



**U-COACH**

Leonardo Da Vinci

ES/09/LLP-LdV/TOI/149037

---

## U-COACH Regional Report

---

**Circulation:** Confidential  
**Partners:** Business Development Friesland  
**Authors:** Rianne Vlieger  
**Date:** 29 April 2010  
**Doc. Ref. N°:** U-COACH-WP3 RegionalReport

## **COPYRIGHT**

© Copyright 2009 The U-COACH Consortium

Consisting of :

- Universidad de Extremadura (UEX)
- Fundación para el desarrollo de la ciencia y la tecnología en Extremadura (FUNDECYT)
- Stichting Bussiness Development Friesland (BDF)
- Innovate
- Projects in Motion (PIM)
- Eurocrea Merchant Srl
- Xlab
- Agentia pentru Dezvoltare Regionala Nord-Est

This document may not be copied, reproduced, or modified in whole or in part for any purpose without written permission from the U-COACH Consortium. In addition an acknowledgement of the authors of the document and all applicable portions of the copyright notice must be clearly referenced.

All rights reserved.

This document may change without notice.

## **DOCUMENT HISTORY**

<b>Version</b>	<b>Date</b>	<b>Comment</b>
01	29-04-2010	First issue
02		
03		
04		

## **Executive Summary**

The aim of this document is to give information about Friesland ; one of the participating regions/partners in the U-COACH project.

This document describes the current situation and application in the region Friesland regarding the implementation of Executive Coaching in SMEs as a people management tool.

**TABLE OF CONTENTS**

<b>Chapter</b>	<b>Contents</b>	<b>Page</b>
<b>1.</b>	<b>Profile of the Region</b>	<b>5</b>
1.1.	Introduction	5
1.2.	Economic analysis	6
1.3	Social an cultural aspects	7
1.4.	Political legal issues	7
<b>2</b>	<b>Profile of Small to Medium Sized Enterprises (SMEs)</b>	<b>9</b>
2.1.	SME's in Friesland	9
<b>3.</b>	<b>Preliminary Findings</b>	<b>11</b>
3.1	Executive coaching in Friesland	11
3.2	Overall conclusions	27

## **1. Profile of the region**

### **1.1 Introduction**

#### *Location and demographic aspects*

Friesland is a coastal province in the north of the Netherlands and includes four Islands. The total surface is 5.748,74 km<sup>2</sup>. The capital Leeuwarden is located in the north-central part of the province. Leeuwarden is the only large town, and Harlingen, the only seaport. There are 646.318 inhabitants in Friesland.

Thereby Friesland has the lowest population density of any province in the Netherlands.

The proportion of youth (22%) and people in the category from 40 to 65 years (28%) in Leeuwarden is relatively low. People in the category from 20 to 40 years and older people are a very big part of the population.

The province of Friesland has an income of € 14,300 per house. Work

is for the biggest part of the population the basis for prosperity and welfare. Friesland counted in 2008 more than 256,000 jobs, nearly 4% of the national jobs. There are more than 120.000 jobs in the commercial and collective sector.

The province has a higher proportion of lower skilled people and a lower proportion of higher educated people. Only 23% of the northern population has a college or university degree compared with the national rate of 27%.



#### *Industrial and technological infrastructure*

Nowadays the industry in Friesland consist especially food industry (dairy) and metal industry (shipbuilding). In the 1950s there was not much industry in Friesland, farming being its principal means of support. In the north, agriculture predominated. The west and southwest part was exclusively used for dairy farming and cattle breeding. Today, the agricultural sector continues to play a major role in the Frisian economy. Together with its associated industries, the agricultural sector accounts for almost one-third of total production in Friesland. A promising sector in the Frisian economy is the Water technology sector.

## 1.2 Economic analysis

The northern economy has compared to the rest of the Netherlands a different structure and depends a lot on traditional industries. Originally it had primarily an agricultural function, and the region is still the major agricultural region within the Netherlands. However, the agricultural sector has been under pressure because of the international competition and environmental restrictions. Therefore, the region also had to develop itself in other directions, like economic growth and environmental development. Also a number of other sectors within the Frisian economy like tourism and business services have steadily increased in importance. Industry, agriculture, wholesale and business services are the driving sectors and are engines of the regional economy.

Leeuwarden is the economic centre of Friesland. It counts about 55,000 jobs. Almost a quarter of them, more than 13,000, are related to healthcare. The banking and insurance sector and other expanding sectors are particularly well represented. For example the headquarters of national operating (health) insurers as the Friesland, Aegon and Achmea are located in Leeuwarden.

The establishment climate in Friesland is mainly defined by a number of positive factors: a relatively good labour market with sufficient highly qualified personnel, a good co-operative culture, a physical infrastructure that is free of traffic congestion, low land prices and housing costs and a high quality of life. The good transport links, such as with the Randstad via the Afsluitdijk, make the region attractive as a location for a variety of businesses.

On the other hand, in a big part of Friesland, supply and demand do not connect enough to each other. The growth in Friesland's exports lies a bit behind the national average. Moreover, one side-effect of the development of industry and services is that the Frisian countryside is becoming even more depopulated. This brings with it the danger that local amenities could disappear in some smaller rural communities.

Friesland is modernized in the last few years in the business services, the ICT sector and agricultural sector, therefore the structure is now moved more to the national average. In the first quarter of this year, more people started their own business in Friesland. 40 % more entrepreneurs did register at the Chamber of Commerce, while there was a national decline of 31 percent.

### **1.3 Social and cultural aspects**

Probably more than anywhere else in the Netherlands, the province of Friesland has its own culture. The Frisians are known as a proud people. They have recognized their own language, a well-known flag, provincial anthem and weapon.

Every village and city of Friesland has its own identity, often possessed with a rich history. There are a lot old canal houses, high ranked states and country houses and interesting museums. Nowadays people come to Friesland for the countryside and the water sports. Frisian companies and organizations can apply for a fund for activities at the province of Friesland in the field of culture, language and leisure.

#### Education

The fact that the Frisians speak their own language is the clearest fact that Friesland has its own culture. The government has also played a role in keeping the Frisian language alive. In 1980, it became obligatory to teach Frisian in schools.

The Frisian language is recognized by the EU as a minority language and is the second official language of the Netherlands. Although the Frisian language is an old language, it has largely been a spoken language. These days most Frisians (about 94%) understand the language, about 75% claim to speak and read it, but only 18.5% can actually write it. Like all Dutch children, Frisian children are also taught English in primary school, which means that a portion of the school children attend trilingual schools, and the number of trilingual schools is still growing.

### **1.4 Political legal issues**

#### Subsidies

The government in the Netherlands want to stimulate the start-up of new businesses and encouraging the developing of existing companies. There are over 300 types of grants specifically focused on entrepreneurs. These may be state, national or European grants.

As an entrepreneur in Friesland, you can contact various authorities for possible subsidies or incentives. A few examples are:

- The Socio-Economic Policy Grant (SEB) Friesland.

The SEB want to increase the competitiveness of the Frisian business. The grant is meant

for the start of projects in the field of innovation and knowledge transfer, ICT, internationalization and business policies.

- The Regional Innovation Program Fryslân (RIPF)

With this program the province of Friesland wants to amplify the Frisian business with competitive grants for projects in the area of innovation, knowledge transfer and networking.

- Sustainable Action Grant Enterprise

The province Friesland want to encourage sustainable business with this program. It focuses specifically on the part of SMEs, which is very important for the Frisian economy.

### Taxes

Everyone should pay taxes in the Netherlands. However, this is regulated differently for entrepreneurs than salaried people. Salaried people get the money which goes to the tax collectors office, not on their bank account. The employer deducts the tax immediately. For entrepreneurs, this is arranged differently.

They have to make a financial accounting by themselves to keep track of for example how many tax they received on the products and services and how much they spent. In addition, the income tax is arranged a little bit different because there are special rules for entrepreneurs. For the entrepreneur, there are generally two types of tax which he has to face:

- Sales tax
- Income tax

## **2. Profile of Small to Medium Sized Enterprises (SMEs)**

### **2.1 SME's in Friesland**

Friesland has relatively many small & medium sized enterprises, which are responsible for 75% of the total employment in Friesland. The total amount of SMEs in Friesland is approximately 59.000. The biggest economic power of Friesland is the south-west of the province. The driving force in Friesland is the agricultural sector and the industry. The commercial sector is an upcoming sector in Friesland.

#### **General description of small Enterprises**

The definitions of small and medium enterprises as defined by the European Commission are as follows: medium: less than 250 employees , small: fewer than 50 employees micro: less than 10 employees.

Small and medium-sized firms are very prominent in Friesland. Over two-third of total employment in the province is concentrated in this sector. These enterprises are mostly micro and small companies located on the industrial zone. In Friesland there are also some enterprises based in residential areas, in private houses. These companies are mostly micro enterprises, where the owner of the company started the business up from his own home. There are, however, a few multinationals for example in the agri-food sector.

#### **Contribution to the economy and society**

SMEs are the engines of the total Dutch economy : 99.7% of total business is covered by SMEs. Those 99.7% companies are responsible for 58% of the turnover in business. The number of entrepreneurial activity in the province of Friesland increases every year.

Particularly in construction and business services , more people start their own business. Without SMEs the economy does not work at all. Especially in today's economy, with its dynamic and relatively small, specialized markets there are enormous opportunities for companies in the SME. SMEs are also important for the livability of neighborhoods. SMEs is very important in the society when it comes to employment and innovation. Nowadays, the companies in Friesland also choose more and more for sustainable business.

### Trends

Every year there are some trends concerning SMEs. Wise and fast response to changes and trends is one of the key characteristics of good entrepreneurship. Especially for smaller businesses, it is not always easy to keep a clear view on the changes and trends in the market.

Nowadays there are some trends in Friesland in the area of the SMEs:

- Survive the economic crisis and be stronger than before.
- Move the unique expertise in the organization into services for customers and revenue.
- Start with online marketing.

### Generic challenges facing SMES

SMEs in Friesland expect to get more out of their business target. Not so much because of the economic recovery, but thanks to improvements in their own entrepreneurship. SMEs also expect to gain more notion of their business. Investing in knowledge and efficiency are high on the priority list.

The biggest challenges for SMEs at this moment are:

- growth in number of customers
- more business with existing customers
- Improve the gross margin.

There is a clear shift visible compared to previous years because in those years there was an accent on investment and growth.

### 3. Preliminary Findings

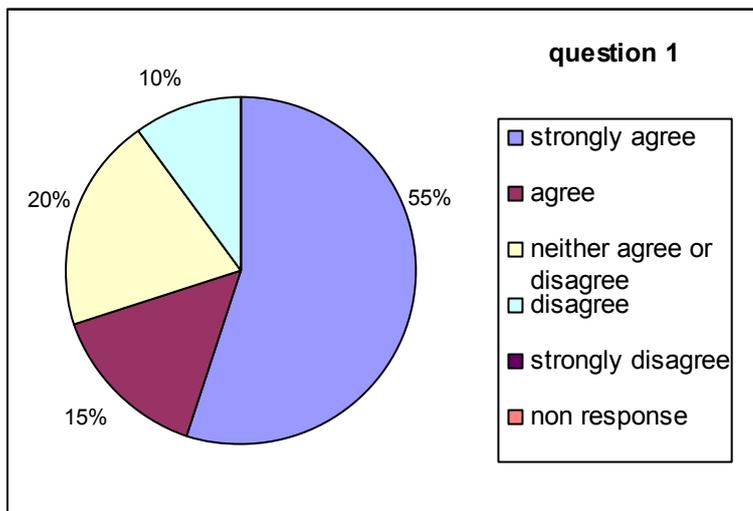
Executive Coaching already exists 10-20 years, it is developed in America, and since 10 years available in the Netherlands. It has won popularity the last few years and it is by more and more people seen as a logical next step in their development. Executive coaching is a phenomenon that has grown in importance every year in the Netherlands.

At the moment there is enough potential leadership in Friesland to face the economic crisis. The Netherlands has for example the highest density of coaches and trainers in the world. In the Netherlands and in Friesland, typically dominant leadership styles do not really exist. Executives are quite capable to handle the constructive tensions of leadership. There is also no clear relationship between personal characteristics and leadership behaviour. Most of the executives in the Netherlands have a high degree. The relatively small group of less skilled executives appear to have a stronger preference for results-oriented leadership.

#### 3.1 Conclusions executive coaching in Friesland

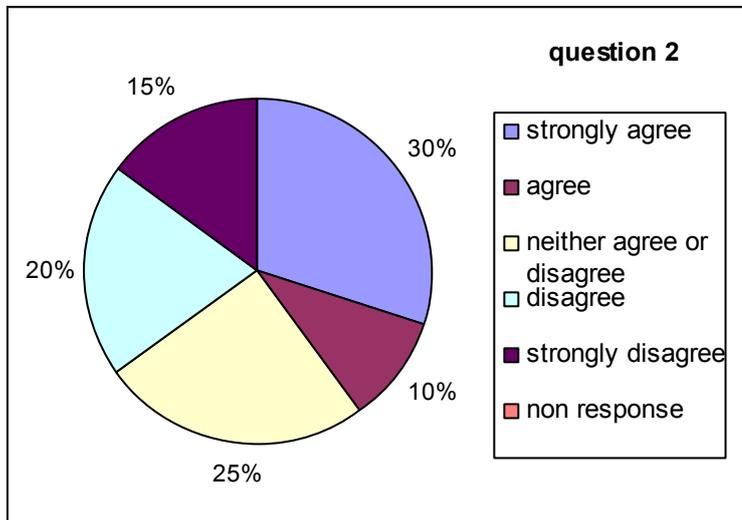
##### 3.1.1 *Question 1: Our company is interested in continuous improvement*

- There are a lot Frisian companies who are interested in continuous improvement.



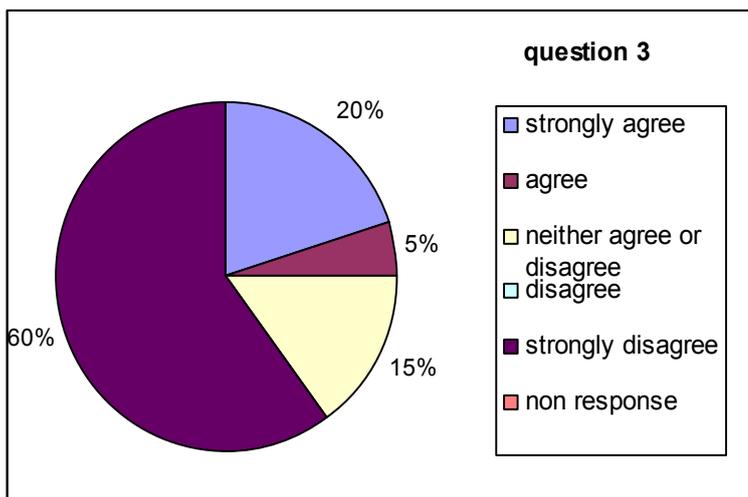
**3.1.2** Question 2 : I am familiar with the term executive coaching

- In general, the term executive coaching is not very known by the respondents.
- We can say that the term has to be introduced more to SMEs in Friesland.



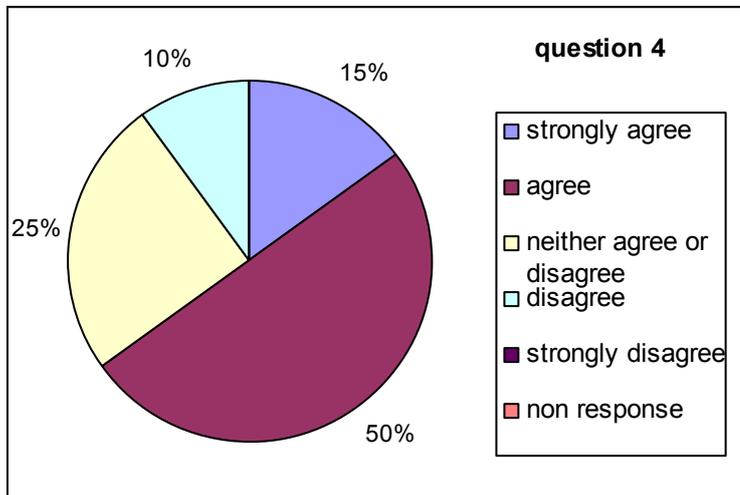
**3.1.3** Question 3: I have worked with an executive coach before

- A lot of the respondents did not work with an executive coach before.
- Only approximately 1 in 4 respondents did worked with an executive coach before.



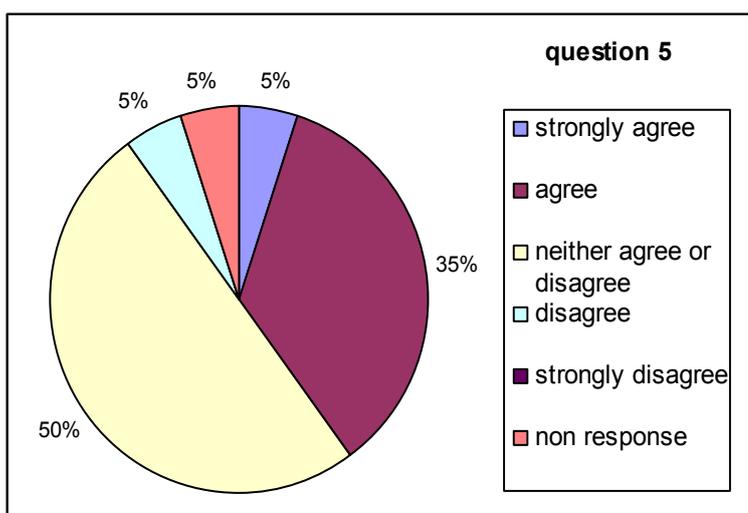
**3.1.4** Question 4: Strategic planning is an important part of my job

- In general, the most respondents do think that strategic planning is an important part of their job.



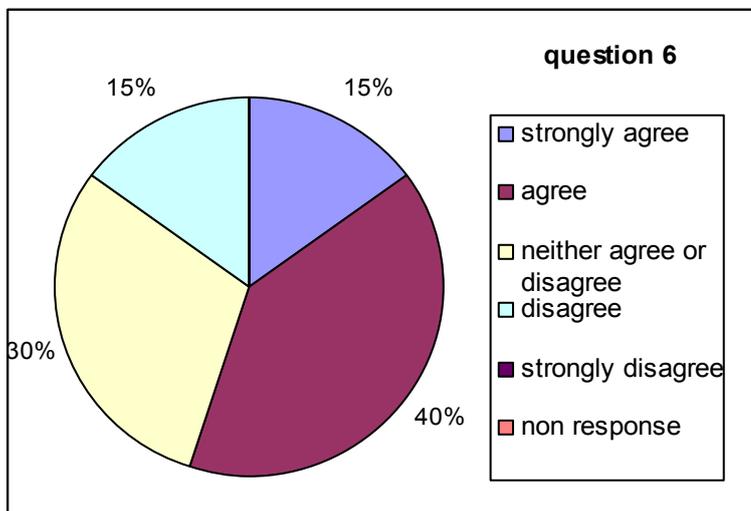
**3.1.5** Question 5: I have adequate tools to help me develop effective strategies

- Less than half of the respondents do have adequate tools to help developing effective strategies.
- The other part do not have strong views about this issue.
- There was one missing value.

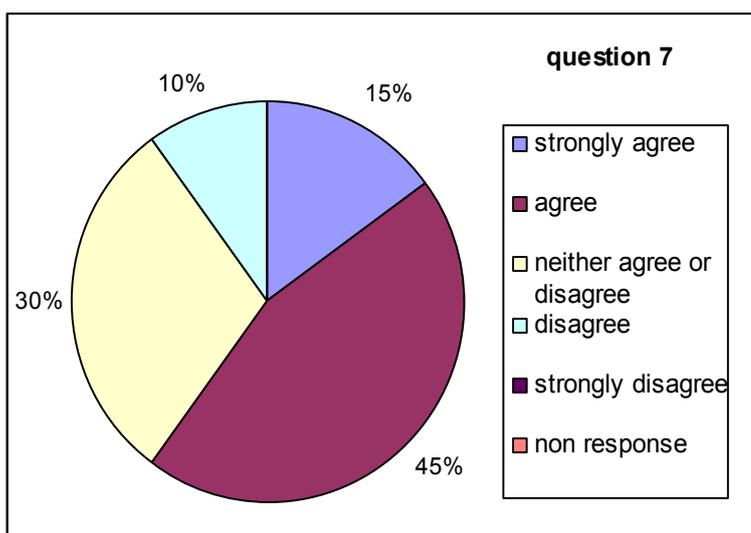


**3.1.6** *Question 6: Executive coaches can help to challenge existing thinking*

- In general, most respondents think that executive coaches can help to challenge existing thinking.

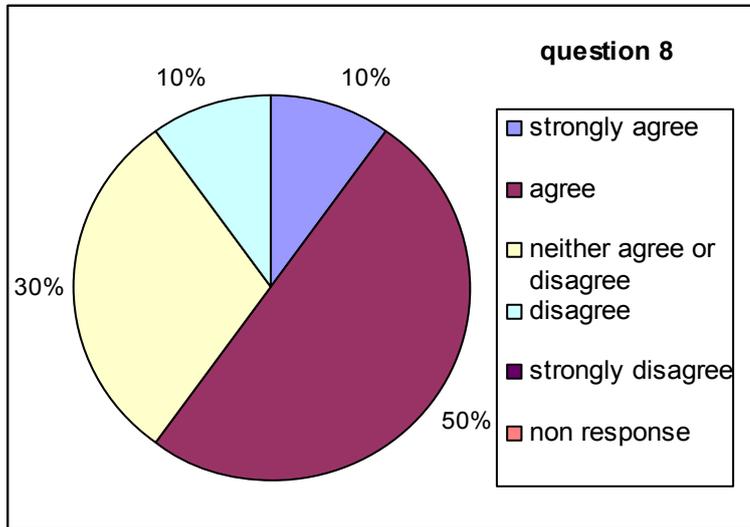
**3.1.7** *Question 7: Executive coaches can help to identify weaknesses*

- As well a large part of the respondents think that executive coaches can help to identify weaknesses.



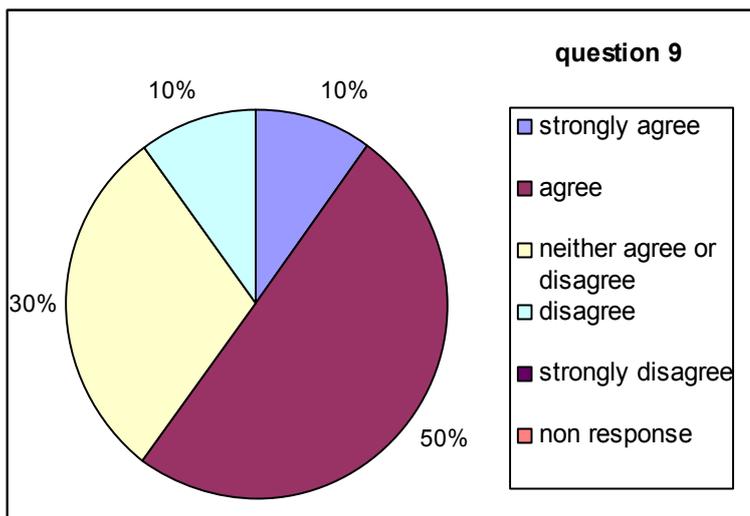
**3.1.8** Question 8: Executive coaches can provide me with timely feedback

- The respondents often think that executive coaches can provide them with timely feedback.



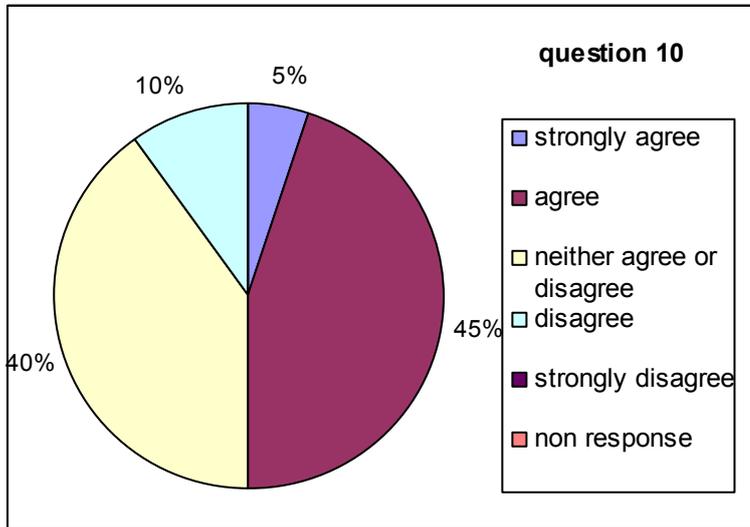
**3.1.9** Question 9: Executive coaches can help to develop goals and action plans

- The most respondents also think that executive coaches can help to develop goals and action plans.



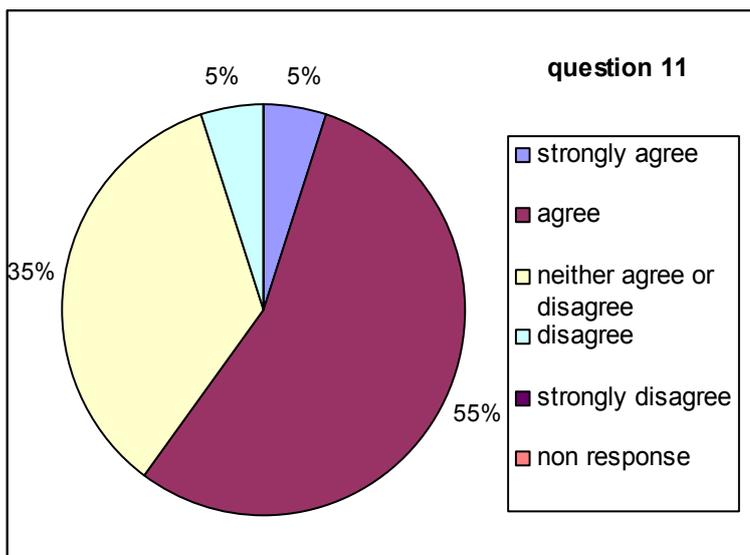
**3.1.10 Question 10: Executive coaches can help to develop skills and competencies**

- The biggest part do think that an executive coach can help to develop skills and competencies.
- A lot companies do not have a strong view about this issue.



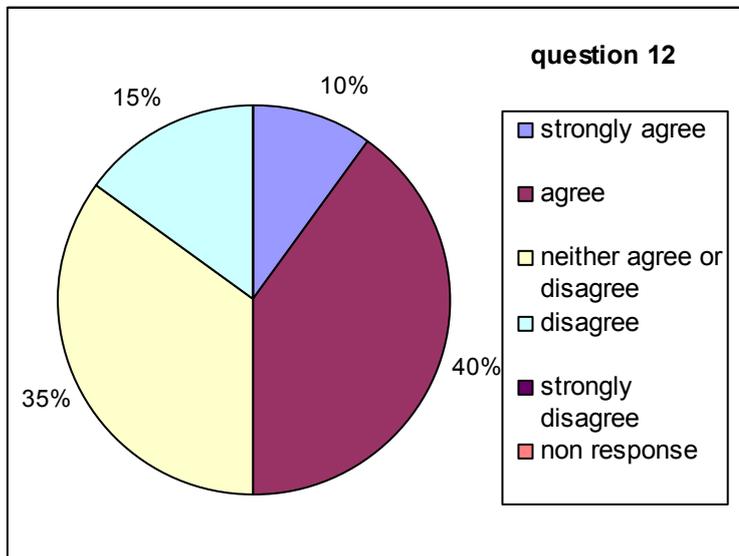
**3.1.11 Question 11: Executive coaches can help to improve personal skills**

- A lot of the Frisian respondents do think that executive coaches can help to improve personal skills.
- Almost none of the companies disagree



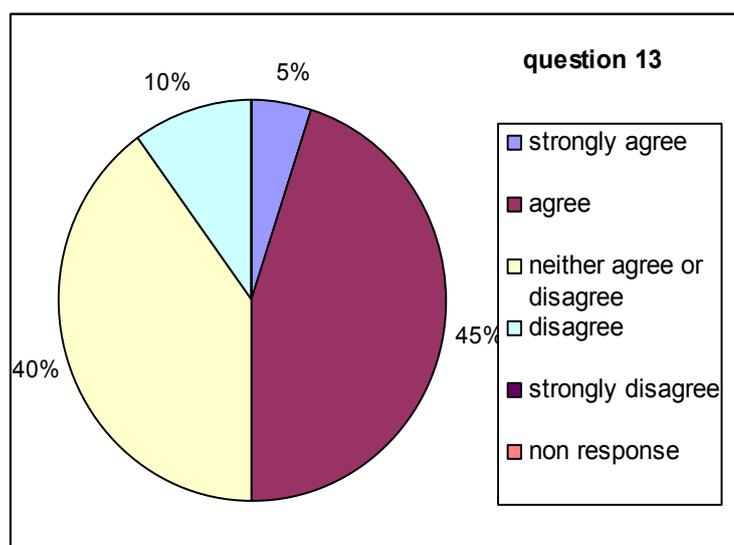
**3.1.12 Question 12: Executive coaches can help to improve self-awareness**

- The biggest part do think that an executive coach can help to improve self-awareness
- The other part do not have an opinion or disagree with this issue.



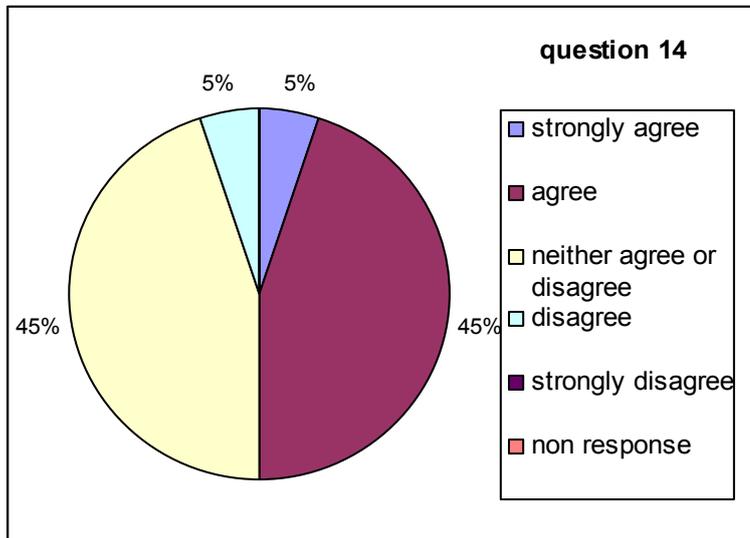
**3.1.13 Question 13: Executive coaches can help to change behavior**

- There are a lot respondents who think that an executive coach can help to change behavior.
- Another big part of the respondents do not have a strong view about this issue.



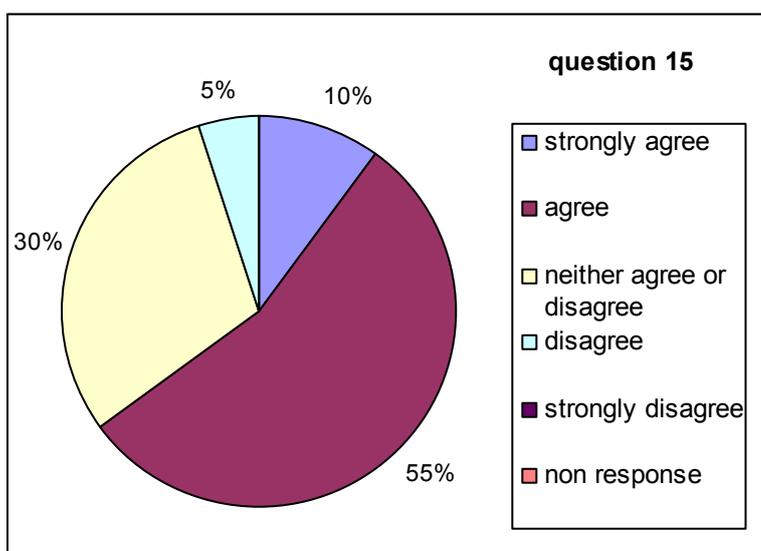
**3.1.14 Question 14: investment in coaching can increase sales revenue**

- A lot of Frisian respondents do think that investment in coaching can increase sales revenue.
- Also a large part do not have an opinion about this issue.



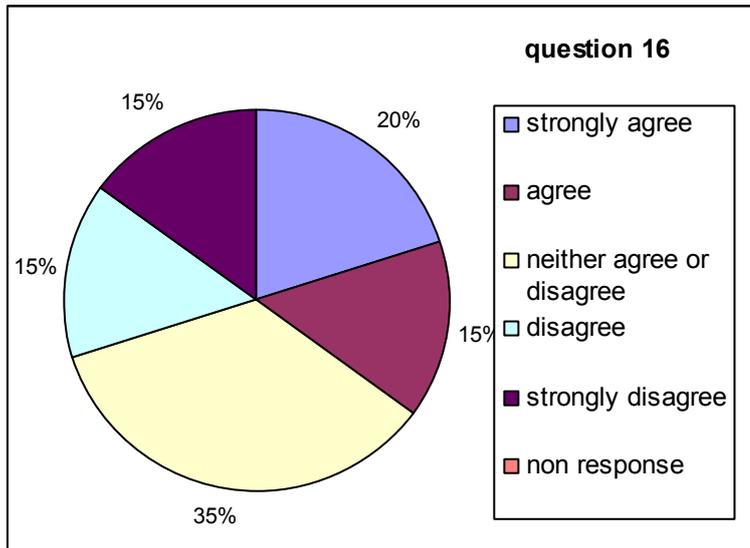
**3.1.15 Question 15: executive coaching can have a positive impact on performance**

- The most respondents think that coaching can have a positive impact on performance
- Almost none of the them disagree.



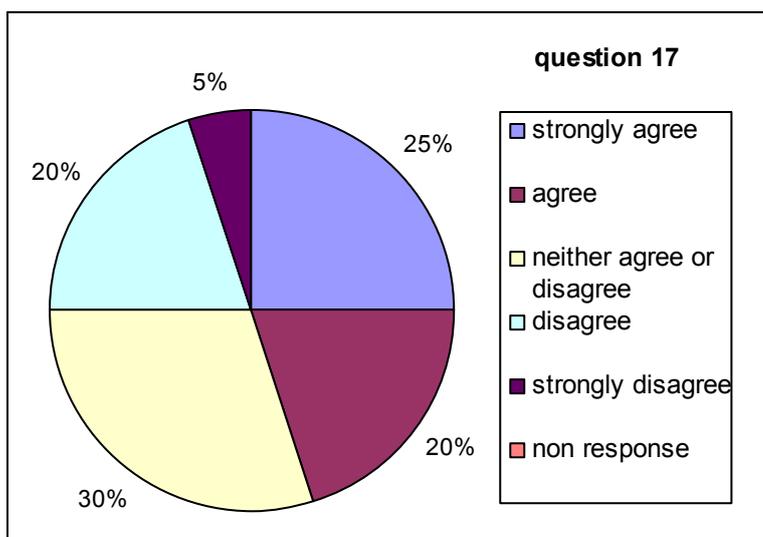
**3.1.16 Question 16: it is too hard to find a suitable coach**

- A lot of the respondents do not think that it is hard to find a suitable coach.
- There are also some who do not have a strong view about this issue.
- The other part agrees with the question



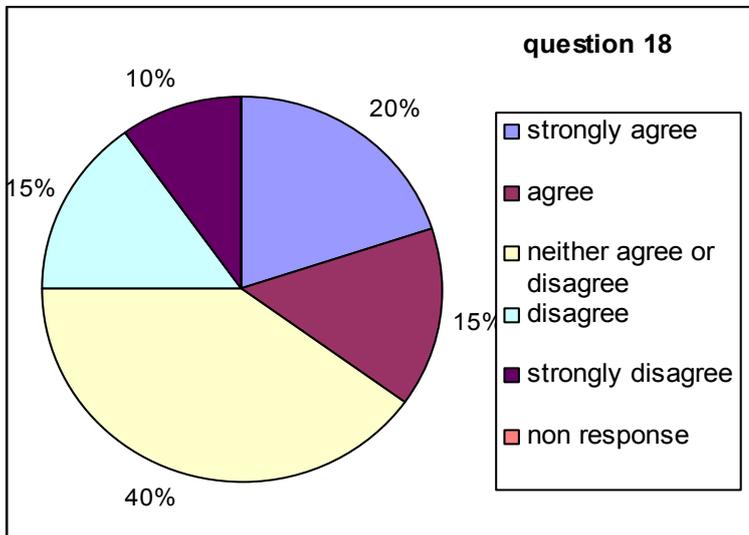
**3.1.17 Question 17: Executive coaches are too expensive**

- Almost a half of all respondents do think that executive coaches are too expensive.
- The other part does not have strong view or do not think that executive coaches are too expensive.



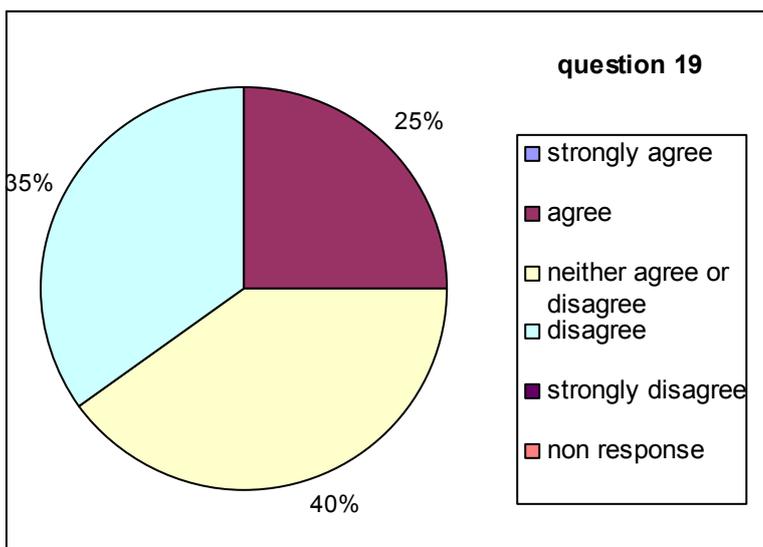
**3.1.18 Question 18: *I don't have enough time to spent with a coach***

- A lot of the respondents do have enough time to spent with a coach or do not have an opinion about this issue.



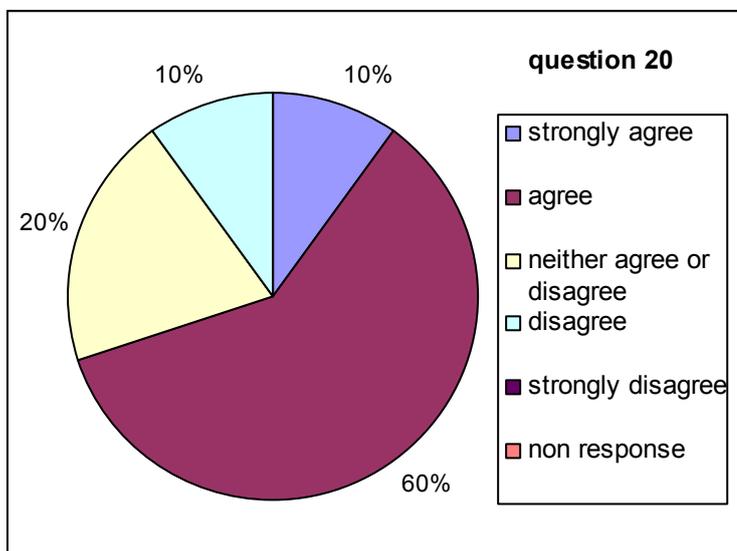
**3.1.19 Question 19: *I don't trust executive coaches***

- A few respondents do trust executive coaches.
- The most do not have a strong view about this issue.
- The other part do not trust an executive coach.

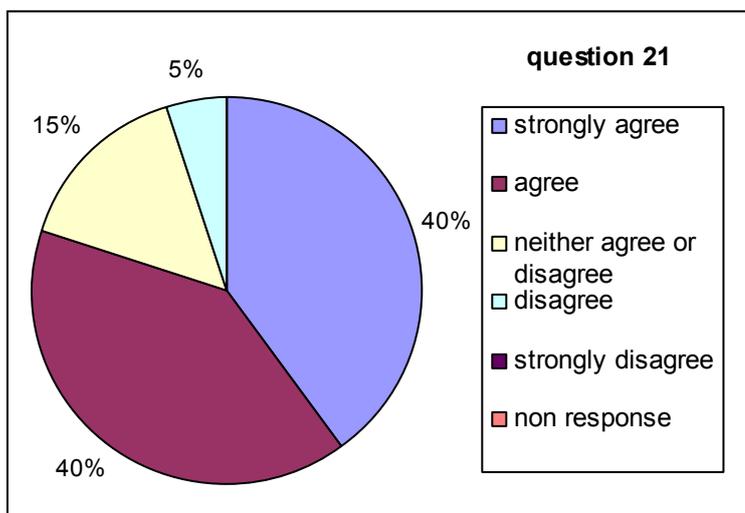


**3.1.20** *Question 20: It is difficult to assess coaching outcomes*

- The most of the respondents do think it is difficult to assess coaching outcomes.

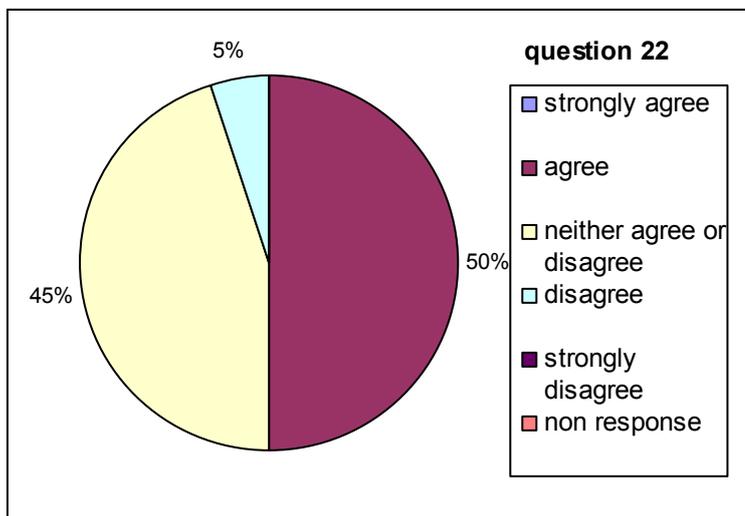
**3.1.21** *Question 21: Leadership skills are important to my organisation*

- The biggest part do think that leadership skills are important in their organisation
- Almost none of them disagree.

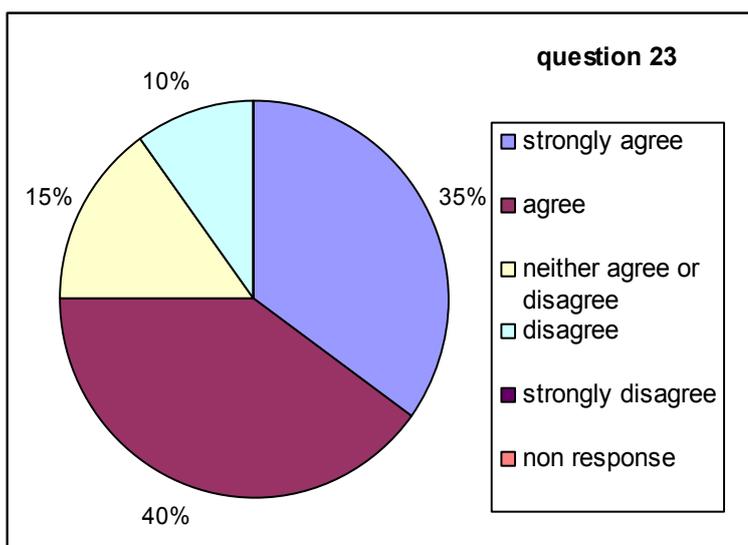


**3.1.22** Question 22: We have sufficient and appropriate leadership skills and tools

- The most of the respondents do agree with this issue.
- A large part of do not have a strong view about this issue.

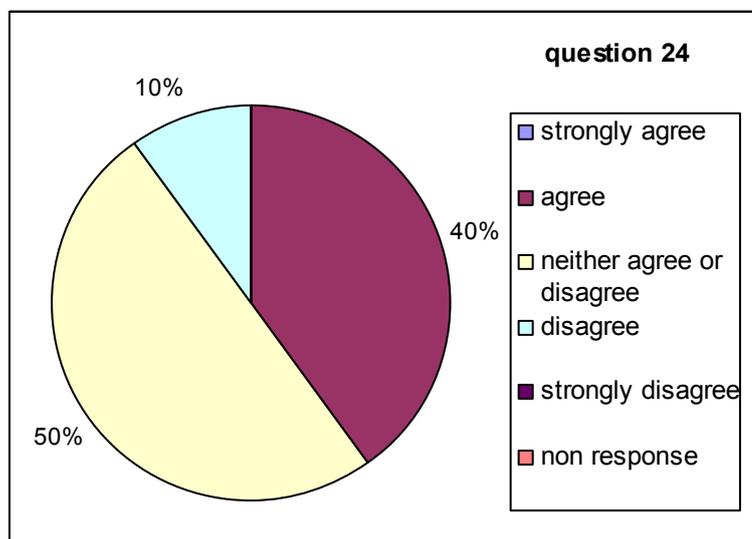
**3.1.23** Question 23: Effective communication is important to my organization

- The respondents do think that effective communication is important in their organization.
- Only a small part do not have a strong view about his issue or do not think that effective communication is important in their organization

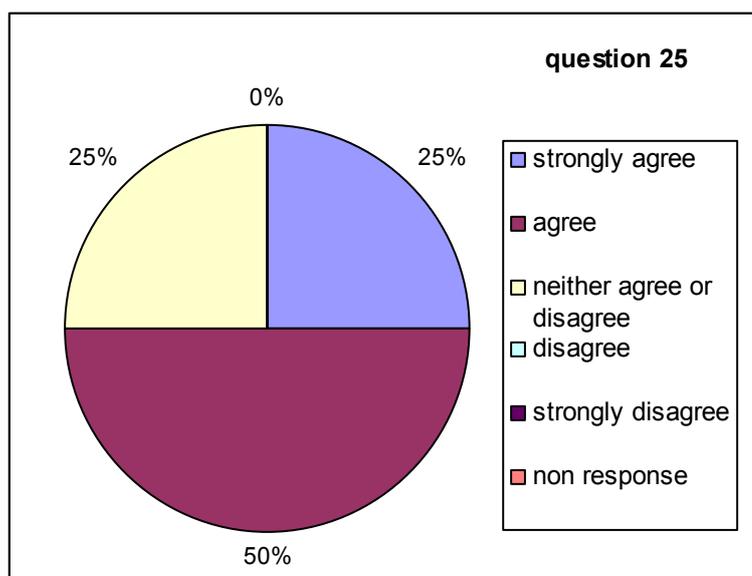


**3.1.24 Question 24: we have sufficient and appropriate communication skills and tools**

- A large part do think that they have sufficient and appropriate communication skills and tools.
- The most respondents do not have strong view about this issue.

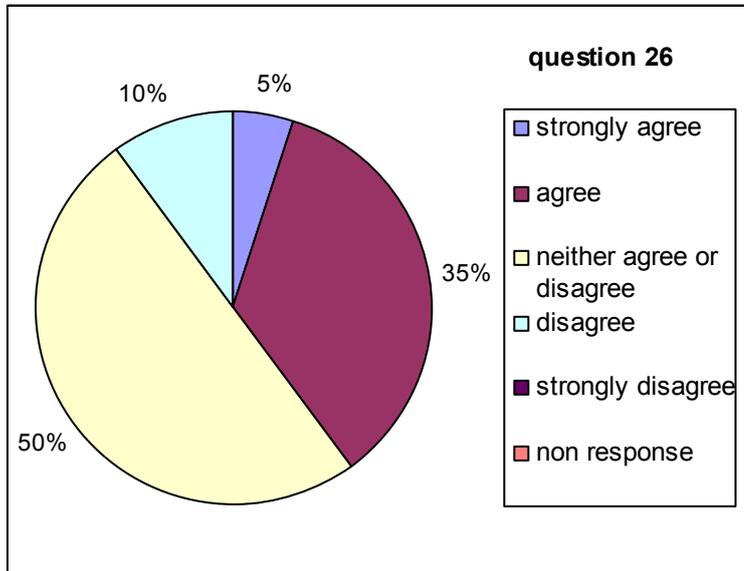
**Question 25: Effective time management is an important skill in my job**

- The biggest part of the respondents agree with the question that effective time management is an important skill in their job.
- The others do not have a strong view about this issue.



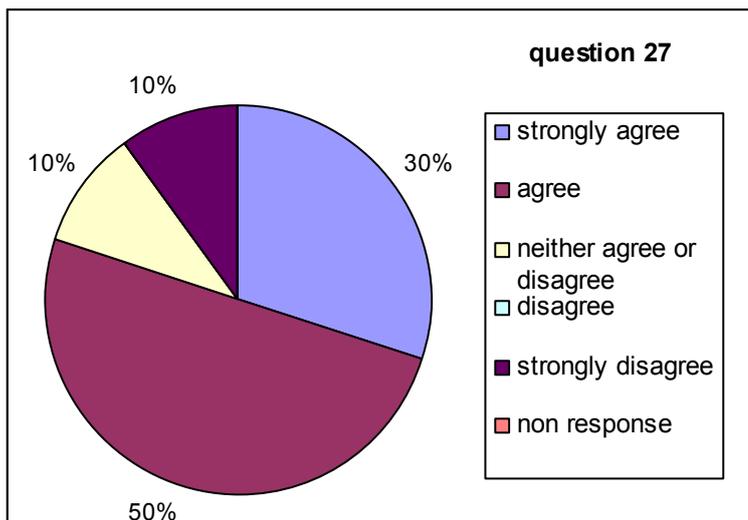
**3.1.26 Question 26: *We have sufficient and appropriate time management tools***

- The respondents do think that they have sufficient and appropriate time management tools.
- The other part do not have a strong view about this issue.



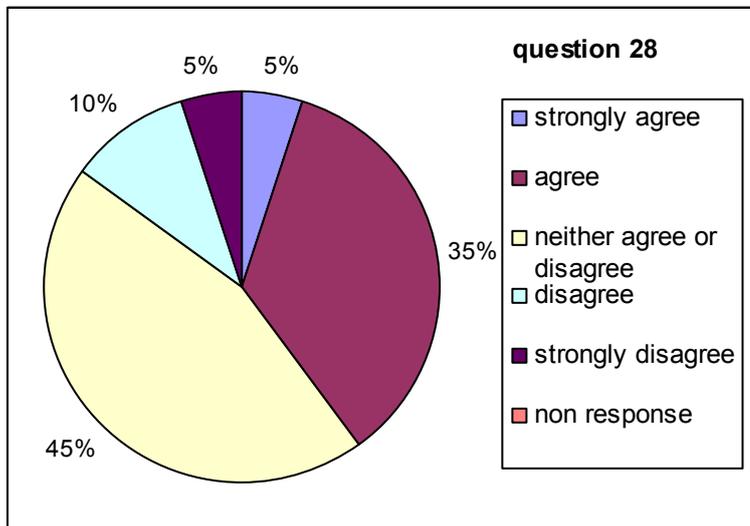
**3.1.27 Question 27: *Personal development is important in our organisation***

- A lot of the respondents do think that personal development is important in their organisation.



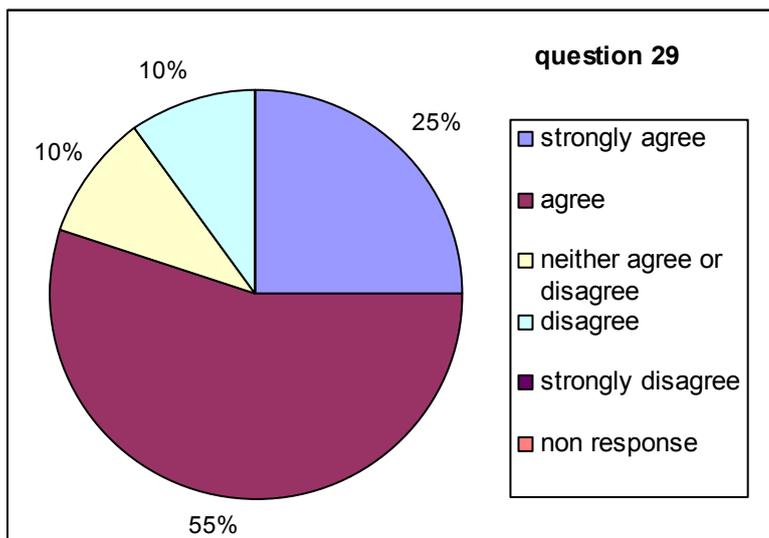
**3.1.28** Question 28: We have sufficient and appropriate personal development tools

- The biggest part do think that they have sufficient and appropriate personal development tools or do not have an opinion about his question.



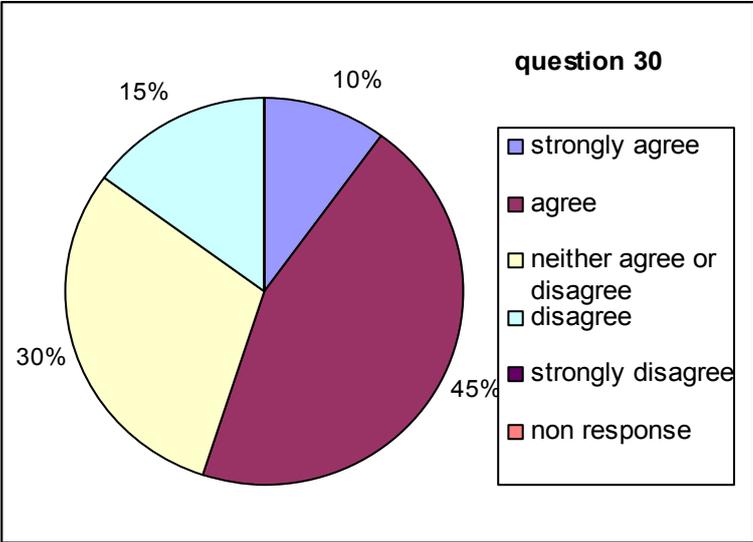
**3.1.29** Question 29: Strategic planning is important in our organisation

- The most of the respondents do think that strategic planning is important in their organisation.



**3.1.30 Question 30: We have sufficient and appropriate strategic planning support**

- A large part do think that they have sufficient and appropriate strategic planning.



### **3.2 Overall conclusion on executive coaching in Friesland**

Executive coaching is available only for 10 years in the Netherlands now, therefore the term is for so far not been used a lot in the Province of Friesland. A lot of the Frisian companies did not worked with an executive coach before. But there is enough potential for executive coaching in Friesland. A big part of the respondents think for example that an executive coach can help to develop goals and action plans. There are also many who think that an executive coach can help to improve personal skills. So there are numerous positive thoughts about executive coaching. On the other hand, there are also some negative things.

Many respondents in Friesland think that it is difficult to asses coaching outcomes. An executive coach is also too expensive for a lot of them. Besides that, there are respondents who think for example that they own sufficient and appropriate leadership skills and tools or that they have sufficient and appropriate strategic planning support. This means that they think they do not need an executive coach for those capacities.

In the end, there is a need to equip managers in Frisian SMEs with the skills and competences necessary to integrate the techniques of executive coaching in the management process. Most respondents think that certain skills like effective communication and time management are very important in their organization but in the most cases only approximately the half of them do really own those skills.