



**CR@FTSMAN**

**REPORT  
ON THE SITUATION OF  
CRAFTSMANSHIP  
IN EUROPE**

**CR@FTSMAN PROJECT  
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The report at hand is based on the national reports from the five organisations which form the consortium of the cr@ftsman project.



INSTITUTO DE FORMACIÓN Y ESTUDIOS SOCIALES



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## **1 Introduction**

The present document is the first part of the project "Cr@ftsman: transference of training material for the management of craftsmanship SMEs to e-learning" whose general objective is to transfer the innovation of six training manuals which were the final products of the former project "Handmade: permanent training for craftsmen" to the e-learning methodology. This adaptation shall meet the current, quite specific training demands of the craft sector as well as SMEs in general. On the one hand, the e-learning program shall improve the Know-How, skills and competences regarding management and business administration and on the other hand promote the use of new information and communication technologies (ICTs) in the craft sector.

It is vital to understand the current situation of craft and SMEs in Europe to achieve these objectives. Which challenges does the sector face and what are its specific needs? Is there a demand for further education and in what area? Which possibilities do SMEs have to participate in further education and what are the main barriers and obstacles? The report will not only answer these questions but also show at the end why the use of ICTs shows a great opportunity for craftsmen to meet the challenges of the 21<sup>st</sup> century. At the end, the competitiveness of European craft entrepreneurs and SMEs will be strengthened and rise.

This report presents the current situation of craftsmen in the five European countries Italy, Austria, Rumania, Spain and Bulgaria, providing information about their socio-economic situation, the characterization of the craft sector in each country, the current management thereof, current training in the sector and the possibilities and the use currently made of ICTs in the craftsmanship context.

## **2 Socio-economic situation of crafts**

Like almost no other industry in Europe the craft sector was constantly changing throughout past centuries. Holding a dominant and powerful position within society in the 18th and 19th century craft faced competition from factories and their first tendencies of mass- and industrial production in line with the industrialisation. The traditional manual work got more and more detached from mechanization and automatization. Hence some of the former professions almost disappeared, such as blacksmiths, wheelwrights and saddlers.

Also in the 20<sup>th</sup> century the craft industry went through a radical change. On the one hand, many countries of the European Union got affected by technological and social developments, the new global market and changing consumer demands due to globalisation. Especially in the developed countries in the western part of Europe innovative craftsmen tried to specialize and niche on markets so that some new professions developed, for an example the orthopaedic shoemaker or the interior decorator. Craft companies in eastern European countries faced new challenges in the late 80ies and early 90ies when the market economy changed from a state owned, centralised economy to a free-market economy. Thereby the craft companies, for an example in Rumania, suddenly lost support from the state in form of tax benefits or other subsidies. As a knock-on effect prices of craft products have dramatically increased to a point where they were neither on the export nor on the domestic market competitive anymore. As a result of that the production decreased and companies had to lay off staff hence many people from rural areas lost their jobs. Until today the companies still learn to gain independence from the centralized and heavily bureaucratic management systems, observe the needs from the market and actively market their products.

Nowadays craftsmen who wish to sell their products successfully need to adapt their activities and ways of thinking to the new (business) environment as well as to the ecological and social challenges of the 21<sup>st</sup> century. The detection and development of niches, innovative ideas and business concepts may be deciding for their success and economic survival. The sector needs an integral strategy which optimizes labor and performance within the companies considering economic, social and ecological aspects. The holistic perspective might be a great opportunity for craft producers in the eastern European countries who are still disoriented and slowly start to change.

### **2.1 General Definition of Craft**

As shown above craft has a long tradition in Europe. Today there is a very diverse understanding of the sector depending on the country. Each has its own definition very much depending on the historical development in recent decades and the national conditions. As a result of that the sector developed and is still developing in a different way in each of the reviewed countries.

Not surprisingly it was impossible for the authors of this report to find a common definition of craft. Even within the individual countries in which the sector got reviewed craft is far beyond a consistent definition. Rather an increasingly heterogeneous group of professions is subsumed in the sector. In Rumania and Italy craft is mainly characterized by a "living creativity" and its decorative aspect. Predominant professions are for an example the production of traditional handicraft ("typical Rumanian/Italian"), textile weaving or the production of

clothes. In Austria however the construction sector counts by far the most members.

It seems obvious to look at the national as well as the legislation of the European Union for a common definition on craft. Yet only the Italian law provides a definition. Accordingly a craft enterprise is a company *"which predominant aim is the production of goods or the provision of services. Farming, commercial services, intermediation in goods' circulation or subsidiary services as well as the public provision of food and beverage are excluded."* The European Union doesn't define craft neither. The sector is recognized in the recommendation on the definition of small- and medium-sized enterprises (SMEs) which says that *"craft will continue to be defined nationally in line with their specialist areas"*.

The small company size is one main characteristic of craft. Enterprises are usually led by a self-employed person employing a manageable number of workers. The owner seeks for profit and personally bears for the capital risk. Moreover he/she occupies the central position in the company, is able to control and influence the work of the employees and plans the work flow as well as the outcomes. However, there is no clear separation of management (company owner) and the execution field (workers/employees).

Craft entrepreneurs face similar problems and challenges as all other SMEs. Thus the definition of the European Union on SMEs forms a basis of this research. Accordingly small- and medium-sized companies are formally classified according to their employees, turnover and balance sheet.

Enterprise category	Headcount	Turnover	or	Balance sheet total
medium-sized	< 250	≤ € 50 million		≤ € 43 million
small	< 50	≤ € 10 million		≤ € 10 million
micro	< 10	≤ € 2 million		≤ € 2 million

Figure 1: Definition of SME of the European Union

Source: [http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index\\_en.htm](http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index_en.htm)

A definition of the UNESCO seems to describe craft quite poignantly: *"Craft products are those produced by craftsmen, either totally by hand or with the aid of manual tools or including by mechanical means, whenever the direct manual contribution of the craftsman is still the most important component of the finished product. In terms of quantity, there are no restrictions on production and raw materials are used deriving from sustainable resources. The special nature of craftsmanship products is based on the distinctive characteristics which may be utilitarian, aesthetic, artistic, creative, linked with culture, decorative, functional, traditional, symbolic and significant religiously and socially"*.

Further characteristics of the sector are:

- In contrary to industrial mass products craft produces individual goods or only in small series.
- Craft serve either as local suppliers or as sub-contractor of large enterprises with their goods and services.
- Craft enterprises are not only located in cities but primarily decentralized in rural areas.

## **2.2 Sustainability Aspects in the Craft Sector**

The craft sector is a key factor for sustainable development: Crafts and small enterprises typically rely on their local roots, and make an essential contribution to local development and social integration. They create jobs, provide vocational training and ensure the transfer and continuous improvement of specific know-how. They often employ people with disabilities hence providing them a social integration.

The traditional craft has partly always been working according to sustainable criteria without promoting it to the general public. The self-employed craftsmen are in close contact with their customers, they usually use high-quality, locally available resources and produce predominantly domestically instead of outsourcing costly manufacturing steps to a foreign country. As local suppliers craft contributes to the security of supply as well to the national welfare and life quality. Moreover the sector conserves the unique traditions and the historic-cultural heritage of the countries. However, that part is unfortunately often underestimated by the general public.

Craft products are usually long-lasting and high-quality goods true to the motto "better than more". Compared to industrial mass-products the higher prices of craft goods generally reflect the true costs of the product as it includes the use of high-quality resources and auxiliary materials as well as human manpower.

However, one can assess that craftsmen don't consider their products holistically. The main reasons may be the fast changing economic environment which didn't shift the sector in a benefiting position and still puts them under financial pressure as well as difficulties in raising capital. Moreover sustainability as an overall concept including the three dimensions ecology (e.g. looking at the ecological impacts of the whole product life-cycle from cradle to cradle), society (e.g. considering not only employees but also suppliers and consumers) and economy is also not well known in the sector.

As probably no other sector in Europe craft needs to develop innovative forms of management and production modes to maintain their competitiveness. Sustainability offers great new opportunities in this field for an example by minimizing the resource consumption by repair or restoration services. A knowledge transfer of already existing successful and innovative approaches and examples from the different countries is needed in order to learn from each other.

## **2.3 Statistical data and typology of companies**

The wide variety of definitions and criteria of craft and its activities in Europe makes it incredibly hard – even impossible – to carry out comparable, transnational studies. What's more it is hard to access reliable statistics about the sector as there aren't any national institutions which collect data on the sector.

Nevertheless the attempt is made here to show a European picture of craft by showing some numbers bearing in mind that the data does not always only include the craft sector but SMEs in general.

### 2.3.1 Number of craft companies and its size

It is obvious that craft is the largest sector within the economy in all reviewed European countries. Looking at the company size shows what has already been mentioned above: Many companies are led only by a single person or are micro-sized ones employing nine persons at a maximum. Even though there is no exact number one can assume that many of these companies are family business.

Below you can find figures on the size of craft companies as well as the share of craft companies (or SMEs) in the individual economies.

Company size					
	0	1-9 persons	10-49 persons	50-249 persons	year of data
<b>Bulgaria</b>	-	225.550	22.937	4.738	2007
<b>Austria</b>	41.545	38.661	9.604	1.390	2007
<b>Rumania</b>	558.021	-	47.603	9.850	2007
<b>Spain</b>	-	-	-	-	-
<b>Italy</b>	-	1.158.658	317.555	not included in the definition of craft	2009

Table 1: Size of craft companies per country.

Source: Data from the project partners, Europroject, Second Chance, Plenum and Smile Toscana.

Share of craft companies (or SMEs) of total companies			
	Total number of companies	Craft companies / SME	%
<b>Bulgaria</b>	-	282.600	-
<b>Austria</b>	294.387	92.617	31,50
<b>Rumania</b>		615.474 <sup>1</sup>	-
<b>Spain</b>	-	65.000	-
<b>Italy</b>	6.065.232	1.480.582	24,40

Table 2: Share of craft companies (or SMEs) of total companies per country.

Source: Data from the project partners, Europroject, IFES, Second Chance, Plenum and Smile Toscana.

Looking at the number of companies by sub-sectors shows a similar picture in Italy, Rumania and Spain. Most companies produce clothes or furniture. Unfortunately there is no information on that in Austria and Bulgaria.

### 2.3.2 Number of people working and people employed in the craft sector

The craft sector is not only the one where most people work. The companies provide jobs for thousands of people and are thus the major employer. At this place the importance of craft for the respective economy has to be highlighted again.

<sup>1</sup> Rumania has no statistical datas on craft sector. According to the results of the General Censis from the Crafts Foundation Rumania, there were 831 craft companies in 2002.

<b>Persons employed in the craft sector (or in SME)</b>		
	<b>Total</b>	<b>% of employment</b>
<b>Bulgaria</b>	1.410.572	38
<b>Austria</b>	562.814	26
<b>Rumania</b>	2.871.493	-
<b>Spain</b>	200.000	-
<b>Italy</b>	1.538.200	13

Table 3: Persons employed in the craft sector (or in SMEs).

Source: Data from the project partners, IFES, Europroject, Second Chance, Plenum and Smile Toscana.

Observing people registered within the occupational fields in the craft sector in each country brings forth a differentiated picture again. Whereas the highest number is represented by painters, sculptors, ceramists, engravers and similar artists in Spain, it is bricklayers, weavers and knitters, carpenters and painters in Rumania. In turn in Austria the field building and construction counts by far the most members followed by podiatrist, cosmetician and masseuse, building support business and carpenters.

### *2.3.3 Financial data and position of the craft sector*

Generally speaking the craft sector is in a difficult economic situation in each and every of the reviewed countries due to the economic, social and ecological changes which were described above. Financial data on the sector found in Austria and Italy underline the situation.

In Austria, only 16 percent of craft companies are regarded as "top-companies", having neither income nor financing problems. Further 11 percent describe their situation as "quite well". In the economic period 2006/2007 12 percent of the companies suffered from financing problems, 27 percent from income problems and 13 percent suffered from both, financing as well as income problems. A full of 21 percent of the companies must show losses.

The situation in Italy is a similar one. Especially because of the prevalence of enterprises consisting only of a single person (78 percent of craft companies, compared to 56 percent of total enterprises), they seem to suffer more than others. While the sector represents 25 percent of Italian companies, it produces more than half (51 percent) of the quarter debit balance (January to March 2009) and its companies' stock gave a 1.04 percent negative growth rate (almost twice than the total companies' rate).

No financial data on the craft sector but on SMEs can be found in Rumania. Compared with the average values recorded in the country, the SMEs show a relatively high profitability. However, compared to other average economic force of the European Union, Rumanian SMEs are still a low economic force. 97 percent of the enterprises have a turnover of less than 2 million Euros. The overall solvency (assets compared to liabilities) indicates an enhanced level compared to the previous year: 28.1 percent in 2005 and 69.14 percent in 2006 compared with 74.33 percent in 2007.

### 3 The all-in-management of craftsmanship companies

It's been already said above that craft goods are primarily produced by hand. Consequently professional skills and creative capacities are vital to carry out a profession within this sector. However, to meet the challenges of the 21<sup>st</sup> century not only entrepreneurs within the craft sector but SMEs in general require integral business and management know-how.

Below you can find some of the competences and skills craftmen need to in order to be successful. The presentation shall help to underline the various tasks they additionally require nowadays.

<b>Competences needed for craft and SMEs in management</b>		
	<b>Specific competences</b>	<b>Key competences</b>
<b>Management</b>	<p>Deep knowledge on: activity, workshop and its element and environment; raw materials, tools and techniques</p> <p>Administration, organisation, planning and management of the workshop</p> <p>Establishment of the company's supply needs (materials and human resources)</p> <p>Control of financial management, knowledge on occupational health and safety as well as quality criteria.</p> <p>Knowledge and use of new technologies in the workshop and computer tools applied to management</p>	<p>Skills and capacity for the communication suppliers</p> <p>Advanced skills on reading, writing and calculation</p> <p>Understanding orders</p> <p>Leadership skills</p> <p>Practical knowledge of the regulation on hygiene and environmental preservation</p> <p>Juridical knowledge</p> <p>Market knowledge and know-how on the competitors</p>

Table 4: Competences needed from craft and SMEs in management.  
Source: Extended compilation on the basis of the compilation of IFES.

<b>Competences needed from craft and SMEs in administration</b>		
	<b>Specific competences</b>	<b>Key competences</b>
<b>Administration</b>	<p>Correct processing and transmission of information</p> <p>Organisation and management of archives</p> <p>Administrative management of: Human Resources; financial operations; supply of material and selling of products.</p> <p>Supporting the management of health and safety plans</p>	<p>Skills on cost and accounting</p> <p>Practical knowledge on health and safety measures</p> <p>Knowledge on the latest standards, guideline and legal requirements</p> <p>Know how of the market</p>

Table 5: Competences needed from craft and SMEs in administration.  
Source: Extended compilation on the basis of the compilation of IFES.

Competences needed to commercialise craft products		
	Specific competences	Key competences
<b>Commercialisation</b>	Deep knowledge on the production system; commercialisation channels; market and its demands and needs Communication and marketing management (product, place, price, promotion)	Skills and capacity for communication and negotiation with customers and suppliers

Table 6: Competences needed from craft and SMEs on the commercialisation of products.  
 Source: Extended compilation on the basis of the compilation of IFES.

### 3.1 The regulatory framework of the craft sector

It has already been mentioned above that there is no European legislative framework on the craft sector. The regulatory frameworks in the reviewed countries are varying too so that a comparison neither seems useful nor contribute to a better understanding.

Two aspects are the same in all countries. Firstly, there is a law which governs the craft sector in Austria, Bulgaria, Italy, Rumania and Spain. Secondly, craftsmen require a formal registration in order to open up an own workshop in each country.

The basic foundation pillars of every constitution are presented country by country in the following.

#### 3.1.1 Austria

The Austrian Trade, Commerce and Industry Regulation Act form the statutory framework for the craft sector. It is a comprehensive business law which governs the different types of craft and stipulates under which circumstances persons are entitled to carry it out. It also regulates the general and particular requirements to exercise self-employment pursuant to the ordinances issued in connection with the individual regulated crafts and trades.

Observing the law shows for an example that one has to provide proof of different qualifications depending on the professional field within the craft sector. It is compulsory to own the examination for the master craftsman's certificate as well as the management certificate or to graduate with an appropriate diploma to open up an enterprise as a baker, butcher or hairdresser. In the contrary morticians, masseurs or cosmeticians<sup>2</sup> can carry out their business immediately after the receipt of a trading licence and do not need to provide proof of the examination for the master craftsman's certificate. However they have to demonstrate a certain degree of proficiency. No formal proof of qualification is in turn needed to carry out a free trade. Pawnbrokers or owners of gas stations or designers belong to that group.

<sup>2</sup> These professions legally belong to the group of „bounded craft“.

### 3.1.2 Bulgaria

The Bulgarian legislation on the craft sector is very young and is in force since May 28<sup>th</sup> 2001.

### 3.1.3 Italy

Legislative and operational competences of the craft sector are transferred to the regions and the autonomous districts in Italy. Usually the regions exercise only their administrative functions and delegate competences concerning district settlements, vocational training, technical assistance or the facilitation of export to local authorities. The framework for the sector is provided in L.443/85 and the subsequent amendments and additions in the Italian Constitution. To legally carry out a workshop the craftman needs to be enrolled in the District Registry of craft enterprises.

### 3.1.4 Rumania

The rules for craft professions are settled by Law No. 507/2002 in Rumania. Among others it states that one has to provide a formal qualification certificate in order to legally carry out a craft profession. However it is important to mention that the registration process is at the very beginning. The Rumanian legislation also provides specific rules for self-employed persons, e.g. to be qualified to carry out the profession or to hold an authorization required by law.

### 3.1.5 Spain

Similarly to Italy, the responsibility to legislate on craft is placed on the regions in Spain. The results are 19 laws, 16 correspond to autonomous communities and three to provincial governments of the Basque Country. Besides some similarities in the legislations itself as well as in the definition of some terms each and every autonomous community defines for itself *what* is a craft and *who* is a craftman. Therefore some of the autonomous communities have developed specific lists, known as "Craftsmen Lists". As already mentioned above the law demands a registration in order to carry out a craft business in Spain too. The specific conditions of access to registration are set out in the basic law regulating the sector, with the exception of some communities<sup>3</sup> which have developed their own specific legislation also in that point.

## 3.2 Representative Bodies

Representative bodies help to strengthen the position of the craft sector on the national as well as the international market and are the (legal) representatives of the interests of its members towards public authorities, politicians and the general public. Among their several tasks are the promotion of the economic development of its members by positively influencing the regulations, the observation of the law and the participation in the creation and modification of standards. In Austria, Bulgaria and Spain the representative bodies are also responsible for education as well as the further education and training of the craftsmen.

In Austria, the Federal Guild, which is an independent professional organisation with its own area of influence as part of the Austrian Federal Economic Chamber, impersonates this role. The Federal Guild or rather the elected officials (= craft entrepreneurs) set the priorities of the activities of the guild. The legal representative of the Federal Guild is the Federal Guild Master, who directs and

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<sup>3</sup> Aragon, Balearic Isles, Canary Islands, Extremadura, Galicia, Region of Murcia, Provincial Government of Álava, Provincial Government of Biscay and Provincial Government of Guipúzcoa

controls the entire administration of the business as well as the current transactions.

In Spain the autonomous communities are the representative bodies of the craft sector. They have adopted different ways to promote and develop the sector. Many communities have even set out specific action plans and programs. They have also developed a standard which declares craft in "Zones, Districts or Areas of Craftsmanship Interest" and which regulates training activities among others.

In Bulgaria, the National Crafts Chamber (NCC) implements the overall policy for the protection of the interests of craft entrepreneurs and their organizations. Besides the adaptation, preparation and modification of rules and documents provided by law, it organizes trainings.

In Rumania, UCECOM – the National Union of Handicraft and Production Cooperatives of Rumania – is the representative body of the craft sector and also maintains the system of professional education. The cooperative system has been having an unbroken tradition for more than 100 years. The First Cooperative Association in Rumania was among the founders in 1895 which included the International Cooperative Alliance, which still exists today.

In Italy, the National Craft Commission has a consultation rule in the national as well as the European legislation. The Commission consists of: representatives of the regional government, members of regional commission, representatives of the national craftsman organization and main syndicates and coordinated by the Industry Minister. There is a similar organization at regional and local level with competencies in administration and statistics, but with the right to be consulted in regional legislation. The local organizations are independent and their members are representatives of craftsmen, syndicates, INPS (National Institute of Social Protection), local labor offices and experts. The regional organizations consist of local and regional commissions and experts. Training activities for the craft sector are mainly promoted by private organization through national and European funds.

## **4 Crafts in the context of education**

As each and every European country has its own national education system, the educational path to become a craftsman varies between the reviewed countries. Depending on the country future craftsmen are able to visit different schools, with a different age. Additionally there are different formal requirements and examinations for the individual professions. While in Austria and Italy the educational path is more or less given Spanish people can choose among many different educational and qualification paths. In Rumania and Bulgaria, where craft is rather very traditional and mainly settled in the area of decorative arts there is no special training provided to become a craftsman yet. The techniques are often transferred from the parents to their children or from masters to apprentices.

It is characteristic for craft professions that the education does not only base on theoretical knowledge but first and foremost on-the-job training in the workshop. People usually start their vocational training after the compulsory education. There is a traditional tendency that these people (or rather their parents) do not have the means to afford further education or university studies in younger years. An outcome of this is that the craft producers are today the main trainer for young people.

As it does not contribute towards better understanding the individual educational systems of each country are not presented. At this point it should rather be underlined that knowhow, skills and competences regarding management and business administration are not taught in the regulated educational system.

### **4.1 Further training and education in the craft sector**

The need for appropriate training on management and business administration in the craft sector generated a variety of complementary courses in line with further education. All activities aim at meeting the challenges of the rapidly changing economy. Courses address both employed as well as unemployed people. Further education serves as a third pillar and takes part outside of the general educational system. The courses obtain basic training which facilitates the acquiring or improving of professional qualifications, boosting professional insertion and developing the capacity to take part in social, cultural, political and economic life. Further education is usually not regulated by law and the courses are offered by many different providers, private as well as public, schools for employed persons, public employment services, NGOs or interest groups. People are free whether or not to attend any further education activities.

In the following the different alternatives of further training and education in the craft sector are presented country by country. It should get straight to the point that the density and the available information very much varies depending on the reviewed country.

#### *4.1.1 Training programmes in Austria*

The Austrian Federal Economic Chamber is anxious to enhance the principle of lifelong learning for the craft sector. Looking at the content of the course and programmes attended from Austrian SMEs in 2007/2008 shows that vocational-technical topics bestrides the education activities. Administration trainings come second whereas they become less important depending on the size of the company: medium-sized companies attend these courses more frequently than

micro- and small-sized companies. This indicates that the majority of Austrian craft producers have a demand on education in this field. The results from another EU-project show that the craft sector in Austria requires marketing and sales skills to be competitive in times of change.

Austrian SMEs can choose from hundreds of training programmes ranging from language courses, communication and presentation trainings, trainings to improve soft skills, trainings on various computer programmes or professional training in accounting, balancing etc. The most important providers of further vocational training in Austria are the adult education institutions of the social partners, i.e. the Vocational Training Institute (Berufsförderungsinstitut) and the Institute for Economic Development (Wirtschaftsförderungsinstitut). The latter also offers a course called "businessman, -woman training" in the form of blended learning which is an industry-neutral course and serves as a preparation for the master craftsman's certificate. Thus only those people are attending the course who wants to become a master in the profession. There are no specific training programmes existing for the Austrian craftsmen.

#### *4.1.2 Training programmes in Bulgaria*

Observing the training programmes for the craft sector in Bulgaria shows that there are already many seminars and courses existing.

Members of the Regional Chambers of Craftsmen, can choose between the following seminars and trainings:

- Registers keeping of craftsmen, of masters, of apprentices – methodological instructions about the software.
- Book keeping of the compulsory documentation – contracts with the teaching masters, financial documents, etc.
- Procedures and documentation in order the hire new apprentices.
- Necessary connections with the local authorities.

There are also special courses for Masters to be:

- Individuality of my production and quality of my services. The importance of the brand.
- Working with customers.
- What we need to know about the competition and its task.
- Competitiveness of my products and services.
- Owner or Manager of SME.
- Consultants and their services.
- Business-communication.
- Practical Workshop - how to register a crafts workshop. How to keep records of my costs. How to fill financial and tax documents.
- Master License – how to legalize it and can I work with it abroad. European qualification passport.

Bulgarian craftsmen have the possibility to improve their paedagogical skills. This is especially important for those entrepreneurs who want to train apprentices. The following courses are offered:

- What I need to know to train an apprentice – legislation and why I need the Regional Chamber of Crafts.
- How to choose my apprentice and why he chooses my – is my craft suitable for him/her.
- What does training at work means and what do I need to know about it.

- How to monitor the progress of the apprentice – evaluation – simple or complicated
- How to assess whether my workshop provides the necessary training environment and if not how to create it.

#### *4.1.3 Training programmes in Italy*

Training for the craft sector, as stated in Art.117 of the Italian Constitution, is part of the vocational training. It is regulated by law that regional authorities can ask craft producers to take part in craftsmen vocational training, in the implementation of programmatic guidelines and on the basis of time-limited and renewable specific agreements for carrying out particular courses. The promotion and coordination of management as well as the refreshment of training for craftsmen within the framework of vocational training is the responsibility of regional authorities.

So far there are no appropriate training programmes for the SME in Italy. The entrepreneurs need a vocational training which fit to their specific working environment, e.g. the small company size (most of the Italian SMEs are micro-sized companies with 2.8 employees at an average). An absent person results in 30 to 50 percent of missing human power.

It is Fondartigianato which is currently working on a training programme for SMEs. Within the general framework of its activities, the Fund identifies the following priorities:

- a) Direction, coordination, monitoring and controlling functions for the development of life-long learning throughout the country
- b) Encouragement of equal opportunities, promotion and fund of training aimed at enhancing women's work and disseminates positive experiences
- c) Promotion and support of the testing of retraining models aimed at workers at risk of exclusion from the labour market
- d) Promotion and support of life-long vocational training programs concerning safety in the working environment and for the implementation of relevant laws
- e) Promotion and support of individual actions on life-long learning for employees
- f) Identification of quality policies in life-long vocational training and rewarding of preeminent experiences

Fondartigianato found out that there is a truly need and a desire from both, workers as well as entrepreneurs for further education. Thereby the content ranges from office automatization to language trainings and very specific aspects required in order to improve the competencies of the workers.

#### *4.1.4 Training programmes in Rumania*

In comparison with most of the other European countries where further education is not regulated by law, this is the case in Rumania. It is formally regulated by the Government Decision No. 522/2003 for the approval of Methodological Rules for the application of Government Ordinance No. 129/2000 on vocational training for adults,

- Government Ordinance No. 129/2000 on vocational training for adults, approved by Law no. 375/2002,

- Order No. 5253/2003 issued by the minister of education, research and youth approving the methodology for certifying adults' vocational training as well as
- Order No. 5202/2003 issued by the minister of education, research and youth approving the methodology for authorizing the providers of adults' vocational training.

There are a lot of bodies and institutions involved in the development of further education programmes in Rumania. However looking specifically at the craft sector shows a differentiated picture. At a national level, the main authority in charge of the further education in this sector is the Ministry of Culture and Religious Affairs, the National Centre for the Preservation and Promotion of Traditional Culture as well as the National Centre for Training, Permanent Education and Management for the Cultural Domain. They not only develop specific training programmes but also work on graduation certificates. Further institutions exist on a regional as well as a local level namely the community centre, the cultural house, the popular university, the popular school for arts and crafts, the cultural centre, the regional centre for adult education and the county centre for the preservation and promotion of traditional culture.

The courses are usually carried out by public bodies which in turn have to be formally authorized. At the moment there are about 91 companies and 335 self-employed persons or family associations which carry out further education programmes. Which of these institutions provide trainings for the craft field is however not clear.

It is another characteristic for further education in Rumania that the courses provide formal certificates.

#### *4.1.5 Training programmes in Spain*

In Spain, further training is carried out by specific organization as well as groups of the civil society such as youth organizations, trade unions or political parties. The reference for their programmes is set out in the National System of Qualifications and Vocational Education and Training (SNCFP) which regulates and organizes what a qualification is, how it is identified and defined, how it is acquired and how it is evaluated, recognized and accredited.

The instrument of the SNCFP which is significant for the craft sector is the Modular Catalogue of Vocational Education and Training (CMFP). It is divided into 26 professional families, one of them is "Arts and craftsmanship". Besides professional trainings craftsmen can also gain qualification in the field of administration, management, trade and marketing. Whereas contents range from general administrative, product commercialization, financial management, sales promotion to the organization of transport and distribution.

## **4.2 Barriers and/or difficulties for accessing training**

Nobody continues to doubt the importance and sense of measures in further education today and people working in the craft sector are willing to gain further qualifications. However due to their small size and their difficult financial and economic situation the companies run into several difficulties when it comes to the further education programmes.

The by far most dominant obstacles are the serious lack of time and the current work load. As there are only a few people working in the companies the lost time of each and every employee is of significance both in financial means as well as manpower. Thus it is difficult for a craft company to send workers to a training program as this significantly hampers the production. It is even hard for the owner to participate in any further education program as he/she is usually an important part of the daily operational business. The micro-sized companies normally do not have a keyholder for the boss or an employee who could take over the work of the absentee.

The severe financial problems make it even more difficult to invest in training activities. Furthermore the present education opportunities do often not meet the needs from the craft sector and the programs available are largely unknown.

Another barrier for attending courses in further education is the widespread conservative attitude of craftsmen. There is a general anthropological distrust towards external training, which is opposed to a traditional trust in the chance to transmit professional techniques and culture from one generation to the other or from craftsman to apprentice.

Hence it is vital to take all these obstacles and barriers into account when developing an appropriate training program for SMEs. Further education has to be as flexible as possible in order to fit into the organizational structure and processes and has to meet the actual needs of the companies. Obviously the promotion of training activities plays a decisive role as well. Training programmes with the support of new information and communication technologies seems to meet the demands of the craft sector and are thus observed in the next chapter in detail.

## **5 New technologies in craftwork activities**

With E-Services, E-Learning, E-Business or E-Shops the World Wide Web offers endless technical opportunities and chances for individuals as well as companies today. Although these new Information and Communication Technologies (ICT) may simplify and professionalize processes and improve the competitiveness craft companies do not put them into an optimal use until now.

Figures from the latest World Economic Forum show for an example that Bulgaria ranks on place 107 of 134 when it comes to the use of ICT. Only 31 percent of the population have access to the internet and the number of computers per 100 persons is 8.9 percent. The situation in Rumania might show a similar picture. This numbers clearly reflect the fact that the development of specific sectors in Eastern European countries generally lack behind the rest of Europe. In Spain, Italy and Austria the majority of the population own a computer and many use it to work. Even if the use of use of computers and the internet might be common in western Europe, the rather conservative and traditional attitude of craftsmen in the present an obstacle. So far the sector did not discover possibilities such as the commercialisation of products via E-Shops or the use of the internet as information and communication medium as well as marketing platform.

In order to improve this situation, the European Commission launched an initiative to improve the quality and accessibility of European education and training systems through the effective use of Information and Communication Technologies.

### **5.1 Role of ICTs for training the craftsmen: E-learning as a new learning environment**

In the context of this report E-learning is defined as a learning method which is supported by new Information and Communication Technology. This new form of learning seems to be appropriate to meet the very specific demands of the craft sector. Considering some limitations e-learning offers several opportunities and advantages.

The two main arguments speaking in favour of E-learning is that the learning process can take place independently of time and space. No matter if in the office or at home, during working hours or in the spare-time, in the morning or the evening, on Monday or Sunday, the content is always available and the learning process can be adapted to the user's time frame. Furthermore travel expenses and time are eliminated which makes this form of learning even more attractive for the craft sector.

As the content is usually structured in modules, the learner can always get on the e-learning programme user-defined and can continue almost arbitrarily. Moreover with this ICT-based form of learning individual learning types can easily be taken into account. The programmes can be supported by visual or aural elements and the user has the possibility to repeat the individual modules at will and at an indeterminate period. Finally one has to mention that the content can easily be updated without buying further literature.

To achieve the aim of this project – namely developing a target-group oriented trainings tool for the craft sector in the form of an E-learning program – it is vital to consider potential barriers and obstacles. The Italian research project called “e-learning for crafts and SMEs” which was conducted from July 2002 to July 2003 presents valuable results serving as a basis for this project and are thus presented below.

- In general the results show a low familiarity with ICT in the Italian craft sector.
- Craftmen are prejudiced against the usefulness of e-learning (e.g. “waste of time”).
- It was very important for those people who took part in the e-learning to have periodical face-to-face meetings in order to keep the commitment in the online training activities.
- The first impression of the e-learning platform is vital for the further visits of the platform
- Even though learners they did not have to leave the office they neither couldn't stop working: the phone was still ringing, co-workers went on asking etc.
- There is a strong need for structure of the course as well as for specific tasks like homework, deadlines and tests. This shows that some entrepreneurs are still used to the traditional learning environment with the teacher proposing an activity and the learner following him/her. Thus it is necessary that the learners have the possibility of a self-evaluation and are supported by online tutoring.
- It is necessary to include some “push” activities in the e-learning program, in order to periodically motivate and remind craftmen to connect to the platform.
- Some of the learners did not feel comfortable that their names appear and that they are visible for others while connected to the platform.

Summing up one can state that not only E-learning but the use of new information and communication technologies offer a great opportunity for the craft sector to acquire the lacking skills in management and business administration and strengthen the competitiveness of the sector. E-learning seems to fit perfectly to the specific demands and the socio-economic conditions of the sector.

## **6 Literature**

European Commission, Enterprise and Industry:

[http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index\\_en.htm](http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index_en.htm)

Europroject: Report on the situation of craftsmanship in Rumania, March 2010

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Smile Toscana: Report on the situation of craftsmanship in Italy, March 2010