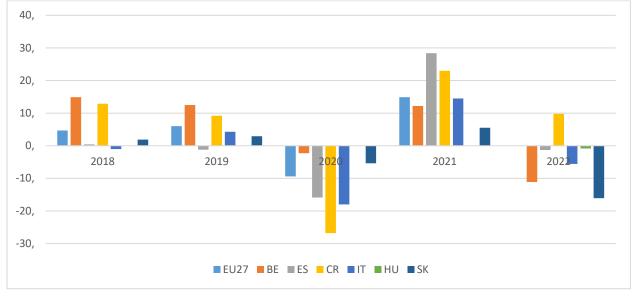


Chart 4. Business registration, % change compared to previous year

Source: Eurostat





Note: Includes industry, construction and market services (except public administration and defence; compulsory social security; activities of membership organisations, the latter ones are not included)

# 1.3. Existing relevant European and national policy initiatives and best practices

# Entrepreneurship in Education

The Council Recommendation on Key Competences for Lifelong Learning in the European Union<sup>1</sup> is a pivotal policy that underscores the importance of equipping individuals with a comprehensive set of competences to enhance personal fulfillment, employability, social inclusion, and active citizenship throughout their lives. Within this framework, entrepreneurship stands out as one of the eight key competences explicitly identified as essential for individuals in today's dynamic world. This policy on the EU level serves as a guiding reference framework for policymakers, education and training providers, social partners, and learners, promoting innovative learning approaches and assessment methods to cultivate entrepreneurship alongside other vital competences, thus reinforcing the European Union's commitment to empowering individuals with the skills and mindset needed to thrive in an everchanging world and contribute to the prosperity and resilience of European society and economies.

# EU policy framework on MSME's

**Micro-, small and medium-sized enterprises (MSMEs) form the backbone of Europe's economy.** Outstandingly, in 2016, MSMEs provided employment to 93 million individuals and excluding the financial sector, they comprised 99% of all businesses in the EU, contributing to 67% of the total workforce and accounting for 57% of the value added<sup>2</sup>. However, these businesses have faced countless challenges in recent years, including the COVID-19 pandemic, the Ukrainian war, and energy supply disruptions.

The importance of MSMEs in the economic environment cannot be overstated. These businesses, despite their modest size, hold significant influence due to their multifaceted contributions. They are the engines of job creation, offering diverse employment opportunities and fostering inclusivity within communities. Furthermore, MSMEs play a substantial role in boosting GDP growth, collectively contributing a generous portion of a nation's economic output.

Hereby we provide an overview of the EU's policies and initiatives aimed at assisting MSMEs. By examining the EU's strategies, programs, and measures, we aim to gain a deeper understanding of how the EU is working to strengthen and sustain MSMEs in the face of adversity. This exploration will shed light on the critical role the EU plays in empowering and fortifying MSMEs, vital contributors to Europe's economic well-being.

<sup>&</sup>lt;sup>1</sup> Council of the European Union. (2018). *Council Recommendation of 22 May 2018 on key competences for lifelong learning (Text with EEA relevance)*. Official Journal of the European Union, C 189/1. <u>EUR-Lex - 32018H0604(01) - EN - EUR-Lex (europa.eu)</u>

<sup>&</sup>lt;sup>2</sup> European Court of Auditors. (2019, April). EU Support for SME Innovation: The SME Instrument.





#### SME's access to market, internalization

The MSME's access to market and internalization are enhanced by the **European Single Market Program**, with the programme of "Support to SMEs"<sup>3</sup>. It helps MSMEs make the most out of business opportunities with a budget of €1 billion for 2021-2027. Its main element is the implementation of the COSME program, which stands for "Competitiveness of SMEs". The COSME programme assists a better market access and a favourable environment for businesses and entrepreneurship, fostering competitiveness, capacity building and sustainability of MSMEs. Furthermore, the Single Market Program gives access to more and more initiatives like Enterprise Europe Network (EEN), European Cluster Collaboration Platform (ECCP), Erasmus for Young Entrepreneurs and so on.

# E-business directive

The European Commission has introduced a **set of e-commerce rules to have an impact on MSMEs** operating within the EU<sup>4</sup>. These rules emphasize the importance of creating a fair and competitive environment for MSMEs in the digital marketplace. One key aspect is simplifying the VAT rules and reducing administrative burdens for MSMEs engaged in cross-border e-commerce. This simplification aims to facilitate international trade for smaller businesses, making it easier for them to expand their customer base across EU borders.

Additionally, the proposed rules strengthen consumer protection, benefiting MSMEs by building greater trust among online shoppers. Enterprises will be required to provide clear information about their products and services, offering consumers the right to return items within specific timeframes and receive refunds.

#### Innovation

Europe still underspends compared to some global competitors in GERD, which is a key indicator of R&D activities put to use in developing a more knowledge-based economy. Furthermore, as R&D more often takes place in the academic sector (though not exclusively), **European policies also have to support R&D&I activities that take place in the enterprise sector, including MSMEs**. The Horizon 2020 introduced the "SME Instrument", which not only supports the SMEs with information, but funds the companies running projects and tries the cover the whole cycle of innovation process, meaning from the laboratory to the market. The SME instrument hase three phases: (1. Phase) investigation of technical and commercial feasibility of a business idea, (2. Phase) development and demonstration and (3. Phase) additional EU support to enter the market<sup>5</sup>. Furthermore, the budget of the instrument was  $\notin$ 3 billion.

The Horizon 2020 has as its successor the Horizon Europe. **Horizon Europe is the EU's research and innovation program for 2021-2027 and it strongly supports SMEs in boosting innovation**<sup>6</sup>. A key player in this support system is the European Innovation Council (EIC), particularly its EIC Accelerator program. EIC provides SMEs with funding and mentoring for ground-breaking innovations. Beyond direct funding, SMEs are encouraged to engage in collaborative research projects, forming partnerships with research institutions and industry peers to access valuable expertise and resources. Horizon Europe

<sup>&</sup>lt;sup>3</sup> Support to SMEs. (2023, September 15). European Innovation Council and SMEs Executive Agency (EISMEA). https://eismea.ec.europa.eu/programmes/single-market-programme/support-smes\_en

<sup>&</sup>lt;sup>4</sup> e-Commerce rules in the EU. (2023, February 1). Shaping Europe's Digital Future. <u>https://digital-strategy.ec.europa.eu/en/policies/e-commerce-rules-eu</u>

<sup>&</sup>lt;sup>5</sup> European Court of Auditors. (2019, April). EU Support for SME Innovation: The SME Instrument.

<sup>&</sup>lt;sup>6</sup> EIC Accelerator. (2023, August 11). European Innovation Council. <u>https://eic.ec.europa.eu/eic-funding-opportunities/eic-accelerator\_en</u>





aims to fortify Europe's position in research and innovation and acknowledges SMEs as pivotal in achieving this goal. It offers a broad array of resources, networks, and funding avenues, simplifying access to innovation support for SMEs within the EU.

#### Funding and finance

The **Invest EU program** has a policy window focusing specifically on SMEs funding's and has a proposed budget of EUR 11.25 billion<sup>7</sup>. It aims to enhance access to finance for SMEs across the EU. It provides a financial framework to support investment projects that contribute to SME growth and job creation, supports high-risk and collateral-limited SMEs, including those in innovative, cultural, sustainable, and digital sectors. It provides guarantees and equity financing for SMEs and small midcaps in special interest areas like space, defence, sustainability, innovation, and gender-smart financing. Invest EU pools funds from the EU, member states, and the private sector to increase equity finance access, aiding SMEs from start up to IPO (Initial Public Offering) stages. It attracts investment from sources like venture capital funds, insurance companies, and family offices to boost SME growth and innovation.

#### Administrative burden

Great amount of research indicates, that **MSMEs are heavily affected by regulations**, which gives them a high administrative burden and puts them in an unfavourable position in the market<sup>8</sup>. The COSME programme seeks to improve conditions for business creation and competitiveness in the market, so they are the one dealing with this disproportionate burden. Under the "Action Programme for Reducing Administrative Burdens in the EU" measures are taken to lighten the administration process and erase unnecessary reporting and information requirements.

Furthermore, the Small Business Act for Europe (SBA) also gives a comprehensive policy framework for MSMEs<sup>9</sup>. The SBA makes rules according to the "Think small first" principle, which tries to ensure that new policies and regulations does not add burdens to enterprises.

#### Green, circular economy

The European Commission has introduced a **Green Action Plan (GAP)** in 2015 for SMEs to help them turn environmental challenges into business opportunities<sup>10</sup>. There were 54 actions proposed under the Plan contributing to greater recycling and re-use of products contributing to the emergence of the lifecycle of a product.

#### Cohesion policy

**The cohesion policy** of 2021-2027 will support almost 850 000 enterprises, support at least 6.5 million unemployed people and bring clean water supply to 16.4 million people<sup>11</sup>. The "Smarter Europe" pillar of the cohesion policy will focus largely on innovation and research and will support the creation and

<sup>&</sup>lt;sup>7</sup> InvestEU Fund – SME window. (n.d.). Internal Market, Industry, Entrepreneurship and SMEs. <u>https://single-market-economy.ec.europa.eu/access-finance/investeu/investeu-fund-sme-window\_en</u>

<sup>&</sup>lt;sup>8</sup> Improving conditions for competitiveness. (n.d.). Internal Market, Industry, Entrepreneurship and SMEs. https://single-market-economy.ec.europa.eu/smes/cosme/improving-conditions-competitiveness\_en

<sup>&</sup>lt;sup>9</sup> European Commission. (2016). A 'small business act' for European SMEs. <u>https://eur-lex.europa.eu/EN/legal-content/summary/a-small-business-act-for-european-smes.html</u>

<sup>&</sup>lt;sup>10</sup> European Commission. (2014, July). Green Action Plan for SMEs: turning environmental challenges into business opportunities. <u>https://ec.europa.eu/commission/presscorner/detail/ro/IP\_14\_766</u>

<sup>&</sup>lt;sup>11</sup> Outcome of 2021-2027 programming - cohesion policy. (n.d.). Data | European Structural and Investment Funds. https://cohesiondata.ec.europa.eu/stories/s/d6tf-zqvc





competitiveness of more than 450 000 MSMEs. It will also support in 65 000 MSMEs the skills for smart specialisation, industrial transition and entrepreneurship.

While Cohesion policy is built on a joint European policy initiative, this also allows for national policy preferences to surface: the operational planning and national level distribution of funds differ country by country and is planned to cater the local needs and address the local bottlenecks.

#### Recovery and resilience facility

The primary objective of the **Recovery and Resilience Facility (RRF)** is to facilitate the recovery from the pandemic while driving forward the transitions toward a greener and more digital economy<sup>12</sup>. Within the RRF, there is a strong emphasis on promoting the recovery and resilience of MSMEs. A key focus of this effort is to assist MSMEs in expanding their market reach internationally and fostering the internationalization of small businesses, thus contributing to their growth and adaptability. EU Member States – according to their allocated fund size – are requested to provide an RRP (Recovery and Resilience Plan) to operationalize the spending and realisation of projects in order to achieve the set goals.

#### European-level international collaboration in order to support MSME

The Erasmus+ Program of the EU, for the period 2021-2027, stands as a cornerstone for educational and cultural exchange within the European Union, with a monumental estimated budget of  $\in 26.2$  billion, marking a near doubling in funding compared to its predecessor from 2014-2020. This substantial investment reflects the EU's commitment to fostering international collaboration and enriching educational experiences across borders. The program delineates a clear and robust focus on pivotal contemporary issues, emphasizing social inclusion, green and digital transitions, and the augmentation of young people's active participation in democratic life. These thematic areas reflect on the need to create a cohesive, sustainable, and inclusive European society via various national programs and international collaboration.

Erasmus supports and complements the initiatives set forth in the European Education Area, the Digital Education Action Plan, and the European Skills Agenda. By synchronizing with these agendas, the program propels the advancement of education, digital literacy, and skill development, ensuring a harmonious and balanced growth trajectory for the region.

The program's international collaboration targets are crucial, aiming to bridge educational and cultural divides and to facilitate seamless knowledge exchange. By promoting international cooperation, Erasmus aspires to create a fertile ground for innovation, mutual understanding, and shared values among diverse populations. This collaboration extends beyond European borders, embracing global partnerships to address common challenges and to co-create solutions, contributing to the realization of a resilient, inclusive, and sustainable global community.

In the framework of the RESTART project, international collaboration was realised two-fold. First, the international partnership – composed of BE, CR, HU, IT, ES and SK partners – ensured that wide-ranged knowledge and expertise is gathered and channelled into the project from various geographical territories, with different MSME demographics and profiles, diverse educational (especially) VET systems and unique set of policy makers and stakeholders in the background.

<sup>&</sup>lt;sup>12</sup> Members' Research Service. (2023, June 2). *Ensuring the recovery and resilience of EU small and mediumsized enterprises*. Epthinktank. <u>https://epthinktank.eu/2023/06/01/ensuring-the-recovery-and-resilience-of-eu-</u> <u>small-and-medium-sized-enterprises</u>





Second, the outreach to stakeholders, MSMEs and potential users ensured further internationalisation, as in case of several partners, their network afforded the inclusion into both project communication, impact dissemination as well as actual training validation to include experts and trainees to reach beyond the coverage of the six partners' countries (by inviting further users and testers to the online training materials, and by engaging stakeholders other than from these six countries to multinational events and activities).

Third, while Partners have collaborated with each other within this project, they are also participants in other international activities, Erasmus+ projects and others, relevant to the topic of education, VET training and MSME development. These enlarged networks of projects and partnerships allow the RESTART results to create impact beyond its original target areas and stakeholder groups.

Regional international collaboration efforts and partnerships

Several project partners have incorporated in their activities (let those be local dissemination events, national conferences and shared training validation efforts) other regional partners from their countries and close across their borders.

Further potential in regional and international collaboration are offered for enhancing the project's impact in ensuring the continuation in other efforts for the future. Strongly suggested partnerships include besides joint Erasmus+ activities the better utilization of what the Interreg program offers, both in terms of transnational, interregional and cross-border aspects.

The Interreg program for 2021-2027, an EU initiative, seeks to promote cooperation between various regions and nations and is organized into several strands, each focusing on distinct cooperation needs and shared challenges across various geographical and national landscapes. Since MSME development involves a variety of stakeholders from researchers, business support and umbrella organizations, policy stakeholders at national, regional and local levels, Interreg offers ample opportunity to further enhance the RESTART project results. Interreg's diversified programs target a myriad of domains, including innovation, climate, the environment, and transport, with goals to promote social inclusion, employment, and education, structured to be inclusive and multidisciplinary. MSME development is attainable in most of the various strands of the program family. Through its tailored programs, regions in Hungary, Belgium, Italy, Slovakia, Spain, and Croatia can collaboratively address shared challenges and exploit synergistic opportunities for sustainable and inclusive growth and development.

**Interreg Cross-Border Cooperation (CBC)** addresses opportunities and challenges in border areas, aiming to improve the quality of life and promote economic development in these regions. For our partner countries, the most relevant ones are:

- Italy-Croatia CBC Program: It focuses on the socio-economic development of the coastal regions of Italy and Croatia, promoting innovation and sustainable growth.
- Hungary-Slovakia CBC Program: It emphasizes fostering innovation, protecting the environment, and promoting efficient public services in the border regions of Hungary and Slovakia.
- Spain-Portugal (POCTEP) CBC Program: Targeting integrated and sustainable development in Spanish and Portuguese border regions.
- Belgium-France CBC Program: It aims to strengthen socio-economic development and collaboration between the neighboring regions of Belgium and France.





- Hungary-Serbia IPA CBC Program: It focuses on fostering cooperation and sustainable development in the border regions of Hungary and Serbia.
- Hungary-Romania-Slovakia-Ukraine CBC Program: This program aims at addressing common challenges and exploiting opportunities in the border areas shared by these four countries.

There are also IPA CBC and ENI CBC Programs that extend cooperation to regions and countries outside the EU, fostering mutual learning and development in border regions between EU Member States and Candidate/Neighbourhood countries, including the Croatia-Serbia, Hungary-Serbia CBC-IPA Program and others.

Furthermore, the **Interreg Transnational Cooperation** is concerned with strategic cooperation to find shared solutions to common challenges within large transnational areas defined by shared geographical and natural features, while the **Interreg Interregional Cooperation** facilitates learning and the exchange of practices among different EU regions in several policy sectors, involving entities from different geographical locations.

# 2. Key takeaways from implementation: challenges and opportunities

#### 2.1. 2.1 The RESTART concept and the training system

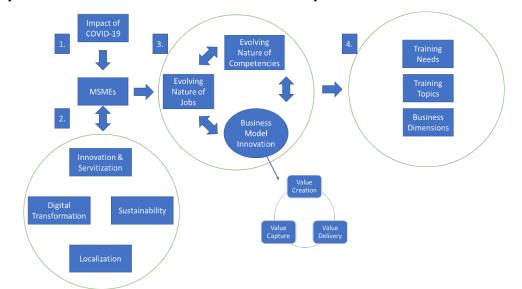
The RESTART project initiated the development of a conceptual framework to identify evolving **training and upskilling needs of MSMEs in light of new challenges.** The framework was constructed based on insights gained during brainstorming sessions by project partners and is structured around four crucial areas:

- Effects of COVID-19 on MSMEs: This involves exploring the varied impacts of the pandemic on MSMEs, to understand their nature and extent in different countries. The exploration was grounded in the research question, "How has COVID-19 impacted MSMEs?"
- Influence of Four Megatrends on MSMEs: The project affirmed MSMEs' need to navigate the challenges presented by four key trends: Innovation & Servitisation, Digital Transformation, Localisation, and Sustainability. The inquiry was based on understanding their current impacts, exploring the support available, and scrutinizing the specific influences in different countries, aligning with the research question, "What is the impact of these megatrends on MSMEs?"
- Alterations in MSME Structures and Competencies: This component delves into internal shifts within MSMEs, examining changes in business models, job roles, and entrepreneurial competencies, primarily focusing on how these elements have evolved due to COVID-19 and identified megatrends.
- Business Dimensions and Training Needs: Based on prior findings, recommendations were formed regarding the focal points of training, which include specific business dimensions like products, strategies, and finances. This section outlines the prevalent challenges and proposes training topics aimed at enhancing growth and competitiveness of MSMEs in the altered business landscape.





Each section of the framework serves to address distinct aspects of MSMEs' operation and adaptation, proposing informed solutions and highlighting areas for further exploration and development, all aimed at fostering resilience and growth amidst unprecedented challenges.



The impact of COVID-19 on MSMEs: RESTART conceptual framework

Source: Taken from RESTART PR01 - Own elaboration by the authors.

The realisation of the project has faced several challenges and opportunities, and while some of these factors have been inhibiting and limiting certain aspects of project application, the partners were innovative in finding the appropriate solutions to improve the outcomes and make an impact on MSME development in these countries and in Europe in general. Despite our concerted efforts, we encountered several challenges, and we had to be innovative in our approach to overcome them.

- Collaboration within consortium: Our consortium maintained strong internal cohesion and facilitated regular project meetings to ensure a smooth flow of ideas and information. Templates for outputs and methodologies were distributed and mutually developed, fostering a harmonious working environment. This structured approach to collaboration proved to be successful.
- Language and outreach: To broaden our outreach, all English language outputs were translated into native languages, allowing us to connect with various target groups more effectively and ensuring the inclusivity of our materials.
- Engagement with MSMEs: However, engaging MSMEs and VET actors proved to be challenging, as they were already overwhelmed during this period. Numerous support measures were directed at them, and our project needed to find innovative ways to capture their attention amidst a sea of information and offers.
- Navigating an evolving crisis: The enduring impacts of the COVID-19 pandemic are still being assessed, and the socio-economic environment has been thrust into a state of perpetual crisis due to emerging challenges such as rising living costs, the war in Ukraine, escalating energy prices, environmental pressures, and swift technological advancements. Navigating this evolving landscape required adaptability and a constant reassessment of our strategies to remain relevant and effective.





Several ideas and suggestions have emerged in order to convert challenges into opportunities:

- Leveraging crises for learning: The ongoing crises, whether economic, environmental, or geopolitical, can serve as powerful catalysts for learning and innovation. By framing our training materials as essential tools for navigating these crises, we can appeal to the immediate needs and concerns of MSMEs, thereby increasing their perceived relevance and urgency.
- Targeting specific pain points: By focusing our content on specific challenges and pain points faced by MSMEs, such as escalating costs or rapid technological changes, we can tailor our training materials to address their immediate needs and concerns, thereby increasing their practical value and applicability.
- Positioning training materials: Diversification of content was crucially important, not only to cater to a broad spectrum of stakeholders, from MSMEs to policymakers and educational institutions, but also to target different learners less and more experienced entrepreneurs, entrepreneur-to-be-s, and potential employees at MSMEs who are in need of understanding the changing environment and the expectations they face. This includes creating modular content that can be tailored to the specific needs and interests of different audience segments.
- Stakeholder engagement and partnerships: Engaging directly with various stakeholders and forming strategic partnerships with umbrella and support organizations can help in refining the content to be more aligned with the needs and challenges of the audience and enhance the distribution and outreach of the materials.
- Policy alignment and advocacy: Aligning the training content with current policies and advocating for supportive policies can help in garnering the support of policymakers and ensuring the relevance and applicability of the materials. Engaging in dialogue with policymakers can also aid in highlighting the importance of supporting MSMEs and the vocational education training (VET) system amidst the ongoing crises.
- Integration into existing educational frameworks: Integrating the training materials into existing VET educational systems can ensure their continued use and relevance. Collaborating with educational institutions to incorporate the materials into their curriculum can help in reaching a wider audience and ensuring the long-term impact of the project. This is a challenge in the more strictly regulated VET systems (such as the Hungarian, etc.) but not impossible, taken into account the potential to involve further training actors into the pool.
- Feedback and iterative development: collecting feedback from the diverse target audience and iteratively refining the training materials based on this feedback helped in maintaining their relevance and addressing the evolving needs and challenges of MSMEs and other stakeholders.
- Digital presence and accessibility: Strengthening the digital presence and ensuring the accessibility of training materials increase their reach and uptake. Utilizing online platforms and social media can aid in reaching a wider audience and providing easy access to the materials.

By strategically converting challenges into opportunities for learning and innovation and meticulously positioning our training materials, we can ensure their relevance, accessibility, and impact, ultimately supporting the diverse needs of MSMEs, the VET education system, policymakers, and support organizations in navigating the complexities of the current landscape.





# 2.2. Reality Check: users' perspective and MSMEs evolving landscape in post-pandemic EU

#### The trainings and validations

The RESTART project and therefore its training materials targeted a **wide range of stakeholders** to be engaged.

- As focusing on providing materials used in official and nonofficial VET education, the VET educational system stakeholders – policy makers, practitioners – were an important target group.
- As the core content aimed at improving resilience and capacities of MSMEs, stakeholders of business development – including national and regional/local policy actors, business support and umbrella organisations, etc. were also key to reach.
- Last but not least, MSME were also targeted, and in various segments: some of the training materials are aimed at small businesses, that desire to run a smooth and profitable business but without being a HGC (high growth company), while certain information and training elements are relevant for HGCs and innovative startups with a significant growth potential as well.
- Not only established entrepreneurs, but entrepreneur-to-be-s were also targeted, furthermore, they turned out to be the key interest group in our trainings during the training validation exercises.
- Important that a validation workshop took place in Ukraine as well, with the help of the associated partner UCF (University of Customs and Finance, Ukraine) where vulnerable groups were also attending and benefiting from the training. Important to note that one of the modules tested with them was on *Emotional wellbeing*, finding their inner balance amongst the monstrous challenges they face.
- Finally, the training materials provide valuable input for employees of MSMEs as well, let those be marketing, servitization, innovation, cybersecurity or emotional intelligence and wellbeing topics.

The training needs in the project included a complex set of targets to address. First, **the project aimed at both hard and soft skills development**, since MSME owners/managers need enhanced managerial and technical skills, including data analytics and digital competencies, to navigate both on-site and remote working environments efficiently, while there is also an emphasis on fostering leadership, emotional intelligence, communication, adaptability, and teamwork, especially in virtual collaboration settings. These skills are pivotal for navigating the complexities and uncertainties in the post-pandemic era, with critical thinking, problem-solving, creativity, and innovation becoming increasingly vital.

The training development and validation also had to take into account the rapid accelerations in entrepreneurial trends like sustainability, green and social entrepreneurship, servitization, and localisation, raising awareness and understanding among MSMEs to leverage them optimally in diverse contexts and among multiple challenges. The project also considered the existing support systems and identified the areas where further improvements are necessary.

The following modules were developed:

- Module 1 Digitalization & Online Learning
- Module 2 Innovation and exploiting opportunities for MSMEs
- Module 3 Cybersecurity in the (home) office
- Module 4 Business model innovation, localization and resilience
- Module 5 Sustainable, social, and green entrepreneurship





- Module 6 Servitization transforming products into services
- Module 7 Emotional intelligence and well-being in the business context

These were presented on the online RESTART learning platform in English as well as in national languages. Trainings included a self-check test for evaluation of lessons learnt and a Google-based feedback form for learners to be filled out.

There were altogether 16 validation trainings held, in the countries of project partners. Altogether 223 participants have taken interest in the activity. The table below summarises the events organised.

Country	No. of trainings	Total no. of participants
BE	1	32
CR	2	16
ES	1	14
HU	2	25
IT	3	32
SK	6	96
UKR	1	20

Conclusions of the trainings and feedback from the participants

Hereby we summarise the feedback provided by the different training organisers, based on the on-site feedback they received from the participants.

#### Belgium:

In Belgium, participants, including professionals, local policymakers, and young professionals, provided valuable feedback on the RESTART project and shared crucial reflections and insights, enriched with notes from the trainers. The feedback is intended to inform educators and help them integrate the RESTART curriculum efficiently within their educational frameworks.

A strategic pre-assessment session allowed the trainers to understand classroom dynamics and participant expectations better, allowing for fine-tuning of the sessions to meet participants' needs. Despite the presence of seasoned professionals, it was noticed that there was a lack of knowledge about many foundational aspects of the project, emphasizing the need for an introductory session about the project's essentials, background, motivation, objectives, and long-term ambitions before delving into the curriculum.

The trainers also recognized the importance of avoiding excessive project management jargon and focusing on the relevance ("so what?") of each training element, linking back to the rationale and motivation behind each topic, enabling a deeper understanding for the learners. A collaborative, bottom-up approach was favored over a top-down, authoritarian approach, where content was cogenerated with the audience, emphasizing an enriching and empowering learning experience rather than a passive information transfer.

Participants expressed appreciation for the RESTART project and the PR3 content, praising its accessibility, user-friendliness, and relevance. The Open Educational Resources (OER) platform





was deemed easy to navigate, and the training material was considered replicable and transferable across various educational settings. The project motivated participants to integrate the learned knowledge within their organizations and inspired the development of similar initiatives. The content was seen as a good practice, encouraging the spread of such knowledge across different dimensions of the education spectrum.

#### Croatia:

The validation trainings included participants from a diverse group, including 3 entrepreneurs, 1 aspiring entrepreneur, 2 MSME employees, and 10 VET providers from a university. Overall, the response was highly positive, with participants appreciating the insights provided on servitization. This was deemed beneficial not only for entrepreneurship but also for academia, enhancing the valorization of university capacities and supporting knowledge & technology transfer.

After engaging with in-person and online modules of the RESTART platform, participants found the materials clear and insightful, meeting their expectations, with a wish expressed for more reallife cases in online modules and greater group engagement in practical parts of in-person sessions. The majority saw the potential for applying the acquired knowledge in their professional lives, with both existing and aspiring entrepreneurs and academic participants seeing tangible applications in their respective fields, from creating new services based on products to educational utilization and new service creation within the scientific community. The module in Croatian language was wellreceived with no reported deficiencies.

#### Hungary:

Hungary's two pilot sessions were marked by the diversity of participants. The first session in June involved seasoned entrepreneurs knowledgeable about post-pandemic challenges for SMEs, while the second session in August featured students from the VET ecosystem and universities, bringing varied perspectives due to their limited professional experience.

The received feedback, both from Google Forms and in-person interactions, was overwhelmingly positive, with clarity and coverage of vital topics highlighted by 100% of the participants. Around 75% and 85% of participants from the first and second pilot, respectively, stated that the training met their expectations; the rest felt it only partially met their expectations. A significant majority expressed intent to apply the acquired knowledge professionally.

Both sessions saw an average rating between 4 and 5, with individual suggestions pointing towards a desire for longer modules, richer real-life examples, and more detailed content, especially from those at the onset of their entrepreneurial journey. Technical issues and a desire for more visual elements were also highlighted but did not overshadow the overall satisfaction and perceived value of the training sessions. The clarity and accessibility of the training were particularly appreciated, indicating the modules' appropriateness for diverse backgrounds.

#### Italy:

IDP conducted its validation on the Training & Tools of the RESTART project from June 21 to 27. The process involved soliciting feedback from 32 diverse participants to assess various aspects of





the training content, such as clarity, complexity, and overall quality. Most participants were aged 18-30 (71.9%), with nearly equal gender distribution and a majority having completed high school. The participants, primarily from Italy, represented various sectors and regions, including several from disadvantaged backgrounds associated with the University of Customs and Finance in Ukraine.

The feedback was generally positive, praising the content's clarity and comprehensiveness, with Module 7 - Emotional intelligence and well-being seeing a 100% completion rate. However, some suggested enhancements to the glossary section, inclusion of more languages, and incorporation of more theoretical aspects and country-specific experiences.

In summary, the participants' valuable insights and positive feedback provide a substantial basis for refining the RESTART project's training materials to better suit the needs and expectations of a diverse audience.

#### Spain:

In Spain, the RESTART project conducted a validation session to test the developed training contents, involving 14 participants representative of the project's target groups. The feedback method was through a focus group, enabling open discussion about the project and the training tested.

The feedback was largely positive, with the content meeting participants' quality standards and providing practical, daily-use tools. The participants included 5 VET training providers and 9 students, allowing for diverse feedback indicative of the training's practical utility for both the VET and entrepreneurial ecosystems.

The content was found to be clear, covering vital topics and meeting participants' expectations. It enables knowledge transfer to professional life, offering added value, especially for teachers who can pass the acquired knowledge to their students, thus multiplying the training content's impact.

The session also introduced the project's OER platform, where participants could expand their knowledge and validate the content's quality and utility. Trainers found the content pertinent and contemporary, elucidating cyber risks and protective measures alongside specific tools for daily application. In conclusion, both participants and trainers highly rated the training, and no suggestions or recommendations for improvement were made.

#### Slovakia:

The overall feedback was favorable. participants found the content clear and valued the additional resources and practical tools provided through hyperlinks. Students, representing prospective entrepreneurs, had no remarks and especially appreciated the course's visual aspects, including videos, pictures, and presentations.

VET providers and lecturers found the materials practical and well-structured, emphasizing the importance of the specific content the lecturer integrates to add value. The Association of Lecturers and Career Counselors plans to share RESTART outputs with their members and stakeholders.

Entrepreneurs highlighted the utility of the RESTART digital coach, appreciating the accessibility and practical resources of the training. A notable suggestion was to facilitate discussions with





entrepreneurs who have successfully innovated, to provide practical insights. This idea will be considered for future events to showcase best practices. Any technical or translation issues identified have been addressed and corrected on the platform by IWS.

#### Special case: Ukraine

In the test and Validation the RESTART project experienced the collaboration with the University of Customs and Finance (UCF) in Ukraine, one of the associated partners of the RESTART project. The engagement of UCF was mostly involved in the testing of Modules 2 and 7 of the RESTART training. The UCF cohort comprised individuals who were not just typical learners. They represented both VET learners of the university currently based in Ukraine, but also Ukrainian learners currently displaced in Europe. This segment of the target group was particularly interesting because it enabled the RESTART consortium to test the training material to a target group in vulnerable conditions.

These participants, many of whom were affected by the strife of war or were engaged in the VET ecosystem and MSMEs, showcased the project's potential to resonate and benefit individuals in disadvantaged circumstances. Notably, many were refugees from Ukraine, temporarily settled in various parts of Europe. Their involvement underscored RESTART's capability to support such individuals in seeking new opportunities, thereby facilitating their social and economic integration into their current European locales.

With 17 students, 1 teaching staff, and 2 mentors participating from UCF, the training session was designed to cater to their unique needs. Beginning with an introduction to the RESTART project, the training dove deep into Modules 2 and 7. Following an interactive session, participants embarked on a self-assessment journey, culminating in a reflective debriefing. This final stage encouraged participants to provide feedback and deliberate on the utility of RESTART in the contemporary Ukrainian context. They also brainstormed potential adaptations, emphasizing the project's potential relevance for Ukraine in any future endeavors.

Involving UCF in the RESTART project has not only validated the project's effectiveness but also highlighted the transformative power of tailored educational initiatives in empowering marginalized communities.

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#### 3. Policy options and recommendations

#### Policy Challenges

The first policy challenge in support of MSMEs and local development of an entrepreneurial environment that is positive **is a further enhancement of the support system** that deals with training, educating, mentoring and supporting the enterprises just as well as the entrepreneur-to-be-s and their potential employees.

A pivotal challenge that prominently emerges is the **accessibility and clarity of training materials**. Ensuring that the provided educational content is comprehensive, user-friendly, and discernible to individuals from diverse backgrounds and varying levels of expertise is crucial. This is vital to maximize the impact and outreach of the RESTART project and similar initiatives focusing on MSME development.

Another significant policy challenge is ensuring **representation and inclusion** within the training modules and sessions. The diversity in demographic backgrounds, sectors of interest, and professional roles of participants, including students, entrepreneurs, educators, and policymakers, necessitates a curriculum that is holistic, inclusive, and accommodates the unique needs and preferences of the different target groups.

#### Local and National Level Recommendations

To address these challenges, at the local and national levels, it is imperative to develop and implement strategies that refine and optimize the clarity and inclusivity of training materials. **Collaborative endeavors** between educational institutions, local governing bodies, and relevant stakeholders can facilitate the creation of content that is universally accessible, catering to individuals with different learning needs and professional backgrounds. Fostering partnerships between the government, private sector, and non-profit organizations to collaboratively support entrepreneurial training initiatives can maximize the utilization of resources and expertise.

**Regular feedback loops,** involving participants and trainers, can be established to continuously improve and adapt the training content based on the evolving needs and preferences of the target audiences. This would ensure that the training remains relevant, impactful, and in alignment with the learning objectives of diverse participants.

Furthermore, enhancing the **representational inclusivity within the curriculum and training sessions** can be achieved by incorporating diverse perspectives, experiences, and case studies. This will help in catering to a wider array of participants, enriching their learning experiences, and fostering an inclusive learning environment.

To be more specific on the local level, a **thorough local needs assessment** can be conducted to gain insights into the specific skill gaps and requirements of MSMEs in the region. What are the main influencing bottlenecks: Demographic challenges and aging population? De-industrialization? Climate change impacting selected sectors such as agriculture or tourism? Responses in training can allow for a more specific curriculum therefore a better response to the specific needs. Engaging with local business associations, chambers of commerce, and industry groups can provide valuable data and insights.





Tailored training programs should be developed to address the unique needs identified in the local needs assessment. These programs could include specialized modules or workshops, focusing on areas such as digital marketing, e-commerce, or sustainability, **depending on the predominant sectors and industries** in the region.

It is also crucial **to set local role models and encourage connections**, foster cooperation not only competition. Collaboration with successful local entrepreneurs who have valuable real-world experiences can be leveraged to offer mentorship and guest speaker opportunities. Their stories can inspire and provide practical insights to aspiring entrepreneurs. Organising **events such as clubs**, **meetups**, **business breakfasts and mentoring bootcamps to** allow for this important opportunity.

Local networking events and forums can be organized to facilitate connections among MSMEs, potential customers, and investors. **Building a robust local business network** is a timely task but it can significantly contribute to the success of those local small businesses.

MSMEs also like to learn more about their financial options and are often underinformed in this domain. **Training them on business financials – both market-based as well as local, national or EU-level subsidies is a significant service to this community**. Exploring various options for providing financial assistance or subsidies to MSMEs can also help mitigate the costs associated with participation in training programs. This may involve considering grants or low-interest loans as potential avenues of support.

Advocacy for national-level funding and incentives for organizations and institutions that provide entrepreneurial training can promote the growth of such programs. Tax incentives for training providers or grants for research on effective training methods are potential avenues for support.

It is also imperative that we learn from our experiences and from each other as well. Proper **monitoring** with appropriate KPIs is necessary for all support programs and training initiatives. Regularly collecting data on the success rates, job creation, and revenue growth of MSMEs that have participated in these programs provides insights for continuous improvement, but such a local, regional or national monitoring system has to be funded and legal issues (GDPR, confidentiality of business information) kept in check. The promotion of **collaboration and data sharing between different regions** and nations within the European Union can foster the exchange of best practices and lessons learned in supporting MSMEs.

Recognizing the significance of digital skills in today's business landscape, initiatives aimed at **improving digital literacy among MSMEs should be championed**. This includes offering training in digital tools and cybersecurity.

Engaging in collaboration with other European countries to share successful approaches to supporting MSMEs presents an important learning opportunity. Participation in EU-funded programs and initiatives aimed at promoting entrepreneurship and innovation can yield valuable insights and experiences.

#### EU Level Recommendations

At the EU level, policy recommendations primarily revolve around the standardization and harmonization of training materials across member states. Establishing a unified framework that ensures the consistency, quality, and accessibility of educational content can aid in overcoming





disparities in training experiences among participants from different countries. This is important in light of the European Economic Area and the aims to ease doing business across Europe.

Moreover, **fostering collaborations between EU member states** can encourage knowledge sharing and the exchange of best practices in MSME development, thereby elevating the quality and effectiveness of training programs across the region. This transnational collaboration can also facilitate the incorporation of multilingual and multicultural elements within the training, enhancing its accessibility and relevance to a broader European audience.

In addition to this, advocating for policies **that support continuous research and innovation in educational methodologies and technologies** can contribute to the development of advanced, userfriendly, and effective training solutions. This can enable the creation of learning environments that are more engaging, inclusive, and conducive to the acquisition of knowledge and skills necessary for MSME development.

Finally, the implementation of EU-wide policies that promote inclusivity and representation in entrepreneurial education can ensure that the diverse needs and preferences of the European population are adequately addressed. This can contribute to the creation of a more equitable and inclusive entrepreneurial ecosystem, fostering growth and development across the region.

Addressing the identified policy challenges through the aforementioned recommendations at both local, national, and EU levels can significantly enhance the effectiveness and outreach of the RESTART project and similar MSME development initiatives. By focusing on optimizing clarity, inclusivity, representation, and accessibility of training materials and fostering collaboration and innovation within the European entrepreneurial ecosystem, we can pave the way for a more resilient, equitable, and prosperous future.





# 4. The implementation of RESTART in different VET environments

4.1. VET Ecosystems of the RESTART project country partners

The RESTART project, and the trainings conducted in the framework, were implemented in six different EU countries, namely Belgium, Croatia, Hungary, Italy, Slovakia and Spain. The training materials developed as well as the trainings themselves had to take into account the different training and vocational education environments of the various countries involved.

In **Belgium**, with its diversified dual VET system, regional authorities predominantly guide the system's developments. Various actors, including social partners and industry representatives, play significant roles. Especially post-2015, there has been a focused drive to intensify lifelong learning and vocational training, adapting to the evolving demands of the labour market, emphasizing collaborative efforts with sectoral training funds and regional training providers.

**Croatia**, since joining the EU in 2013, has been actively redesigning its VET system, with the Ministry of Science and Education at the helm, and stakeholders such as the Agency for Vocational Education and Training and Adult Education and social partners contributing significantly to reforms. The engagement of employers is being emphasized, and there is a concerted effort to harmonize qualifications with European standards to ensure relevance and recognition.

**Hungary** has a rather centralised and strictly regulated VET system that aims to take a transition to a more market-oriented approach, particularly since the reforms initiated around 2015. The Ministry of Culture and Innovation, along with the National Office of Vocational Education and Training and Adult Learning, are the most important policy stakeholders in VET education. Collaboration between educational institutions and companies has been fortified, aiming at producing internationally comparable qualifications in alignment with European frameworks.

In **Italy**, VET education is decentralised to a significant level with the involvement of regional policy stakeholders and institutional setting. The regionally responsive VET system has been working to overcome disparities through national frameworks since the 2010s. The Ministry of Labour and Social Policies and regional authorities, along with social partners. Sectoral committees and regional bodies have also been crucial in aligning VET provisions with local economic needs.

In **Slovakia**, the Ministry of Education, Science, Research and Sport has been central in advancing VET reforms since 2015, focusing on partnerships between schools and employers. Various stakeholders including sectoral professional organizations and chambers are involved in shaping the VET landscape, working together to align VET pathways closely with employment opportunities and market needs.

**Spain** has been combating early school-leaving rates by rejuvenating its VET system since 2012. The Ministry of Education and Vocational Training, alongside regional authorities and social partners, is pivotal in these developments. The inclusive approach in reforms aims to ensure the availability of a diverse range of professional qualifications to meet varied educational and employment needs.

The challenge, in each of these countries, is to what extent can entrepreneurship education and knowledge related to MSMEs be involved in the VET ecosystem. Although several elements and topics identified in the RESTART project as crucial (e.g. digitalization, innovation, cybersecurity, etc.) are present in certain courses and official training materials, the systematic entrepreneurial training is often not part of the official VET training curricula. This creates the necessity for a more focused and concentrated effort on behalf of extra-curricular trainings, often offered by VET training centres, but sometimes also by other educational institutions (e.g. being included in secondary





school or higher education courses) and by NGOs as well as entrepreneurial umbrella and support organisations.

#### 4.2 Training validations held in the framework of the RESTART project - List of sessions

The RESTART partner organisations have carried out several validation trainings in Europe (and in Ukraine, additionally) in order to test and improve the training materials, as well as to gain insights into the preferences of the different target groups involved. The validation trainings within Europe were conducted as follows:

#### Belgium: 1. T

,	Training – validation session			
	Date: 13.6.2023			
	Format: in person			
	Place: Brussels			
	Organizer: IHF			
	Number of participants: 20 + organizers and trainers from IHF team			
	<b>Modules Validated:</b>	M1 Digitalization and online learning		
		M2 Innovation and exploitation opportunities		
		M3 Cyber security in the (home) office		
		M4 Business models, for SMEs in the post-COVID era		
		M5 Sustainable, social and green entrepreneurship		
		M6 Servitization – transforming products into services		
		M7 Emotional intelligence and well-being		

#### Croatia:

- Training validation session
   Date: 15.6.2023
   Format: in person
   Place: Rijeka
   Organizer: STEP RI
   Number of participants: 6 + three organizers and trainers from STEP RI team
   Modules Validated: M6 Servitization transforming products into services
- 2. Training validation session

Date: 4.7.2023 Format: in person Place: Rijeka Organizer: STEP RI in cooperation with University of Rijeka, Faculty of Humanities and Social Sciences Number of participants: 10 + trainer from STEP RI team Modules Validated: M6 Servitization – transforming products into services

#### Hungary:

- 1. First validation session
  - Date: June 9, 2023 Format: in person Place: Budapest Organizer: HÉTFA Research Institute together with Women/Business/Angels Association Number of participants: 8





**Modules validated**: M4 - Business models for MSMEs in the post-COVID era (HU version) M2 Innovation and exploitation opportunities (HU version)

M3 Cyber security in the (home) office (HU version)

M6 Servitization (HU version)

M7 Emotional intelligence and well-being (HU version)

Feedback: collected in person

2. Second validation session

Date: August 7, 2023 Format: in person Place: Budapest Organizer: HÉTFA Research Institute Number of participants: 17 Modules validated: M4 - Business models for MSMEs in the post-COVID era (HU version) o 3 participants completed all other online modules as well Feedback: collected in person and via Google Form (LINK)

#### Italy:

Date: 21, 23 and 27 June, 2023Format: in personOrganizer: IDPNumber of participants: 32Modules Validated:M1 Digitalization and online learning<br/>M2 Innovation and exploitation opportunities<br/>M3 Cyber security in the (home) office<br/>M4 Business models, for SMEs in the post-COVID era<br/>M5 Sustainable, social and green entrepreneurship<br/>M6 Servitization – transforming products into services<br/>M7 Emotional intelligence and well-beingFeedback: collected in person

#### Slovakia:

1.	Training – validation session			
	Date: 13.6.2023			
	Format: in person			
	Place: Poltár - less developed region with fewer opportunities in Slovakia.			
	Organizer: SBA in cooperation with Associated project partner CPK Poltár -RRA (Center of			
	first contact for entrepreneurs in Poltár – Regional Development Agency)			
	Number of participants: 13 + two organizers and trainers from SBA team			
	Modules Validated: M2 Innovation and exploitation opportunities			
	M5 Sustainable, social and green entrepreneurship			
2.	2. Training – validation session			
	Date: 21.6.2023			
	Format: in person			
	Place: Bratislava			
	Organizer: SBA in cooperation with Assosiated project partner ALKP (Association			
	Lecturers and Career Counselors)			
	Number of participants: 21 + two organizers and trainers from SBA team			
	Modules Validated: M1 Digitalization and online learning			
	M2 Innovation and exploitation opportunities			





- M3 Cyber security in the (home) office M4 Business models, for SMEs in the post-COVID era M5 Sustainable, social and green entrepreneurship M6 Servitization – transforming products into services M7 Emotional intelligence and well-being
- 3. Training validation session Date: 2.5.2023; 7:20 am Format: in person Place: Bratislava Organizer: FMUK Number of participants: 13 + FMUK project team Modules Validated: M1 Digitalization and online learning
- 4. Training validation session Date: 2.5.2023; 11:05 am Format: online Place: virtual Organizer: FMUK Number of participants: 23 + FMUK project team Modules Validated: M1 Digitalization and online learning
- 5. Training validation session Date: 2.5.2023, 9:35 am Format: online Place: virtual Organizer: FMUK Number of participants: 10 + FMUK project team Modules Validated: M1 Digitalization and online learning
- 6. Training validation session Date: 5.5.2023 Format: in person Place: Bratislava Organizer: FMUK Number of participants: 16 + FMUK project team Modules Validated: M1 Digitalization and online learning

Spain:

Training – validation session
 Date: 2nd May 2023
 Format: in person
 Place: Málaga, Spain
 Organizer: Internet Web Solutions with the collaboration of Arrabal-AID (Associated partner
 in Málaga)
 Number of participants: 14 + 1 trainer from IWS team
 Module validated: M3 Cybersecurity in the (home) office





#### Ukraine

 Training – validation session Format: in person Place: Ukraine Organizer: IHF with UCF (University of Customs and Finance, Ukraine) as associated partner Number of participants: 17 + 1 trainer and 2 moderators Modules validated: M2 Innovation and exploitation opportunities M7 Emotional intelligence and well-being

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