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MobiliseSME

**Report on the demand, state of play, opportunities
and obstacles for a <Mobility for professionals>
scheme**



technopolis_{group}

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Executive Summary

Background

- The free movement of workers within the EU is one of the key pillars of the Single Market. However, in comparison to the US, worker mobility is underdeveloped. As mobility is thought to be advantageous, this report shows the demand, state of play, opportunities and obstacles for a <Mobility for professionals> scheme. It was prepared by Technopolis Group and Henningsen Consulting as subcontractors of the MobiliseSME consortium that aims to develop and pilot a new Mobility for professionals of SME scheme. Technopolis and Henningsen Consulting were supported by the consortium partners in the field research in a selection of countries under scrutiny.
- This study took a mixed methods approach towards data collection. In overall 20 countries and territories, we conducted desk research, mapped over 70 mobility schemes, conducted more than 80 qualitative interviews with managers of mobility schemes and key stakeholders, surveyed European SMEs in this regard and received over 1,100 complete responses, conducted 18 focus groups in 12 countries and also interviewed a legal expert to gain an overview of potential legal aspects to be considered.

Main research results

- The first important implication of our country research is that **currently, there is no mobility scheme similar to the idea of MobiliseSME**, i.e. a mobility scheme organising international, business-to-business exchanges with the purpose of educating the exchanged employee targeting specifically SMEs operating on a European scale. The mobility scheme most similar to MobiliseSME is Erasmus for Young Entrepreneurs (EYE), with the difference that EYE targets entrepreneurs and not two companies and an employee. Further feedback from the scheme mapping suggests, **that mobility with the purpose of learning is a common approach** successfully used already by EYE, by various smaller national schemes targeting people from apprentices to experts and also by larger companies in internal programmes.
- Regarding **the overall attractiveness of a scheme like MobiliseSME** the feedback is to some degree mixed. Scheme managers and key stakeholders as the most disinterested source for feedback considered MobiliseSME to some degree generally attractive. However, many pointed out that the scheme might only be attractive to companies of a certain size or with a certain degree of international activity. Most survey respondents and nearly all focus group participants could envisage participating in the programme in some role. We therefore do know that there are some companies in Europe that are very interested in participating. But as a certain bias due to self-selection in regard to participation in focus groups and survey cannot be excluded, we only have small evidence to assess the overall general attractiveness of the scheme. A better assessment will be available after the pilot scheme has been conducted.
- **In MobiliseSME, the one motivation all parties would share is the one of learning:** Sending companies and employees to be exchanged see the **chance of gaining new competences and skills**, both hard skills in a technical sense and soft skills like intercultural competences or language skills. Similar, host companies have their own learning goals and think also of both hard and soft skills to be gained. According to our survey among SME and our focus groups, it will therefore be crucial to the attractiveness and success of the programme to be able to balance the interests of all three parties involved.
- One way to balance the interest and manage the expectations of the parties involved would be the **design of a learning plan** agreed upon by all three parties prior to the exchange. As all sides involved would like to learn something, the learning plan will need to outline the expectations of both host and exchanged employee. Additionally, the responsibilities of each party engaged should be carefully clarified, including the extent to which the hosted worker in practice is expected to

undertake work for the host structure and if so the extent of this work and availability. In our opinion, to outline responsibilities and goals for all parties justifies in this case the fact that this will add to the administrative burden of the programme.

- A lesson learnt from the EYE is the **importance of advertising the programme** to raise awareness by clearly communicating the benefits for all parties involved. Focus group participants also highlighted the importance of making MobiliseSME known as a key success factor. For those efforts, a key message should be a clear value proposition for the participating companies and the employee. Marketing efforts would need to include main stakeholders and social partners and could use already established channels (like the EEN). Given the heterogeneity of the companies targeted, marketing channels would need to include social media as well as more traditional channels like newsletters or personal contacts of business associations following the basis already conducted by MobiliseSME so far. As the role of host companies was assessed to be less attractive, this target group will have to be a main focus of the three parties involved.
- We know from the experiences of scheme managers, that a successful exchange depends to a large degree on a good matching. Therefore, **a well-working matchmaking platform** is the very backbone of a scheme for those companies not already having a partner company in mind. The matching process has to take various aspects into consideration, ranging from providing an accessible and attractive platform to parties interested over providing meaningful categories to the parties interested to be sorted by which should be neither too broad nor too, to finally producing matching results of high quality. Existing matching platforms received mixed feedback and underline that such an undertaking is no easy task.

Implications for the design of MobiliseSME

- According to our research, there is a gap regarding mobility chances for employees of SME for the purpose of learning, which **makes SMEs a viable target group** for such a mobility programme. SMEs and their employees indicated also the **preference to learn something from a larger company than themselves**, and focus group feedback also suggested “the bigger the host company the better”.
- The learning demand on all sides then raises the question of **which employees to target**. From the existing schemes we know that in practice, all kinds of people can benefit from an exchange in terms of learning. However, the person sent within MobiliseSME must be someone who can first still learn something from the host, but also be able to teach something to the host. Companies themselves would decide to send an employee who is **experienced, specialised and well-educated**, and this is also the kind of person companies would want to host. With regard to specialisation, demand for employees was very much in line with specialisations generally demanded in Europe (e.g., engineers).
- The survey showed **high interest levels among one-person SME**. Focus groups also met the possible inclusion of one-person SME commonly referred to as self-employed with approval under the assumption that those companies still cover the salary (i.e. the foregone income) of the exchanged person for the time of the exchange. Furthermore, company owners also often showed interest to participate themselves in an exchange, both in the survey and in focus groups. According to our research, there is no reason to assume why a mobility exchange could not be beneficial also to this target group. This set up would be different to that of Erasmus for Young Entrepreneurs, as the EYE only targets future or inexperienced Entrepreneurs (less than three years, see also Table 2). In MobiliseSME, self-employed participants could also be those running their business already for a longer period of time.
- One challenge in the logic of MobiliseSME can be the role of the host company. Several sources assessed that sending company and the employee would have the most benefits, while the host might have less. This were true even if the sending company had to pay the salary of the employee, as the sender will after the exchange benefit from an ideally much more experienced and qualified employee. The **host company**, on the contrary, will have to go through the trouble of being responsible for the learning effect without benefiting much after the exchange. Even though our

research provided us with a set of benefits also for the host, such as also learning from the hosted employee and getting in contact with a company from another place, many companies viewed the cost-benefit ratio for the role of the host company more sceptically. In line with this, EYE programme managers also experienced difficulty in finding hosts. One factor influencing the attractiveness of being host and being sender is **the distribution of the salary costs** during the exchange. Therefore, having the sender to continue to pay for the employee during the exchange will raise the attractiveness of hosting.¹

- According to our research, an important **barrier to employee participation** is that older and therefore more experienced and educated employees might be also more reluctant to go abroad, as it is more likely that they already have a family. Another important issue described was the language barrier, however, which is again likely to be smaller for better-educated employees. Regarding the language barrier, it is potentially beneficial to support the employees to be exchanged in their preparation, e.g. with language courses. The most important **barriers to be expected for sending companies** were first difficulties to replace the employee exchanged, as was also to be expected after analysing results of the scheme mapping. The most important **barrier for hosting companies** was expected to be costs surrounding the process. However, also according to the scheme mapping and focus group feedback, if the benefits for the sending and the hosting companies are clear and the sending is seen as an investment in the employees, those barriers can be overcome.
- The most important barriers also have implications for the ideal length of the exchange. **Regarding the envisaged length of the exchange, the data we received were inconclusive.** The scheme mapping presented a large variety of viable lengths for mobility stays with the purpose of learning, and some focus group participants could see learning effects for stays of a few days, while others considered meaningful learning to only take place after a few months. A good duration for an exchange depends also very much on the learning goals participants have in mind. Additionally, the interests of all three parties involved will need to be balanced: the senders want the employee's stay to be as short as necessary to learn, the hosts want the employee to stay as long as possible to benefit from his/her work longer after having trained the employee already to some degree, while the employee might want to stay only briefly (in case of e.g. having a family), or longer (if young and adventurous). Even though very short stays of only a few days might already produce learning effects, for each exchange regardless of length, there are one-time administrative and financial efforts for all parties involved. A minimum exchange length of two weeks will make those efforts more worthwhile for all three parties.
- Regarding the **possibility of allowing several shorter stays**, there are some aspects to be taken into consideration. Firstly, from a legal and administrative perspective (see Table 5), several short stays are easier to organise, which is secondly also the case from the perspective of employees who might find several shorter stays more compatible with their private life than a single long stay. On the other hand, several shorter stays will afford more resources for travel and likely for accommodation.
- There was **no conclusive evidence that the scheme should be limited to specific industry sectors.** Interviewees and companies alike could envisage benefits for companies and employees of all kinds of sectors. However, further feedback suggests that in some industry sectors, there might be a bigger risk of abusing the mobility scheme than in others, which concerns mostly those sectors posting their employees to gain benefits from differing factor prices. To **reduce the potential to abuse the scheme**, mobility proposals from sectors like agriculture or tourism could simply be assessed more carefully. Another possibility to prevent abuse in this regard might also be to limit the total number of exchanges for companies from certain sectors and for a period of time. Yet another factor to be regarded concerning industry sectors is the fact that

¹ In many countries, the legal obligations to pay interns a certain salary might lead to a *de facto* sharing of costs between the

most companies would want to exchange to companies of the same sector. It could be argued though that an exchange to another sector might be more beneficial in terms of learning and innovation, although possibly also riskier. For the evaluation, it could be interesting to pay attention to exchanges arranged across different industries and their specific benefits realised.

- Regarding the **cross-border aspect of the scheme**, focus group participants pointed out that the differences within one country (e.g., Belgium) can be in some cases larger than those between two countries (e.g., the Czech Republic and Slovakia). In general, there are no indications that in those first cases, exchanges would be less beneficial than in the latter cases. However, as MobiliseSME is a European scheme, providing a scheme for national exchanges falls into the responsibility of the Member States.

Recommendations

- We recommend to **carry out MobiliseSME in the form of a pilot**.
- We advise opening **the scheme up to some degree to larger companies**, as SME expect to be able to realise better learning effects here.
- We also **recommend keeping the scheme as flexible as possible in terms of eligibility of companies from different industry sectors**, as in general, all sectors could – according to our data sources –realise learning benefits within MobiliseSME.
- **Regarding the employee target group**, we recommend **providing as much flexibility as possible** to participants while requiring employees to be skilled and have a certain level of seniority.
- For a pilot, we propose **a standardised duration of between 2 weeks and 2 months**.
- We recommend that the **salary costs of the exchanged employee shall be paid by the sender**.

Regarding the implementation of the pilot scheme, we recommend or highlight the following:

- According to all data collected, **generating awareness and advertise MobiliseSME is a key success factor** for the scheme. The marketing should be targeted to companies potentially interested (i.e. international active ones or interested to become so) and clearly communicate potential benefits to this companies.
- The role of hosting an employee might be less attractive to some companies, we recommend: be aware of this challenge and consider the possible need to **specifically emphasise the potential benefits of hosting companies when designing advertisements and carrying out marketing efforts**.
- To manage expectations, we recommend **the design of a learning plan**, agreed upon by all three parties prior to the exchange.
- We need to highlight again **the importance of the matching process and the matching platform to the attractiveness and success of MobiliseSME**.
- To **reduce a potential language gap**, an option could be to support employees to be exchanged in their preparation with the possibility to attend e.g. a language course.
- When introducing MobiliseSME, **we recommend using established programmes or channels to the advantage of MobiliseSME**.
- With regard to recommendations on **contractual obligations**, **the aim should be to be thoroughly clear enough on certain key aspects**, even if a high degree of flexibility is sought for the overall design.

1 Background and objectives

1.1 Introduction

This report shows the demand, state of play, opportunities and obstacles for a <Mobility for professionals> scheme. It was prepared by Technopolis Group and Henningsen Consulting as subcontractors of the MobiliseSME consortium that aims to develop and pilot a new Mobility for professionals of SME scheme. Technopolis and Henningsen Consulting were supported by the consortium partners in the field research in a selection of countries under scrutiny. We are grateful for this support and also wish to express our gratitude for feedback and comments provided to us during the writing of the report. An overview of names and affiliations of the country field researchers is given above.

The free movement of workers within the EU is one of the key pillars of the Single Market. This includes the rights of movement and residence and the rights for family members to be treated on an equal footing.

According to estimates from 2013, some 7 million EU citizens worked and lived in a Member State other than their own. This corresponds to some 3.3% of total EU labour force.² While these figures may seem good at first glance, intra-EU mobility trails significantly behind the US. There, mobility – as measured by the share of persons who lived a year ago in a different state – accounted for 2.7% of the population in 2011/2012. The corresponding values for the EU are only at about 10% of the U.S. level.

These figures are troubling, as labour mobility is said to have a number of advantages:³

- At the level of the mobile employees, to mention are new job opportunities for individuals; acquiring new types of skills; better income; and – as result of the experience – overall better employability in an international context. At the level of employers, benefits are the ability to address skills shortages and labour market bottlenecks
- From a macro-economic point of view, mobility helps address unemployment disparities between EU Member States and contributes to a more efficient allocation of human resources
- In host countries, mobile workers address skill shortages and widen the range of services available
- In sending countries, mobile workers alleviate the burden on public accounts (if previously unemployed) and help to revive the national economy by sending remittances

One example of policy responses at the European level is EURES (European Employment Services), a European network for worker mobility involving the European Commission and the public employment services of EU Member States, which provides information, guidance and recruitment/placement services to employers, jobseekers and any citizen wishing to take advantage of free movement of workers. A Regulation⁴ on EURES entered into force in May 2016 strengthening the network's legal base.

² <http://www.eubusiness.com/topics/employment/labour-mobility>

³ However, it should be noted that labour mobility is also a heated subject of public debate, which means that respective policies supporting mobility have to be well drafted and communicated. Fears arise with respect to a potential brain drain in sending countries. Issues being discussed in host countries include the abuse of social systems and displacement of indigenous work force

⁴ Regulation (EU) 2016/589 of 13 April 2016 (OJ L 107, 22.4.2016)

Apart from legislative measures, a number of EU-funded projects have looked at specific aspects to improve labour mobility. Examples include ‘Your First EURES job’ that has been running since 2012 and which, financially, has supported young people between 18 and 30 years in finding gainful employment by providing access to the labour market in an EU Member State other than where they reside. Under this action, marketed also specifically for SMEs, employment agencies could, amongst other things, provide subsidies to jobseekers to (partially) compensate for the costs of undertaking an interview abroad, a language course, or the costs of relocation if they found a job abroad.⁵ Another example is CAMEO (Career Mobility of Europe’s Older Workforce), which looks specifically at the situation of older worker mobility in the ICT sector.⁶ The focal point for European funding of actions in the area of labour mobility is EaSI (the Employment and Social Innovation programme), which earmarks 18% of its total budget of roughly €919 million to job mobility.⁷

Another key programme in this respect is the Erasmus for Young Entrepreneurs programme. This EU programme supports young people, ‘aspiring entrepreneurs’, to start and/or successfully run a small business in Europe. This programme was first piloted in 2009. The programme provides practical and financial assistance for new entrepreneurs to stay with a more experienced host entrepreneur in another EU country. The duration of the stay is 1–6 months. The programme “People in the Labour Market also funded mobility stays under the EU Lifelong learning programme Leonardo da Vinci.

While the discussion on labour mobility is quite elaborate regarding the general picture and issues, there is little discussion and data available regarding intra-EU mobility and the way SMEs could benefit and/or are affected. This is remarkable, given that SMEs account for the vast majority of the stock of firms and the majority of jobs offered. The SME intergroup organised by the European Parliament concluded in 2014 that “...*bottleneck situations in skills supply harm most particularly small businesses that cannot count on prestigious in-house training programmes and large human resources departments looking for talent outside their region or country.*”⁸ A recent paper highlighted respective policy responses at regional level, such as “bottom-up” projects in Germany that aim to recruit from abroad (primarily from Spain and other Southern European countries) for the benefit of local SMEs. The paper also underlined the lack of data in the context of labour mobility in general, such as with respect to barriers for mobility, the role of return migration, or skills acquired abroad.⁹

The MobiliseSME project, funded under EaSI, tries to test the feasibility of an ERASMUS-like scheme applied to *professionals* working for/in SMEs. A quick glance at the national levels suggests that there are some examples of these types of secondment¹⁰ schemes (although not completely comparable), however, the cross-border secondment concept meets to a large extent uncharted territory.

This project, MobiliseSME, has a structured approach to tackling the question of feasibility of such a scheme, by:

⁵ <http://ec.europa.eu/social/main.jsp?catId=993&langId=en>

⁶ <https://www.zsi.at/de/object/project/2756>

⁷ <http://ec.europa.eu/social/main.jsp?catId=1081&langId=en>

⁸ <http://www.othmar-karas.at/de/schwerpunkte.php?cat=2&id=1758>

⁹ Barslund, M., Busse, M. & Schwarzwälder, L. (2015): CEPS Policy Brief – Labour Mobility in Europe: An untapped resource?

¹⁰ In the context of this report, “secondment” or “sending” means that an employee is sent to work somewhere else temporarily to exchange experiences and skills, i.e. with the purpose of learning. When an employee from one SME is sent to another SME for training and learning purposes, there is no cross-border provision of paid services between the two companies, as this would be “posting” which was not within the scope of this research. This clarification is necessary because of different (legal) semantics in the various countries under scrutiny.

1. Assessing the potential demand for such a scheme in a minimum of 20 countries and territories
2. Implementing a pilot scheme with 50 to 100 pilot exchanges
3. Evaluating the feasibility of the experiences made with the demand analysis and the pilot exchanges, and
4. Engaging in the synthesis and dissemination of finding to key stakeholders

The general objective of the study is to explore whether and, if so, under which conditions, there is a need for a scheme for a short-term cross border labour mobility experience for employees of one company to work for a period of 1–6 months in another company abroad. This involves:

- Examining the state of play and the need for action at European level and the situation of companies
- Exploring the possible options for a future EU intervention in this area, possible benefits and obstacles

In answer to these objectives, this report (corresponding to point i) above) presents the results of a mapping of lessons learnt from existing mobility schemes, feedback on the MobiliseSME concept from SMEs and other stakeholders, and a scoping of potential legal issues relevant to the design of different mobility schemes. The report concludes with a set of recommendations for the design of the scheme and finally presents our proposal on how to design MobiliseSME along with a few options to fine-tune the programme.

2 Methodology

In order to explore the state of play in existing mobility schemes in Europe, the appetite for a proposed scheme facilitating mobility placements in SMEs and the potential challenges to implementation, this study took a mixed methods approach towards data collection:

- Desk research / mapping of mobility schemes
- Interviews with managers of mobility schemes and key stakeholders
- Survey of SMEs
- Focus groups
- Interview with a legal expert

This combination of methods allows us to view the potential scheme from a number of different perspectives. The desk research helped us to identify the status quo in terms of existing provisions. This was followed up with a more in-depth set of interviews with selected schemes to really understand their approach and experiences. Interviews, surveys and focus groups helped to test the concepts proposed for the MobiliseSME approach and to narrow down the focus to something which we believe that SMEs would have an appetite for (sectoral, country-wise, type of employee etc.). Finally, understanding the extent to which such a scheme can be operationalised under current national regulation and legislation was researched. This is important for the rights of the workers on secondment both in terms of the conditions during the placement as well as security in the workplace following a period abroad.

The various research methods were carried out either by technopolis, Henningsen Consult or by CEA-PME members based in various countries. CEA-PME members from Belgium, Croatia, Estonia, France, Germany, Italy, Romania Spain and Turkey either carried out crucial research steps or assisted in the organisation (focus groups) or promotion (survey) of those.

2.1 Desk research/Mapping of mobility schemes

The first part of the work on desk research covered general documentation which helped us to set out the mapping templates for the country reports.

Data review	Type of documentation covered
EU legislation of potential relevance for the mobility schemes	<ul style="list-style-type: none"> • The Rome I Convention • Posting of Workers Directive (EC Directive 96/71) • EC Directive on the enforcement of Directive 96/71 (EC2014/67) • EC Regulation 883/2004 on the coordination of social security systems • OECD Model Tax Treaty • EC Directive 98/49 (29 June 1998) on pensions • Reports and documentation in relation hereto • <i>Posted workers in the European Union</i> (Eurofound 2010¹¹) and other posting related reports¹² • Posting in national law¹³
Identification and indicative mapping of a sample of mobility schemes	<ul style="list-style-type: none"> • Identification of 20 schemes of relevance for this assignment • Indicative mapping of 10 schemes and associated review of documentation
Reports and documentation on mobility schemes and SME internationalisation	<p>Various reports such as:</p> <ul style="list-style-type: none"> • Make the Right Connections; Workplace Exchange/Secondment Best Practice, for Caithness Chamber of Commerce (2011) • Secondments, A review of current research, Paper for the IES Research Network Members (2004) • Top Barriers and Drivers to SME Internationalisation, Report by the OECD Working Party on SMEs and Entrepreneurship, OECD (2009) • Moving people with purpose, Modern mobility survey, PWC (2014) • Strategic global mobility, unlocking the value of cross border assignments, Harvard Business Review and EY (2014)

On the basis of extensive desk research, a team of country correspondents carried out a review mapping of potentially relevant national schemes in 20 countries and territories.¹⁴

There were a number of reasons for undertaking this mapping:

- To look at the current level and scope of international/professional secondments – general objectives and coverage
- To understand the basic issues of employment, social security and tax
- To identify initial barriers, and where possible, to review schemes where evaluations or monitoring had taken place for additional insight

The focus was on understanding the extent of mobility in the working population and the implementation of job secondment, apprenticeships and traineeships.

Country correspondents were provided with a guidance note and mapping template. The mapping covered the following types of scheme:

¹¹ http://www.eurofound.europa.eu/sites/default/files/ef_publication/field_ef_document/ef1073en.pdf

¹² <http://ec.europa.eu/social/main.jsp?catId=471> and

¹³ <file:///C:/Users/hennconsult/Downloads/070717-posting-assignment-hiring.out.of.workers.pdf>

¹⁴ Austria, Belgium, Bulgaria, Croatia, Estonia, France, Gibraltar, Germany, Greece, Hungary, Italy, Netherlands, Poland, Portugal, Romania, Slovenia, Spain, Sweden, UK and Turkey.

- Any scheme which involves business-to-business exchange for the purpose of competence development (irrespective of the length of the exchange)
- Any scheme which involves some form of exchange or mobility of an employee into a different company
- Public to private exchange/mobility of employees schemes (or vice versa)
- Professional researchers' secondment into enterprises – or similar mobility of PhD students
- Any transnational scheme which involves the secondment or placement of an employee into an organisation abroad (e.g. including a public officer exchange programme).
- Any transnational scheme, which involves the placement/trainee (not volunteering) of a person into a company for a limited period of time (who may not be an employee at the time of the training)

2.2 Interviews with managers of mobility schemes and other stakeholders

In order to provide more insight into the schemes, country correspondents conducted telephone interviews with the managers of mobility schemes and other stakeholders. In each country, the researcher also covered Erasmus for Young Entrepreneurs if possible.

The interviews were broadly structured as follows:

Figure 1 Overview of interview guide for the managers of mobility schemes

Introduction	<ul style="list-style-type: none"> • Introduction to the MobiliseSME concept
Feedback and lessons learned from the mobility scheme	<ul style="list-style-type: none"> • Drivers of participation • Obstacles to participation • Main benefits of the Scheme – and aspects that work and does not work • Matching • Administration and legal set-up
Feedback on the option of a European scheme for employee mobility	<ul style="list-style-type: none"> • The potential attractiveness of such a scheme to enterprises • The type of enterprises (sector or other) which could be interested in this sort of scheme, and those which would be unlikely to participate • Size of enterprises likely to participate • Most likely benefits of a scheme – how could a mobility exchange programme best support the participating enterprises and employees (competence development; development of common projects between the sender and hosts) • The sort of employment functions that would benefit mostly from participating (management; HR functions; technical functions; manual workers etc.) and those which are likely not to benefit • Likely drivers for participation (sending SMEs and hosting SMEs) • The likely obstacles of a mobility scheme between SMEs - and the nature of these obstacles
Recommendations	<ul style="list-style-type: none"> • Recommendations for the development of a scheme

Figure 2 Overview of interview guide for Erasmus for Young Entrepreneurs

<ul style="list-style-type: none"> • How popular is Erasmus for entrepreneurs? Why do enterprises agree to participate/What do they expect to gain? What are the main obstacles to the recruitment of hosting enterprises? • What are the main benefits for the mobile participants and the hosting enterprise? • Are there sectors/business areas for which the programme has worked particularly well? Are there sectors/business areas where the programme does not work so well? • Are there barriers to the effective working of the programme = such as skills, language and cultural barriers? Are there specific conditions in which the programme works particularly well/does not work at all? • How effective is the system used for matching? What are the challenges?

Country correspondents also conducted telephone interviews with a selected set of key stakeholders to better understand the feasibility, attractiveness and barriers for the implementation of the MobiliseSME scheme. The following stakeholder groups were targeted:

- National coordinator of the Enterprise Europe Network
- Local contact points for the Erasmus for Young Entrepreneurs
- Leading national business or employers' organisations

Additional high-level interviews were conducted with the European Trade Union Confederation (ETUC) and with DG EAC covering the Lifelong learning programme, Leonardo Da Vinci, and more specifically "People in the Labour Market" funded projects.

The last group of stakeholders contacted were those who could provide guidance to companies on internationalisation. Where relevant stakeholders were also asked to comment on any legal obstacles to such a scheme.

Interviewees were asked a similar set of questions as asked to the managers of mobility schemes in relation to the feedback on the option of a European scheme for employee mobility.

In total, over 80 interviews were conducted (a breakdown given in the appendix).

2.3 Survey to SMEs

Following the lessons learned from the country reports, we designed an online survey. The aims of the survey were to assess the potential appetite and demand for mobility among enterprises, and more specifically the potential demand for a 'mobilities for professionals' scheme.

Furthermore, the survey collected information to identify drivers and obstacles for participation, likely characteristic of potential participating enterprises and employees, as in offer and in demand, and aspects which would make the scheme more/less attractive for potential participants. The survey covered the following main topics:

- Attributes of companies and entrepreneurs interested in participating in the scheme – as sender, receiver or mobile worker
- Characteristics of the type of employees that companies would be interested in hosting or sending abroad
- Reasons for enterprises and individuals to participate to the scheme
- Main scheme elements that potential participants would consider beneficial for participation
- Barriers to participation – and the relative weight and importance of these barriers

The survey was promoted by the MobiliseSME project partners. It is estimated that promotional mails were distributed to more than 50,000 enterprises in 12 Member States or countries (Austria, Belgium, Estonia, France, Germany, Italy, Netherlands, Romania, Spain, Sweden, Turkey and United Kingdom). The survey was undertaken in 10 languages (French, Estonian, German, Hungarian, Italian, Romanian, Spanish, English, Dutch and Turkish). Further follow up and promotion was undertaken throughout the period of the survey. The survey also helped us promoting the focus groups.

The expected response rate was 5%. The actual response rate was lower, at an estimated average of 3%, although there were significant variations between countries. The lower response rate can be explained by two factors. First, the concept of a mobility scheme for SME was totally new and not finalised when the survey was launched and it is difficult to investigate something people do not know. This aspect was also mentioned by focus group participants. Second, the idea of a mobility scheme was mostly interesting for those companies internationally already active. In total, the survey collected 1,344 replies of which 1,132 were completed.

2.4 Focus groups

A total of 18 focus groups were set up in 12 countries during the months June-September, 2016 (see the following Table 1).¹⁵ The focus groups were targeted at companies that have an interest in setting up a secondment or have had experience with organising secondments. In some cases, recruitment targeted particular types of SMEs, for example, those that had a focus on innovation and were active in a range of key sectors: e-commerce, health, IT, marketing, travel, food, automobile and transport, entertainment, fashion, fintech, HR, 3-D printing, etc.

The focus groups were designed to provide insight and consensus around the following set of key questions:

- Where could MobiliseSME help in staff development?
- What would be key benefits of participating in the MobiliseSME scheme?
- What would be key obstacles to engaging in the MobiliseSME scheme?
- What would be success factors of the MobiliseSME scheme? (e.g., what companies would best qualify; what support is needed; what matchmaking should look like; how existing partnerships can be supported)

The idea was to reveal specific issues arising that will help in formulating the most beneficial recommendations for the pilot phase. Moderators were also asked to probe for any other issues of interest relating to the study subject.

A guide was provided to focus group moderators along with a template for recording the minutes of the focus group. Moderators were also asked to take pictures and to take note of attendance. Additionally, use was made of the MobiliseSME website¹⁶ and video.

The majority of SMEs were invited via the network of CEA PME. In a small number of countries, the team actively recruited SMEs by reaching out to alternative network organisations and to SMEs directly.

Table 1 Focus groups and participants

Country	Date(s)	Number of focus groups	Number of participants
Austria	14/09/2016	1	5
Belgium	07/09/2016	1	11
Estonia	16/08/2016 & 22/08/2016	2	27
France	21/06/2016 & 12/07/2016	2	18
Germany	30/08/2016 & 08/09/2016	2	18
Hungary	06/09/2016	2	19
Italy	16/06/2016	1	12
Poland	09/09/2016	1	10
Romania	22/07/2016	2	12
Spain	16/09/2016	1	10

¹⁵ This excludes the NL where targeted interview replaced focus groups

¹⁶ <http://mobilisesme.eu/>

Turkey	21/07/2016 & 23/08/2016	2	25
United Kingdom	07/07/2016	1	7
Total		18	<170

As can be seen in the table, the popularity of the focus groups varied between countries. While in the smaller countries Estonia and Hungary, more than 19 participants attended, this number was not higher in larger countries such as France and Germany. Even though the German companies participating in our focus groups were keen on taking part in the programme, it was hard to find focus group participants in Germany. In the UK, a focus group was organised but the turnout was low, presumably related to the results of the UK referendum. For France, however, two focus groups with around seven participants each could be organised. In the Netherlands, SMEs were interviewed and no focus group took place because of recruitment difficulties. It was noted that there is a lack of interest from Dutch SME network organisations, which in itself might be a barrier to launching the scheme in this country. In other countries such as Austria, SME organisations were very interested in the mobility scheme.

2.5 Potential legal issues

To scope the overall viability of the MobiliseSME concept desk research was used to identify relevant EU regulation and to provide some insight into key national legislation. The analysis included a focus on employment law, social security, tax laws, insurance aspects, and other factors which may apply to a lifelong-learning international mobility scheme and was carried out by the country correspondents. In addition, interview partners were also asked about their impressions on possible legal caveats.

A legal expert was consulted to provide feedback on the MobiliseSME concept and to help identify the key legislation relevant for the design options of the scheme. This included the following

- Insight into the relevance of the posting directive
- Insight into the overall viability of schemes with different durations (shorter vs longer)
- Insight into relevant contractual obligations and eligibility

3 MobiliseSME and existing mobility schemes

We started our analysis by looking firstly introducing the concept of MobiliseSME and providing an overview of the concept against the backdrop of the already existing European mobility scheme Erasmus for Young Entrepreneurs – the EYE (see section 3.1).

In the section 0, we present and analyse the results of the mapping which took place over the 20 countries and territories in the scope of our study. While we cannot guarantee completeness, the aim was to assess the general scheme environment and thereby, whether MobiliseSME fills a gap. To achieve this, “completeness” is not absolutely necessary. We asked our country researchers to identify national mobility schemes and provide a detailed mapping of these (including of legislation and requirements which apply to these) by the means of desk research. Overall European mobility schemes other than EYE were not covered by the mapping, as they are not comparable to the concept of MobiliseSME.

In recent years, the professionals organising the EYE programme have had very valuable experience regarding the exchange of professionals and also had useful knowledge about the national landscape of mobility possibilities. This was also the case for managers of the mobility schemes we mapped and, in interesting cases, interviewed. We present the qualitative feedback we gathered on the experiences of scheme managers (both EYE as well as mapped schemes) made in practice in section 3.3.

To conclude the chapter about lessons learnt from existing mobility schemes, in section 3.4, we discuss the implications of our findings for MobiliseSME.

3.1 MobiliseSME in relation to Erasmus for Young Entrepreneurs and Lifelong Learning

In brief, the concept of MobiliseSME is based on the idea that the international mobility of employees of MSMEs delivers unique benefits to the European economy, to the European society and to the companies and individual engaging in this activity. To this end, MobiliseSME has the potential to become a new Erasmus for SMEs, in which a company from one country can send an employee to another company in another country for a certain period of time and for the purpose of learning.

Our research showed the similarities between the ideas for MobiliseSME with the Erasmus for Young Entrepreneurs (EYE). Although it is a different target audience, we were keen to make sure that any lessons learnt from the EYE could be used and adapted for the situation in which MobiliseSME would be designed. For that reason, we interviewed 17 local contact points from 11 countries as part of the country research and relevant information is presented below.

Erasmus for Young Entrepreneurs supports young people, ‘aspiring entrepreneurs’, to start and/or successfully run a small business in Europe. The basic idea is that an entrepreneur with a credible business plan, or a person already having started a business within the last three years, can benefit from the experiences of a senior entrepreneur that owns or manages a small company in another European country. For the purpose of learning, the new entrepreneur (NE) stays between one and six months at the hosting company.

This programme was first piloted in 2009 and until 2015, 2,500 exchanges have taken place involving 5,000 new and experienced entrepreneurs.¹⁷ The programme provides practical and financial assistance for new entrepreneurs to stay with a more experienced host entrepreneur in another EU country.

Similar to MobiliseSME, the EYE is about sending a person to a company in another country. The essential difference is that in the case of the EYE, the person sent is an entrepreneur-to-be or a founder of a company, while MobiliseSME targets an employee of a company (see also the following Table 2). Still, both programmes require a host enterprise willing to integrate and educate/train the person sent and therefore need to especially provide clear benefits to the hosting companies. Both programmes target a similar geographical area, support the sent person financially during the time of the exchange, and also need to provide the parties interested to participate with support to find a suitable partner.

Table 2 Features of Erasmus for Young Entrepreneurs and MobiliseSME (pilot) in comparison

Programme features	EYE¹⁸	Proposed MobiliseSME Pilot
Start	2009	From Nov 2016 to March 2017
Logic of exchange	New entrepreneur to experienced owners or managers of a micro or small enterprise	Employee from sending company to host company or self-employed to host company
Eligibility of exchange	<ul style="list-style-type: none"> • Would-be entrepreneurs with a <u>credible business plan</u>, or 	<ul style="list-style-type: none"> • Employees must be within the company at least for two years or

¹⁷ See Eurochambers: 5 Years of Erasmus for Young Entrepreneurs. A Springboard for Business Creation and Growth, accessed via: <http://www.erasmus-entrepreneurs.eu/upload/Erasmus%20Entrepreneurs%20Anniversary%20Brochure.pdf>

¹⁸ See <http://ec.europa.eu/growth/smes/promoting-entrepreneurship/support/erasmus-young-entrepreneurs/> as well as <http://www.erasmus-entrepreneurs.eu/page.php?cid=6&pid=019&faqcat=14&faqid=102>

Programme features	EYE ¹⁸	Proposed MobiliseSME Pilot
	<ul style="list-style-type: none"> • people who have already started their business within the last three years • No age limit • Any sector/industry 	<ul style="list-style-type: none"> • have at least three years of full-time work experience (seniority requirement). • Only skilled employees can participate • No age limit • Any sector/industry
Eligibility of company/companies	<ul style="list-style-type: none"> • SME 	<ul style="list-style-type: none"> • At least one of the companies in the exchange must be a MSME as defined in the Commission recommendation of 6 May 2003. • Cross-border exchange
Duration	1 – 6 months	Min. 2 weeks, max. 2 months. Possibility to split the total duration of the exchange/hosting into several visits
Geographical scope	28 European Member States, Armenia, the Former Yugoslav Republic of Macedonia, Iceland, Montenegro, Moldova, Turkey, Albania, Serbia.	28 EU MS, EFTA, candidates and potential candidates
Financial support	Financial assistance for new entrepreneurs with a monthly lump sum (Contributes to travel costs and subsistence costs during the visit)	Grant for the <u>employee</u> calculated with regard to living costs of the host country and to the duration (based on the EYE country rates)
Contractual arrangements	<p>The contractual relationship between the NE, the HE and the IOs involved consists of two main elements:</p> <ul style="list-style-type: none"> • The Erasmus for Young Entrepreneurs Commitment by the four partners (the NE, the HE and the two IOs involved) setting out the principles, objectives, and responsibilities. • An agreement between the NE and the IO to which the NE applied (normally in the country of origin of the NE), under which funding can be disbursed to the NE. 	<ul style="list-style-type: none"> • Tripartite project agreement between the sending company, hosting company and hosted-employee • Contract between the hosting company and the hosted-employee (probably internship contract) • Grant agreement signed between European Entrepreneurs CEA-PME and the hosted-employee
Feedback/Quality control	<ul style="list-style-type: none"> • final report from the NE • brief from the HE 	Questionnaire/Report by exchanged employee
Matching	Matching platform	Matching platform

Source: Information by European Entrepreneurs CEA-PME in the document Preliminary Notes on mobility scheme regulation_02 - Information of Erasmus for Young Entrepreneur website, EC DG Growth website on EYE.

In the framework of the EU lifelong learning programme Leonardo da Vinci, the programme “People in the Labour Market” also funded transnational mobility of workers, self-employed and people available for employment or in training placement (including in training placement in enterprises). However, our interview with a former manager of People in the Labour Market revealed that in general, the programme was not very popular. Even though the programme in principle funded business to business exchanges, it was foremost used to fund VET exchanges or exchanges of people currently not in labour. Business to business exchanges were organised largely within Austria and Germany, where the chambers of commerce successfully advertised these possibilities among their members.

3.2 Analysis of scheme mapping results

The mapping exercise involved collecting data on other mobility schemes in place that are similar to MobiliseSME. This covered 20 countries and territories. In total, our research revealed the existence of 74 schemes that could be considered in some way to be relevant. However, in some countries like Hungary, up to 11 comparable schemes were found, while in other countries like Slovenia, no comparable mobility schemes were available except those organised under Erasmus+. The variability by country is therefore high.¹⁹

In the following Table 3, the overarching characteristics of the mapped schemes is set out.

Table 3 Characteristics of mapped schemes

Country or territory	Mapped schemes	International	Public partner	Business-to-business*
Austria	5	5	4	1
Belgium	2	-	-	2
Bulgaria	6	2	-	2
Croatia	3	2	2	-
France	4	2	-	2
Germany	10	10	8	1
Gibraltar	2	1	1	1
Hungary	11	8	6	3
Italy	3	2	2	1
Netherlands	3	-	1	2
Poland	5	4	3	2
Portugal	4	4	1	2
Spain	2	2	1	
Sweden	5	4	2	3
Turkey	4	3	3	1
UK	5	1	4	1
<i>Total</i>	<i>74</i>	<i>50</i>	<i>38</i>	<i>24</i>

* Schemes that allow business-to-business exchanges

Source: Technopolis Group

As the table shows, the countries where we found the most schemes were Hungary, Germany and Bulgaria. In most countries, there were between three and five schemes in place. There are no particular country-specific reasons emerging, as the selection includes countries as diverse as UK, Poland, Turkey, Croatia and Italy. In Spain, Gibraltar and Belgium, only two schemes were mapped. The majority of the schemes found were international, i.e. required the host partner to be in a different country. While mobility schemes involving the public sector (including organisations such as hospitals

¹⁹ Despite quality control measures and having set standards – some of the variability may be also explained by different researchers finding different things to be relevant.

or universities) were relatively common, mobility schemes strictly limited to business-to-business exchange were less frequent. Of the 74 schemes mapped, only in around a third of the mobility schemes companies sent employees to other companies.

The mobility schemes also offer wide variety in regard to the **number of actual exchanges taking place per year**. Some more exotic schemes like the German-Japanese exchange programme for young professionals, organised by a regional chamber of commerce in Germany, organises two exchanges per year. For other schemes, especially those targeting students, graduates and young professionals like ASA-basis in Germany or programmes covering academics like the Mevlana Exchange Programme in Turkey, the number of exchanges per year can reach a few hundred (ASA-basis) or even 2,000 (Mevlana).²⁰ Regarding business-to-business schemes, the two most active schemes in terms of the amount of annual exchanges are the Dutch WeShareTalent scheme with in total 100 exchanges per year (see Box 1) and the German Farmers' Association Internship Programme with 50 exchanges (see

Box 3). In most other schemes, business-to-business exchanges take place less than 30 times a year, often even 10 or fewer exchanges per year are organised.

According to the mobility schemes mapped, many different **types of organisations** send or host employees, and no clear pattern emerges in this regard. However, there is **no mobility scheme specifically advertising a SME focus**. Sending organisations can be public administration, universities, research or educational institutes, companies of all sizes and also NGOs. The same types of organisations serve as hosting organisations.

With regard to the **target groups** of people to be exchanged, our research revealed that many schemes target students, graduates or apprentices on the one hand, or senior staff, experts or managers on the other. Another important target group were researchers or university staff. The target groups can be differentiated by the following attributes

- **Young people**, i.e. apprenticeships, trainees, students or graduates, which were specifically targeted by 17 of the schemes
- **Experienced personnel**, i.e. manager, senior staff, experts, targeted by 11 of the mapped schemes, and
- **Highly-qualified people**, who were targeted by 33 of the mapped schemes.

A few schemes were also open to unemployed people or marginalised groups as people not in education or employment (NEETs).

In the cases where the people on exchange are employees, in most of the identified schemes, they **stay employed in the sending company** which also continues to pay their salary. The people sent also receive assistance to cover travel expenses, accommodation or subsistence, most of the time by the mobility scheme.

Regarding the length of a mobility stay, the mapped schemes **show a great variety of possible arrangements, ranging from a minimum of only a few days to a time of two years**. Often, the single schemes were also flexible regarding the length of the stay and allowed very adaptable arrangements between hosts, sender and the person exchanged. According to our mapping, there are no concise findings regarding how sectors or the age of people exchanged affect the possible length of an exchange. For example, some public sector mobility schemes aimed to exchange judges for only a few days (like the German-Chinese Judge Exchange Programme), while in other cases, the public

²⁰ For details, please see the country fiches in the annex.

sector sends employees to companies for a time of up to two years (UK). In some cases, apprentices could stay up to a year in another country (See for example the German Farmers' Association internship programme in

Box 3), while in other mobility schemes like WeShareTalent in the Netherlands (see also Box 1), senior staff is only for a few days at another company.

The mobility schemes mapped mostly had no specific limitations regarding the industry sectors participating companies could be active in. In only a few cases, the schemes were sector specific and targeted the tech sector or the health sector.

Box 1 WeShareTalent (The Netherlands)

The **mobility scheme WeShareTalent**²¹ is an interesting case, as it is actually a successful company organising exchanges of employees within the Netherlands. WeShareTalent was set up in 2011 by employees who previously worked in the corporate sector.

The company provides a network that aims at transferring knowledge and talent across the member companies. Parallel to developments in social media, the business world became also more like a network and interactions between companies changed. The exchange of knowledge between companies stimulates innovation and by using the knowledge of the network member, companies do not have to contract more expensive consultants. For example, a hospital had a storage problem and was looking for an expert in storage and logistics. By using the network, they organised an exchange with a supermarket chain to get access to expert knowledge about storage solutions.

Either individuals or organisations can participate in the exchange. Most exchange requests are for senior positions and there are only few openings for junior positions. The majority of the talents exchanged are highly-qualified and relatively senior staff that are of value to the host organisation. At the moment, there are two types of assignment, short term 'stretch assignments' and longer exchanges.

'Stretch assignments' last 5-10 days and an individual can get to know an organisation of interest. Exchanges of this type can be seen as investments from the sending organisations and the sending organisation receives no compensation (members pay €2,000 per person to WeShareTalent). From the perspective of the host organisation the stretch assignments are 'gifts' of knowledge. Longer exchanges are typically around 3 months, however, the length can vary. In this cases, the sending organisations receive compensation from the host organisations that actively searched for expertise. The stretch assignments can be followed by a longer exchange.

Following the experience of WeShareTalent, the stretch assignments are the more popular programmes. These programme are initiated by the employees that want to take part in an exchange in a given section within a thematic area/knowledge function (HR, marketing, finance, etc.). WeShareTalent then tries to match this talent with a company. The company receives the talent for free for a short time period, an afternoon or 5-10 days and the talent contributes to a project. Once the connection has been made, the parties may decide they want the talent to take part in a project for e.g. 3 months. The longer exchanges are more complicated to organise for HR reasons. It is important here that also the more senior staff will have interacted with the incoming talent to support the exchange.

WeShareTalent commenced the short-term exchanges around two years ago. Around **115**

²¹ <https://wesharetalent.com/>

exchanges of this type have been organised, out of which 80+ were organised within the last year. The long-term exchanges were promoted from the start. Around **15-20 longer exchanges** were organised over the past year.

As WeShareTalent is funded by membership fees and fees for services provision, the success of the company is dependent on the network of the company staff. The **network of companies** is very broad and includes multinationals, individuals/entrepreneurs ('talents'), government, media, education, non-profit or high-tech industries. The network matches experts working in different fields. The member companies are mostly from the sectors services (87), government (87), industry (64), finance (52), healthcare (52), education (49), media (40) or technology (32). At the moment, the network operates on a national level. However, WeShareTalent is looking to extend its activities also to Belgium and has established contact with several large companies there.

Organisations can participate as a member or as a premium member. Premium membership costs €5,000 per year. The benefits of premium membership are priority participation in events and assignments and active support from WeShareTalent. Premium members are actively involved in concept design and the network developments and have discounted fees for support programmes. Other members can join without membership fee. These members pay per transaction/exchange or support programme.

The **costs** of the various assignments and exchanges ranges from €300 to €2,400 for premium members and €600 to €4,800 for non-premium members per participant. For the exchange (market match) the cost is 10% of the value of the negotiated exchange (min 1,000) for premium members and 20% for non-premium members (min 2,000).

The company also offers an online platform on which companies can search for openings using search terms including the sectors, level of expertise and interests. At the moment, openings were in the areas of operations & improvement (55), technology & ICT (34), marketing & sales (33), strategy & innovation (20), online & social (17) or HR strategy & management (14).

In regard to the contractual arrangements, a contract is set up with WeShareTalent and covers the financial agreements. In the case of a long-term exchange there may also be (in addition) a contract between the two organisations. There is no learning contract, as this is too difficult to stipulate and also unnecessary. All other contractual rules, e.g. insurance, remain with the sending organisation.

We also found that some large companies have internal mobility programmes in place and consider them to be very beneficial for both the employees and the company. Such a programme is for example the International Trainee Programme of an automobile company mapped in Hungary (see Box 2), but similar internal activities are also conducted e.g. in Estonia by large telecommunication/technology companies.

Box 2 International Trainee Program of an Automobile company (Hungary)

The **internal business-to-business mobility scheme** is organised within a group and exchanges trainees from the Hungarian company to the German company or the Czech company and vice versa.

The main purpose of the mobility is to understand the full operation and the complexity of the processes within the companies. The participants take part in a 12 month rotational trainee programme linked to their professional area (i.e. their future job). The exchange stay of 3 months is organised within this trainee programme. The purpose of the foreign secondment is to get acquainted with the work (in regard to technology and to the organisation) in the other sites of the

holding company.

The employees should have recently graduated and can apply to take part in the programme. After the selection, the young employees sign a non-fixed-term job contract with the company. This means that when the traineeship – and within this the secondment – takes place, they are already employees of the group. The social insurance and other costs are covered by the company. The income of the exchanged employees includes a competitive salary and also subsistence. The benefit of this type of contractual relationship is that the participants can be sure that they will have their guaranteed workplace after the completion of the traineeship and they are therefore committed and enthusiastic. For the company, the contract guarantees that the financial investment is not in vain.

With regard to the recruiting process, individuals can continuously apply through the company's website (online application). As the exchanges only come with a traineeship, the selection process is rigorous and consists of a pre-selection and several interviews. Previous participants share their experiences also on YouTube.

In 2012-2015, around 20 persons took part in the programme from the Hungarian side and 8 persons went to the Hungarian company from the German or Czech companies. The programme is at the moment under restructuring and will start again by autumn.

In general, the Hungarian company has a growing need for employees and tries to attract the most qualified and professionally best fitting employees. The International Trainee Programme helps achieve this goals. The hosting company – which is the parent company – is also interested in the good performance of its subsidiaries and in making the trainees acquainted with new processes, technologies, methodologies and the work organisation in other companies.

Main benefits of the programme for the trainee are to become part of a big community, to have a secure and well paid job also after the programme, to get to know the whole production process, to deepen the knowledge acquired at the university, to see the work culture/technology/work organisation methods, etc. in the parent company, to get in contact with the colleagues in the parent company, to get in touch with other trainees and to get a good base for future development and start to create a network. The trainee is supervised by a personal mentor from the company's management through the entire programme

For the hosting enterprise it is beneficial to get to know the future workforce in the subsidiary company, to spread the working culture of the parent company and to raise the attractiveness of the subsidiary companies for employees.

For the sending organisation benefits are also to receive new colleagues with up-to-date knowledge on technology and methods, and to get new and committed colleagues with working culture seen in the parent company.

Following the findings of our scheme mapping, the following first conclusions can be drawn:

- **there are some mobility schemes that are also accessible for SMEs** and their employees, however, they do not specifically emphasise an SME focus.
- Most of the schemes are international, but **only a third** of the mapped schemes allow business-to-business exchanges.
- Some schemes offer mobility to up to 2,000 participants per year, however, schemes open for international business-to-business exchanges not solely targeting apprentices often realise fewer than 30 exchanges per year.
- Regarding the people targeted by the schemes, they are either **young people or experienced** staff, but often **highly qualified**.

- The mapped schemes are heterogeneous both in regard to the length of the exchange (ranging from a few days to a few years) and in regard to the type of organisations allowed to participate, be it as host or as sender. Only a few schemes targeted specific industry sectors.

3.3 Experiences with the mobility schemes in practice

Following our country research and scheme mapping, we also gathered qualitative feedback on the overall popularity of their schemes, potential drivers and/or barriers for participation, the main benefits of their scheme, sector and employee types covered as well as barriers to the effectiveness of the programme. This in particular compares the EYE to a selection of mobility schemes in the Member States which most closely highlight some of the issues (positive and negative) which may be encountered by a new programme for SMEs.

3.3.1 Issues around the popularity of mobility schemes

An important issue for a new SME mobility scheme is how to make it attractive. There are a number of key points which emerge from the review of EYE which provide insight into aspects of popularity.

According to the local contact points of the EYE, the mobility scheme is **generally attractive to an entrepreneur who wishes to go abroad**, but is much less attractive to the host companies.

The main reason for this is that for the entrepreneurs there are clear benefits. They get the chance to live abroad for a certain period of time and learn something at the host company. There are also some indications that participating in EYE is more attractive for entrepreneurs setting up a company in a country facing more difficult economic situations. In Germany for example, with a thriving economy, the commitment to the programme is small. There is also a clear pull towards economically more successful countries (the move from East to West).

As well as these specifics, in general it has been much harder to find companies willing to host an entrepreneur for a period of time (this is regardless of the country of the host company). The hosts tend to focus on the added burden of the time and effort involved in teaching and caring for the entrepreneur.

Even for EYE, there is still a report (from the local contacts) of low visibility of and knowledge about the programme in both entrepreneurs and hosts. This has implications for seeking out those who are “ready” to take part as, unless you know about it, you may not understand the benefits.

Contrary to the EYE feedback, the **managers of the mapped mobility schemes mostly reported that their programmes were attractive** to all participants. The overall impression was that most mapped schemes were popular among their participants.

3.3.2 Types of industry involvement

With regard to the types of industry sectors involved in EYE, the local contact points report a wide variety. In general, it was easier for those sectors to participate where the organisation of the work is more flexible in terms of work location. Often, this meant fewer companies involved in production in comparison to those providing a service. The most common sectors participating were **ICT, creative industries and architects followed by consulting**. Other sectors mentioned often were crafts and tourism. The tendency to prefer services over production is also reflected in the sectors reported to not work well, which were production companies. Interestingly, the craft sector was also mentioned as not working well in spite of its prevalence.

From the national mapping, the same trend was seen with a wide variety of sectors involved in mobility schemes from agriculture to tourism and creative industries.

3.3.3 Drivers and benefits for employees

Important **drivers and benefits**²² for employees mentioned by the scheme managers (including EYE local contact points) were most importantly learning or educational purposes or, in other words, to become better qualified professionally and personally. Learning and new experiences were the most mentioned benefits for entrepreneurs within the EYE programme; sometimes entrepreneurial knowledge was specifically mentioned. Other scheme managers mentioned the following drivers regarding learning:

- To deepen their knowledge of a thematic area or their knowledge of a function (HR, marketing, finance, etc.)
- To gain knowledge about or get access to a technology, a specific method or innovations
- To acquire a needed competency or skill
- To get to know the host company, its organisation, work processes, especially in cases when the host is very different from the sending company (e.g. from a large company to a start-up), or in general “see how things are done in another country”
- To develop intercultural skills, i.e. understand different cultural mind-sets

For entrepreneurs in the EYE programme, there were a number of further drivers and benefits mentioned. To a large degree, these were also shared by the other interviewed scheme managers:

- To get business contacts and enlarge networks which can be relied upon after the end of the exchange. This was especially important to the entrepreneurs participating in EYE and in some public-to-public schemes, as those networks would then also be of benefit after the exchange, e.g. to on-going projects between entrepreneur and hosting enterprise (EYE), or to the diplomatic process between two countries (public-to-public)
- To exchange ideas with other candidates in the host country
- To be part of a vision regarding the management of the employee’s career or a useful reference in the CV
- To broaden the exchangee's mind and experience
- To develop the personality of the person exchanged
- To get in touch with colleagues or people from other countries and cultures
- To raise employability
- To travel abroad, especially in cases the destinations are of high reputation/really different, and therefore of high interest to the exchanged person

Interestingly, to develop language skills was not mentioned as a potential factor driving people to participate. It can be assumed that many of the drivers mentioned for the employees are also drivers leading to the participation of companies as senders, as in most cases, the sending companies expect to get a more experienced and happier employee back after the exchange (with the obvious exception of EYE, where there is no sending company involved). However, scheme managers provided us with an additional set of aspects that drive sending companies to participate:

- Enterprises are driven by the opportunity to strengthen business relations, or, in the case of research institutions or public institutions, to strengthen general cooperation or relations, e.g. for future projects

²² In our questionnaire there were two separate questions, one concerning drivers and one concerning benefits. However, our interviewees chose to answer those questions together in the sense that the benefits experienced during the exchange were also the aspects actually driving the participation.

- To develop foreign markets and/or gain knowledge about them
- To get new business contacts
- To exchange experiences
- To be more attractive for employees and to contribute to their satisfaction
- Research organisations are also keen on giving their researchers the chance to go abroad

3.3.4 Drivers and benefits for hosts

Even though the initial feedback on the attractiveness of EYE for hosting enterprises was sceptical, as discussed above, there were some benefits for the EYE hosting enterprises mentioned:

- Learn about the home markets of the hosted entrepreneur
- Learn new technologies or skills from the entrepreneur
- Get new ideas or a view from a different perspective
- Develop language skills
- Receive trainees and therefore some labour for free

Much of the feedback from mapped schemes reported a high attractiveness of the programmes also to the host companies. The following drivers leading to the participation of companies as hosts were mentioned:

- Host organisations also want to strengthen (business) relations or probe future possibilities of cooperation
- Experts coming to the companies can be seen as gifts of knowledge
- The hosts benefit from the commitment and expertise of the mobile individuals
- By participation, enterprises can reduce temporarily their staff costs
- Enterprises can cover a temporary shortage of labour
- The people at the host organisation can also benefit from a new international colleague and learn about a foreign culture. Sometimes, sent people are supposed to offer courses

For the programme owners, an important motivation to set up the mobility scheme was often in general to foster cooperation between two countries.

Box 3 The German Farmers' Association Internship Programme (Germany)

The German Farmers' Association Internship Programme is a transnational mobility schemes targeting young professionals between 18 and 20 years of the agricultural sector (farming, wine making, forestry) organised by the German Farmers' Association (DBV).²³ The DBV was founded in 1948 and is the professional representation of German agriculture and forestry. Its members are the 18 federal state farmers' associations where more than 90% of the about 380,000 German farmers are organised.

The mobility scheme is a **business-to-business exchange programme intended to foster competence and personal development of the young farmer exchanged**. The agricultural sector of the host country shall be explored, new ways of thinking and strategies should be

²³ www.bauernverband.de

experienced, and language and agricultural methods shall be learnt and/or improved.

The **length of mobility** depends on the host country. For example, exchanges to the USA can be between 5–12 months long; to Australia between 1.5–4 months; and to France, Ireland, Denmark or Norway 3–6 months.

The scheme is **funded by the German Ministry of Food and Agriculture, the German Farmers' Association and the Schorlemer Stiftung**. There are no specific costs to participating. There is an average of 50 exchanges taking place per year.

During the exchange, the employee is on leave with pay. The payment also depends on the country, e.g. for the USA, €800/month; for Australia €1,000/month; for France €700/month. As is typical in agriculture, the accommodation and food is provided by the host.

3.3.5 *Barriers to participate in mobility schemes*

Regarding barriers, many scheme managers first thought of the requirements of the scheme, i.e. a certain age level, a certain degree was needed, or only a certain region addressed. However, more general applicable barriers were also mentioned. Some scheme managers reported reservations of companies to participate, especially SMEs.

The two most widespread barriers brought up were **language barriers** and the issue of **filling the gap** left by the person exchanged.

Regarding language, for an exchange to work reasonably well with some countries, some level of language is required. For example, a German apprenticeship mobility scheme with Japan (see German country fiche) requires some level of Japanese, which was described as a barrier. Our **feedback from local contact points from the Erasmus for Young Entrepreneurs** programme also mentioned the language barrier as an obstacle often encountered. For exchanges between countries where the population has a good level of English, or for schemes targeting high qualified staff, language was not considered to be much of a problem.

Another issue was to **replace the exchanged professional** for the time of the exchange. Companies, entrepreneurs, and also such public institutions as schools or universities, reported difficulties and costs involved in replacing staff. This was more difficult in smaller organisations (e.g. small companies) or with more experienced staff. For example, German farming apprentices were often needed during most of the year and found it hard to make time or find a suitable replacement for an exchange (see

Box 3). Connected to this issue, some managers considered the fear of being replaced permanently to be a barrier on the side of the **employees**.

As the mobile entrepreneur does not have to be replaced in the EYE, this was not considered to be an obstacle. However, interviewees often pointed out to us that after founding a company, an entrepreneur often has often no time to spare to go abroad and learn how to become an entrepreneur. Other obstacles mentioned were the administrative burdens. The EYE interviewees also highlighted the importance of preparation, with which most obstacles could be overcome.

Further issues concerning the motivation of the employees were also the family, travel or other unexpected costs (where they were not covered by the programme) or cultural barriers together with reservations against a specific country or a specific people. For **companies**, further issues raised regarded the fear of losing the employees or too much administrative work necessary to organise the exchange.

Last, as a mobility scheme needs to be known, it was deemed to be important to have **good marketing** to attract people and to convince people and companies alike of the benefits involved. This

was an issue brought up both of EYE local contact points and of the managers of the mapped schemes. In the beginning of EYE, and it is still the case in some countries, the programme was not well known and this is also a barrier.

Box 4 VIE Programme (France)

The **French Volontaire International en Entreprise (V.I.E) scheme** is designed to attract young people (18 to 28 years) who have finished their formal education, and is organised by Business France.²⁴ The volunteers can be sent all over the world.

Since 2000, the VIE scheme allows companies registered in France to entrust a young man or woman with a professional mission abroad for 6–24 months. These young persons may be hosted in another company or in offices rented by the French company. Companies allowed to participate are SMEs, Groups or Subsidiaries of Groups. In France, the scheme is well known among students and young people.

The assignments are designed first **to promote the internationalisation of French companies in foreign markets** and, second, to complement the curriculum of young French nationals, young people from the European Economic Area and Monaco, by providing international experience. **Nearly two-thirds of hosting businesses are SMEs.** 70% of volunteers are offered a job in the host company at the end of mission.

Companies can place a request for assignment of a volunteer. Their application will be reviewed by Business France which then issues a licence validating the ability to use the scheme VIE. As soon as a business project is checked and approved, France Business sends a draft agreement to the company specifying the conditions for achieving the VIE mission and its estimated cost.

The **administrative and legal management of the young person is delegated to Business France** which deals with all contractual aspects, the payment of compensation and social protection of the volunteer. The V.I.E formula exempts the company from any direct contractual relationship (the contract is signed between Business France and the young volunteer). The operational activity is managed and controlled by the company. The volunteer will enjoy a civil servant status. He/she is under the administrative supervision of the Mission Economique department of the French Embassy in the country of assignment. The volunteer is not considered an employee of the company.

However, the **company is responsible for making arrangements to obtain the residential visa**, work permit and so on before the departure of the volunteer.

Business France provides for the **social insurance** of the volunteer.

France Business is a government agency created on 1 January 2015 by the merger of UBIFRANCE and the AFII (French Agency for International Investment). It is under the joint control of the Ministry of Economy and Finance, the Ministry of Foreign Affairs and International Development and the Ministry of Rural Areas and Regional Planning. Funding of the scheme: the state (via Business France) partly supports the programme and charges the user company compensation calculated according to the cost of living in the host country. The user company must also finance the professional hosting in the country.

²⁴ <http://www.businessfrance.fr/>

Another issue discussed with the national EYE contact points was the **effectiveness of the matching process**. In general, the matching process was considered to be an important feature of the programme that contributes much to the overall success. The most important factor affecting the usability of the matching process was the quality of the data on the platform. **The overall feedback we received was mixed**. Some assessed the matching system to be effective in general. Other interviewees saw still potential for improvement, as for example, the categories defining the industry sectors were too broad or too aggregated, resulting in matches of bad quality. Another issue regarded the degree of automating, which was described to be not sufficient, as a user would still need to look through a lot of entries manually. Last, the time until a match was found and approved by all parties (including the EU) would in some cases lead to the situation that the applicant decided already for another opportunity outside the programme. Some interviewees even stated that the actual matching took always place at an individual level, never using the platform.

3.4 Implications for MobiliseSME

The first important implication of our country research is that **currently, there is no mobility schemes similar to the idea of MobiliseSME**, i.e. a mobility scheme organising international, business-to-business exchanges with the purpose of educating the exchanged employee, targeting specifically SMEs operating on a European scale. Most of the schemes are international, but only a third of the mapped schemes allow business-to-business exchanges. The schemes mapped do not specifically emphasise an SME focus, although most of the business-to-business schemes are open to SMEs. Some schemes offer mobility of up to 2,000 participants per year, however, schemes open for international business-to-business exchanges not solely targeting apprentices, i.e. schemes most similar to the idea of MobiliseSME, usually realise fewer than 30 exchanges per year.

The **mobility schemes target a wide variety of people as regards age, seniority, qualification and function**. Many schemes focus on highly qualified persons, i.e. people with a university degree of some kind. Other schemes target young people, i.e. apprentices, students, graduates, trainees or young professionals, during or shortly after having finished their education. Last, schemes can also target senior experts, as these are most beneficial for the host organisations. As existing schemes cover a wide variety of target groups for an exchange and each follows a certain market need, for Mobilise-SME, there seems to be no reason to narrow the target group down with regard to age, level of qualification, or function.

It seems as if there is **no optimal length of exchange**, but a wide variety of arrangements possible. In this regard, the mapped schemes are heterogeneous, allowing exchanges to last from a few days to a few years. However, while exchanges of a few days occur relatively often, exchanges would only seldom take longer than six months. It seems that a reasonable learning effect can already be achieved with a short-term visit.

In general, **mobility of employees, be it in the private or public sector, is seen as positive** and organisations use it for educational purposes regarding the employee, the host and the sending organisations.

Mobile employees usually learn about new methods or technologies and develop new skills or competencies during their stay. Furthermore, they are said to gain soft skills such as intercultural competencies and general knowledge about how the host organisations work, or how business is done in the host country. Exchanged employees are also expected to enlarge their professional and personal networks. In the long run, an exchange raises the employability of the employee and ideally leads to a higher work satisfaction.

The **host organisation and their staff** also learn from the hosted employee, regarding the sending company's (business) habits, organisational aspects, and general culture. The organisation also expects to strengthen existing or future relations with the sending organisation. In some schemes, for example

WeShareTalent from the Netherlands (see Box 1), the knowledge gained by the sent expert is valued so much that it is fundamental to the business model of the scheme, meaning that in some cases, exchanges are so worthwhile for the host organisation that it is willing to fund the whole exchange.

Finally, the **sending organisation benefits** from the better-trained employee returning from the exchange. The individual is thought to return with better knowledge, new skills, and a larger network – all also of use to the employer. Furthermore, the sender got to know the host organisation better in the wake of and during the exchange. Senders also expect to establish or strengthen relationships with the host organisation. As an exchange is deemed to be attractive to employees in general, sending organisations consider being able to offer exchange stays to their employees as an asset when competing for talent.

The benefits described for employee, host organisation and sending organisation would also apply to MobiliseSME. Large, multi-national companies use internal mobility schemes for their employees for various purposes, mostly so their employees can get to know more than just the part of the company they are working at (see e.g. Box 2). However, it is also likely that for large, multi-national companies, it is easier to send their employees to a subsidiary in another country, especially in comparison with smaller companies that are only based in one country, which also first need to find a suitable partner for the exchange. Therefore, specific support to SMEs to realise similar exchanges and benefits thereof could be argued for.

Even though the **overall feedback on the attractiveness and benefits of the mapped schemes was positive**, there were also reports of some barriers encountered. The two most important barriers mentioned were first, **filling the gap of the departed employee** for the duration of the exchange and second, **the language barrier**. Both aspects can reduce the attractiveness of the programme beforehand, however, language issues can also affect the quality of the exchange and hinder the realisation of the benefits discussed above. Another issue that might be problematic was the willingness of employees to be mobile, especially in cases where they have a family.

One of the obstacles to participation in the Erasmus for Young Entrepreneurs programme is the fact that when somebody decides to create a start-up and become an entrepreneur, this **person seldom has the time to become mobile**. With a scheme like MobiliseSME, this obstacle is likely not to occur as MobiliseSME does not target entrepreneurs. However, other feedback from our interviews with EYE NCPs is that it is **difficult to find host organisations**. Even though benefits for host organisations are described as manifold, feedback from several countries indicates that it is still difficult to recruit hosting companies. Therefore, recruiting host companies could also be a challenge for a scheme such as MobiliseSME.

A further lesson learnt from EYE, but also from Leonardo da Vinci's "People in the Labour Market" funding programme, is the **importance of advertising the programme** to raise awareness by clearly communicating the benefits for all parties involved. Many EYE interviewees indicated that EYE is still unknown in many countries. In cases where EYE is known, and potentially interested parties explore the possibility to participate, a **well-working matchmaking platform** can be an asset for a mobility scheme. If it provides good matches quickly, chances of participation raise. Following our research about "People in the Labour Market", the importance of committed intermediaries advertising the programme will be a success factor for any mobility scheme for companies.

4 Analysis of feedback on the MobiliseSME concept

During our research, we introduced the idea of MobiliseSME to various target groups and asked them for their feedback. The target groups consulted this way were

- <35 managers of mobility schemes (plus 18 EYE local contact points)
- <30 key stakeholders (national EEN coordinators or business organisations)
- <1130 SMEs based in Europe via a survey
- <150 SMEs from Austria, Belgium, Estonia, France, Germany, Hungary, Italy, the Netherlands, Poland, Romania, Spain and Turkey in focus groups²⁵

The following section is a synthesis analysis of the feedback provided to us by those target groups in the described settings.

4.1 General attractiveness of MobiliseSME

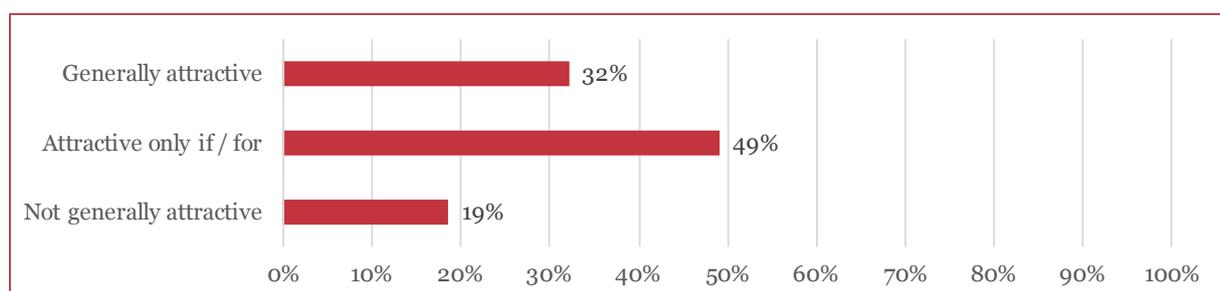
The **overall feedback on the general attractiveness of the mobility scheme MobiliseSME is mostly positive**. Companies participating in the survey or in our focus groups were largely positive about the attractiveness of the scheme. Feedback from managers of mobility schemes or key stakeholders also suggests a general attractiveness of the scheme or an attractiveness in some circumstances. Especially feedback from mobility scheme managers and key stakeholders might represent a more neutral point of view, as both parties involved are unlikely to have a stake in realising the MobiliseSME programme.

Feedback collected from survey participants and focus group participants indicates that the attractiveness of MobiliseSME to the companies participating was considered to be high. Most of those having replied to the survey indicated that they are interested in the scheme (40.5%) or might be interested (45%). Only 14.5% indicate that that they are not interested. Focus group participants saw the scheme even more positively.

However, from a methodological point of view, both survey and focus groups are likely to have a selection bias, as people who dedicate their time and effort to participate in those formats are likely also to have an interest in the programme itself. For both the survey and the focus groups, it was difficult to attract participants, which could be due to the fact that the idea of MobiliseSME was not understood well enough to motivate participants, or due to a general lack of interest among SMEs.

A third of the managers of the mapped mobility schemes including the Erasmus for Young Entrepreneurs scheme and key stakeholders assessed the attractiveness of a scheme like MobiliseSME to be generally high. Another nearly 50% considered the scheme to be attractive at least for some kind of SMEs (see Figure 3).

Figure 3 General attractiveness of the MobiliseSME scheme



Source: Interviews with scheme managers and key stakeholders. Illustration Technopolis.

²⁵ For the Netherlands, a telephone consultation was organised instead.

The qualitative feedback further suggests that the scheme is generally attractive as it targets SMEs and because it can also be seen as being complementary to the Enterprise Europe Network programme (based on matching/partnerships between companies), and to EYE. At the same time, it focuses on more mature companies and is therefore without the limit of targeting entrepreneurs to a time when they are likely to have no time to go on an exchange abroad.

In cases where the mobility scheme was considered to be less attractive, this was attributed either to a specific economic situation (e.g. in Germany currently with a thriving economy) or because it is difficult to realise an exchange for start-ups and small companies with only a few employees while being unnecessary for bigger SMEs that were said to be able to organise an exchange on their own if interested.

Regarding the 50% of interviewees seeing an attractiveness for some SMEs, they mostly stressed that an exchange programme like MobiliseSME could be attractive for those companies that are export-oriented companies or companies more internationally active in general. Furthermore, smaller companies might have trouble in sparing an employee for the time of exchange, which would make MobiliseSME more attractive for companies of a certain size.

As can be seen in the following Table 4, the feedback on the general attractiveness of the scheme was distributed as relatively similar across the types of interviewees. Around a third of Enterprise Europe Network stakeholders, other stakeholders and EYE considered MobiliseSME to be generally attractive. The strongest category for those three types of interviewee was “attractive only if/for”, while only some considered MobiliseSME to be generally not interesting. Only scheme managers assessed MobiliseSME more often to be in general attractive when compared with the other types of interviewees, with the assessment of being attractive only if/for some SMEs following second.

Table 4 Feedback regarding attractiveness by types of interviewee

Attractiveness by type of interviewee	EEN	Stakeholder	EYE	Scheme manager
Generally attractive	3	4	3	9
Attractive only if/for	9	5	7	8
Not generally attractive	2	3	2	4
<i>Total number of responses</i>	<i>14</i>	<i>12</i>	<i>12</i>	<i>21</i>

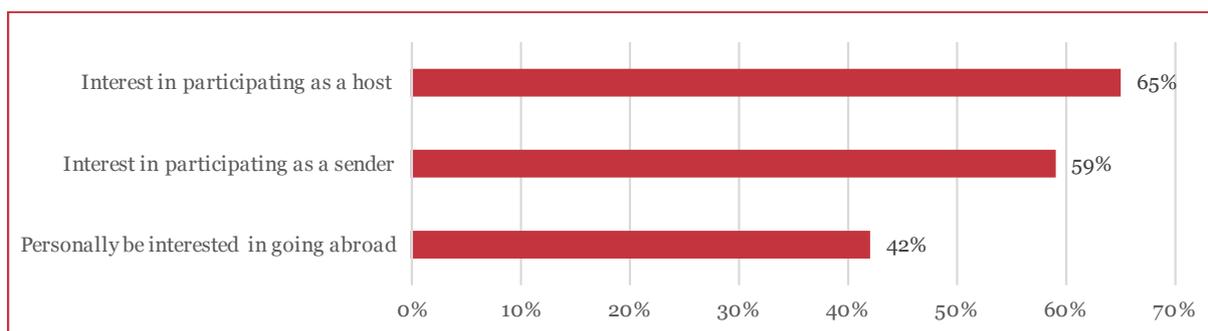
Source: Interviews with scheme managers and key stakeholders.

Considering the feedback of respondents of our SME survey, it has to be kept in mind that due to the fact that respondents themselves could choose to participate to the survey (as opposed to being selected at random), quantitatively assessing appetite for a mobility scheme among SMEs in general is not possible via this survey. The same is also true for the feedback gathered from focus groups, as companies sceptical about the feasibility of such a scheme are not likely to devote time and resources to participate in a focus group lacking interest and potential benefit to them.

That said, the interest in participating in a potential scheme is high among those who responded to the survey – and results suggest that there is a potential market for a scheme for employee secondment among enterprises in Europe. This can also be underlined with feedback from the focus groups, where participants generally considered the scheme to be attractive to them and nearly all could generally imagine to participate.

From the respondents of our SME survey, 65% could imagine participating as a host, 59% could imagine sending an employee and 42% of our respondents would personally be interested in going abroad (see Figure 4).

Figure 4 Interest in participating as host, sender or employee

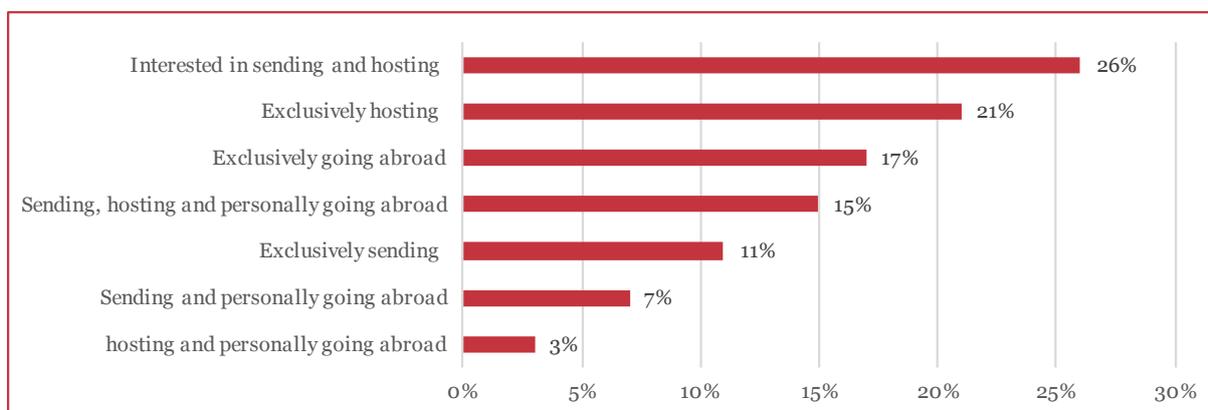


Source: SME Survey by Henningsen Consulting, several answers possible, n= 1136. Illustration Technopolis.

It is also worth mentioning that as many as 51% of the respondents of our SME survey indicated that they could be interested in participating in more than one role (see Figure 5). Of these, half see themselves as both hosting and sending (26%). One third sees themselves as hosting and sending and being mobile themselves (15%). The remaining share would like to send **or** host **and** to be seconded themselves.

A share of 21% of our respondents could imagine themselves to be exclusively hosting, a share of 17% would like to go exclusively abroad while 11% of our respondents indicated being only interested in sending employees (see also Figure 5).

Figure 5 Interest in participating in which roles



Source: SME Survey by Henningsen Consulting, several answers possible, n= 1136. Illustration Technopolis.

Focus group feedback on potential roles when participating in MobiliseSME is mixed. Many could consider to both host and send, while others saw sending to be potentially more beneficial for their company (see also benefits and obstacles discussed later on).

4.2 Characterisation of potential participants

Assessments on the ideal participants for a scheme like MobiliseSME concern the three involved parties:

- the employees as the party that is actually exchanged to have a learning effect
- the sending company having to spare the employee for a certain period of time while getting then the benefit of a more skilled/qualified employee afterwards

- the host company, benefiting from the employee during his stay and constituting also the playing ground where the employee should be able to learn something

This also means that all three parties have different expectation towards each other summing up to a picture of a potential candidate for one of these roles.

4.2.1 Characterisation of potential employees participating

In the setting of MobiliseSME, the employee is the party most intensively in contact with both the sending and the hosting company. Therefore, both the sending and the hosting company have an idea about what constitutes an ideal candidate to send.

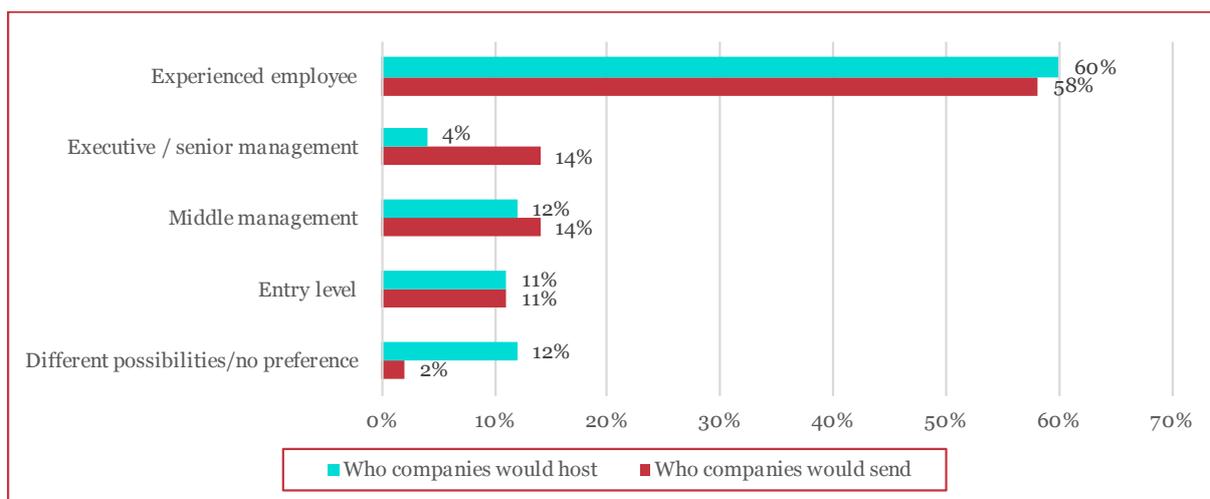
In general, we received a variety of feedback on what kind of employees are best suited to be sent. Interviews and focus groups could see benefits to send **young employees freshly started in the company as well as more experienced employees**. In a focus group in Italy for example, a scenario could be to only send young employees who are also the most active and flexibly-minded type of employees. Conversely, it would be more difficult to send already very specialised employees because these are too important for the company to let them leave (even for a limited period of time), but also, as indicated in German focus groups, they are likely to be older and have families.

When looking at the respondent data from the SME survey, it is evident that potential enterprises interested in participating in the scheme have clear expectations about the sort of employees that they would like to host. Employees which are in demand by potential hosts are **experienced, specialised and well educated**. In many cases, this is also what companies would be interested in sending.²⁶

Experienced employees (as opposed to new entrants) are demanded by a clear majority of respondents (see Figure 6). 60% of companies would want to host an experienced employee, which is also true for 58% of the companies interested in sending someone. Furthermore, 12% of hosting companies favour a middle manager and 14% could imagine sending a person on this level. The interest in hosting or sending entry level employees is overall modest. Only 11% indicate that they are interested in sending or hosting employees with entry level experience. For some categories, there is a discrepancy in willingness to send or host such a person: Only 4% of our respondents could imagine hosting an executive or a senior manager, while 14% of our respondents could imagine sending a person like that. 12% of the companies interested in hosting have no preference in regard to the level of employment of the exchanged employee. In comparison, only 2% of the companies interested in sending have no preference in this regard.

²⁶ This finding is largely based on the survey results, as feedback from interviews and focus groups on the question of the profile of employees to be sent was largely inconclusive.

Figure 6 Candidates companies would want to send and host, level of employment

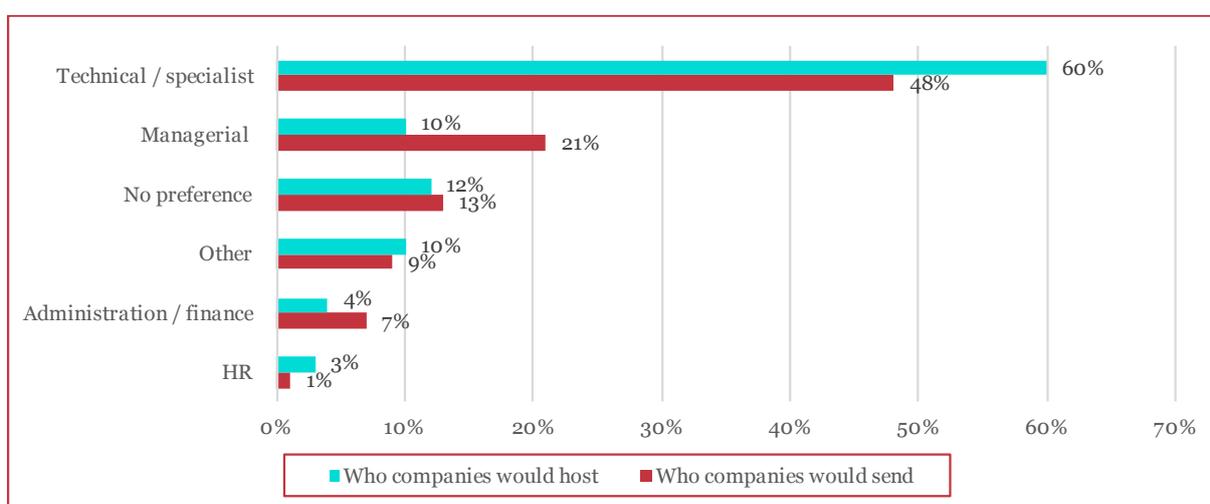


Source: SME Survey by Henningsen Consulting, several answers possible, n = 582(sending)–726(hosting). Illustration Technopolis.

Furthermore, ideal candidates to be exchanged were described to be **specialised, ideally with a technical background** (see Figure 7). More than half (60%) of survey respondents would be interested in a person with a technical/specialist background. However, less than half (48%) would be willing to send such a person. On the other hand, 21% of the companies would like to send a manager, while only 10% would be interested to host one. The high share of management/managerial staff in part reflect that a) respondents wanting to send staff are managers and b) the ones they want to send very often themselves. In total more than half of those indicating that they would be keen on sending a senior manager would in fact be keen on sending themselves. Regarding specialisation, a share of 12% of host companies and 13% of sending companies reported no preferences. Interest in hosting or sending employees with vertical skills such as HR and administration is overall modest.

This results were similar to feedback gathered from our interviews. Most of our interviewees estimated that all employment functions could benefit, some, however, specifically mentioned management, technicians or potentially human resources as specialisations that could benefit from MobiliseSME.

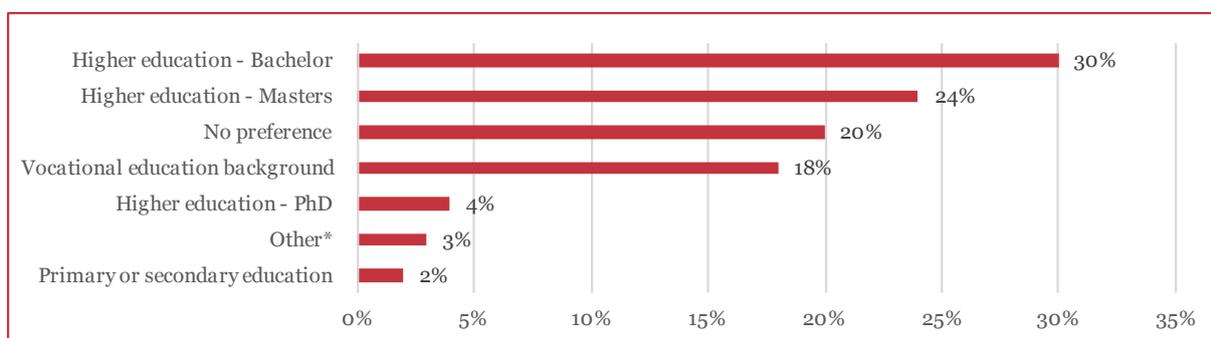
Figure 7 Candidates companies would want to send and host, specialisation



Source: SME Survey by Henningsen Consulting, several answers possible, n = 585(sending)–734(hosting). Illustration Technopolis.

Generally, enterprises willing and interested in hosting employees from other Member States/countries, are looking for **skilled staff, with a completed higher/university education** or (to a smaller extent a VET background, see Figure 8). Three out of four are looking for staff with VET or higher education background, 58% specifically for employees with higher education. Unskilled staff and staff with general secondary education are little in demand: only 2% specifically search for this category. However, 20% indicate that they have no specific preference. With regard to the inclusion of manual workers in the scheme, some of our interviewees voiced the concern that the learning purpose might be neglected in this cases, and companies might use the scheme to get cheap labour.

Figure 8 Preferences of hosting companies, level of education

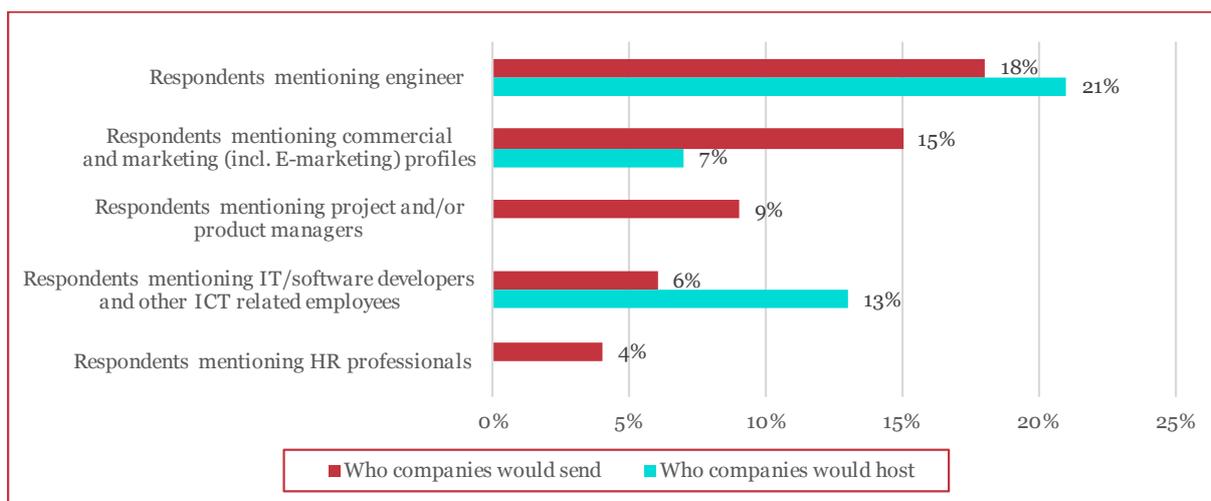


*those indicating other typically indicate a specific profession or a specialisation (VET or higher education) – reflecting the trends above

Source: SME Survey by Henningsen Consulting, several answers possible, n = 729. Illustration Technopolis.

Regarding profiles that companies interested in MobiliseSME have in mind, a majority of respondents interested in sending and those interested in hosting think about a person with an engineering background (21% of hosts and 18% of senders). For other profiles, preferences between potential sender and host companies diverge. A share of 15% of senders is interested to send somebody with a commercial or marketing profile, while only 7% of hosts would be interested in this profile. For a profile of IT specialists, it is the other way around: only 6% of senders would take this into consideration, while 13% of hosts would be interested in a person with such a profile. Potential senders would further think in 9% of the cases of a project or product manager profile, for which no interest exists on the side of potential hosts. The same is also the case for HR professionals, which another 4% of senders could imagine as an employee profile to be exchanged.

Figure 9 Profiles* preferred by potential hosts and senders



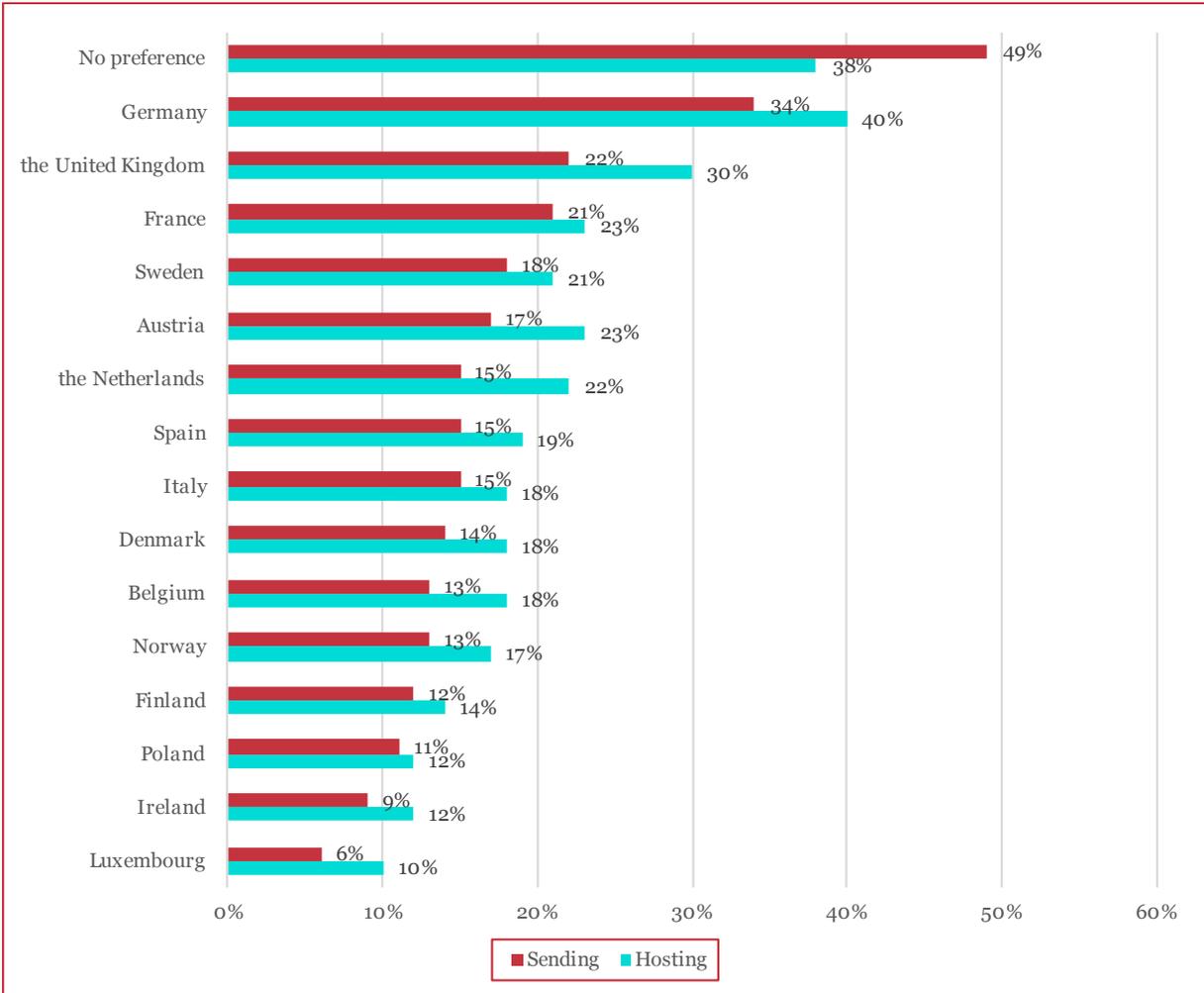
* profiles mentioned by more than 3% of respondents

Source: SME Survey by Henningsen Consulting, several answers possible, n=184(sending)–236(hosting). Illustration Technopolis.

The demand for well-skilled staff to be hosted is also reflected in language expectations. **Only very few prospective hosts (3%) have no language requirements.** 86% of potential hosts would require that the incoming employee would speak English – and most expect fluency/a good level. Where English is not required, some knowledge of the host language is. Relative fewer seek other languages. Of those seeking 3rd languages most seek employees with German and French. Also many of the Estonian enterprises look for Russian speakers. Lack of language skills is likely to represent a barrier. A least one in five of those keen on sending are unlikely to have staff with the required skills. Feedback from our qualitative interviews and focus group on this was that English or the language of the host country is a requirement for employees to participate.

Another feature discussed in the survey was the preferred country of origin of an employee. As can be seen in Figure 10, most survey respondents interested in sending (49%) and second most respondents interested in hosting (40%) indicated that they did not have a preferred country of origin. Of those who would prefer a certain country, most envisaged hosting an employee from Germany (34%) or sending an employee to Germany (40%), followed by the United Kingdom (22% of senders and 30% of hosts) and France (21% of senders and 23% of hosts). Other countries mentioned by 15% or more of our respondents wishing to send were Sweden, Austria, Spain, the Netherlands or Italy. For respondents interested in hosting, other popular countries to receive an employee from were Austria, the Netherlands, Sweden, or Spain (all over 19% or more). However, it is important to keep in mind that in this figure, a comparison of host and sender preferences is not meaningful to draw conclusions for the matching process.

Figure 10 Most wanted employee's country of origin

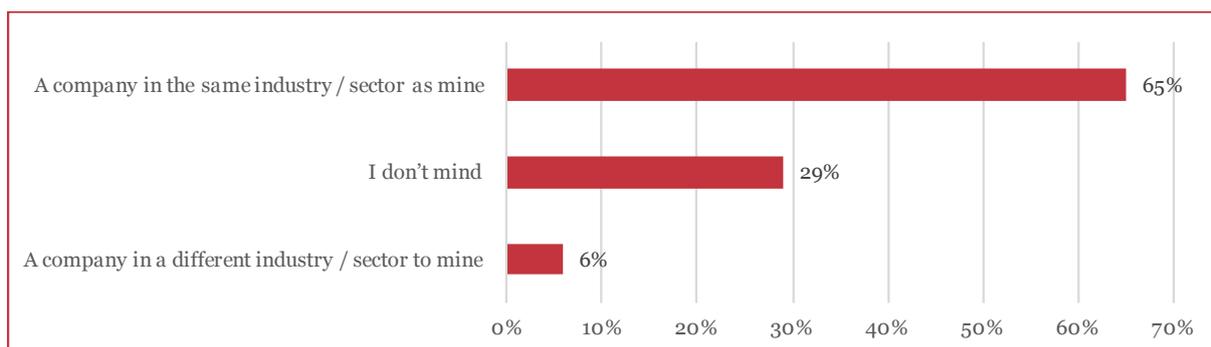


Source: SME Survey by Henningsen Consulting, several answers possible, n=570(Hosting)-626(Sending). Illustration Technopolis.

As indicated in Figure 10, most companies with any preference would either send an employee to a German company or receive an employee from a German company. However, according to the feedback from German scheme managers, due to the good economic situation in Germany, interest of German companies to participate might be small. Even though the German companies participating in our focus groups were keen on taking part in the programme, it was hard to find focus group participants in Germany. There were similar experiences also in the UK. For France, however, two focus groups with around seven participants each could be organised.

In our SME survey, we also gathered data on the preferences of potential employees participating in the scheme. Interestingly, with a share of 65%, most respondents of our survey interested in being mobile themselves would prefer to go to a company active in the same sector as the sending company (see Figure 11). Less than a third (29%) indicate no preference in this regard while only 6% preferred a company in a different industry.

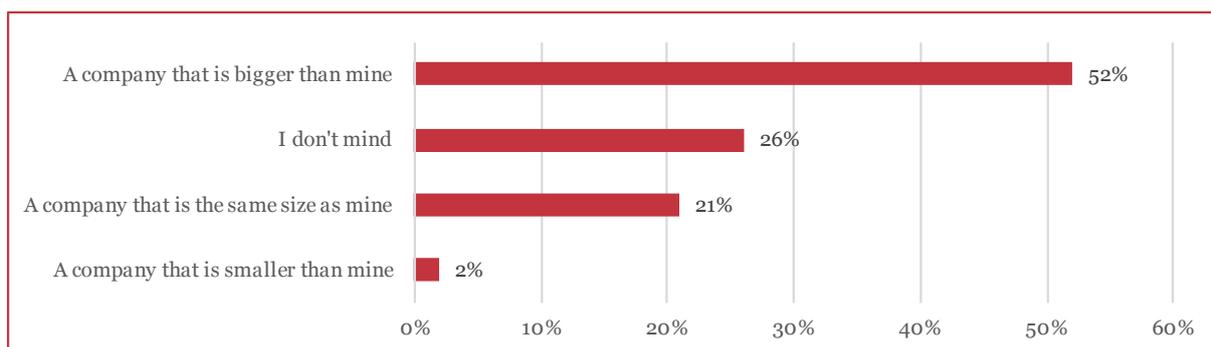
Figure 11 Preferences of potentially mobile employees regarding industry sector of host



Source: SME Survey by Henningsen Consulting, several answers possible, n=430. Illustration Technopolis.

Regarding the size of the target company, more than half of the respondents interested in an exchange would prefer to go to a company that is bigger than the sending company (see Figure 12).²⁷ A share of 26% of potentially mobile employees do not prefer any specific size of company, while another 21% would like to go to a company of the same size as the sender. Only 2% would be interested in experiencing the work at a smaller company.

Figure 12 Preferences of potentially mobile employees regarding size of host



Source: SME Survey by Henningsen Consulting, several answers possible, n=431. Illustration Technopolis.

Individuals seeking to go on secondment generally are somewhat more flexible in terms of expectations, than are prospective sending or hosting enterprises. 31% of the individuals seeking to go on secondment indicate that they would be content with any EU country. For the remaining share this is not the case. Respondents on average indicate 4.8 countries of potential interest to them. Demand is concentrated on western and northern EU Member States – with Germany, UK, Austria France, Benelux, the Nordic countries, Italy, Spain and Ireland are the most popular. Germany and the UK are by far the most wanted. 43% have specifically indicated that they would like to go to Germany – 37% mention the UK. None of the EU-13 figure in the “top 12 most wanted” list.

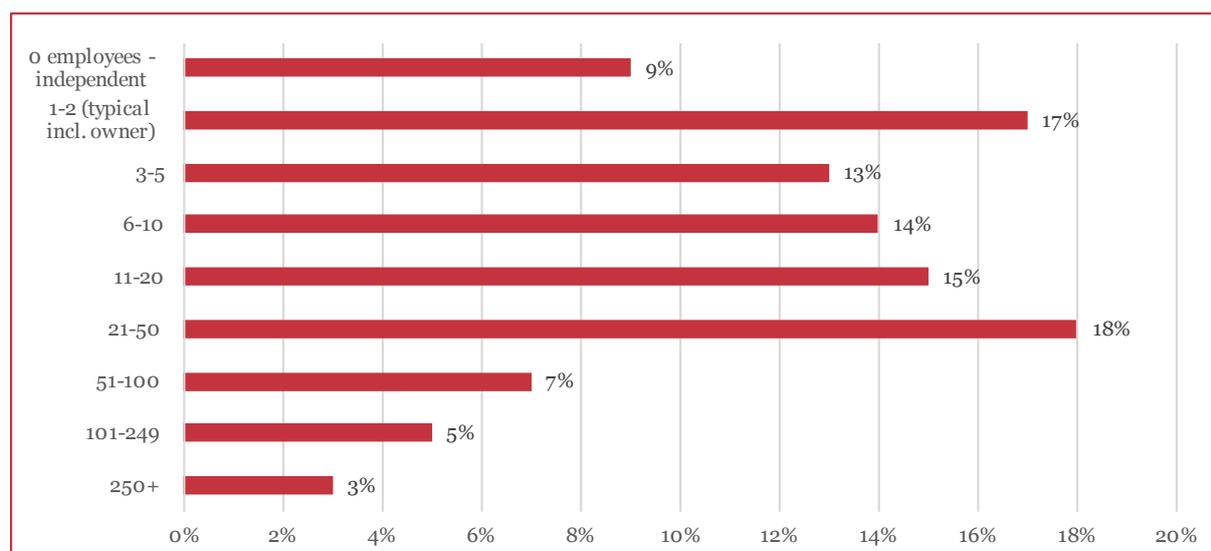
²⁷ However, it has to be kept in mind that enterprises having participated in the survey are generally of small size with 54% of the enterprises being micro enterprises (i.e. staff headcount smaller than 10).

4.2.2 Characterisation of potential companies participating

When discussing the general attractiveness of the MobiliseSME scheme in our interviews with scheme managers and stakeholders, the **first relevant factor mentioned was the size of the company**. According to the experiences of scheme managers including the local contact points of EYE and stakeholders, it is difficult to achieve an exchange for start-ups and small companies with only a few employees as they will have difficulties to replace the employee for the time of the exchange. Most often, SMEs were considered to be the ideal size, followed by middle-sized enterprises (MSEs). Some interviews specifically mentioned that micro-companies will find it hard to spare staff. Others specifically mentioned smaller and micro companies as potential target groups, as they would take away the most from the exchange, or here concerns regarding IP protection would be minimised.

Interestingly, a large number of those responding positively to the survey are micro enterprises and many are start-ups (see Figure 13). This suggests that company size and “start-up” status does not necessarily have to be an issue for potential participation. Enterprises having participated in the survey are generally small with 54% of the enterprises being micro enterprises (i.e. staff headcount smaller than 10). A share of 40% had 5 or fewer employees attached to the enterprise. 32% were small enterprises (i.e. with a headcount of 10 to 50 employees). Only 12% of the respondents represented medium size enterprises (up to 250 employees). A share of 3% of survey respondents represented large enterprises. Focus group participants were also companies of all sizes.

Figure 13 Size of companies interested to participate



Source: SME Survey by Henningsen Consulting, several answers possible, n=1130. Illustration Technopolis.

In general, small enterprises having 10+ employees – up to medium size enterprises (100 employees) are those showing most interest, and are those most certain that they would “definitely participate”. Micro enterprises are often also interested – especially those owning the enterprises – but their participation raises issues of funding (as discussed below) and replacement.

The second relevant factor mentioned in our interviews with scheme managers, EYE local contact points or other stakeholder was the **degree of internationalisation of a company**. The idea behind that was that companies already active internationally or looking to expand their business internationally are more likely to participate in MobiliseSME.

This assessment is in line with the results of our SME survey. The **stronger international attributes a respondent company has – the more interest it has in the scheme**. Interest is

particularly among companies having already business partners in other countries (48% indicating that they are definitely interested vs. 41% in the full sample); which actively engage business support in their internationalisation efforts (55% are definitely interested), and which are already familiar with EU funding programmes (53%). Those having past experience with trainees are also more frequently “definitely interested” suggesting that past experience with hosting may increase likelihood of interest. Lowest levels of interest were found among enterprise accumulating lack of growth, international and trainee experiences.

Another potential characteristic of companies interested in MobiliseSME was considered to be the **industry sector**. Interviews with local contact points of Erasmus for Young Entrepreneurs, with Enterprise Europe Network coordinators, or with key stakeholders, were mostly inconclusive regarding sectors potentially of interest. Many interviewees mentioned the ICT sector to be a potential candidate, as there, work can be organised flexibly in terms of location. However, other interviewees considered this to be the exact reason why MobiliseSME would not be attractive to companies in this sector. Many interviewees stated that MobiliseSME could be of interest to companies of all sectors. Other sectors mentioned specifically were Tourism, Creative Industries, (Online)Gaming, Construction, Food or Health.

This is also in line with the findings from our SME survey. Strongest interest was found among enterprises in the creative, educational and artistic areas, but interest is generally strong across most sectors. Food production was the main exception.

As indicated already when discussing the potential attractiveness of the scheme with regard to participating employees, it can be assumed that there will be some geographical differences in the attractiveness of the scheme. Feedback from German interviewees suggests for example that at the moment, German companies are not likely to be very interested in MobiliseSME due to the good economic situation. This is also underlined by the findings of the SME survey. **Interested companies are more frequently found in the newer Member States (or candidates)** than in the “old” EU-15. Interest is strongest among Turkish, Bulgarian and Romanian respondent companies. Estonia is, however, an important exception (24% of the respondents located in Estonia indicated that the scheme would not be of interest, which is higher than any other country).

4.3 Motivations and potential benefits

According to our SME survey, the **main perceived benefit of a potential secondment system is – by far – that of learning**. In this respect, data appear to suggest that, a secondment scheme potentially may contribute significantly to learning within the host organisation - subject to the right match.

Respondents – prospective hosts, senders and employees - were asked to indicate important potential benefits which they would think to gain from a secondment scheme. Generally, respondents point to several benefits.

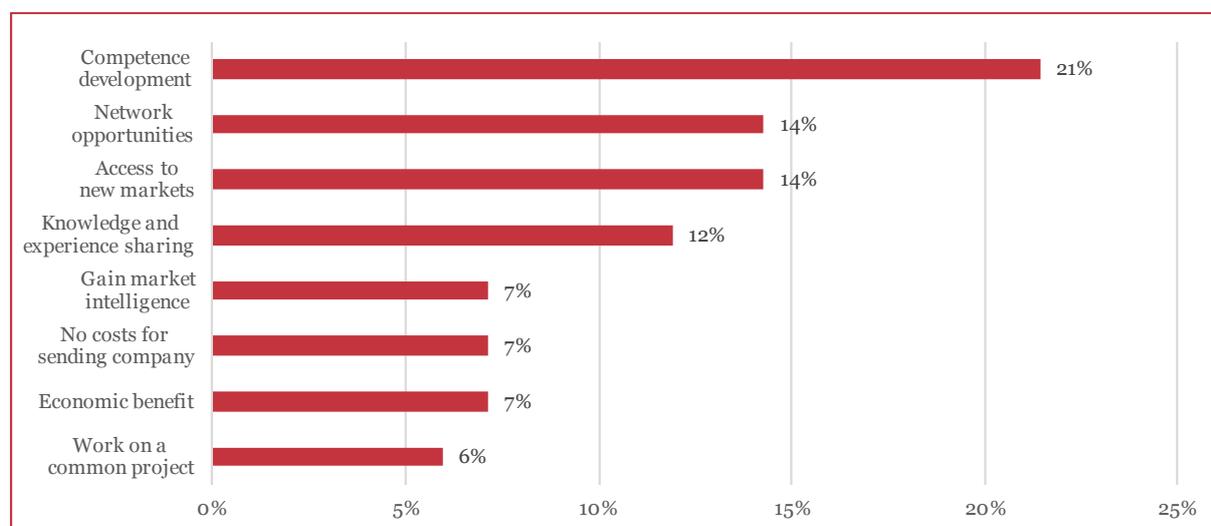
In terms of importance however, skills and competence development-related benefits are those most frequently mentioned by potential sender and host enterprises – and those seen as being most important in terms of weight. Another set of important benefits relates to internationalisation opportunities i.e. new international contacts; business development in country of the host, and new market intelligence. Development of host and sender relationships is less mentioned.

As for individuals’ skills and competence development in the core business area is likewise important. However, for this group expectations are also closely related to “getting new inspiration” and development of personal skills (e.g. language abilities, new professional network, working in a different cultural environment, discovering a new culture etc.).

The fact that all respondents point towards learning benefits as the main reasons for participating in MobiliseSME appears to support the hypothesis that a secondment/one-way exchange programme can support learning and development of employees and enterprises alike.

The survey feedback is supported by our interviews with scheme managers, Enterprise Europe Network coordinators and key stakeholders. The benefit most often mentioned by our interviewees was the development of competences of the sent employee (see Figure 14). Both for the employee and the companies, networking and new contacts were mentioned as a benefit, as well as the sharing of knowledge and experiences. For companies, benefits stated were access to new markets or market intelligence or economic benefits. Some interviewees considered it beneficial that the sending company does not have additional costs.

Figure 14 Interviewees on likely benefits of MobiliseSME



Source: Interviews with key stakeholders, n=84.

Qualitative interview feedback suggests that “*Exchange of experiences would be the main driver*”, and “*likely drivers include organisation level learning for both, sending and hosting*”. Network opportunities would lead to “*new and better business relations*”, “*establishing relationships*” or for sending and hosting company, “*learning about their respective markets if they think about international expansion in this direction*”. Additionally, there was the mention that mobility contributes in general to the innovativeness of companies. A participant of a focus group in Turkey, for example, described his motivation in the following way:

“We have nearly 200 employees in our company. Our major concern is quality assurance of our end-products. We would very much like to send some of our engineers to gain skills in that area. We believe that 3-6 weeks of visits as trainees or for internship will be enough to improve our quality control processes. We would also welcome foreign staff to visit us to exchange knowledge about production processes.”

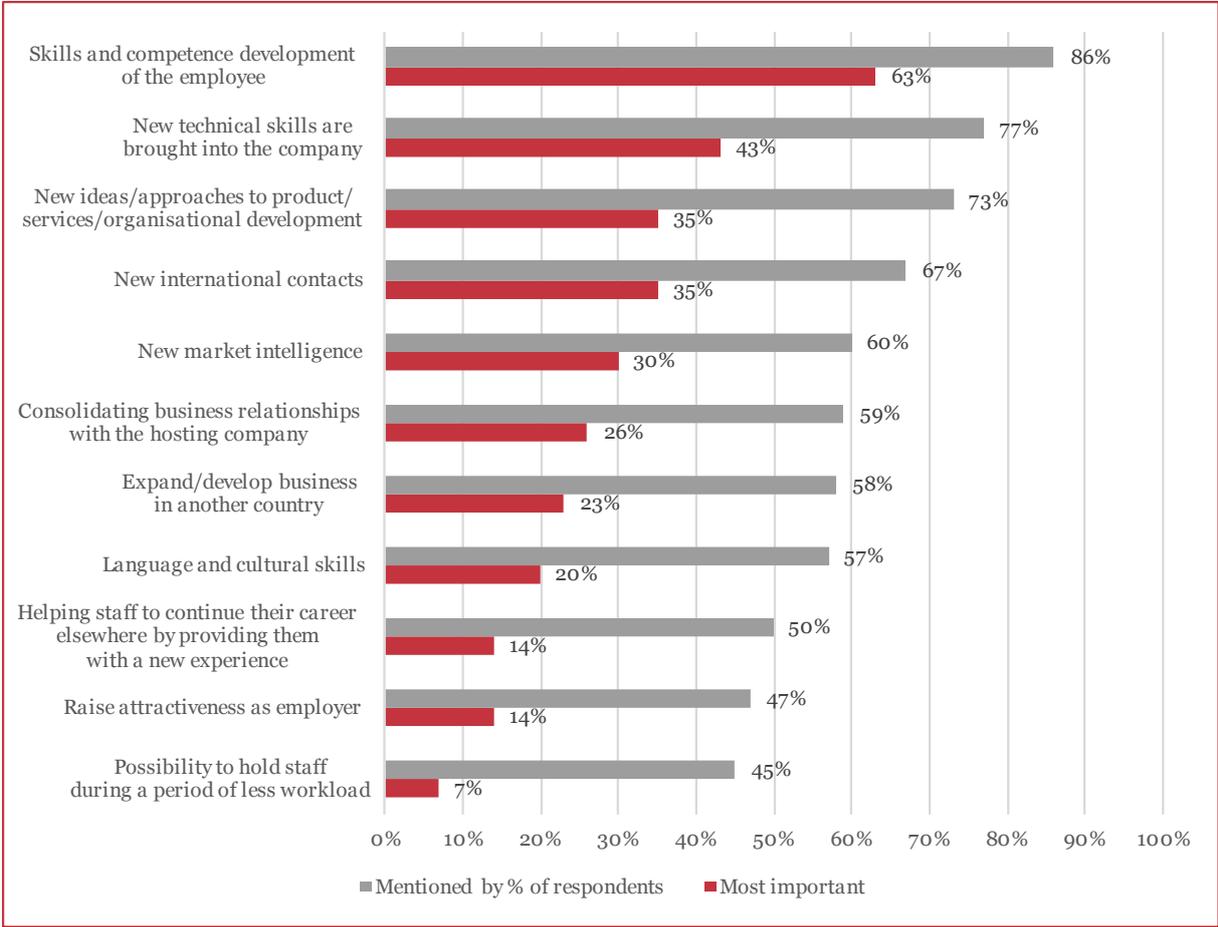
4.3.1 Motivations and potential benefits for employees and sending companies

As already indicated in the section above, the most important motivation and benefits expected for employees was in general learning and competence development. This is also the expectation of companies interested in sending their employee (see Figure 15): The development of skills and competences is the one benefit mentioned not only by most respondents as the most important one

(63%), but also the one benefit mentioned by most of the respondents overall (86%).²⁸ Learning results were imagined to be more technical skills, ideas about products, services or organisational aspects, but also language or cultural skills. Apart from learning, companies expect employees to make new international contacts or gather market intelligence.

Successively, the employee is then expected to transfer this learning results to the sending company. A share of 77% of companies expect to be introduced to new technical skills this way, which is considered by 43% to be the most important benefit of the exchange. Another 73% of senders considers new ideas/approaches to product/services or organisational development to be a benefit of the scheme, with a share of 35% prioritising this benefit. Further company benefits were the consolidation of business relationship with the hosting company (59% overall, 26% first priority) and the possibility to expand or develop business in another country (58% overall, 23% first priority). Other benefits seen by senders were the opportunity to raise the company’s attractiveness as an employer or the possibility to bridge a period with a smaller workload with a mobility exchange.

Figure 15 Potential benefits of sending an employee to another company



Source: SME Survey by Henningsen Consulting, ranking of up to three answers. Illustration Technopolis.

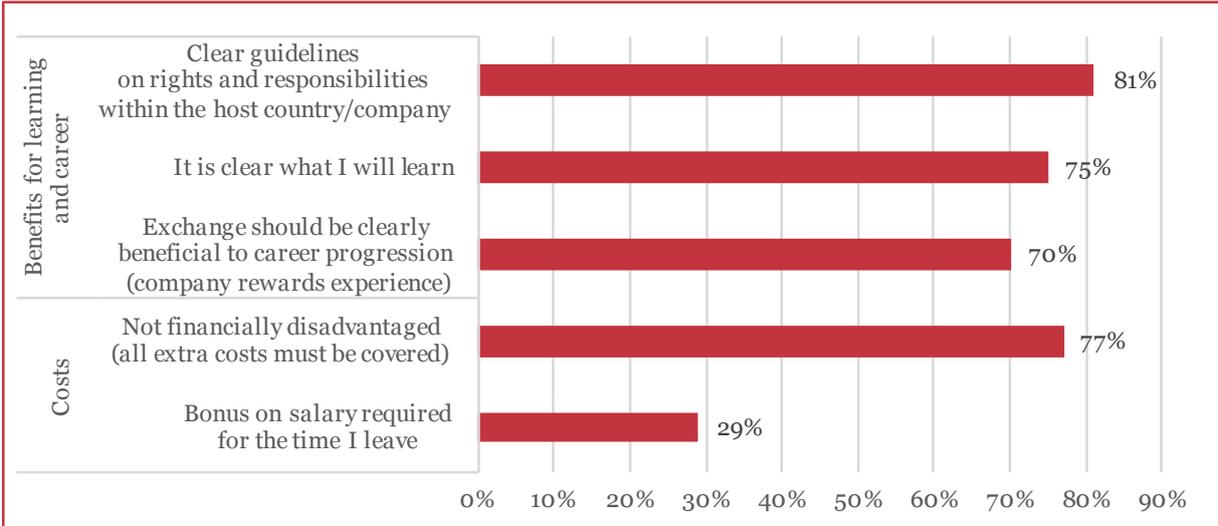
²⁸ Respondents were asked to provide and rank up to three potential benefits of the scheme.

Focus group feedback from Germany further states that possible benefits for sent employees would be **knowledge of the business culture and working culture** in the host country and **knowledge of language of the host country**. Belgian participants highlighted the benefit of raising the company’s attractiveness for employees as an advantage when competing for talent. One participant considered the programme to be very attractive for employees and to be a way to “revive the relationship between a company and its employee with a new experience apart from day-to-day business”. In focus groups in Germany and Poland, companies could see more benefits for the role of sending somebody than for companies hosting, as participants emphasised more the benefits of sending and then getting back a better qualified employee after the exchange.

As potential senders see the main benefit in terms of competence development of the employee to be sent, it is a prerequisite that the host has expertise from which the employee can learn.

In the SME survey, we asked what conditions would need to be in place in order for respondents to participate. The provided answers allow for some conclusions also regarding benefits expected by employees, as employees would like to have a clear vision on rights and responsibilities during the stay (81%) and of the learning to be achieved (75%), together with the expectation that the exchange will be beneficial to their career (70%). Only a share of 29% asks for a salary bonus for the time of the exchange (see Figure 16).

Figure 16 Expected benefits by potentially mobile employees



Source: SME Survey by Henningsen Consulting, n=404. Illustration Technopolis.

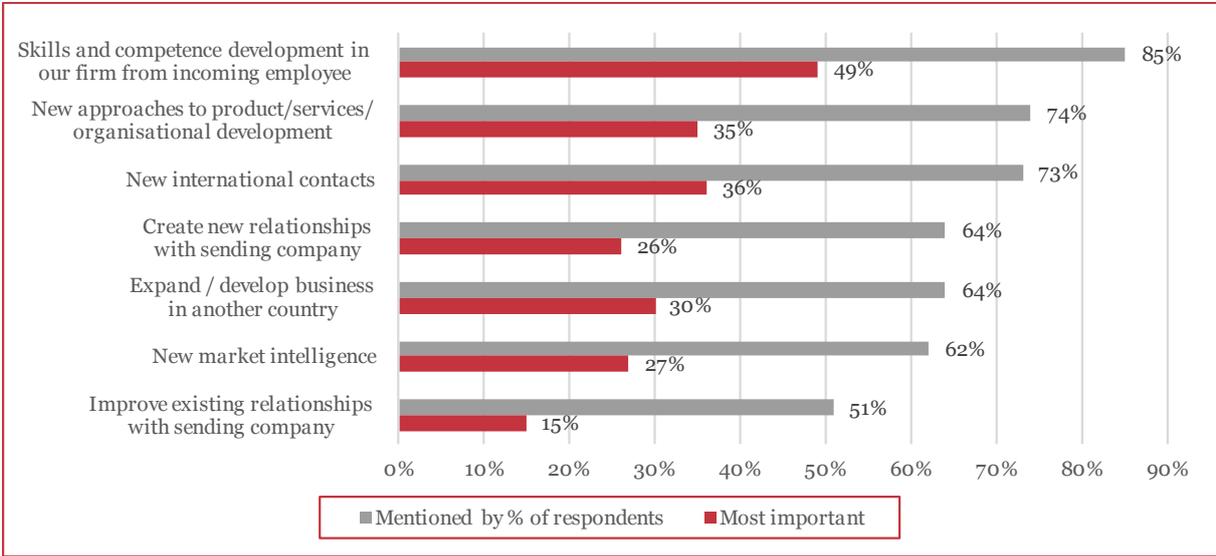
4.3.2 Motivations and potential benefits for hosting companies

Regarding benefits for the host company, the SMEs give the overall impression that here, too, learning is the main idea, this time on side of the host company. However, feedback on potential benefits on hosting is mixed.

In general, most respondents indicated the main benefits for hosting to be skills and competence development in the host company with a share of 85%. This was also considered to be the most important benefit by 49% of respondents. The benefits of new approaches to product, services or organisational development, international contacts and new international contacts, were mentioned by 74% and 73% of all respondents, and considered the most important benefits by 35% respectively 36% of respondents. Nearly two third of respondents also mentioned to create new relationships with the sending company (64%), expand or develop business in another country (64%) and to gain new market intelligence (62%) as potential benefits. Those benefits were considered important by between

26% and 30% of our respondents. Finally, 51% of companies considered the improvement of existing relationships with the sending company to be beneficial.

Figure 17 Potential benefits of hosting an employee from another company



Source: SME Survey by Henningsen Consulting, ranking of up to three answers. Illustration Technopolis.

In our focus groups, the learning of the host through the employee, both in terms of skills and competences brought, and with regard to business culture and general mentality of the country of origin, were considered to be important benefits. Also, focus group participants pointed out that for host companies, it would be beneficial if the sent employee would also be able to become productive quickly, and by this, to assist already in the day-to-day business of the host, during which then the learning would take place on all sides. Furthermore, Estonian SMEs were of the opinion that an international employee could bring a new spirit to the host company, boosting motivation of all employees. From Hungary, potential benefits for hosting companies were also described to be an increased internationalisation at home, through learning from the foreign colleague about their values and work ethics, different ways of thinking and approaching problems, the use of a foreign language in itself, but also showcasing, showing that there are many good ideas in Hungary, and promote the Hungarian SME. A focus group participant from Turkey exemplified how host companies can possibly benefit:

“Learning is bidirectional. A highly decorated engineer that we sent to a 102 years-old German firm found a flaw in their production process, which was being used for a long time. We should also consider hosting qualified professionals rather than just sending our staff.”

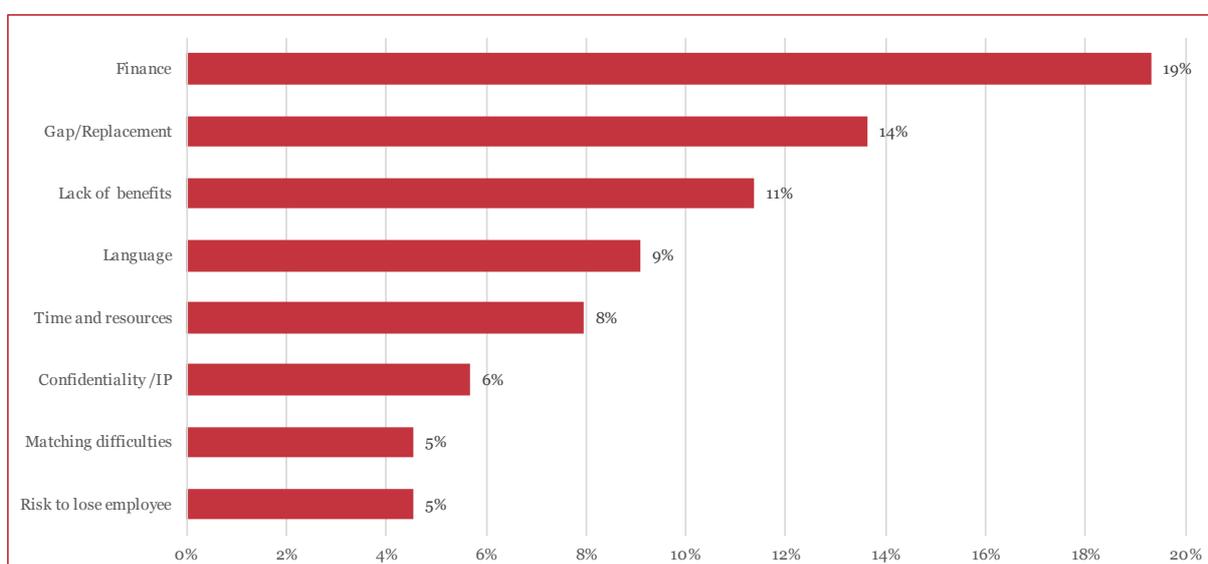
Furthermore, a focus group participant in Spain pointed out how a potential benefit of one company can add to potential barriers of other companies. The participant stated that the host company would use the programme also to spot talent, since the hosted employee might be an interesting asset for them. Other assessments from Romania indicated, however, that without being paid for the role of a host, participants could not envisage many benefits for the hosting company.

4.4 Barriers and potential complications

Overall, barriers and obstacles to prevent participation in MobiliseSME regard mostly potential difficulties generated by the gap left by the employee, or difficulties to replace him or her. Host companies that are actually getting an employee mostly fear costs and administrative burden, but also, costs and efforts for integrating a new employee in the host company. Employees, lastly, might be prevented from participating by ties to the family, or language barriers.

According to our interviews, the main obstacles to the successful launch of a mobility scheme include financial barriers, which was mentioned by 19%, the gap/replacement of the mobile employee (14%), lack of perceived benefits (11%), language barriers (9%) or time and resource constraints (8%). A few interviewees expressed confidentiality or IP issues, matching difficulties or risk of losing the employee to the host company (see Figure 18).

Figure 18 Potential obstacles mentioned by interviewees



Source: Interviews with key stakeholders, n=88.

Regarding the company size and obstacles connected to that, interviewees assessed that *“the majority of SMEs is not able to do without the mobile employee for a certain period of time or may not be willing to”*. In the experiences of another interviewee, *“the biggest obstacle is weakly defined benefits – companies should be made aware of what they could gain by participating in the project”*.

Regarding the financial aspect, one interviewees further stated:

“The major obstacle is the financial aspect – it will depend on the new scheme (programme) whether it would mean or not a burden to the participating companies. For example, it would be good if the programme would cover costs like the costs of accommodation, travel and the insurance.”

According to our survey, perceived barriers to hosting and sending differ somewhat, with potential sending companies on average perceiving more risks than those hosting. The main concern of potential sending companies is the gap left by the employee – and the difficulties replacing the employee during the secondment (more than one in three see this as a significant risk). There are also quite frequently concerns about the risk of losing an employee. Beyond the gap left, cost concerns

dominate, both for sender (salary cost of the mobile employee and replacement costs) and for hosts (integration and teaching of mobile employee). Motivation, IP and concerns of learning benefits (i.e. that the employee would not learn anything) are generally not key concerns for potential senders. They are more frequently concerns of the prospective hosts.

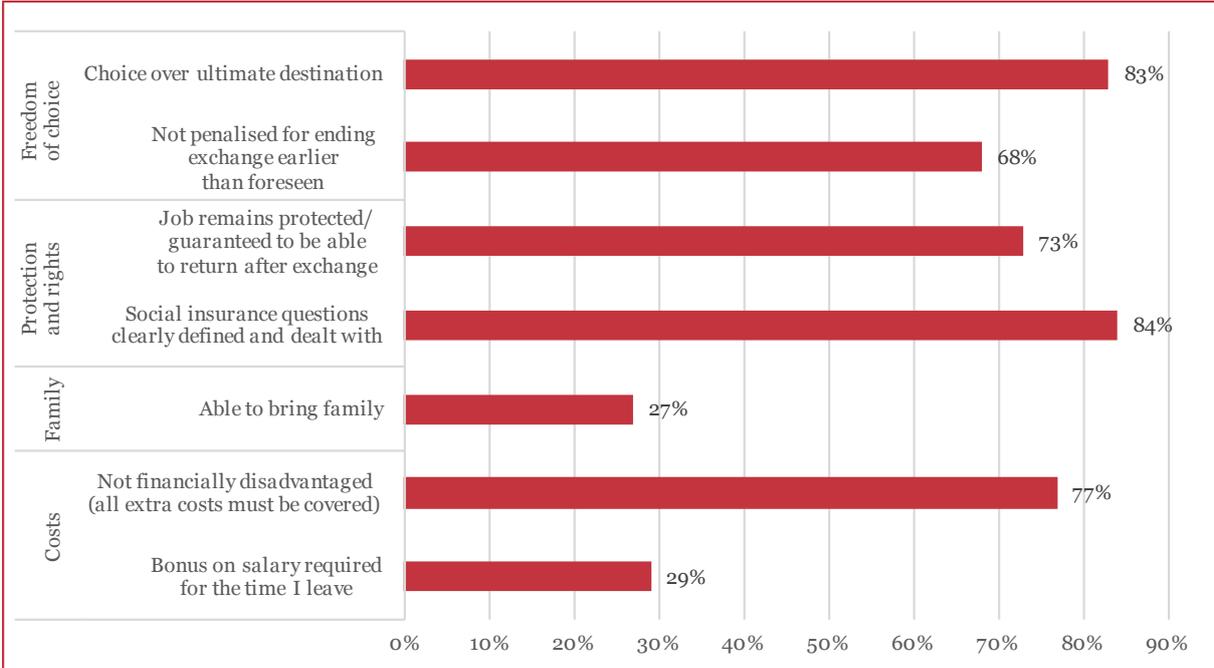
Generally speaking, those not interested in a scheme indicate similar obstacles than those being positive towards the scheme – but the scale of perceived obstacles is much higher. Gaps left by the employee abroad, together with potential costs, explain to a large extent why enterprises have indicated that they would not be interested in the scheme. For “sceptical” companies moreover, benefits are far from clear. In a clear majority, the companies which have indicated that they are not interested in the scheme cannot see what sort of benefit a scheme would bring to their company and their employees – if sending or receiving.

4.4.1 Barriers and potential complications for employees and sending companies

According both to focus group feedback and qualitative interviews, the potential mobile employee might also face some obstacles. Most importantly, more senior employees already having a family are indicated as less likely to be willing to participate. According to participants of a focus group in Germany, the younger the employee to be exchanged the better. In an earlier life phase, at least in Germany, employees are more flexible. Also, language skills were seen as a potential issue, especially, as for traditional SMEs in the manufacturing industry, employees with language skills are mostly middle managers, who might be more difficult to integrate in another company for the time of an exchange.

According to our SME survey, only a share of 27% of respondents interested in going abroad themselves considered it important to be able to bring their families (see Figure 19). However, employees did consider it important that all social insurance questions are defined and dealt with (84%), that they have the last say in the choice of the destination (83%), that they are not financially disadvantaged, that they need not to cover extra costs during the exchange (77%) and also that their job at the sending company remains protected (73%).

Figure 19 Expected barriers by potentially mobile employees

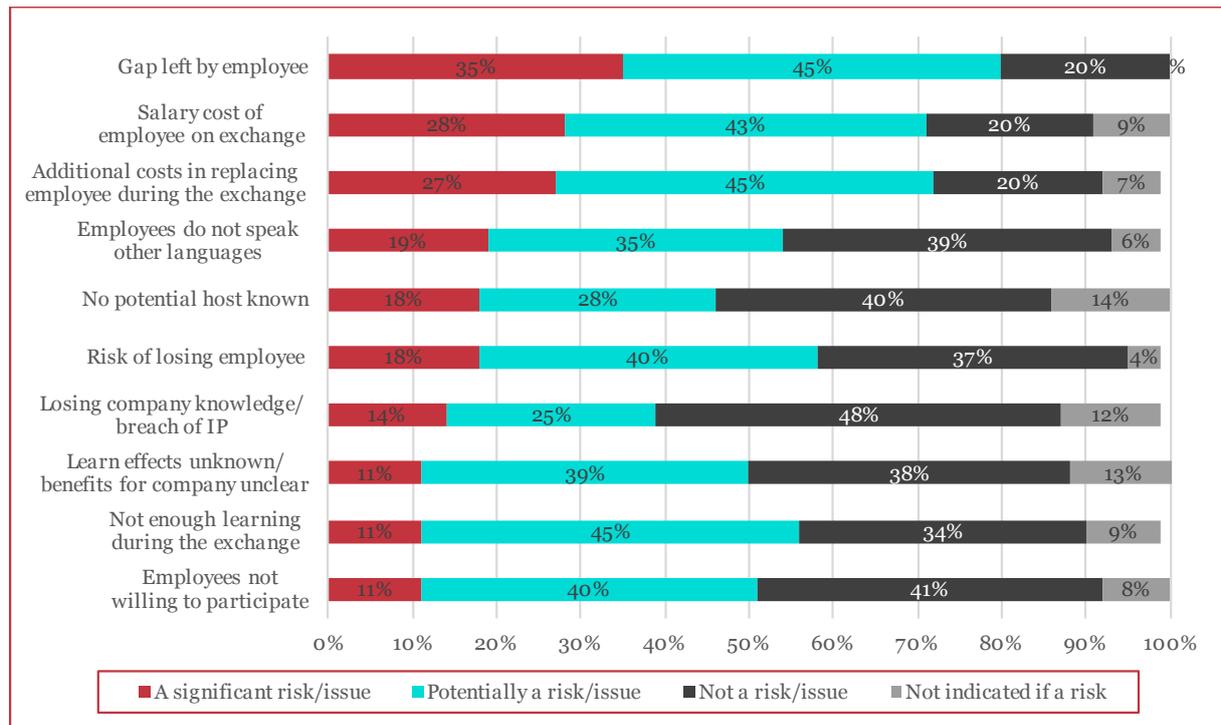


Source: SME Survey by Henningsen Consulting, n=404. Illustration Technopolis.

According to our survey, for enterprises keen on sending, the biggest challenge is the gap left by the employee – and the difficulties replacing the employee during the secondment. A share of 35% sees this as a significant risk, a further 45% as a potential risk (see Figure 20). Beyond the gap left, cost concerns dominate. These costs relate both to salary cost of the mobile employee and replacement costs (28 %and 27% respectively see salary costs as a significant issue/obstacle to implementation). There are also quite frequently concerns about the risk of losing an employee (18% see this as a significant risk, 40% as a potential risk). Motivation, IP, and concerns of learning benefits (i.e. that the employee would not learn anything) are generally not key concerns for potential senders.

In contrast, lack of language skills is likely to represent a real barrier. As outlined below, prospective hosts have high expectations about potential seconded language skills. However, judging the survey results, at least one in five of those keen on sending may not have staff with the required skills. In practice this issue may be even bigger – as most hosts actually expect fluency in English (in addition often to other languages). Focus group feedback also underlines language, but also possible reservations on employees’ side as a potential barrier.

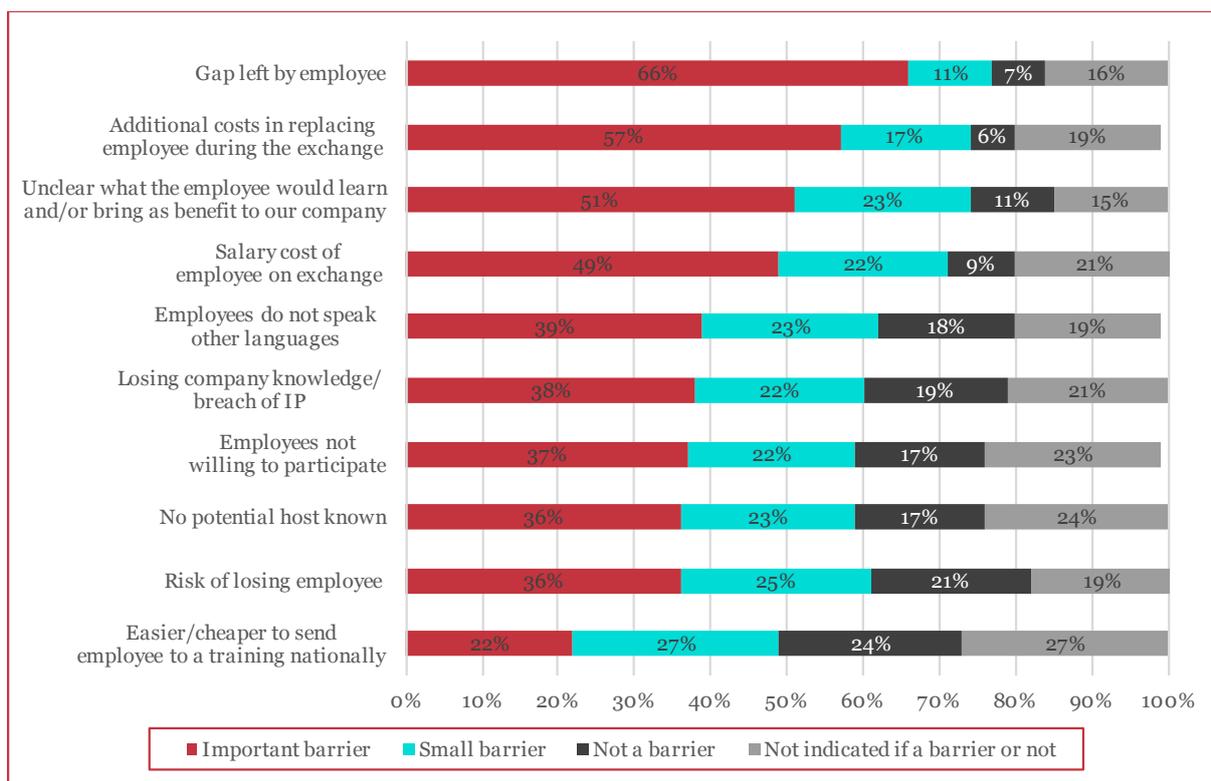
Figure 20 Risks/barriers to sending an employee



Source: SME Survey by Henningsen Consulting, n=404. Illustration Technopolis.

In our SME survey, some respondents who were not willing to participate provided us with their perspective on barriers. In general, this feedback is similar to that of the companies interested in participating. However, according to companies not willing to participate, the programme also lacks a clear benefit for companies as it is not clear what the employee would actually learn (Figure 21). This was expressed by 51% of the respondents as an important barrier, and by a further 11% as a small barrier.

Figure 21 Risks/barriers to sending an employee by companies not willing to participate



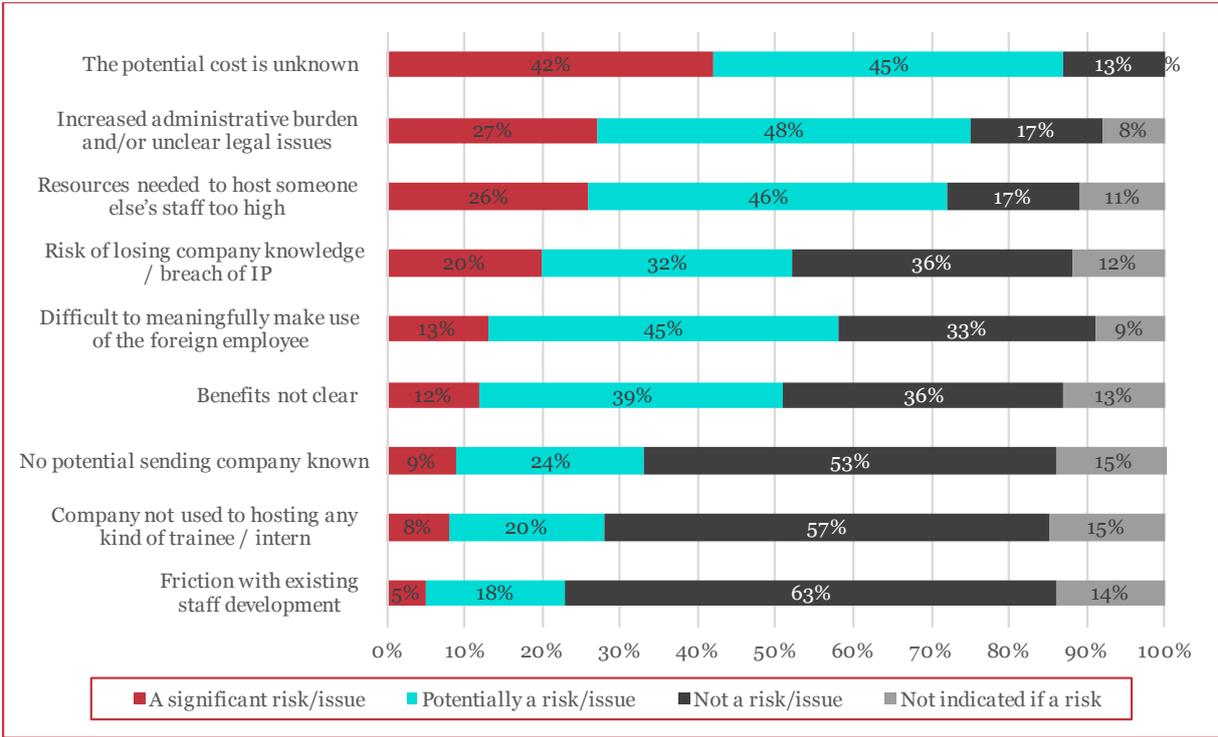
Source: SME Survey by Henningsen Consulting, n=404. Illustration Technopolis.

4.4.2 Barriers and potential complications for hosting companies

According to our focus groups and qualitative interviews, in general, host companies might have a more difficult role to play in the exchange scheme. Even though they do not have any costs, focus group participants saw them as having most of the effort, as they will need to integrate the sent employee into the company and dedicate resources and efforts to his/her learning experiences, while afterwards, another company actually benefits from the things taught. Especially EYE local contact points pointed out, against the backdrop of their experiences within the EYE mobility scheme, that finding host companies can be challenging.

According to our survey among SMEs, the main perceived risks of hosting are associated with potential costs and administrative burden. Cost concerns – direct and indirect costs - are the most frequently mentioned issues with a share of 42% respondents (see Figure 22). Another 27% of our respondents perceive the risk of an increased administrative burden to be a potential issue, which was also often mentioned in various of our focus groups. Furthermore, a share of 26% mention indirect cost associated with hosting. Administrative considerations and burden represent the second most frequently mention key risk. Clearly defining a framework will be necessary, outlining responsibilities and ensuring comprehensive support by MobiliseSME partners are actions which are most likely to help address such issues. IP/losing company knowledge is not perceived as a core risk among most respondents. Fewer than one in six has concerns about unclear benefits and/or concerns about how to make use of the foreign employee in a meaningful way.

Figure 22 Risks/barriers to hosting an employee

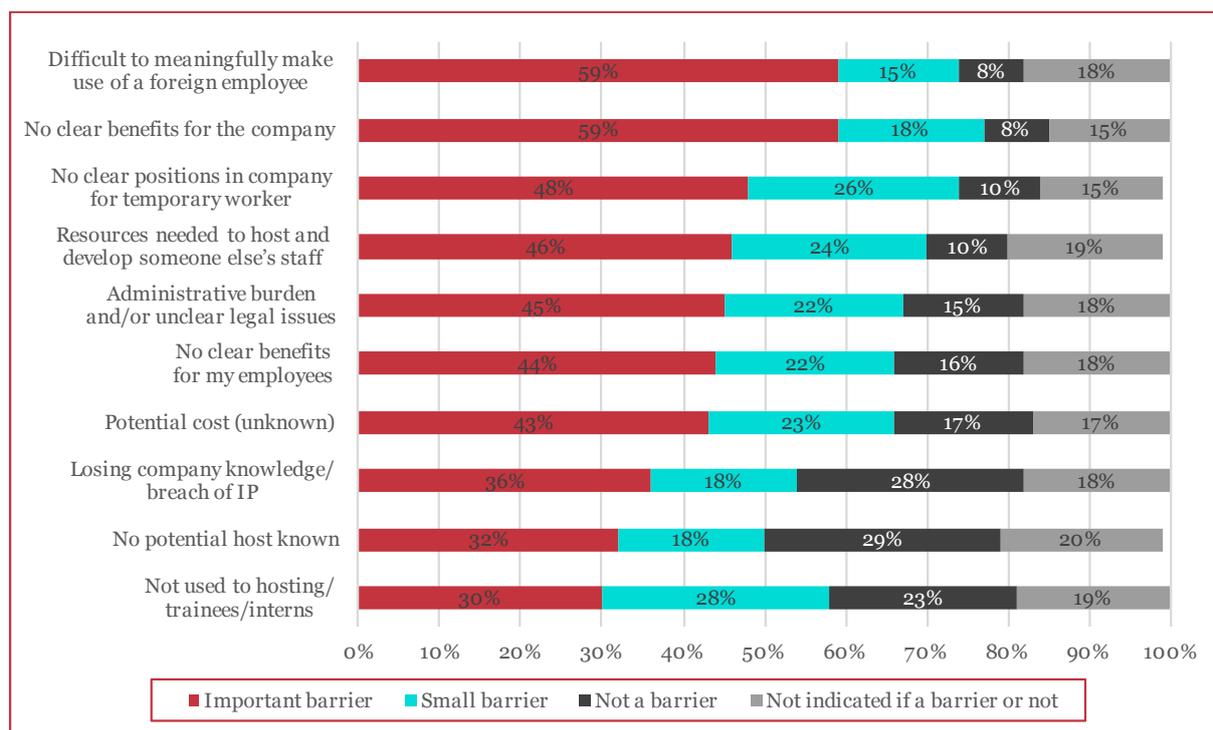


Source: SME Survey by Henningsen Consulting, n=404. Illustration Technopolis.

As for risks and barriers regarding sending an employee, we also gathered survey data on risks expressed by those companies not interested in participating and in regard to the role as a host. Companies not interested saw two main barriers for potential hosts. First, many found it most difficult to imagine a way to make use of a foreign employee in a meaningful way, which was described as an important barrier by 59% of respondents (see Figure 23). Second, for just as many respondents, there were no clear benefits for the hosting company visible.

Slightly less than half of respondents not interested in participating also had trouble imagining clear positions in companies for temporary workers, which was also the case for the concern regarding resources needed to host and develop the exchanged employee. Fears of administrative burdens and no clear benefit for the exchanged employee were other issues raised by companies unwilling to take part in MobiliseSME.

Figure 23 Risks/barriers to hosting an employee by companies not willing to participate



Source: SME Survey by Henningsen Consulting, n=404. Illustration Technopolis.

4.5 Implications on matching

According both to experience from other scheme managers and the assessment of focus group participants, the importance of a good matching of hosting and sending company cannot be overemphasised. In the best case scenario, a matching platform providing interesting candidates for cross-border cooperation could be beneficial not only within the mobility scheme, but beyond it. As a focus group participant put it, the matching platform could become as popular and valuable as the dating app Tinder, but for SMEs, where companies could find possible partners to cooperate with in the future and also beyond one or several exchanges. However, in the worst case scenario, a matching platform generating matches of low use to the companies might severely reduce the attractiveness and popularity of MobiliseSME. According to scheme manager feedback, the existing matching platform of, for example EYE, often makes manual matches necessary to provide good results.

In our Spanish focus group, some explicit suggestions regarding matchmaking were made. In terms of the matchmaking process, all participants believe that an online platform was the best mechanism to find the right partner. They suggested that ideally it would a platform in which companies can clearly state two different aspects.

- Those processes, methods, technologies or managerial practices in which they are especially good at, and
- Those aspects in which they would like to get some training
- A contact person/email

The participants agree that both companies and individual workers should be able to register, and workers could state their skills and their areas in which they would like to be further trained or to specialise. The platform should allow to look for companies to go to, and candidate's profiles once registered, and also to send the interest to a specific partner. If the interest is reciprocal, then direct contact should be made between the two parties for further discussion. If an agreement is made, then a

proposal should be sent to a coordinating party (the European Commission/a national agency) to evaluate the proposal.

Another issue raised in one of our Hungary focus groups was that of quality assurance, which could be potentially eased by the possibility of a rating system of the companies based on the hosting/sending experience of participants, as implemented in platforms like TripAdvisor (however, ratings would also need to be quality checked).

The survey data presented so far also show some implications on matching possibilities within MobiliseSME. First, regarding the taste of companies for experienced, specialised and well-educated employees, this concentration of demand may to some extent be seen as positive (as allowing for concentrated promotion of the scheme). However, the nature of demand and offer also raises some challenges:

- While there is in some areas a good level of match between the type of employees that hosts would like to receive, and what who enterprises would like to send, the match is far from perfect
- There is generally a good match between the demand for and the offer for experienced and specialised employees. However, many potential senders, and many workers desiring to go abroad, are in management positions. Likewise, many are keen to send project and product managers. The demand for managers however, appears more modest
- There is a good match for some profiles – for others less. Generally, quite good matches could be expected as it is, as 41% of the respondents have indicated that they could envisage both hosting and sending. The good match which can be seen for engineers illustrates this. More than 50% of those having indicated that they would like to send engineers have also indicated that they would like to host one – driving up the share of engineers in both categories
- For a number of profiles, there appears to be a more uneven match. ICT professionals are in demand. There is an offer but it appears much smaller than the demand. The opposite appears true for commercial/marketing professionals. Some professions (architects, logistics, various VET profiles) appear to have a limited match
- The main groups in demand for the mobility scheme are among the most in-demand groups in the EU labour market in general. According to a recent EU study²⁹ science and engineering professionals and information and communications technology professionals compose two out of the three top bottleneck occupations in Europe (i.e. occupations where employers have problems finding and hiring staff to meet their needs). As employers have difficulties recruiting in these areas they may be less likely to second these employees, as temporary replacement is likely to be challenging and costly – if at all possible. In a market where there is more demand than offer, concerns about losing employees permanently may also be more prevalent

The fact that most potential hosts largely are interested in hosting experienced employees with technical skills – as opposed to generic and easier transferable skills (HR, administration, project management skills etc.) – also has other implications.

Assumingly, it will not be sufficient to meet a requirement for an engineer or a similar requirement. There are likely to be expectations for an engineer working in a specific domain with a relevant CV if the hosting enterprise is to benefit from a learning experience. This is likely to imply that that quite some support will be needed in the matching process. The demand for high quality matching is also

²⁹ Ramboel (2014) Mapping and Analysing Bottleneck Vacancies in EU Labour Markets, study undertaken for the European Commission

https://www.google.it/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=oahUKEwj7hfqAzv_OAhWsB8AKHRDXAMwQFggcMAA&url=https%3A%2F%2Fec.europa.eu%2Ffeures%2FdownloadSectionFile.do%3FfileId%3D8010&usg=AFQjCNF2xKWtgCkjpOD7uBNmy4U38YA4yA&sig2=W7aojUy6uRr9I5KfuMQbQ&bvm=bv.131783435.d.d24

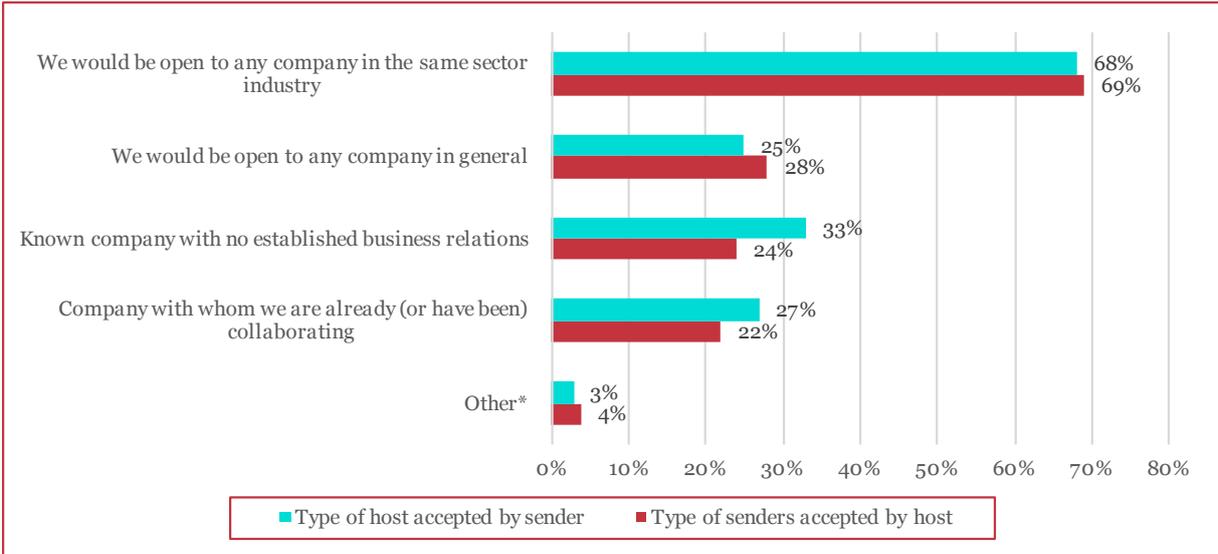
likely to come from the sending enterprise – especially if the employee to be sent is already in demand in the labour market.

Finally, there are a number of instances where those in demand are unlikely to be on offer – and vice versa. Illustratively, there is interest from some sending enterprises to send their trainees, but there appears no demand. On the other hand, there is quite some demand for various sorts of occupations which are usually provided as consultancy services for a fee. Illustrative examples of such professions include “bid writers”; “IT consultants”; “SAP Consultant”; “accountants”; “business advisors” and other consultancy functions. In such cases, it is highly unlikely that an employer would second his or her staff “for free”. Indeed, this would run counter the very principle of the consultancy service model. Therefore, only the self-employed would be likely to volunteer for this sort of secondment.

All of the above aspects highlight the need to carefully design the matching process. It would be particularly important that the system to register potential hosts ensures that the potential benefits of a hosting company (to the sender and the employee) is spelled out in quite some detail, highlighting the potential (learning or other) benefits. This would ideally go in pair with definitions of the type of tasks and availability that the host may expect from the employee during secondment.

Furthermore, matching will need to be done with companies in the same industry. The bulk of both sending and hosting enterprises would only be interested in exchanging with an enterprise from the same sector (see the following Figure 24).

Figure 24 Opinions on cross-sectorial exchanges by potential hosts and sender



* Other largely refers to highly specialised enterprises – working in areas such rental of construction equipment; recycling; software development enterprises etc.

Source: SME Survey by Henningsen Consulting, n= 585. Illustration Technopolis.

As can also be seen in Figure 24, prior knowledge of the specific enterprise in contrast is usually not considered necessary. Most prospective hosts and senders would be happy to collaborate with unknown structure – as long as the company would be working in the same sector. Among prospective senders, however, one in six could only envisage seconding their employees to already-known companies.

Given these results, there seem to be good scope for matching support from the MobiliseSME project. Providing matching services for companies wishing only to send their employees to already-known companies will naturally be more challenging. Two potential options could be envisaged:

- Support to already-matched companies – MobiliseSME would then provide logistic and travel support
- Search services and support to companies desiring to enter into secondment with selected enterprises. In this case prospective enterprises could indicate companies of interest and MobiliseSME partners could engage with these companies to identify exchange possibilities

When looking at expectations for the location of the host, or the origin of the sender/seconded employee (see Figure 10 above), data suggest it will be challenging to ensure the right geographical match of companies and individuals. Prospective hosts have generally more flexible expectations as regards the origin of the sender company. Sending companies and individuals are more specific in their demands. Across all categories, however, there is a strong bias towards selected western and northern European Member States. In essence potential hosts, potential senders and potential seconded workers are all interested receiving an employee from or seconding to the same countries.

Across all categories list of top destinations/origins is composed of Germany, UK, France, the Nordic countries, Benelux, Austria, Italy and Spain. German employees and host structures are, by far, the most wanted. None of the newer “EU-13” Member States is on the “most wanted” list. Importantly also the strong preference for western and northern EU Member States is found across potential senders and hosts from all countries. This raises potential issues for effective sending and hosting.

An analysis of desired hosting countries was undertaken for companies located in the top 12 most demanded countries and in EU-13 countries. Generally, both categories are keen to second their employees in the “top countries”. This trend however, is stronger for enterprises located in the top 12 countries – which generally are less flexible and more clearly interested only in companies in EU-12. As few as one in four of the potential sending enterprises located in the top 12 EU countries had included an EU-13 country in their list of potential host countries.

This has important implications for matching. In simple terms, an enterprise is keen to send an employee to an enterprise in a more advanced country in economic terms (or eventually an equivalently advanced) – or is keen to receive an employee from such a country. The appetite to exchange with companies of a smaller Member State is also lower. This will make matching more challenging for enterprises from the newer Member States – which as outlined above are the keenest to participate.

The demand from south to north and east to west furthermore has practical implications. With the anticipated design there is an expectation that the sender will continue to pay the salary of the employee – with travel and accommodation being paid by the scheme. Other cost and subsidies are not considered. However, if the scheme largely involves secondment from south to north and east to west there will unavoidably be a revenue gap with the host country. Survey data suggest that employees are unlikely to be willing cover extra costs associated with secondment. Therefore, consideration on how to close this gap is likely to be needed.

Individuals seeking to go on secondment generally are somewhat more flexible in terms of expectations than are prospective sending or hosting enterprises. 31% of the individuals seeking to go on secondment indicate that they would be content with any EU country. For the remaining share this is not the case. Respondents on average indicate 4.8 countries of potential interest to them. As it is the case for sending and hosting enterprises, demand is concentrated on western and northern EU Member States – with Germany, UK, Austria France, Benelux, the Nordic countries, Italy, Spain and Ireland as the most popular. Germany and the UK are by far the most wanted. 43% have specifically indicated that they would like to go to Germany – 37% mention the UK. None of the EU-13 figure in the “top 12 most wanted” list.

On average each respondent has indicated 5.8 countries of specific interest. The 12 most demanded countries represent 68% of these. The top 6 countries represent 40% of the accumulated desired host countries. On the other extreme, EU-13 (that is all of the new Member States) represent only 20%. In

this respect the demand of potential seconded worker is not radically different from that of potential sending companies.

However, when compared with sending and hosting organisations preferences, some differences may be noted. Mediterranean countries – Greece, Cyprus, Malta and Croatia – are perceived more attractive as a host than by company respondents. Bulgaria and Romania together with Turkey are perceived as little attractive. Less than 5% have listed these as countries as potential countries of destination.

As mentioned above, the main reason to participate in MobiliseSME is learning, which is also true for companies interested to host (see Figure 17 above). However, these results also raise potential issues with expectations mismatch and challenges to effective matching. Prospective host companies indicated that the main benefits of a scheme would be “Skills and competence development in the firm from incoming employee” or “new approaches to product/services/organisational development” which likewise would come from the incoming employee (again, see Figure 17). This requires that the incoming employee has an expertise not held by the host company, and is committed to share such an expertise. As such the expected benefit of hosting is not an “extra resource” (at a lower cost) – as it often is in a traineeship relation, but rather an expectation of external expertise.

Potential senders see the main potential benefit in terms of competence development of the employee to be sent. In this case it requires that the host has expertise from which the employee can learn (similar to a “traineeship relation”).

Mutual beneficial learning exchange is perfectly feasible. However, it will be necessary to match enterprises carefully so as to ensure that the basis for mutual learning exchange is there. It will also be necessary that there is consensus on learning exchange. As the data from the respondents who themselves would be interested in participation to exchange show, most prospective participants do not see them sharing their knowledge as a main reason to participate. The expectation is to gain skills.

4.6 Scheme features as key success factors

From the feedback presented in this chapter, some implications regarding key features of MobiliseSME should be discussed. Scheme features to be considered are target groups or characteristics of employees and companies to participate, the length of the exchange stay, funding, expectation management, and matching of companies, as the very backbone of a mobility scheme.

Regarding **the target group of SMEs**, data analysed so far suggest that MobiliseSME can be generally attractive – as expressed also by less-invested parties like EYE local contact points, scheme managers, EEN network coordinators or other key stakeholders. Mobility overall is seen as being beneficial to people in general. Larger companies use this already to their advantage, while SMEs often do not have the means to realise exchanges, and are therefore a valid target group. However, feedback also suggests that larger companies are more attractive to go to for employees as well as for sending companies, as was for example discussed in the Austrian focus group. This could be an argument to enlarge the scheme towards larger companies, as long as an SME is on the other side of the exchange as host or sender. Apart from that, there are no clear indications if smaller companies will be less interested in the scheme.

Regarding the **target group of employees**, companies seem to have a preference for experienced, specialised and well-educated staff. As all parties are keen on learning, the employee must bring some benefits to the host company, but also must still have the potential to learn something from the host company, to be able to return better qualified to the sender, who then expects to learn and use employee’s exchange experience. In general, other mobility schemes dedicated to learning show that the idea is valid. Challenges are mostly to find interested hosts, but also to generate potential matches in advance for those companies not already having an exchange partner in mind (see also the discussion of the matching system below).

As many of our survey respondents were self-employed and it can therefore be concluded that there is interest from the side of self-employed people to participate in MobiliseSME, the question whether the scheme should be also open to this target group should be discussed. There are two main issues to consider:

The assumption which has been underpinning the design of the scheme is that the host would be kept cost-free. In a self-employed scenario, costs would then need to be covered by the self-employed (besides those covered by the scheme). This set up is similar to that of Erasmus for Young Entrepreneurs. Judging by the survey results however, this set-up is unlikely to generate much interest from the self-employed. There may thus be a need to consider alternative/additional funding options for this group

The vast majority of the respondents expect that social security issues are being “dealt with” by a third party (the scheme or the employer, see Figure 19 above). In practice, it would be the employer’s role. Where the worker is self-employed it will be his/her own role. Social security schemes operate differently for the self-employed. Consequently, a need to consider and communicate on how self-employed may get involved in the exchange, and guidance on how to organise social security for the self-employed, would be needed

Data on the **optimal length of the stay** were inconclusive. Some focus group participants could see learning effects for stays of a few days, other feedback considers meaningful learning to only take place after a few months. A good duration for an exchange depends also very much on the learning goals participants have in mind. Overall, the idea of a scheme offering durations between one and six months seems suitable to most, even though there seems to be no good argument for a minimum requirement of one month. Therefore, for a pilot phase, a standardised duration of between 2 weeks and 2 months can be argued for, with the purpose of being beneficial to the evaluation of the pilot and also to gain some insights on the benefits of shorter exchanges.

Generally, prospective hosts are more interested in longer stays. The desire for longer stays are most likely to reflect that the added value of incoming seconded staff is likely to increase over time (better knowledge of the enterprise, more capable to address host needs and contribute to the host company), as was also indicated during focus groups. Furthermore, more experienced and therefore older staff tend to shorter stays in general, while young professionals could envisage longer stays. Generally, feedback of individuals indicates that two or more shorter stays might be more preferable to one long stay. This way, focus group participants hinted that the first visit could be organised as a probing exchange to see if the companies and the employees can learn from each other in general, while a second visit then can follow if that is the case to achieve the majority of the learning. Sending companies have an interest in keeping the exchange as short as necessary to realise valuable learning. Several shorter stays, however, are likely to drive up both travel and accommodation costs of the scheme – and this option will need to consider the likely additional costs – and if this could be covered as part of the resources available.

Judging from the data on the attractiveness of MobiliseSME gathered in the survey, the mobility is likely to go from east to west and from south to north. This will raise **the issue of additional costs, with salary and living costs increasing going west and north**. The appetite of employees to contribute to the scheme – for example by covering additional costs – is small. Costs associated with secondment are expected to be covered by parties other than by the mobile employee. 77% of prospective mobile worker’s state that all costs associated with secondment must be covered, meaning that funding of travel and subsistence costs of the employees during the stay is necessary. As companies are already concerned about the cost of salaries during the exchange (senders) or costs of integrating the mobile employee and teaching, funding covering travel and subsistence by the programme can be seen as an important factor to realise exchanges. While the scheme may fund basic travel and accommodation, top up allowances are likely to be needed to cover extra expenses. Consideration will be necessary on how to cover such costs.

It is furthermore important to find a way **to manage the expectations of all parties involved**. Therefore, the design of a learning plan, which would need to be agreed by all three parties prior to secondment, could be advisable. Given the expectations for learning on all sides, the learning plan would need to outline the expectations of both host and exchanged employee. Additionally, the responsibilities of each party engaged should be carefully clarified, including the extent to which the hosted worker in practice is expected to undertake work for the host structure, and if so the extent of this work and availability. Both are also in line with the expectations of potentially mobile employees expressed in the SME survey.

Finally, several focus group participants emphasised the **role of the matching process** regarding attractiveness and popularity of MobiliseSME. In the best case scenario, a matching platform providing interesting candidates for cross-border cooperation could be beneficial not only within the mobility scheme, but beyond it. However, in the worst case scenario, a matching platform generating matches of low use to the companies might severely reduce the attractiveness and popularity of MobiliseSME.

5 Potential legal issues³⁰

5.1 Scope of the legal framework

The viability of the MobiliseSME scheme is analysed in consideration of the following key parameters:

1. The scheme involves the exchange of an employee from one EU country to another EU country
2. The scheme consists of a temporary exchange of less than six months and would last at least one day.
3. The employee remains employed by the sending organisation during the period of mobility
4. The purpose of the scheme is to provide businesses a chance to establish cross-border contacts and to improve the international competences and to provide employees a change to develop new skills under the concept of lifelong learning. The exchange will include training and/or 'learning by doing'

In line with stakeholder recommendations, the viability of the scheme is considered based upon the premise that the sending organisation continues to pay the salary and other benefits to which the employee has a right. This does not exclude the option that some costs are shared between the host and sending organisation.

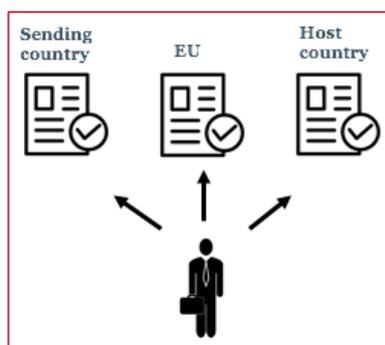
Two distinct options and associated legal obligations and benefits are presented in the following text:

- Business trip, lasting less than 30 days and lasting *at least* one day. There are no legal limitations to the number of business trips in a given year
- Internship agreement – sending on short assignments as an 'intern', which lasts more than 30 days and less than 6 months

³⁰ The information collected on the legal feasibility builds on interviews with scheme managers and stakeholders and consultation with a legal expert. The legal analysis highlights issues that were discussed as part of these interviews. We cannot guarantee that the legal context is complete and holds for all EU member states and as a result we cannot accept responsibility or liability for the legal information presented in this study. To capture the full complexity of the legal feasibility it would be recommendable to undertake a more detailed pan European analysis.

As illustrated by means of Figure 25, the legal obligations are defined by EU law and by regulatory requirements of the sending country and hosting country. There are some variations in the obligations depending on the duration of the exchange and the country of origin and destination.

Figure 25 Legal obligations



This chapter introduces some of the basic requirements for the mobile employee, the sending and hosting organisation, as summarised in Table 5. There may be additional obligations and/or benefits in respect of family members during the period of exchange that are not in scope of this analysis.

Table 5 Overview of potential legal issues for citizens of EU member states

	Business Trip (duration less than 30 days - defined as the duration for which there are no contractual obligations)	Internship agreement (duration 1 – 6 months)	Legal basis
Administrative obligations	No legal requirements	Requirement for the sending organisation to apply for the A1 form National legislation may require the mobile employee to report presence or apply for a residence document	EU wide requirements to apply for the A1 form apply to exchanges longer than 30 days ³¹ National rules to apply for a residence permit may exist from 3 months onwards depending on the member state.
Labour law	No contractual obligations	Some contractual obligations	EU Council Directive 91/533/EEC of 14 October 1991 for exchanges longer than one month Additional requirements under national legislation of some member states possible
Social security legislation	No change to the social security status of the mobile employee	No change to the social security status of the mobile employee	EU Regulation 1408/71 ³² and 883/2004 ³³

³¹ http://europa.eu/youreurope/citizens/work/social-security-forms/index_en.htm

³² <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=URISERV%3Ac10516>

³³ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2004:166:0001:0123:en:PDF>

	Business Trip (duration less than 30 days - defined as the duration for which there are no contractual obligations)	Internship agreement (duration 1 – 6 months)	Legal basis
Health and safety insurance	Entitlement via European Health Insurance Card (EHIC)	Entitlement via European Health Insurance Card (EHIC)	EHIC scheme is valid for the member states of the European Economic Area (EEA) plus Switzerland ^{34,35}
Fiscal law	Expectation for the sending organisation to cover all travel, accommodation and subsistence costs	If the gross salary paid to the mobile employee is less than the minimum wage convention in the hosting country, a gratuity may have to be paid to reach the minimum wage	Rules and regulations for reimbursement of travel and subsistence expenses vary across EU member states

5.2 Administrative obligations

There are several requirements when sending an employee on a short assignment as an ‘intern.’ The following requirements may apply to exchanges that last longer than 30 days.

EU requirements stipulate that the employer of the mobile employee should apply for an A1 form before the exchange takes place. The A1 form is used to prove that the employee is paying social contributions in the home country during the period of the exchange and the employee will continue to be supported by the home countries’ social security system. Institutions that grant A1 forms can be national and/or local. In most EU member states, the application can be submitted electronically (see also the study by Jorens and Lhernould, 2014).³⁶

There may be additional national obligations that the mobile employee may have to comply with. Employees partaking in an exchange of less than three months are not required to apply for a residence document. However, in some countries you may have to report your presence shortly upon arrival.³⁷

Note that employees who partake in an exchange that is longer than 3 months³⁸ may be required to register with the relevant authority (e.g. town hall or local police station), and will be issued with a residence document.³⁹ To register, inter alia, the employee will need a certificate of recruitment from the employer. The employee may be fined for not registering. For example, in Belgium, for exchanges longer than 3 months, registration at the local commune is required within a period of 3 months after arrival. In the Netherlands, registration in the municipality is required for stays longer than four months.⁴⁰ In the UK, you can apply for a document to prove you have a right to live in the UK if you

³⁴ <http://ec.europa.eu/social/main.jsp?catId=509&langId=en>

³⁵ <http://ec.europa.eu/social/main.jsp?catId=864&langId=en>

³⁶ Jorens, Y. Lhernould, J-P. Procedures related to granting Portable Document A1: an overview of country practices. FreSsco, European Commission, May 2014.

³⁷ http://europa.eu/youreurope/citizens/residence/documents-formalities/reporting-presence/index_en.htm

³⁸ With the exception of Ireland where registration is required within 90 days of arrival.

³⁹ http://europa.eu/youreurope/citizens/residence/documents-formalities/registering-residence/index_en.htm#!lightbox-uid-o

⁴⁰ <https://www.rijksoverheid.nl/onderwerpen/immigratie/vraag-en-antwoord/moet-ik-mij-als-eu-onderdaan-inschrijven-bij-de-ind-bij-verblijf-in-nederland>

are a citizen of a European Economic Area (EEA) country or Switzerland, but this is not obligatory.⁴¹ See **Error! Reference source not found.** in Appendix E for an overview of national registration requirements.

5.3 Labour law

In accordance with Article 4 Council Directive 91/533/EEC of 14 October 1991.⁴², if the duration of the exchange (of the expatriate) is longer than one month, the mobile employee must (in addition to the contractual information specified in Appendix E) have in his/her possession before partaking in the exchange the following information:

- The duration of the employment abroad
- The currency to be used for the payment of remuneration
- Where appropriate, the benefits in cash or kind attendant on the employment abroad
- Where appropriate, the conditions governing the employee's repatriation (e.g. including details on the address of the host company)

Where the exchange does not exceed one month, the employer can send an employee to another country for business trip purposes without the employee's explicit consent as referred to in the above.

National legislation may impose additional requirements for exchanges that extend beyond 30 days, i.e. in the context of analysis, the sending on short assignments as an 'intern':

- Description of the object of training and 'learning by doing' work that the employee would carry out
- Appointment of a supervisor/monitor during the period of the exchange. For example, France requires the appointment of the so-called 'Maitre de Stage'
- Additional conditions which should be equal to the minimum conditions existing in the host country for the same or similar work, including:
 - working day duration
 - lunch breaks, daily and weekly rest
 - paid annual leave
 - salary - if the gross salary paid to the mobile employee is less than the minimum wage convention in the hosting country, gratuity should be paid to reach the minimum wage
 - overtime work compensation
 - health and safety at work

Moreover, national legislation may require any legally-binding documents to be in national language (e.g. Belgium requires legally-binding documents to be in French, Dutch or German).

5.4 Determining the applicable social security legislation

Following Regulation 1408/71⁴³ and 883/2004⁴⁴, if a person is engaged in paid employment in one Member State and resides in the territory of another Member State, it is the legislation of the country

⁴¹ <https://www.gov.uk/eea-registration-certificate>

⁴² <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31991L0533:EN:HTML>. At the discretion of Member States, this law does not apply to employees having a contract or contract relationship with a total duration not exceeding one month, and/or with a working week not exceeding eight hours.

⁴³ <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=URISERV%3Ac10516>

where the person is employed that is applicable. This is the so-called '*Lex loci laboris*' principle. This means that the national social security system, e.g. working conditions, minimum wage, and other social security regulations, of the host country is applicable. The regulation ensures that the principle of equal treatment applied to employees that are working side by side, (irrespective of their country of residence/origin) and e.g., the employees respect the same maximum hours of work.

In temporary situations, such as in the case of the business trip and the internship agreement there are exceptions to the principle and it would be possible to continue to apply the social security system of the sending country. In specific, it is argued that the host country is not obliged to provide social assistance/protection during the first three months of residence (on longer, in the case of employment seekers).⁴⁵ As noted, the principle also only applies to persons receiving short-term cash benefits based on their employment or self-employment.⁴⁶

Also noted that, in accordance with Article 11, paragraph 1, section a of regulation (EC) number 883/2004 a person can be covered by social security in only one Member State (principle of exclusiveness).

5.5 Health and safety insurance

The mobile employee is entitled to all necessary healthcare in the country on presentation of the European Health Insurance Card⁴⁷ issued by the home social security institution, before leaving.

The host country is responsible for the provision of healthcare in relation to accidents at work and occupational diseases.⁴⁸ In the event of an accident or when a need for health care is diagnosed for the first time, the home country insurance institution must be notified. The country where the mobile employee is insured (the sending country) is responsible for paying for cost incurred in relation to accidents at work or an occupational disease⁴⁹.

Unless specified otherwise, the trainee employee must be guaranteed for personal liability for the duration of the stay abroad regarding his activities of daily living outside the host company, including commuting.

5.6 Fiscal law

Based on the findings of the country correspondents, in the case of the business trip – exchange of 30 days or less – the sending organisation is expected to cover all travel, accommodation and subsistence of the mobile employee during the period of the exchange (and can claim expenses incurred). The sending organisation would continue to pay the (full) salary of the mobile employee as stipulated in the labour agreement. Depending on mutual agreement, the hosting employee may provide compensation to the sending organisation, e.g. towards covering wage costs.

⁴⁴ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2004:166:0001:0123:en:PDF>

⁴⁵ tress (2008). The relationship and interaction between coordination Regulations and Directive 2004/38/EC

⁴⁶ EC, Social Europe, 2012. Practical guide: The legislation that applies to workers in the European Union (EU), the European Economic Area (EEA) and in Switzerland.

⁴⁷ <http://ec.europa.eu/social/main.jsp?catId=509&langId=en>

⁴⁸ <http://ec.europa.eu/social/main.jsp?catId=864&langId=en>

⁴⁹ <http://ec.europa.eu/social/main.jsp?catId=864&langId=en>

Some of the country correspondents found that when sending an employee on a short assignment as an ‘intern’ for a period of longer than 30 days there are additional considerations for salary payments (as already referred to above), if the gross salary paid to the mobile employee is less than the minimum wage convention in the hosting country, a gratuity should be paid to reach the minimum wage. In order to avoid the posting directive, the salary of the ‘intern’ would be paid directly by the sending organisation and the hosting organisation would not be responsible for salary payment. However, the hosting organisation can support the mobile employee by providing e.g. accommodation. Expenses incurred in relation to activities carried out for the host company (e.g. field trips) should be covered by the host company.

Note that for the business trip and the internship agreement scenario, income earned during the stay abroad would not be taxed in the host country⁵⁰ (seen as the duration of the exchange would be less than six months (183 days) in a year and salary would be paid directly to the employee by the sending company and not by the hosting company).

Eligible expenses for a temporary stay aboard vary across EU countries. Whereas in some countries expenses are paid out using per diem, other countries reimburse travel and subsistence costs. In the case of reimbursement, it may be the case that there are reimbursements only for the amount of expenses actually incurred, according to the secondment order by the shortest or most economic route.

Most countries will distinguish between eligible expenses based on the expected duration of the exchange; see Table 6 as an example. Companies may place limitations on the duration of subsistence allowance, e.g. 1 month. It is likely that there will be ceiling of disbursement put in place, depending on the duration of the exchange. For example, in Bulgaria, the full daily allowance amount on secondments is paid for 30 consecutive calendar days. Any days over this daily allowance shall be reduced by 25%. It may also be the case that if the host country pays part of the expenses, the daily allowance is reduced proportionately: lunch - 35%, dinner - 35% and other expenses - 30% (Example from Bulgaria).

Table 6 Indication of travel and subsistence allowance⁵¹

Duration	Day subsistence allowance and obligation	Night subsistence allowance and obligation
30 days or less	<ul style="list-style-type: none"> • Providing travel • Reimbursing travel • Accommodation (if your employee needs to stay away overnight) • Meals and other ‘subsistence’ (travelling, e.g. parking charges, tolls, congestion charges or business phone calls) while travelling 	<ul style="list-style-type: none"> • Hotel accommodation
More than 30 days and less than 6 months	<ul style="list-style-type: none"> • Travel to and from country of destination 	<ul style="list-style-type: none"> • Rental accommodation / furnished flats

5.7 Legal rights and obligations for exchanges involving Turkey

We present a rapid review of some of the differences in the rights and obligations for citizens of non-EU member states, such as Turkish nationals, to participated in Mobilise SME or for an EU citizen to be hosted by a company in a non-EU member state. Important to note is that unlike EU nationals,

⁵⁰ See also http://europa.eu/youreurope/citizens/work/taxes/double-taxation/index_en.htm

⁵¹ <https://www.gov.uk/expenses-and-benefits-travel/overview>

Turkish citizens do not have the right to move freely within the EU. The right to work depends on national law⁵².

- Visa requirements: For a Turkish national to travel to the EU or vice versa the person participating in the exchange must have a valid visa to enter EU countries. Several EU countries can travel visa free to Turkey (e.g. Denmark, Czech Republic and France) for up to 90 days and several countries required e-visas (e.g. the Netherlands, Austria and the UK) which are valid for 'commerce' for up to 90 days.⁵³ Similar arrangements hold for Turkish nationals travelling to the EU for short periods of time. For example, the UK permits have the visitor's visa that includes the category business visas which allows secondees from overseas companies⁵⁴.
- Administrative obligations: Some EU member states such as the UK have bilateral social security agreements with Turkey. This means that in the case of the exchange the employee continues to pay social security contributions in the sending country⁵⁵.
- Labour law: Article 4 Council Directive 91/533/EEC of 14 October 1991⁵⁶ continues to apply for citizens of EU member states when going on an exchange outside the EU, which means that the duration of the stay abroad, the benefits paid, etc. must be stipulated in a contract if the exchange is for a period longer than one month.
- Health and safety insurance: The European Health Insurance Card (EHIC) does not grant entitlement in countries outside the European Economic Area (EEA) and Switzerland. It would be necessary to apply for adequate travel health insurance.
- EU social security legislation does not cover non-EU member states.

6 Conclusions and design options for MobiliseSME

6.1 General main conclusions

The following main points emerged from the research:

- The first important implication of our country research is that **currently, there is no mobility scheme similar to the idea of MobiliseSME**, i.e. a mobility scheme organising international, business-to-business exchanges with the purpose of educating the exchanged employee targeting specifically SMEs operating on a European scale. The mobility scheme most similar to MobiliseSME is Erasmus for Young Entrepreneurs (EYE), however, with the difference that EYE targets two entrepreneurs and not two companies and an employee. Further feedback from the scheme mapping suggests, however, **that mobility with the purpose of learning is a common approach** successfully used already by EYE, by various smaller national schemes targeting people from apprentices to experts and also by larger companies in internal programmes.
- Regarding **the overall attractiveness of a scheme like MobiliseSME** the feedback is to some degree mixed. Scheme managers and key stakeholders as the most disinterested source for

⁵² <http://ec.europa.eu/social/main.jsp?catId=470>

⁵³ <http://www.mfa.gov.tr/visa-information-for-foreigners.en.mfa>

⁵⁴ <http://www.ukpermits.com/visa-types/business-visas>

⁵⁵ <https://www.gov.uk/guidance/paying-employees-working-abroad>

⁵⁶ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31991L0533:EN:HTML>. At the discretion of Member States, this law does not apply to employees having a contract or contract relationship with a total duration not exceeding one month, and/or with a working week not exceeding eight hours.

feedback considered MobiliseSME to some degree generally attractive. However, many pointed out that the scheme might only be attractive to companies of a certain size or with a certain degree of international activity. As to our other data sources where we interacted directly with SMEs – i.e., the survey and the focus groups –, a certain bias due to self-selection cannot be excluded, as most survey respondents and nearly all focus group participants could envisage participating in the programme in some role. We therefore do know that there are some companies in Europe that are very interested in participating, but have only small evidence to assess the overall general attractiveness of the scheme. A better assessment will be available after the pilot scheme has been conducted.

- **The one motivation all parties share is the one of learning:** Sending companies and employees to be exchanged see the **chance of gaining new competences and skills**, both hard skills in a technical sense and soft skills like intercultural competences or language skills. Similar, host companies have their own learning goals and think also of both hard and soft skills to be gained. According to our survey among SME and our focus groups, it will therefore be crucial to the attractiveness and success of the programme to be able to balance the interests of all three parties involved.
- One way to balance the interest and manage the expectations of the parties involved would be the **design of a learning plan** agreed upon by all three parties prior to the exchange. Given the expectations for learning in both host and sender expectations, the learning plan would need to outline the expectation for both host and exchanged employee. Additionally, the responsibilities of each party engaged should be carefully clarified, including the extent to which the hosted worker in practice is expected to undertake work for the host structure and if so the extent of this work and availability. In our opinion, to outline responsibilities and goals for all parties justifies in this case the fact that this will add to the administrative burden of the programme.
- A lesson learnt from the EYE is the **importance of advertising the programme** to raise awareness by clearly communicating the benefits for all parties involved. Focus group participants also highlighted the importance of making MobiliseSME known as a key success factor.⁵⁷ For those efforts, a key message should be a clear value proposition for the participating companies and the employee. After taking into consideration the mixed feedback regarding the role of host companies, this target group will have to be a main focus of the three parties involved. Marketing efforts would need to include main stakeholders and social partners and could use already established channels (like the EEN). Given the heterogeneity of the companies targeted, marketing channels would need to include social media as well as more traditional channels like newsletters or personal contacts of business associations following the basis already conducted by MobiliseSME so far.
- We know from the experiences of scheme managers, that a successful exchange depends to a large degree on a good matching. Therefore, **a well-working matchmaking platform** is the very backbone of a scheme for those companies not already having a partner company in mind. The matching process has to take various aspects into consideration, ranging from providing an accessible and attractive platform to parties interested over providing meaningful categories to the parties interested to be sorted by which should be neither too broad nor too, to finally producing matching results of high quality. Existing matching platforms received mixed feedback and underline that such an undertaking is no easy task.

According to our research, mobility is a fertile ground for learning but at the moment hard to access for SME due to several barriers. There are evidently SME in Europe interested in participating in MobiliseSME and willing to overcome expected barriers to the exchange. Research further suggests that with a good marketing campaign clearly stating the benefits of the scheme and a matchmaking

⁵⁷ E.g. in the UK, where an important question was „How would SMEs learn about these type of schemes?“

platform being an asset for the scheme, MobiliseSME can be a success to companies and employees likewise. We therefore conclude that MobiliseSME should be piloted to gain a more complete picture about the general attractiveness and fine-tune the scheme further.

6.2 Conclusions with respect to the main desirable features of MobiliseSME

As the overall idea of MobiliseSME is to realise an exchange of one employee from one company to another company, there are three parties involved all with their very own motivations, benefits and barriers affecting on the attractiveness of the scheme. This also can be seen as an **inherent mechanism to guarantee quality** of the exchanges, as all three parties involved can be expected to take into account success chances of an exchange before agreeing to participate.

The implication for the design of a scheme would then be, from the perspective of the organisers, to only make sure that the scheme is used for the purpose of learning of employees of SME and provide most far-reaching flexibility in all other regards such as company size, industry sector or length of the exchange. However, there are also some trade-offs to high flexibility the organiser of a mobility scheme needs to cater for, of which at least three come to mind easily:

- First, even though in theory, quality of exchange will be assured by the three parties involved, the employee as the potentially weaker party might not be able to guarantee his or her interest sufficiently and the companies might use then the exchange to transfer labour. Therefore, it is crucial to find measures to minimise the risk to abuse the scheme (by any party).
- As highlighted by our research, a scheme needs to be marketed. For marketing purposes, it will be easier if the scheme can be described in few words highlighting the benefits for all parties involved without creating expectations the scheme might not be able to fulfil. Contrary to the flexibility regarding eligibility mentioned above, for the marketing, it could be a good idea to market MobiliseSME specifically to those SMEs that are expected to be more susceptible to the idea of the programme, i.e. those active internationally or wanting to become active in this regard.
- Lastly, the matchmaking platform is a tool to make mutually satisfying interactions easy for a large number of users. If a platform is open to all, but has not yet found a way to simplify the interactions with the right search filters and produces not yet matches to the satisfaction of their users, chances are that this will reflect badly on the whole programme. The more heterogeneous users a platform has, the more difficult the matching becomes.
- Because of the similarity of the scheme to EYE, and because there exist already respective support structures, we also think that creating synergies between EYE support structures and MobiliseSME would be beneficial. Otherwise there is a risk of quasi-parallel structures and additional costs for running Mobilise-SMEs.

Having in mind these four dangers, in the following, we discuss certain features applicable to Mobilise-SME.

According to our research, there is a gap regarding mobility chances for employees of SME for the purpose of learning, which **makes SMEs a viable target group** for such a mobility programme. However, SMEs and their employees indicate also the **preference to learn something from a larger company than themselves**, and focus group feedback also suggested “the bigger the host company the better”. Research therefore shows a good possibility to learn also when being exchanged to a larger company that might not be an SME anymore by EU definition.

The survey showed **high interest levels among one-person SME**. Focus groups also met the possible inclusion of one-person SME commonly referred to as self-employed with approval under the assumption that those companies still cover the salary (i.e. the foregone income) of the exchanged person for the time of the exchange. Furthermore, company owners also often showed interest to participate themselves in an exchange, both in the survey and in focus groups. We draw the following conclusions in regard to this potential target group:

- According to our research, there is no reason to assume why a mobility exchange could not be beneficial also to this target group. This set up would be different to that of Erasmus for Young Entrepreneurs, as the EYE only targets future or inexperienced Entrepreneurs (less than three years, see also Table 2). In MobiliseSME, self-employed participants could also be those running their business already for a longer period of time.
- However, the survey also indicated that for self-employed, having to pay their own income otherwise obtained during the exchange is seen as a barrier. There may thus be a need to consider alternative/additional funding options for this group or, in such cases, to let the hosts contribute to the employee's salary during the time of the exchange.
- On the other hand, the cost burden for the scheme to compensate for lost income could be too high. To consider is also that participation in the scheme brings additional benefits on top of what one would have earned as income while staying at home, which would be an argument for compensating income losses only partially. By the same token, one might also question whether compensation for lost income may be necessary at all. The example of EYE shows that there are already entrepreneurs running a business and having to deal with day-to-day business operations, even if they are "young" entrepreneurs, many of which probably also self-employed. One could assume a similar situation to hold true also for "older"/"established" self-employed persons.
- Our assumption therefore is that a higher hit rate/additionality is possible if compensation is limited, as only those self-employed who truly want/need exchange will decide to do that. Of course, the number of such exchanges is going to be lower than if all foregone income would be compensated, but the expectation would be that this will be grossly in line with self-employed participation in EYE.
- The inclusion of self-employed would also have effects on how social security issues are being dealt with, especially, as survey participants considered this to be done by the scheme organiser. Social security schemes operate differently for the self-employed. Consequently, a need to consider and communicate on how the self-employed may get involved in the exchange and guidance on how to organise social security for the self-employed would be needed.

The learning demand on all sides then raises the question of **which employees to target**. From the existing schemes we know that in practice, all kinds of people can benefit from an exchange in terms of learning. However, the person sent within MobiliseSME must be someone who can first still learn something from the host, but also be able to teach something to the host. Companies themselves would decide to send an employee who is **experienced, specialised and well-educated**, and this is also the kind of person companies would want to host. With regard to specialisation, demand for employees was very much in line with specialisations generally demanded in Europe (e.g., engineers).

One challenge in the logic of MobiliseSME can be the role of the host company. Several sources assessed that sending company and the employee would have the most benefits, while the host might have less. This were true even if the sending company had to pay the salary of the employee, as the sender will after the exchange benefit from an ideally much more experienced and qualified employee. The **host company**, on the contrary, will have to go through the trouble of being responsible for the learning effect without benefiting much after the exchange. Even though our research provided us with a set of benefits also for the host, such as also learning from the hosted employee and getting in contact with a company from another place, many companies viewed the cost-benefit ratio for the role of the host company more sceptically. In line with this, EYE programme managers also experienced difficulty in finding hosts. One factor influencing the attractiveness of being host and being sender is **the**

distribution of the salary costs during the exchange. Therefore, having the sender to continue to pay for the employee during the exchange will raise the attractiveness to hosting.⁵⁸

According to our research, an important **barrier to employee participation** is that older and therefore more experienced and educated employees might be also more reluctant to go abroad, as it is more likely that they already have a family. Another important issue described was the language barrier, however, which is again likely to be smaller for better-educated employees. Regarding the language barrier, it is potentially beneficial to support the employees to be exchanged in their preparation, e.g. with language courses. The most important **barriers to be expected for sending companies** were first difficulties to replace the employee exchanged, as was also to be expected after analysing results of the scheme mapping. The most important **barrier for hosting companies** was expected to be costs surrounding the process. However, also according to the scheme mapping and focus group feedback, if the benefits for the sending and the hosting companies are clear and the sending is seen as an investment in the employees, those barriers can be overcome.

The most important barriers also have implications for the ideal length of the exchange. **Regarding the envisaged length of the exchange, the data we received were inconclusive.** The scheme mapping presented a large variety of viable lengths for mobility stays with the purpose of learning, and some focus group participants could see learning effects for stays of a few days, while others considered meaningful learning to only take place after a few months. A good duration for an exchange depends also very much on the learning goals participants have in mind. Additionally, the interests of all three parties involved will need to be balanced: the senders want the employee's stay to be as short as necessary to learn, the hosts want the employee to stay as long as possible to benefit from his/her work longer after having trained the employee already to some degree, while the employee might want to stay only briefly (in case of e.g. having a family), or longer (if young and adventurous). However, even though very short stays of only a few days might already produce learning effects, for each exchange regardless of length, there are one-time administrative and financial efforts for all parties involved. A minimum exchange length of two weeks will make those efforts more worthwhile for all three parties.

Regarding the **possibility of allowing several shorter stays**, there are some aspects to be taken into consideration. Firstly, from a legal and administrative perspective (see Table 5), several short stays are easier to organise, which is secondly also the case from the perspective of employees who might find several shorter stays more compatible with their private life than a single long stay. On the other hand, several shorter stays will afford more resources for travel and likely for accommodation.

There was **no conclusive evidence that the scheme should be limited to specific industry sectors.** Interviewees and companies alike could envisage benefits for companies and employees of all kinds of sectors. However, further feedback suggests that in some industry sectors, there might be a bigger risk of abusing the mobility scheme than in others, which concerns mostly those sectors posting their employees to gain benefits from differing factor prices. To **reduce the potential to abuse the scheme**, mobility proposals from sectors like agriculture or tourism could simply be assessed more carefully. Another possibility to prevent abuse in this regard might also be to limit the total number of exchanges for companies from certain sectors and for a period of time. Yet another factor to be regarded concerning industry sectors is the fact that most companies would want to exchange to companies of the same sector. It could be argued though that an exchange to another sector might be more beneficial in terms of learning and innovation, although possibly also riskier. For the evaluation,

⁵⁸ In many countries, the legal obligations to pay interns a certain salary might lead to a *de facto* sharing of costs between the companies.

it could be interesting to pay attention to exchanges arranged across different industries and their specific benefits realised.

Regarding the **cross-border aspect of the scheme**, focus group participants pointed out that the differences within one country (e.g., Belgium) can be in some cases larger than those between two countries (e.g., the Czech Republic and Slovakia). In general, there are no indications that in those first cases, exchanges would be less beneficial than in the latter cases. However, as MobiliseSME is a European scheme, providing a scheme for national exchanges falls into the responsibility of the Member States.

7 Recommendations for the design of MobiliseSME

Weighing the benefits of learning through an exchange and the difficulties to SME and employees to realise those, to further assess the attractiveness of MobiliseSME, we recommend to carry out MobiliseSME in the form of a pilot.

Against the backdrop of the conclusions we make the following recommendations regarding design and implementation of the scheme. The future MobiliseSME scheme can be calibrated along five major dimensions previously discussed: Companies targeted, industrial sectors targeted, employees targeted, possible length of a stay and the options to distribute costs (see also at the end of this section).

In regard to the design of MobiliseSME, we recommend the following (see also the Box 5 at the end of this section):

- **Company target group:** We advise opening **the scheme up to some degree to larger companies**, as SME expect to be able to realise better learning effects here. An option is to allow any exchange where one of the participating companies is an SME, another is to allow larger companies to participate only as host, taking into consideration the fact that it might be harder to attract host companies to participate in MobiliseSME. If self-employed are to be included, the risk of abuse should be minimised by introducing criteria to exclude bogus self-employed.
- **Company target group:** We also **recommend keeping the scheme as flexible as possible in terms of eligibility of companies from different industry sectors**, as in general, all sectors could – according to our data sources –realise learning benefits within MobiliseSME. However, mobility proposals from sectors like agriculture or tourism should be considered more carefully, as the potential for abuse in these sectors might be higher. Another possibility to prevent abuse in this regard might be to limit the total number of exchanges for a certain company and period of time.
- **Employee target group:** We recommend **providing as much flexibility as possible** to participants while requiring employees to be skilled and have a certain level of seniority. Generally, all kinds of employee can benefit from exchanges. In the case of MobiliseSME, senders would like to send a person experienced, skilled and educated, which is also what host companies would like to host.
- **Length of exchange:** For a pilot, **we propose a standardised duration of between 2 weeks and 2 months**. If MobiliseSME will be introduced full-scale, our research suggests to keep the length of the possible exchanges as flexible as possible and let the exchange parties decide about this aspect according to their preferences while keeping in mind the overall benefits of an exchange in regard to the one-time efforts needed for each exchange.
- **Distribution of costs:** In recognition of the resources needed to integrate an employee in a company and to raise the attractiveness of hosting an employee as well as to lower the administrative efforts needed, we recommend that the **salary costs of the exchanged employee shall be paid by the sender**.

Regarding the implementation of the pilot scheme, we recommend the following:

- According to all data collected, **generating awareness and advertise MobiliseSME is a key success factor** for the scheme. Companies must be provided with a clear vision of their benefits, which is all the more important for the role of host companies. The marketing should be targeted to companies potentially interested (i.e. international active ones or interested to become so) and clearly communicate potential benefits to this companies.
- As there is evidence that the role of hosting an employee is on first sight considered to be less attractive by some companies and EYE made similar experiences, we recommend to first, be aware of this challenge, and second, consider the possible need to **specifically emphasise the potential benefits of hosting companies when designing advertisements and carrying out marketing efforts**
- To manage expectations, we recommend **the design of a learning plan**, agreed upon by all three parties prior to the exchange. The learning plan would need to outline the expectation for both host and exchanged employee/sender. Additionally, the responsibilities of each party engaged should be carefully clarified, including the extent to which the hosted worker in practice is expected to undertake work for the host structure and if so the extent of this work and availability. In our opinion, to outline responsibilities and goals for all parties justifies in this case the fact that this will add to the administrative burden of the programme
- We need to highlight again **the importance of the matching process and the matching platform to the attractiveness and success of MobiliseSME**. Regarding the further preparation of the exchange, it could be envisaged recommending a pitching interview or similar means in this regard. This could become obligatory for participants to increase the likelihood of a satisfying experience to all parties involved.
- To **reduce a potential language gap**, an option could be to support employees to be exchanged in their preparation with the possibility to attend e.g. a language course. This could be organised in a way similar to the 'Your first EURES job'-scheme's preparatory trainings.⁵⁹ However, as the main purpose of the scheme is overall learning (in contrast to only language learning), trainings should not be available for short term stays.
- When introducing MobiliseSME, **we recommend using established programmes or channels to the advantage of MobiliseSME**. Erasmus for Young Entrepreneurs has valuable experiences and their local contact points could be helpful when advertising MobiliseSME. The Enterprise Europe Network, on the other hand, is experienced in bringing potential international business partner together and could be used and consulted in regard to how to set up an efficient matching system.
- With regard to recommendations on **contractual obligations, the aim should be to be thoroughly clear enough on certain key aspects**, even if a high degree of flexibility is sought for the overall design: employees need to have information on the duration of the exchange; the conditions governing the employee's repatriation; name and contact of supervisor during the period of exchange; a learning agreement stating the object of training in sufficient detail; and a brief note on the learning outcomes. Additionally, any support provided should be based on the expectation that the exchange is completed in full. Appropriate measures similar to the ones in the EYE should be put in place in case the exchange is not completed in full. Exclusion criteria and declarations of honour, as used by other programmes, can also be a protection against abuse.

⁵⁹ See Preparatory action Your first EURES job. Implementing guidelines by DG Employment, chapter 5.

Following these recommendations and in line with the balancing of design options in Appendix A, we present our proposal for the design of the pilot scheme for MobiliseSME in the following

Box 5.

Box 5 Our proposal for the design of Pilot scheme “Mobilities for professionals in SME” - MobiliseSME

MobiliseSME shall be a European, cross-border exchange scheme for employees of SMEs for the purpose of learning. A SME in one country (Sender) sends an employee abroad to another SME (Host) for a certain period of time primarily for training and education (not for service delivery).

The pilot mobility scheme will be open to any sort of SME in Europe and selected third countries (EFTA, candidates and potential candidates). There should be no costs for the company hosting the employee on the exchange. Salaries and other benefits will continue to be paid by the sending company.

The programme will provide funding for travel and subsistence during the period of the exchange to the employee. The amount of financial contribution (grant) should be calculated with regard to 1) the living costs level of the country in which the exchange will take place and the duration of the mobility/exchange. At the moment, it is envisaged to use the list of grants per (hosting) country that is already used by Erasmus for Young Entrepreneurs.⁶⁰

For the pilot, the possible duration of exchanges will be a minimum of 2 weeks to a maximum of 2 months. It is possible to split the total duration of the exchange/hosting per employee into several visits (2 or more) or conduct the whole exchange in one go.

There will be help in finding suitable exchange partners through a matching platform. The platform is currently in development and will allow companies to participate in the project. In order to host or send an employee, a company will be able to publish a post with a description of what the company is looking for. It will be also possible to search the platform database for a matching profile/company by simply registering to the database without posting the company's requirements for an exchange. The platform should be officially launched in mid-October 2016. Technical support to the companies that expressed interest to participate in the pilot scheme testing will be provided by the project team in Brussels in close cooperation with the project partners in their respective countries.

The main elements of the scheme should be:

- At least one of the companies in the exchange must be a MSME as defined in the Commission recommendation of 6 May 2003. This means that a large company could participate (possibly as a hosting company) as well.
- Employees must be within the company at least for two years or have at least three years of full-time work experience (seniority requirement).
- The minimum stay (learning visit) within the hosting company is 2 weeks.
- Only skilled employees can participate (so far the project is opened to any type of a skilled worker).
- Only the employee will receive a personal funding. Funds cannot be transferred to companies.
- It must be a cross-border exchange so two companies established in the same country cannot be

⁶⁰ See Annex B: Monthly financial assistance paid within EYE.

paired ('cross-border element').

- The sending company must commit itself to continue to pay the salary throughout the exchange.
- The hosting company must make sure that the employee is legally registered at the company and if necessary sign a training or internship contract with the employee. If this implies by the national laws the payment of a salary, this must be taken into account by the hosting company.
- Self-employed may participate as well, provided that they "continue to pay their own salaries", and provided they
 - have a legal entity organisational form (Ltd., GmbH) and a VAT number, representing a "one person SME" or micro-enterprise, or they
 - are registered members of a professional chamber/register, like the majority of "liberal professions" are, with a VAT number, or they
 - are fiscally recognised freelancers with a VAT number, that can reliably proof to have a number of clients >3 per year.
 - In the case of self-employed fulfilling one of these three conditions (which should exclude bogus self-employment), the candidate for a mobility would be the entrepreneurs him- or herself, which also means that even in SME with more than 1 employees, the entrepreneur can be the candidate for a mobility, too.
- Asymmetrical exchange is allowed: a company will only send OR receive an employee (no mutual exchange of employees between the two companies).

In order to perform an exchange, it will be probably necessary to sign the following legal documents between indicated parties:

- Agreement between the sending company, hosting company and hosted-employee ('tripartite project agreement'), signing the project proposal for the exchange/mobility.
- Contract between the hosting company and the hosted employee (probably through an 'internship contract' under the national law of the hosting company).
- Grant agreement signed between European Entrepreneurs CEA-PME (or the other project co-beneficiaries and affiliate partners) and the hosted employee ('grant agreement').

Every employee who takes part in the testing should fill out online a questionnaire, with a short report about his/her experience. A template with questions will be provided by Technopolis Group to streamline and collect all the necessary info for further analysis (for the purpose of the final feasibility report).

For the upcoming pilot, exchanges shall be scheduled and conducted in the period from November 2016 to March 2017.



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