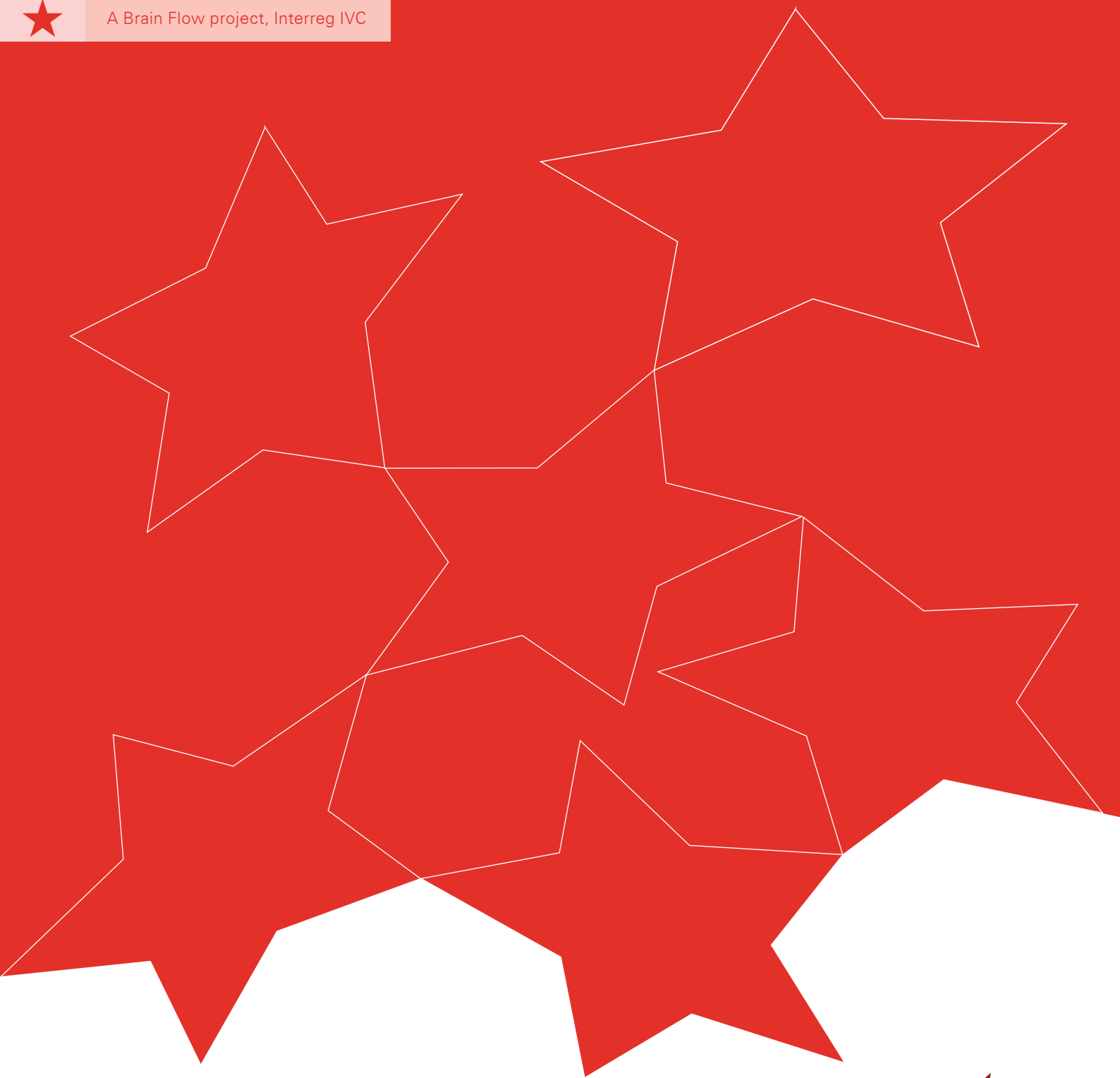


# EUROPE'S GOT TALENT

## Local action groups on talent



A Brain Flow project, Interreg IVC



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# INTRODUCTION

What can we do to retain or find, bind and develop talent in European border regions in order to create flourishing regional economies, if those regions suffer from the impact of brain drain?

That was the main question that initiated the project 'Local Action Groups on Talent (LaGoTa). Due to their more peripheral location and the resulting socio-economic build-up, border regions are particularly vulnerable to out-migration of qualified peoples, the so-called brain-drain phenomenon.

Together with the reality of an ageing workforce and the trend towards more skill-intensive jobs and the resulting mismatch on the labour market, border regions are likely to face a lack of qualified workforce.

The project was carried out with the support from the mini-programme Brain Flow – INTERREG IVC, a cross-border programme from the European Community.

## What is 'Brain Flow'?

The mini programme 'Brain Flow' helps regions of Europe work together to share experiences and good practices in the INTERREG IVC priority of the knowledge economy. The 'Brain Flow' partnership represents 8 border regions from 7 different countries being affected by this phenomenon due to their specific socio-economic and geographical characteristics. As a lack of qualified labour force is also a barrier to the innovation and growth capacity of regions, the partnership is looking for new ways, instruments and measures to tackle the problem. During this cooperation, partner regions will exchange with each other in order to develop and introduce new or improved instruments to minimise brain drain and simultaneously foster brain gain and optimally reach brain circulation. With 'Brain Flow', an intense interregional exchange takes place on two complementary levels: the overall strategic Mini-Programme level and the individual practical sub project level. Within 'Brain Flow' 8 sub-projects including them LaGoTa were approved.



'Brain Flow' Is an INTERREG IVC Mini-Programme co-financed by the European Regional Development Fund (ERDF)

### Three priorities

1. Increasing regional attractiveness
2. Supporting key economic sectors
3. Improving the higher education system

### Overall Objective

"... to enable regional authorities and other regional/local actors to develop and improve their policies and instruments to counter the outflow of highly educated and qualified people (brain-drain) and to attract and retain human capital (brain-gain) in their regions in support of their innovation capacity and competitiveness"



## Local Action Groups on Talent

Local and regional actors on the labour market (governmental, educational, employers et cetera) are not always aware of the impact of their individual actions on the local and regional labour market as a whole. This situation leads to a possible suboptimal situation. Sometimes the policies and the effects of their individual actions towards 'talent' are implicit and the joint effects of the separate actions taken by each partner are unknown.

In this project we used a concept implemented in Leader+ by introducing the Local Action Group in the policy field of labour market. This Local Action Group on Talent (LaGoTa) consists of the main partners that are supposed to have an impact on the local availability of and demand for talent.

The participants of the LaGoTa project were:

	Lead partner Achterhoek - Gelderland Region - the Netherlands
	Navarre, represented by CEN - Spain
	City of Dortmund - North Rhine Westphalia - Germany
	EUREGIO Gronau – the Netherlands and Germany

To answer the question of how to retain, bind and develop talent, we designed a project with two subsequent phases: **“Make it visible”** and **“Make it better”**. Each phase was concluded with a regional report, presented at an interregional conference. During these conferences the regions reported their conclusions shared experiences and discussed ideas in workshops.

The main objective of the first phase of this project “Make it Visible” was to gain a global view of the policies and agents that act directly on talent management in the regions. More specifically, the intention was to:

- ★ Analyse the regional situation and understand the needs and policies of key players and companies in the region to find, bind and develop talent.
- ★ Establish a Local Action Group on talent

The outcome of “Make it visible”, served as input for “Make it better”.

The specific reasons to take part in the project were different for the different partners since they have different initial situations and frameworks (historically, economically and demographically). The EUREGIO however participated with a different objective. For the EUREGIO the main research question was: “How can cross-border cooperation in the field of talent acquisition, development and binding be facilitated by using the concept of an action group?”

In order to answer this question, they did not analyse the regional situation, but they examined the building blocks for a project concept of an Local Action Group.

## Facts and Figures on “LaGoTa”

- ★ Approved under the 4th call for sub-projects
- ★ Priority 2: “Support to Key Economic Sectors”
- ★ Lead Partner: Region Achterhoek (NL)
- ★ 4 partners coming from NL, DE, SP
- ★ Duration: 16 months
- ★ Total Budget: 246.000

The objective of the second phase of this project “Make it better” was to develop and improve our regional policies and instruments, to counter the brain-drain and to attract and retain human capital in our regions.

Naturally an important secondary goal of the project as a whole was to share experiences and ideas among the participants and their local action groups.

**We highlight the results of the project in this publication. In order to understand fully the results and the details of the facts and figures we present in this publication, we refer to the subsequent reports of all the participants (see appendix 1) about the research they conducted in this project.**



DORTMUND



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# APPROACH

We designed the project in two subsequent phases, marked by three main conferences: at the start up in May 2012, a mid term conference in October 2012 and a final conference in April 2013.

## Phase 1 "Make it Visible"

1. The description of the regional situation
2. Interviews with regional key players

## Phase 2 "Make it Better"

3. The installation of Local Action Groups
4. The development of Local Action Plans

## The LaGoTa Project

### Phase 1

Start-up conference  
Pamplona  
May 2012

- ★ Step 1 - Analysis of regional situation
- ★ Step 2 - Interviews with regional key players

### Conclusion & Recommendations

Mid term conference  
Pamplona  
October 2012

### Phase 2

Final conference  
Doetinchem  
April 2013

- ★ Step 3 - Local Action Group
- ★ Step 4 - Local Action Plan

Our LaGoTa project, started with a three day project start-up conference, hosted by our partner CEN in Pamplona, in the first week of May 2012.

To carry out the project successfully, it was firstly of all necessary to identify and define "Talent" and to choose a general approach and methodology for the project. We felt that talent should be considered in line with the regional key business sectors' demands and opportunities (future and present), but we regard talent in this project also as people who have at least had a vocational education.

In the first phase of the project, we developed for each step a format in which the main issues to address were indicated. In order to create some flexibility in the way information, opinions, ideas and solutions within each region were gathered, this format was not necessarily limited, in a fixed order or with fixed questions. These formats are described in the mid term reports of the regional partners. For more details we refer to these regional reports ([www.lagota-subproject.eu](http://www.lagota-subproject.eu)) but here we give a short overview of our approach.

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## Description of the local / regional situation

Each region made an analysis of the regional economical and labour market situation and its demographic and educational developments based on existing reports, facts and figures.

Key sectors of the regional economy, population, vocational education and migration related to different cohorts were described as well as the regional agenda for the future, related to the LaGota project.

## Interviews with local key players

During the next step in analysing the region situation we held 20 interviews with key players per region. The Interviewees were selected along two dimensions. The key economic sectors in each region and the key actors in each region.

This ensured that the sample of interviewees was spread over the key economic sectors as well as representing the main areas of Education, Local Businesses, Government and already existing (Regional) Bodies, Platforms, Networks or Leagues. Therefore they represented the socio-economic environment of each region in the context of the LaGoTa project. The Interviews were structured in a rather flexible format. But they all addressed the following issues:

- ★ Description and position of the interview
- ★ Description of regional discrepancies in the sector
- ★ Description of relevant policies and instruments in the sector to bridge the gap
- ★ Ideas and opinions for further development

## The Local Action Group

The formation of a Local Action Group is elaborated in the Leader+ program and should reflect the socio-economic and cultural environment of the region.

Although there is no “one-size-fits-all” recipe of how local development partnerships should be composed in order to bring forth good results over a long period of time, we used a model of six features of success, the “6R”, which are based on the Handbook on LAG’s of Robert Lukesch (March 2007): Relatedness, Resonance, Resource Access, Representativeness, Reciprocity and Recursiveness.

A LAG should be embedded in an interlaced institutional context which strongly influences its room for manoeuvre and its quality of functioning. Local development partnerships are cornerstones of multi-level governance. Multi-level governance is defined as a flexible way of sharing power between territorial authorities, neither of which is in full possession of the “last word” in decision-making. Thus the sixth R marks the limits of what a local development partnership may achieve on its own. It shows its contingency to the wider governance context.

In this perspective it seemed wise to use already existing and well positioned Local Networks in which the main stakeholders are embedded as a starting point for the Local Action Groups.

## The Local Action Plan

Based on the recommendations and conclusions resulting from the regional analysis and interviews, the Local Action groups elaborated a Local Action Plan.

Ingredients for this plan were the already existing action plans and running projects, but also the workshops held during the mid term interregional conference, also hosted by our partner CEN in Pamplona in October 2012.

The regional action plans were presented during the final interregional conference, hosted by the lead partner Achterhoek on 9 and 10 April 2013 in Doetinchem.



# MAKE IT VISIBLE

PART 1

1



# 1. ACHTERHOEK

BART TEUNISSEN & PAUL HARTMAN



The Achterhoek is situated in the eastern part of the Netherlands, along the German Border.

Defined as a WGR region (Common Judicial Agreement) the Achterhoek consists of eight cooperating municipalities:

1. Aalten
2. Berkelland
3. Bronckhorst
4. Doetinchem
5. Montferland
6. Oost Gelre
7. Oude IJsselstreek
8. Winterswijk

300<sup>000</sup>

The region has roughly 300.000 inhabitants, is home to 28,000 companies and offers jobs to 139,000 people. The region is characterised by a low density of population, with small scale rural communities and a green landscape. Nature, agriculture, industry and recreation are smoothly interrelated. Core values of the region are natural, conciseness, authenticity and 'neighbourship'. In other words 'Real Achterhoek'.

However its image, the Achterhoek is the second most innovative region in the Netherlands, a relatively un-known fact to the general public.





**Some Statistics**

- ★ Population 300,000
- ★ Workforce 139,000
- ★ Employment rate 70%
- ★ Companies 28,000
- ★ Average income € 26,900

# 1.1 Demographic developments Achterhoek

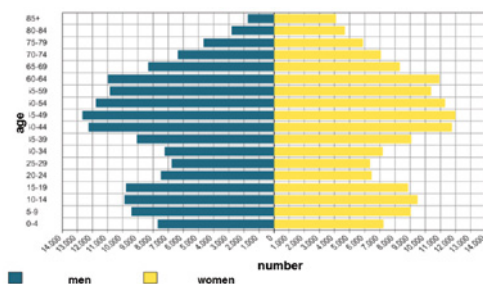
One of the main challenges of the Achterhoek is the declining population. In the next decades, the Central Bureau of Statistics predicts that the population will shrink with 9% from 300,000 towards an estimated 275,000 in 2040.

That along with the strongly ageing population (> 65 years + 53%), presents a real challenge to the economy in general, but in particular to the labour market, housing and health care. This effect will be intensified by the decreasing population of the youth (<20 years: -16%) in the region. If we consider the consequences of these

demographic developments to the labour market we see that the possible workforce has an overall negative growth of 7.6%.

A further analysis of the demographic developments show that in the next decade the second wave (10 -20 years in 2012) will not lead to a shortage of young people in the workforce, but rather to a lack of experienced employees. However the Dutch policy of postponed retirement (from 65 to 67 years) could have a strong effect on the demand due to substitution on the labour market.

★ Demographic info



- ★ 2010: 300.000 inhabitants
- ★ 2040: 275.000 inhabitants
- ★ Age 0 – 20 years: -16%
- ★ Age 20 – 65 years: -23%
- ★ Age 65 >: +53%

Source: CBS/ adapted by Office for Economical Research Province of Gelderland

## 1.2 Main Economic Sectors in the Achterhoek

The main economic sectors of the Achterhoek are Agriculture & Bio based industry, Health care, Building & Construction, Trade, and Industry. Together they provide 66,5% of the jobs in the region.

Compared to adjacent regions the Achterhoek is more oriented towards Building & Construction, Trade and Manufacturing Industry and less towards Commercial Services. The Transport & Logistics and Tourism sectors are still emerging sectors. The Industry sector is developing towards one where small & medium sized innovative companies are replacing the larger more traditional manufacturing industry. The traditional Agricultural sector is developing towards a more multifunctional and innovative bio based industry. The export related sectors perform reasonably well.

Economic sectors that are more dependent on regional investments like the Building & Construction and Retail sector lag behind.

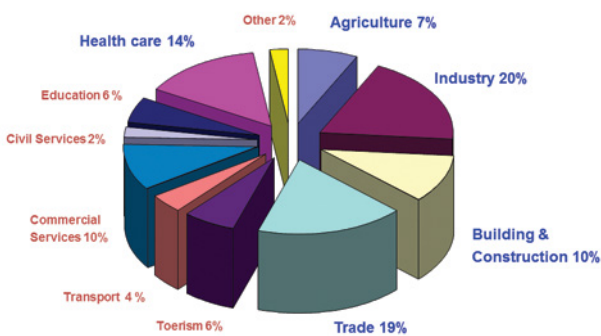
The entrepreneurs in the Achterhoek are aged, compared to other regions. 47,2% of them is over 50 years of age.

In the entire Netherlands this is only 39,7%. Combined with the demographic developments in the region, this could indicate a growing problem for take-overs.

The region is characterized by a large number of small companies. 82,4% of the companies in the region employs less than 5 people. But this does not really differ from other regions in the province of Gelderland or from the Dutch situation in general.

The Achterhoek has fewer starting companies on the market compared to other regions, but after 5 years more companies have survived and are still active. Entrepreneurs in the Achterhoek seem to be more risk avoiding or cautious, but once they do decide to start a new company they seem more successful or persistent.

### ★ Main economic sectors



### Emerging sectors

- ★ Transport & logistic
- ★ Toerism

Traditional agricultural sector developing towards more multifunctional and innovative bio based industry

Export related sectors perform well

#### Starting companies per 100

★ Achterhoek	5,2
★ Region Arnhem	8,1
★ The Netherlands	8,0

#### Number of employees

★ 1- 4	82%
★ 5-9	8.7%
★ >200	0,1%

## 1.3 Labour market Achterhoek

The employment rate in the Achterhoek is 70%. Nearly 80% of the employed have permanent positions, 20% are contracted on a temporary basis, especially in the retail (39%) the hospitality sector (16%) and the tourism sector (31%). Only 1,9% of the employed are from other European countries. 1,6% are Germans, 0,3% are mainly from Poland and some other countries.

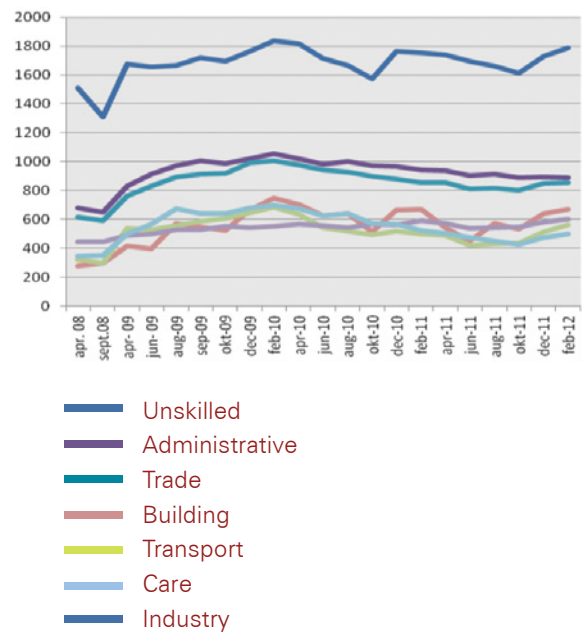
The labour market is not spread equally over the different economic sectors. Health care (18%), Industry (17%) and Trade (wholesale and retail) (18%) provide the most jobs. These sectors also have the most important share of vacancies, especially Health care.

The educational and vocational level required to fulfil these vacancies has changed over the last two years: in 2009 a mid-level vocational training was required in 44% of the vacancies and 36% required a higher education. In 2011 these figures are 58% and 25%.

Throughout all sectors there is a shortage of technical staff and ICT (information and communication technology) skilled employers.

## 1.4 Labour market and Unemployment

The unemployment rate in the Achterhoek is one of the lowest in the Netherlands, however there is an increase since 2011 due to the economic crisis, restructuring organisations and bankruptcies. The largest group of unemployed are unskilled workers (26% of all unemployed).



### Labour Market Achterhoek

#### Vacancies

★ Lower-level vocational training	17%
★ Mid-Level vocational training	58%
★ High-level vocational training	25%



### Labour Market Unemployed

#### Unemployed as % of the workforce

	Dec '10	Dec '12	Febr. '13
★ Achterhoek	5,0	4,9	5,1
★ Gelderland	6,0	5,8	6,0
★ Nederland	6,2	6,0	6,2

## 1.5 Labour market and Education

If we consider the number of graduates in or from the (COROP) Achterhoek and therefore the potential new entrants on the labour market we see the same trend from 2004 to 2011: increasing numbers for the secondary educational level (VO) with 15% and mid level vocational education (MBO) with 41%, while the number of graduates from higher educational levels (HBO and WO) stays fairly constant over the years.

We therefore expect no shortage in supply on the labour market in the next five years. Combined with the current crisis in Europe and the Netherlands, the main concern is not a shortage on the labour market (more demand than supply) but to avoid an increasing unemployment rate.

### Brain gain or brain drain?

There are no higher educational institutions (Universities of Applied Research or Universities) in the Achterhoek. All the Bachelor and Master students study outside the Achterhoek. The majority of the potential 'Brain Drain' in the region is formed by these students.

Graduates from all Dutch Universities of Applied Sciences (HBO) were monitored 1,5 year after their graduation in a survey by the Research Centre Education and Labour Market (ROA) of the University of Maastricht over the period 2007/2010. From the total of 115,473 employed graduates, 2.9% (3,354 graduates) originated from the Achterhoek (their residence at age 16).

Of the graduates originating from the Achterhoek 39.6% (1,330 graduates) returned to the region, 35.2% (1,182 graduates) were employed in adjacent regions and 25.2% (844 graduates) elsewhere in the Netherlands or abroad. Yet 806 graduates, originating from other regions in the Netherlands found a job in the Achterhoek.

This means a net brain drain of 36.3% (3,354 – (1,330 + 806) = 1,218) of higher educated graduates over a period of three years.

These statistics suggest that the brain drain in the Achterhoek is present, but far less dramatic than expected. Apparently the region is attractive to live and work in for those who were raised there.

We have no statistics about the migration of graduates in their second career stage, but research in for example the Euregion Gronau indicate that a significant number of higher educated return to the region where they were raised once they have families with children.

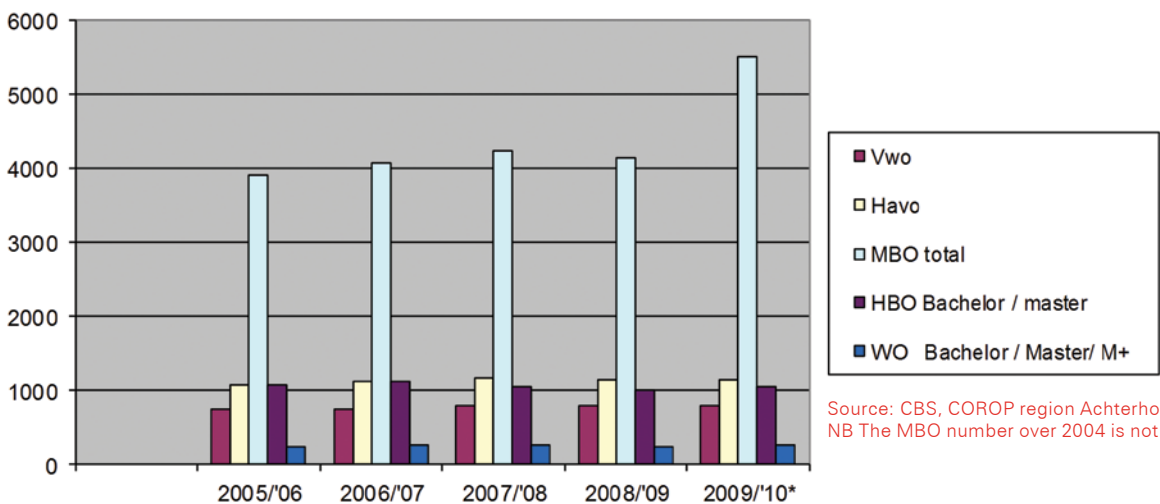
★

Labour market: brain drain

2007 to 2010	
Higher-level educated graduates:	3.354
<b>Brain drain</b>	
★ Employed in the Achterhoek:	1,330
★ Employed in adjacent regions:	1,182
★ Employed in other parts of NL:	842
<b>Brain gain</b>	
Graduates originated from other regions	
★ Employed in the Achterhoek:	806
<b>Net Brain drain</b>	
App. 400 per year=	36.3 %

★

Number of Graduates Achterhoek (COROP)



Source: CBS, COROP region Achterhoek  
NB The MBO number over 2004 is not available

## 1.6 Discrepancies in the labour market

The Province of Gelderland analysed the existing discrepancies on the labour market and predicted the tightness in the next three years. At elementary, lower and mid level vocational education there are 10.000 vacancies. This number is expected to increase to an estimated 12.000 jobs in 2015.

In 2011 34% of the vacancies originated from growth and 66% from substitution. The demand that originates in substitution will grow to 72% in 2015 as a result of the ageing (retiring) workforce.

The supply on the labour market with people with elementary, lower and mid-level vocational education in the Achterhoek was 11.500 people in 2011 (unemployed plus new entrants plus returning or reintegrating persons). This number is expected to stay fairly constant: 12.000 people.

For most professions and in all sectors, the discrepancy on the labour market has been increasing over the years, but most severe in agricultural, technical and health care professions.

The current economic crisis was not taken into account in the models used to predict tightness on the labour market. The AOC, the institution that provides lower and mid-level vocational training for the agricultural sector reported to us that due to the crisis it is nowadays hard to find internships or vacancies for their students in this sector.

## 1.7 The changing workforce

Clearly it is necessary to analyse demographic facts, developments and discrepancies on the labour market to develop effective strategies to bridge possible gaps. However the facts only represent one side of reality. There is another discrepancy that should be taken into account which is often neglected when one focuses too much on facts and figures.

That is the discrepancy between the current and the future organisational culture, labour relations, employment contracting and needs of the labour force. Not only innovation and technology determine this future, but also the core values and attitude of the next generations towards labour.

People born in the mid-1980s and later, are just entering the workforce. Generation Y (also known as generation Einstein) is the fastest growing segment of today's workforce. As firms compete for available talent, employers cannot ignore the needs, desires and attitudes of this entire generation. The old rules concerning labour relations and labour market do not apply anymore. A changing attitude of the work force has a strong impact on finding and binding talent and therefore has implications for organizing labour, recruitment strategies, employment contracts and education.

### Consequences

#### Need for:

- ★ Flexibility
- ★ Changing labour relations
- ★ Changing HRM
- ★ Self management
- ★ Changing remuneration systems
- ★ Redesign processes



### The changing workforce

### Generation 'Einstein'

- ★ Born in mid 80's
- ★ Different needs and attitudes
- ★ Space & Autonomy
  - Tech savvy
  - Work - life balance
  - Achievement oriented
  - Respect
  - Attention craving

## 1.8 The Interviews

During the study, interviews were held with 20 stakeholders in the field of education, government and businesses in the region. These interviews resulted in an overview of best practices and the following opinions and statements.

### Entrepreneurship and innovation

- ★ All regions face more or less the same negative growth of their workforces over the next decades. If the strategy is: to attract more people, you end up in a competition. It seems better to redesign all kind of business processes and innovate the traditional organised businesses to cope with the expected shortage.
- ★ The regional climate is not very favourable for young entrepreneurs. Municipalities could do more to encourage entrepreneurship by creating 'free zones' and lowering costs of permissions, housing etc. Some respondents notice that many of the often traditional, down to earth operating companies in the
- ★ Achterhoek seem to have no sense of urgency for innovation and show a resistance or fear to change. Government and its institutions tend to put the burden of responsibility on their shoulders: awareness and empowerment of the individual parties on the labour market and economic sectors should be the main driver in policy making. Government and its institutions should only be catalysts.

### Labour market and mobility

- ★ The region should seek more cooperation with adjacent regions, especially with Twente, regarding technical talent.
- ★ We expect a growth in the need for health care, but we do not need higher educated talent. At this point we need a more hands on labour force in health and personal care. Statistics show a shortage on level 2+3 trained people (skilled caretakers), but an overstaffing on level 5 (higher educated skilled nurses).
- ★ The negative growth of the population will mainly effect the middle cohorts, that means that we have to take care to preserve tacit knowledge and experience in our organisations.
- ★ The consistency between education and the labour markets' needs is a continuing dilemma. The match between supply and demand of internships is crucial:
  - to prevent to educate people for jobs and skills that we do not need any more.
  - to educate and train for the kind of jobs where shortages are expected.
- ★ There are some real obstacles in the recognition of foreign diplomas and qualifications. This is relevant for employers in the Achterhoek. Differences

between the Dutch and German school systems also results in barriers for further formal education abroad.

In addition, language was also shown to be a barrier in effective employing foreign (German) employees in the local hospital.

### Region Branding

- ★ The regions image and core values 'natural, conciseness, authenticity and 'neighbourship' act as an asset to the region as well as a pitfall. The region is too modest and introvert. It brands the region as not attractive to young people. But if you want to attract young talent, you need to be attractive.
- ★ The region needs therefore to be more self-conscious and extrovert. Often policymakers and sectors focus too much on problems and negative signs. This creates a self fulfilling prophecy. Be more focussed on successes and show the world that the Achterhoek has world class innovative and 'sexy' businesses, not only for a job but for internationally oriented careers.

## 1.9 Coping Strategies

### Achterhoek Agenda 2020

In 2011 the 8 municipalities in the Achterhoek concentrated their effort in developing the region together with local businesses, educational institutions and Public Services in a unique strategic agreement 'Agenda 2020'. This Agenda 2020 was not merely a 'paper' agreement, but the result of the mobilized energy and effort in the Achterhoek to address the challenges of regional threats and opportunities and to strengthen the regions assets.

Four main themes were selected to implement Agenda 2020. Within each theme a Local Action Group identified a number of projects and activities and these were deployed in so called 'Workplaces'.

- 'Smart and fast connecting'
- 'Sustainable and innovative economy'
- 'Promising countryside'
- 'Vital community'

All parties concerning education and labour market were united within the POA, the 'Platform Education Labour market Achterhoek'. The action programme of POA is part of the activities in the Workplace "Sustainable and innovative economy'.

The POA chose in her action programme four main themes to cope with the dilemma's of the labour market





and education in the Achterhoek:

- Future proof recruitment and education;
- Optimizing participation;
- Enhancing flexibility of the labour market;
- Vitality and employability.



Within the POA there is a Working Party that is responsible for the implementation of the POA action programme. We therefore recommend that this 'Working Party', completed with some local entrepreneurs will act as the Local Action Group on Talent of the Achterhoek.

### Best practices

Companies in the Achterhoek report the use of a variety of strategies and instruments to attract, find and bind talent. We see many initiatives basically that can be categorized in one of four types of strategies to cope with expected shortage of talent on the regional labour market:

#### ★ Develop talent

In-house training and development, mostly in cooperation with formal education and training institutes

#### ★ Mobilize talent

Unemployed to employed, mobility projects, sharing talent

#### ★ Attract and keep talent

From other regions to the Achterhoek, by promoting businesses and the Achterhoek and providing higher education in the region

#### ★ Broke talent

Mediate and match between students, graduates and businesses

## 1.10 Recommendations

The Local Action Group on Talent should formulate and implement well chosen projects in order to keep a flourishing economic climate. The Achterhoek and the socio-economic partners needs:

### Entrepreneurship and innovation

**1.** More entrepreneurship to create new businesses. This could be initiated by policymakers for example by creating 'business incubators' or 'free zones' for starters. Lower the barriers to start (housing, rent, loans) and provide starters with seasoned buddies to grow their self confidence and reduce failures.

**2.** To create a sense of urgency to redesign of all kinds of work processes to be able:

- to innovate to keep up the competition;
- to change the traditional labour intensive manufacturing industry into a more automated less labour intensive oriented industry;

- redesign labour relations;
- to adapt to a new generation on the labour market and to be able to contract and attract enough qualified personnel of generation Y.

**3.** Intensify cooperation. The cooperation within each economic sector is basically very well organised, but the cross sector cooperation could be enhanced.

### Labour market and mobility

**4.** To expand the close cooperation between educational institutions and businesses in the region. To realise a shift from formal vocational education into forms of 'learning on the job' and life long training for new skills and competences within companies.

**5.** To break down barriers for the exchange of foreign (German) workers. Since only 1.3 % of the workforce is of German origin this could enhance the influx of talent in the region. These barriers are of lingual, cultural as well as administrative nature.

**6.** To overcome the lack of skilled technical personnel. This can be done by:

- a. creating a more open attitude towards the adjacent regions;
- b. cooperating between the same as well as different type of companies;
- c. sharing talent both in Public Services and businesses;
- d. intensify cooperation with the University Twente and other institutions of higher education in Overijssel, (universities of applied research Windesheim and Saxion).

**7.** To create local portals to match the demands from industry and skilled (technical) personnel. Small scale initiatives by 'knowledge brokers' or centres of innovation in cooperation with educational institutions.

**8.** To create strategic HR policies that emphasize on:

- in house training and development, both professional and leadership development;
- needs of the different cohorts, like vitality programmes for employees over 50 years and remuneration programmes that are attractive to generation Y;
- the exchange and (temporary) sharing of employees in cases of past time unemployment, lay-offs and understaffing;
- future needs to be ready and able to substitute their aging workforce.

### Region Branding

**9.** To start specific branding campaigns to promote innovative Achterhoek as a region with sexy businesses and opportunities for talent; Not for a job but for a career.

**10.** To create, in addition to the previous recommendation, a special regional medium, (website or social media) that incorporates all links to other websites or media, not only to expose companies or resumes, but also to publish temporary vacancies and projects.

## 2. THE CITY OF DORTMUND

HARRIET ELLWEIN, SANDRA SCHULZE & ROBERT SCHWANITZ



Dortmund (580,000 inhabitants) is a large German city in the state of North Rhine-Westphalia in the east of the Rhine-Ruhr Region (also known as the Metropole Ruhr), geographically it forms an interface between the urban metropolitan region and the more rural Sauerland and Münsterland areas. Transport and traffic infrastructures are excellent, making it easy to get there and benefiting both businesses and tourism: the railway station is one of the most important railway hubs in Germany, there are six autobahns, a regional airport and outstanding connections formed by the largest inland canal harbour in Europe.

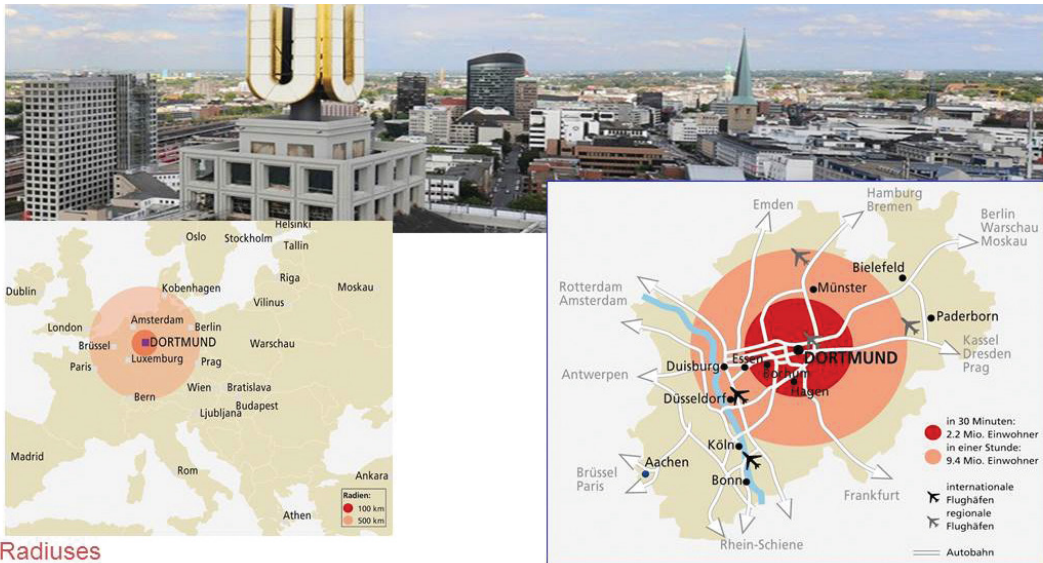
**The city is not only well-known for being the business and commercial centre of the region.**

But is also famous for being so green: almost half of the city area is made up of parks and green spaces. Dortmund can also be described as the main shopping city for the region. Last but not least Dortmund is associated with the football club Borussia Dortmund, whose recent successes have paid a positive contribution to the image of the city as well.

Economically the city is characterised by small and medium-sized companies (SMEs), more and more of which are part of the “new technology” sectors. Particularly strong potential is evident among the future-oriented sectors of information technologies, micro technologies, manufacturing technology and logistics.

580<sup>000</sup>





**Radiuses**

within 30 minutes 2.2 million inhabitants

within one hour 9.4 million inhabitants, international airports, regional airports, autobahn

## 2.1 Demographic developments

By the year 2020, the number of 45 – 50 year olds will have declined by around 10,000 people, by 2028 the group of 50-55 year olds will shrink by around 14,000 people as well. Younger age groups will not be able to compensate for this trend so there will be a double need for action as far as the shortage of skilled employees is concerned.

## 2.2 Economic structure and labour market in Dortmund

There are currently (as of 2011) 36,000 companies in Dortmund. They employ a total of 249,492 paid staff (45,653 of them are in marginal employment – “mini-jobs”). The employment rate is currently at 46.4%.

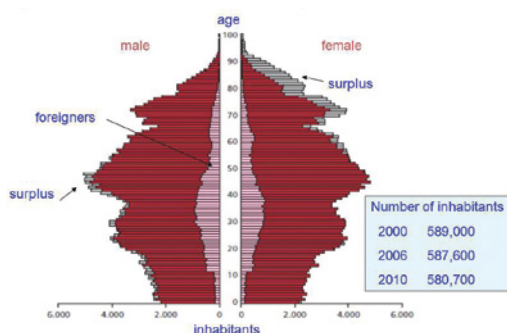
It reveals a broad range of different economic sectors which are often characterised by the high levels of knowledge they require, making it necessary to bind highly skilled personnel more strongly to the city.

The development of the employment market in Dortmund is closely linked to the city developing from being a centre for steel, beer and coal industries to becoming a technology and service oriented city. At the beginning of the 1950s, Dortmund was the largest steel producer in Germany and one of the largest producers of coal too. In the 60s there were also eight breweries here producing around 10% of the beer consumed in Germany.

The disappearance of these three core industries left Dortmund with high unemployment levels. Previously there had been 35,000 employees in the steel industry falling to 4,000 at the end of the 20th century. By 1999 there were only 1,000 workers left in the breweries compared to 5,000 back in the 60s.



### Age distribution Inhabitants of City of Dortmund



Source: Dortmunder statistik No. 198 Annual report 2012, p. 10

This structural change has had a lasting impact on the development of unemployment.

By developing a new understanding for the city as a location for technology – founding the Technical University Dortmund (1968), the Technologie Zentrum (1984), and the Technologie Park (1988) Dortmund has been able to attract highly skilled personnel; although the unemployment rate is still high.

In February 2013, the rate was 13.5%, an increase compared to the previous year. The majority of unemployed persons in Dortmund are long term unemployed (in February 2012: 40.9%).

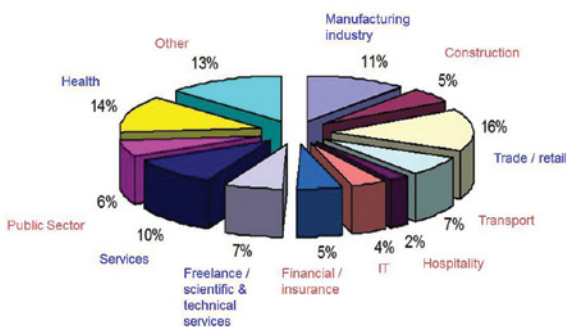
## 2.3 Education and labour market

With regard to the skilled personnel situation in Dortmund, there is a particularly high demand in the new technology-oriented sectors. Dortmund has taken up the “battle for the best brains” and is demonstrating their commitment with numerous measures and projects which aim to cover today’s needs for skilled personnel and to work against the tide of the expected future shortage of skilled personnel.

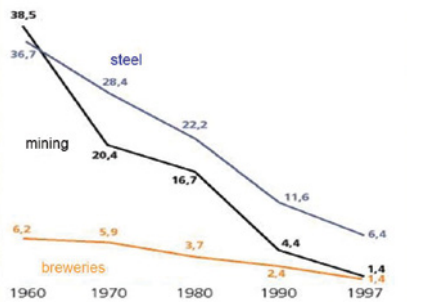
The Technical University (TU) and the University of Applied Science (FH) with their 47,000 students (approx. 10,000 FH/ approx 37,000 TU) together with the International School of Management with an additional approximately 800 students, provide a comprehensive platform for providing skilled employee resources. Both the TU and the FH have a distinct focus on technology and natural science courses such as “Applied Informatics”, “Energy Management”, “Logistics”, “Medical Physics” or “Mechanical Engineering”. The TU is also well-known for its high quality courses in the field of teaching and journalism as well as its long tradition in business and social studies. There are already many collaborations with companies in progress today: the FH already offers university level so-called dual courses (combined practical apprenticeship and academic university studies) in three subjects which are partly run in close cooperation with partner companies. These are the university level courses “Industrial Service Management”, “Software Technology”, and “Insurance Business”. The TU also offers students opportunities to find out about regional employers at a stage as early as possible, in order to retain the future graduates in the region. In addition to the universities, there are numerous non-school and non-university opportunities available to help when choosing a profession. The KITZ. do for example is a non-school learning environment which offers a sensible and practical addition to school lessons. The programme promotes a systematic, early orientation towards natural sciences and technology for children and young people. In the context of the “jobtec.Motor for your future” project, a cooperation project between the City of Dortmund Economic Development Agency and the Employment Agency Dortmund, regular practically-based events are organised in order to help pupils choose a technically oriented apprenticeship or vocational training position and to bring them into contact with such professions at an early stage. The “High Potentials Dortmund” project takes up this approach and offers Dortmund companies and universities a platform for gaining highly qualified university graduates or pupils for MINT courses in Dortmund (maths, informatics, natural sciences and technology subjects).



### Unemployment per economic sector



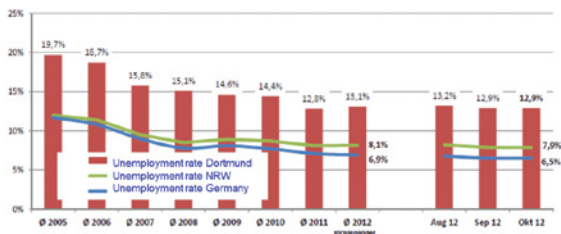
### Structural change



Source: Dortmund Statistical Year Book 2012 employees subject to social insurance contributions



### Unemployment



	Febr. '12	Febr. '13
Men	13.8%	14.0%
Women	12.8%	12.9%
< 25 years	12.6%	12.8%
> 50 years	14.0%	13.9%
Foreigners	28.2%	29.2%

## 2.4 Interview partners / stakeholders in Dortmund

When selecting the interview partners, the Economic Development Agency was able to make use of existing networks. They have mapped the sectors impacted or potentially impacted by a shortage of skilled personnel and recorded the acute problems faced by the companies. The project team also questioned representatives of the City, the regional universities as well as intermediary organisations about the skilled personnel situation in Dortmund.

The results of the interviews were divided into several main sections:

- ★ Image and appeal of the location of Dortmund.
- ★ Particularly sought after skills of applicants.
- ★ Roles of the stakeholders.
- ★ Welcome culture and internationality.

In addition to the above categorisation, the interview partners were divided into “company”, “public establishments and research institutions” and “special interest groups”. The interviews resulted in the following profile of strengths and weaknesses for Dortmund:

### Strengths

- ★ For years, the Dortmund stakeholders have developed an awareness of the issue of training and keeping skilled personnel, and work bilaterally or in larger networks. As a result they view things with a critical eye but are open for new solutions.
- ★ Several of the stakeholders have been involved in the subject matter through programmes and projects for many years, and these serve as a model for other regions. They include, for example, the Regional Education Bureau of the School Administration, which has been working intensively for the last decade on the issue of transition from school to training and higher education. Similarly, the City of Dortmund Economic Development Agency was the first of its kind in the country to pick up on the connection between the development of business clusters and the need for appropriately skilled personnel, and then to devise specific schemes to meet this need.
- ★ Some good bilateral cooperation dealing with the transition from school to training programmes and higher education exists (e.g. the School – University Working Group, which includes all of the major network partners, or the “Jobtec – an engine for your future” project by the Economic Development Agency in cooperation with the Dortmund Employment Agency).

- ★ Dortmund has its fair share of strong companies that are actively involved in the long-term nurturing of skilled young talent and can serve as an example for other companies (e.g. WILO, Materna and DB Schenker).
- ★ There are several long-established and effective networks in Dortmund. The members of these groups come together, often in spite of reservations due to possible conflicts of interest, in order to pursue joint activities, e.g. the social partners (employers and trade unions).
- ★ Dortmund has a number of popular universities, which thanks to established networks with local companies, make a significant contribution to meeting the shortage of skilled personnel.
- ★ Museums and exhibitions, such as the KITZ.do technology centre for children and young people, offer children a chance to learn outside the classroom, introducing them to technology and natural sciences from an early age, and making an important contribution to the education of tomorrow’s skilled personnel.
- ★ Dortmund has successfully reinvented itself by promoting the development of new sectors. Former industrial sites have evolved into centres for technology-oriented companies, for housing, culture and recreation. The transformation of the local economy can be seen in the gradual diversification of its structure, with long-established small and medium-sized industrial enterprises being joined by increasing numbers of companies from the sectors of logistics, IT, micro and nanotechnology and biotechnology.

### Weaknesses

- ★ Despite the transformation of its economy, Dortmund seems to have retained its image of heavy industry to some extent. “Beer, coal, steel” remains the dominant image of the Dortmund region in the minds of many (potential) workers from outside of the Ruhr. This affects the city’s appeal and inhibits qualified people from moving here.
- ★ The city suffers from a high unemployment rate, including a large proportion of long-term unemployed. The local economy has been transformed but these problems have not yet been solved once and for all.
- ★ A discontinuity between (publicly funded) projects and the pursuit of separate goals (parochialism) does not help to achieve the objective of a positive image of the region.
- ★ Dortmund’s lack of culture of welcoming newcomers and not enough international orientation are widely mentioned.
- ★ The childcare situation in Dortmund has room for improvement. The university in particular pointed out the problems arising from an uneven distribution of childcare facilities across the city and its suburbs.

## Best Practices

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In Dortmund report we see a variety of strategies and instruments to attract, find and bind talent and to cope with expected shortage of talent on the regional labour market:

### 1. Analysis

Skilled Worker Monitoring – realistic view on local demands and shortages.

### 2. Encouragement

KITZ.do School Lab – creates curiosity in science subjects in line with company demands.

### 3. Education

Joint activities of all relevant stakeholders to support the transition of school graduates to (local)universities and to vocational training opportunities at local companies.

### 4. Prevent brain drain

High potentials - innovation package to keep university graduates in DO and provide business opportunities.

### 5. Alumni

Real-IT business fair at DO university, itour –the-Ruhr.

### 6. Excellence

Club of Excellence – excellent internships and job opportunities for selected students.

### 7. Innovation

Innovationsstandort - connecting Science and business, a successful regional Innovation Network.

# 3. NAVARRE

JOSE MANUEL OLIVAR, VANESSA MAGUI & YOLANDA ESTEBAN



Navarre is situated in the north of Spain. Navarre consists of 272 municipalities and has a total population of 642,051 (2011), of which approximately one-third live in the capital, Pamplona (195,769), and one-half in the capital's metropolitan area (315,988).

**There are no other large municipalities in the region.**

Despite its relatively small size, Navarre features stark contrasts in geography, from the Pyrenees mountain range that dominates the territory to the plains of the Ebro river valley in the south.

642<sup>051</sup>



- ★ Capital: Pamplona
- ★ Total population: 642,051 \*
- ★ Foreign population: 71,600 \*
- ★ GDP: € 18,121.7 mill. \*
- ★ GDP per capita: € 29,221 \*
- ★ Exports: € 8,092.74 mill. \*\*
- ★ Imports: € 5,292.07 mill. \*\*
- ★ Foreign investment: € 49.3 mill



(\*) Source: National Statistical Institute (INE), 2011  
 (\*\*) Source: Ministry of Economy and Competitiveness, 2011

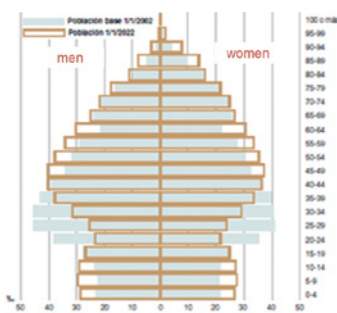
### 3.1 Demographic trends

Regarding the spatial distribution, it could be said that there is a correlation between the areas with greater demographic dynamism and the areas with greater economic activity. Areas of the Pyrenees or of Sangüesa, with hardly any industry, are faced with the problem of population exodus. Nevertheless, the area of Pamplona and its region form an important industrial mesh with a significant degree of diversification. Other relevant areas are the Ribera Alta, the area of Tudela, the River Ebro axis and the area of Estella.

### 3.2 Economic development

The Navarre economy is mainly an industrial economy. The relative weight of the Navarre industry, noteworthy for the predominance of small companies, is higher than that of the European average. Due to this characteristic, Navarre could suffer very hard from the effects of an industrial relocation, more for example, than a region with tourism as its mains source of income. For these reasons, Navarre should be especially worried about the loss of productivity of the Spanish economy and, mostly, it should seriously consider what measures to take to solve it.

Demographic Trends 2002-2022



Source: Navarra Statistical Institute, 2002

In the last 50 years, Navarre has experienced a strong socio-economic transformation. The industrial expansion that started in the sixties, thanks largely to the Industrial Promotion Programme promoted by the Regional Government since 1964, meant a step from an economy based on agriculture, which at that time employed half of the labour force, to a balanced and dynamic economy of a modern region.

This picture set the basis of the current situation of the Navarre economy, whose main assets are its balanced productive structure, its excellent geographic position, its good infrastructure, its high degree of external openness and its fiscal autonomy. The important development of the services throughout the past two decades, inherent in the outsourcing process followed by the most advanced economies, has not expected this strong industrial trait to diminish in Navarre at the beginning of this century.

#### Current situation

- Population 642,000
- 49,94% male and 50,06% female
- 57,01% in employable age
- 23% > 60 years
- 20% < 19 and younger
- 11% are foreign population

#### In 2022

- Population: 645,000
- 26% > 60 years
- 22% < 20



### 3.3 Labour market and Unemployment

After years of sustained economic growth, the Spanish labour market is undergoing a serious crisis, with different origins and worldwide scope, which has had a strong impact in terms of job losses, placing unemployment levels recorded in Spain above five million people. The Navarre region is suffering the consequences of the current economic crisis. The data regarding the Quarterly Accounts of Navarre, prepared by the Statistical Institute of Navarre reflect for the first quarter of 2012, a decreasing tendency of the Gross Domestic Product (GDP) generated by the economy of Navarre of -0.5%, with respect to the same quarter of the previous year, after the 0.8% registered the previous period. The fall of the rate of growth which started in the second quarter of 2011 has therefore become accentuated.

It is certain that this crisis has caused a general drop of employment between the population lacking basic competences, regardless of the age. As a consequence of these dynamics, there has been an increase of unemployment in the past 4 years which has affected very specially the segment of long-term unemployed people. The drop in employment and the growth of unemployment have been more drastic in the segments of population with less training, despite of extending to all levels of education. Age plays an equally relevant role within the framework of this analysis.

According to the information available, the restrictive macroeconomic context will coincide with other phenomenon and tendencies, some structural and others caused by the situation of crisis itself that will have a great influence in the development of the labour market in the upcoming years. The principal of these tendencies, which are already seen today, are the following:

- ★ Population aging, which will result in a generational replacement, that is, a progressive exit of people from the labour market. This will give rise to a replacement demand, despite the delay in the age of retirement, compensating only partially the volume of exits.
- ★ Dynamics of sector and occupational change due to the differential impacts of the crisis in sectors and occupations and their different position in the economic recovery process. This tendency will require important retraining and relocation processes of the population in the labour market.
- ★ Demand for a greater qualification, both to cover newly created jobs and replacement jobs, and also at high qualified levels and medium and low qualified levels. This is due to the incorporation of new

technologies and the greater complexity of a more competitive economy.

- ★ Unequal opportunities in the labour market depending on the population's level of education, noting greater opportunities to access and maintain employment to the extent of having greater education levels.
- ★ Increase of the demand for initial vocational training, given the difficulties to access the labour market and stated the greater opportunities of labour insertion of those graduated in vocational training, among other factors.
- ★ Coexistence of high unemployment rates with shortage of qualified labour force offer in some sectors or emerging occupations, with high levels of innovation, for which the market will not have yet generated the necessary professional competences.
- ★ Increase of the volume of people with labour market insertion difficulties due to their low employability, given the new labour market conditions. This tendency is especially evident in the collective of people in situation of long-term unemployment.
- ★ Persistence of significant internal unbalances in the Spanish labour market in terms of territory, which are aggravated by a low tendency to internal labour mobility and by the segmentation of the labour market, as well as for the little information regarding the spatial distribution of the employment opportunities. It can therefore be seen on a differential impact of unemployment rate depending on autonomous communities.

Specifically, with regard to the differences between men and women, it is worth highlighting that despite the progress achieved regarding the incorporation of women to the labour market, there is still a long way to go, as the unbalance due to gender is still persistent regarding access to the labour market, retaining employment, unemployment conditions and the professional development of men and women.

As of October 2011, the services sector has carried out 80.91% of the recruitment, followed by the industry sector with 10% of the recruitment.

However, what is also outstanding is that the majority of recruitments are due to production circumstances, with 42.29% of the recruitment and in second place the recruitment for work or service, with 28.73%, characterising the temporary nature of the majority of recruitments. Spain and Navarre are not indifferent to the consequences, and are suffering the effects of globalisation. There is no doubt that initially the internalization of the Spanish economy has allowed achieving macroeconomic stability. Although in the past years, the economy is starting to show signs of exhaustion.

## 3.4 Education in Navarre

In terms of education, the percentage of the population in Navarre with higher education (1997 CINE 4, 5 and 6) is higher than the Spanish average. 34.9% of men and 36.4% of women followed high education as seen on the following table.

Navarre has excellent educational infrastructures; 3 universities, 33 vocational training centres, 57 secondary education schools and more than 250 primary education schools.

The Autonomous Community of Navarre has important specialised technological centres, such as:

- ★ National research centres (Unique infrastructures in Spain):
  - CENER: National Centre of Renewable Energies
  - LEA: Wind Turbine Testing Industry (2007)
  - CNTA: National Centre for Food Safety and Technology
- ★ Other centres of excellence:
  - Applied Medical Research Centre
  - CIFA: Applied Pharmacological Research Centre
  - CITEAN: Automotive Technological Innovation Centre of Navarre
  - FUNDACION CETENASA EVENA: Navarre Viticulture and Oenology Research Station
  - IBA: L'UREDERRA applied biotechnology institute
  - CENIFER: Training Centre in Renewals

Navarra has a high rate of school enrolment and very high training indices, with the highest rates of school success in Spain, above the European average.

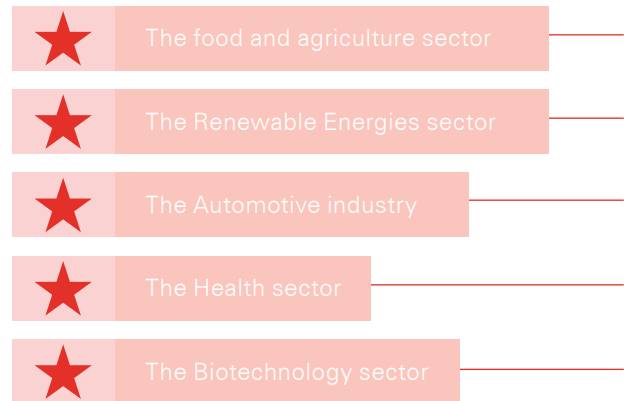
### Education

	Both genders		Men		Women	
	Navarre	Spain	Navarre	Spain	Navarre	Spain
Primary education	14.1	21.3	13.4	20.4	14.8	22.3
Secondary education	26.8	27.5	28.2	28.9	25.4	26.0
Post-secondary mandatory education	23.4	22.0	23.4	22.0	23.4	22.0
Higher education	35.7	29.2	34.9	28.7	36.4	29.8

Source: Systems of education indicators of Navarre 2011 - Navarre Department of Education

## 3.5 Main economic sectors

The critical sectors identified as the subject of this study because of their contribution to the economy of Navarre and / or strategic interest for the future development of this region are:

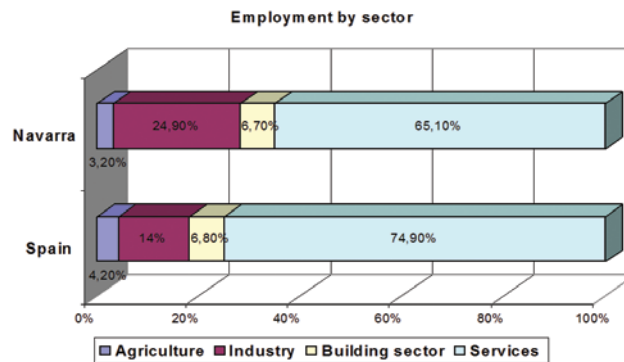


SODENA (Development Society of Navarre) which is the main instrument of the Government of Navarre for business development of the Autonomous Region, considered three strategic sectors Energy and Environment, Biotechnology and Food Industry.

Foundation MODERNA, an organization of general interest and non-profit, whose main objective is the development of the Navarre region, is mainly responsible for the Plan MODERNA. The Plan is a strategic medium and long-term driver of change in economic development model in Navarre to an economy based on knowledge and people-centered. Plan MODERNA is the result of the analysis of the economy of Navarre in different macroeconomic variables and performance of its key economic sectors, and to assess the contribution of the factors of regional competitiveness.

The plan was driven by the major political, educational, business and social, grouped under the Plan Steering Committee includes input from more than 1,500 citizens, and was finally approved by the Parliament of Navarre.

MODERNA reflects the challenges facing the economy of Navarre, and defines the strategy and the main lines of action for the next twenty years (2010-2030), in the areas of health economics (biomedicine, medical devices and healthcare services), the green economy (including here the food industry and renewable energies) and economics of talent.



Source: National Statistical Institute (INE), 2012

### The food and agriculture sector

The food industry contributes to approximately 16% of the region’s industrial GDP. The sector is formed by 1,200 companies and 24,000 agricultural holdings, and employs 12,000 people. 28% is older than 45 years, 31% between 36 and 45 years and 41% between 16 and 35 years. Women represent 62% and men 38%.

In Navarre the agri-food sector is mainly formed by small and medium size companies. 80.2% of the companies employ less than 10 employees. Nevertheless, there are also some large companies (0.88% employs more than 200 employees).

The food industry has evolved in an intense process of diversification and includes from small family-run traditional companies, characterised by the intensive use of the labour force, and large highly mechanised industrial processors based on the generalised use of capital.

### Renewable energy sector

Renewable energies are those forms of non-consumable energy that do not depend on finite resources and that do not have an unbalanced relation between their consumption and production: hydroelectric energy, wind energy, solar energy, both thermal and photovoltaic, biomass and geothermal energy. Urban waste and other organic waste are consumables, but they may also be classified as sources of renewable energy. A list also includes a whole range of technologies still in experimental phase, or still proving their economic feasibility, such as wave and tidal energy (tidal power), of hot and dry rocks, or combustible batteries (hydrogen).

The new companies created in this sector have generated an industrial fabric associated to almost 100 companies, with more than 5,000 job positions and contributing 5% of the GDP. This economic sector is characterized for promoting specialised employments and of high added value.



- ★ Mini hydroelectricity: 111 power plant installations
- ★ Wind farms: 32 wind farms with over 1,000 wind turbines
- ★ Biomass plant: combustion capacity 160,000 tons/year
- ★ Biodiesel plant: production capacity of 35,000 Mt/year
- ★ Biomethanisation: converts organic waste into biogas, generating electric energy
- ★ Biogas: recovery solid waste (MSW) and Waste Water 1.6 MW
- ★ Photovoltaic solar: 60,000 m<sup>2</sup>, 1.2 MW of power groups one third of the solar field dedicated to R&D in Spain

### Specialised Centres

CENER, R&D&i,  
CENIFER – Training Centre

### Facilitating Institutions

ANAIN – National Innovation Agency  
SODENA – Society for the development of Navarre  
STAR-UP CAPITAL NAVARRA – Public Seed Capital Company  
SPRIN – Society for Promotion of Investments and Infrastructures of Navarre

## The automotive industry

The automotive sector represents 4% of Navarre's GDP, for which the developments in this sector are highly relevant for the region's economy and employment. The automotive industry includes those economic activities aimed at manufacturing motor vehicles including both the assembly and manufacture of their parts, pieces and components. The automotive sector is the activity that employs the most staff, representing almost 20% of the people insured within the Navarre industry sector. The automotive sector in the region of Navarre is mainly formed by small and medium size companies. 60 % of the companies employ less than 50 employees.

Regarding the employment characteristics in this sector, it could be said that this is an especially-masculine sector, as 76% of the employees are men. Over half of the people working in this sector belong to large companies (4.4%) with more than 500 employees and 33% to companies (7%) with between 101 and 500 employees, (data provided by the Social Security).

With globalisation and the freedom of movement of capital and goods, 5 situations have been observed which are marking the sector's future tendency:

1. Off-shoring
2. Outsourcing of activities
3. Concentration of companies
4. Technological innovation
5. Market saturation.

These factors may cause the drop in employment, especially for the less qualified.

## The health sector

Navarre's healthcare sector has a notable presence within the social framework of this community with a total of 2,648 health centres and 10,160 employees, being outstanding some of the aspects of its situation when compared with other geographic areas.

Within the sector four subsectors are distinguished:

1. The healthcare system, including hospital facilities and services, as well as outpatient and home care.
2. The educational system, generating knowledge and training health professionals.
3. The research activities, located in the university centres, hospitals, organisations specifically dedicated to R&D activities and companies dedicated to the manufacture of medicinal products or different type of equipment for the medicine field.
4. The business activities related with healthcare, and specifically those related with medicinal products and equipment, both for diagnosis and for medical interventions. The EIBT, technology-based innovative companies, merit special attention.

The Healthcare Sector had a 9% growth in employees since 2010. This development is more notable in the category Specialised Physicians with a growth of 19% to 1,900.

## The biotechnology sector

The biotechnology sector is one of the emerging sectors with the highest growth potential in Spain. The sector groups a significant number of companies in Navarre that today employ between 500 and 1,000 people according to the estimate by Sedena (Society for the Development of Navarre), an instrument of the Government of Navarre for the business development of the Autonomous Community, with investment levels above EUR 30,000,000 and over 60 patents registered in the past decade, being the sector that registers the most patents in the region. (according to the study of "Identification, Incorporation and Development of talent in the companies within the Biotechnology sector AIN 2010).

It is a growing sector, formed mainly by small and medium sizes companies, which is generating qualified employment in new research, development and production activities. It is a sector with a large shortfall of people with high level qualification and experience. This difficulty of finding qualified technicians is a factor that may delay and slow down the fast growth and development required by these companies.

Since 2004, the Government of Navarre promotes, together with the regional agents of the Science – Technology – Company system, the Bionavarra Strategy with the aim of contributing to the generation, incorporation and development of biosciences, focusing especially on biotechnology, as well as its use in sectors with potential applications. Bionavarra focuses on the development of biotechnology in the Agri-food, Biomass Energy and Health sectors and of bioscience in general within the agri-food sector.

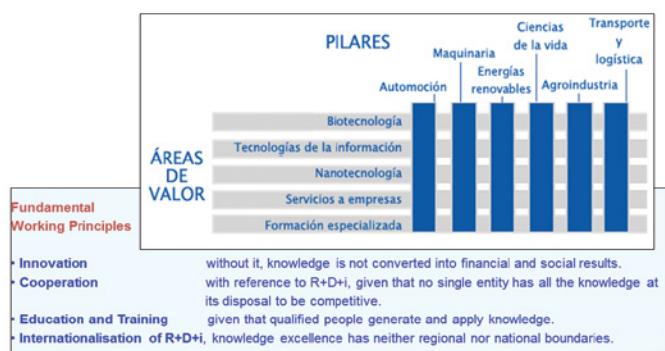
In 2005, ANAIN (Innovation and Technology Agency of Navarre) was commissioned to promote the first extension, involving two new physical areas and renamed as Navarre Innovation Park. The Navarre Innovation Park is based on R&D&i, sustainable development and improvement of the quality of life. It currently has FOUR physical areas, the ENERGY and ENVIRONMENT area, the NANOBIOTECH area, the BIOSANITARY area and the Technology-Based Innovative Enterprise area (EIBTs) with all the essential elements of a park: technological centres, universities, incubator companies, technological companies, etc.

## 3.6 Technology Plan

In 2008, Navarre started its Third Technological Plan (2008-2011). The Third Technology Plan for Navarre (2008-2011) fosters activity in R+D+i by companies without previous experience in the field; however, it also encourages a more radical and intensive approach to R+D+i among participants with experience of the regional innovation plan, by promoting greater co-operation in R+D+i between the different partners, as much in the regional domain as at the national and international level. The financial injection anticipated up until 2011 represents an increase of 62% compared to that budgeted in the Second Plan (2004-2007).



### Technology Plan



Source: Third technology plan, <http://www.navarrainnova.com>

### Macroeconomic Objectives

- To position Navarre among the 50 most innovative regions in 2011 (in 2006 the European Commission placed Navarre in 76th position out of 208 European regions)
- To attain a level of expenditure in R&D equivalent to 3% of GDP, with two-thirds of this expenditure coming from the private sector.
- To lead the contribution of Spain in terms of knowledge-based value.

### Overall Objectives

1. To promote a balanced and sustainable development of the business market, benefiting from the potential of strategic projects and sectors such as those already carried out in biotechnology (oriented towards health, food/agriculture and energy/environment), nanotechnologies, renewable energies, ICT, automotive and other sectors that may come to the fore in the future.
2. To drive regional competitiveness based on knowledge.
3. To strengthen links between Universities-Technology Centres-Business-Society.

4. To increase competitiveness on a global scale by encouraging continuous innovation.
5. To stimulate international co-operation and integration in the European Research Area.

## 3.7 Interviews

In total 20, surveys were conducted between June and September 2012, obtaining information directly from Managers, Organisation Directors, Human Resources Directors, Presidents of Associations, Information System Area Managers, Improvement Area Coordinators, and technical staff from the Public Administration.

The capacity of the organisations to identify the talent they require, being capable of attracting it, capturing it and incorporating in the organisation, to develop it and retain it achieving the greatest value and contribution as possible for people and the organisation, is known as the Lifecycle of the Management of Talent. We present our conclusions and recommendations according to the three major stages of this lifecycle:



### Talent identification

Organisations define the concepts of talent differently. Some definitions for example:

- ★ Talent is the sum of knowledge and skills that generates sustainable and inter-entrepreneurship results. Talent is the capacity to generate business within the company.
- ★ Talent means responsive and autonomous, having good levels of initiative, high sense of commitment, loyalty, good relations and integrating well within the company.
- ★ Talent is linked to the technical knowledge and the experience: They are people with great problem-solving capacity and with capacity to make decisions within the speciality of each talent.

On many occasions companies focus on identifying, capturing, retaining and developing talent, not directly participating in generating external talent, before its incorporation to a specific company. They consider this generation of talent as a field beyond their competences,

as it would be initially attributable to the educational centres and to the Public Administration.

### Talent attraction and capture

Organizations report a number of problems when put into practice the capturing and incorporation of talent:

- ★ Staff with professional training with mainly theoretical knowledge, although lacking practice.
- ★ Difficulty of finding highly qualified and specialised staff in some sectors, such as biotechnology, healthcare research, etc.
- ★ Lack of training in the management of resources and people, as these are aspects dealt with during the education period.
- ★ Lack of training, vocation and interest in commercial aspects of technical trained professionals, which are not dealt with during the education period.
- ★ Lack of a joint training plan between the educational centres, technological centres and universities, for a collaboration and complementarities of the training when developing certain profiles to meet the demands of the region's labour market.
- ★ An excess of students who aim their education at a university level when the market has currently a greater demand for professionals with technical training.
- ★ The capturing and recruitment of talent from other countries outside the European Union which is frustrated due to the legal procedures required by a foreign professional to obtain a work permit, according to the current policy governing the granting of such permits.
- ★ Not having a support plan for professionals coming from abroad.
- ★ Difficulty of finding professionals with the level of foreign language linguistic competences required (the language mainly required is English followed by German).
- ★ Demand of high salaries due to the lack of number of professionals with experience in certain sectors. Renewable energies, biotechnology and healthcare.
- ★ Geographic location of the company's headquarters. As it is outside the Region of Pamplona it does not find local talent with the education and experience required and it is not attractive for professionals coming from other regions.
- ★ Geographic location with headquarters in Pamplona - Navarre The city of Navarre may seem small, not a reference in talent and with scarce air transport structure.



### Factors to attract talent

- ★ A secure work project.
- ★ An innovative and leading work project.
- ★ Positive reputation and image of the company.
- ★ Positive reputation and image of certain employees who are references within the sector (national and international).
- ★ A work project that represents the professional opportunity to grow and develop.
- ★ A work project that combines research with its practical development.
- ★ The work offer including an attractive package (payment and personalised intangibles).
- ★ Work project that enables the professional to return to the region of Navarre

### Talent Development and Retention

Despite the majority of companies considering the management of talent as something outside their competence concerning the training centres, we already see companies that have established relationships with the training centres to achieve a greater collaboration between the educational system and the need for talent. Nevertheless, this policy is still not generalised and should be increased for the benefit of the organisations.



### Retaining talent

#### Main problems

- ★ Social-cultural non-adaptation factors.
- ★ Demand of high salaries.
- ★ Geographic location of the company's headquarters.
- ★ Pamplona: the city may seem small, and with a scarce air transport structure.

### The future of Talent in Navarre

To overcome the regional shortage of talents, the companies surveyed stated:

- ★ There is no shortage, although it is necessary to adapt in a practical way the university knowledge to companies' reality in a practical way.
- ★ The training programmes should include and encourage students to travel abroad or to other regions, by means of grants, based on the Erasmus exchange model.
- ★ The technological centres should have special

support from the Public Administration, as they represent a cluster of all the sector companies.

- ★ The university programme contents should include the behavioural transversal competences.
- ★ Promotion of the acquisition of linguistic competences.
- ★ The associations and the new technologies should support the subject of the languages.
- ★ The Government of Navarre must support the integration of people from abroad, mainly in the legal regulation and regarding the regional lobbying, deploying actions to promote its image as a region that has multinational companies and that is prepared to accept several more.

## 3.8 Conclusions and recommendations

### The Local Action group

The companies surveyed suggest that the agents should be present as members of the group LaGoTa, such as: Cluster: Representing sectors and at the same time boosting and generating an important talent portfolio, Representatives of each of the most booming economic sectors in Navarre, Navarre Healthcare Service, CIMA, Representation of the academic world: Training centres, Public and private University, Public Administration (Department of Industry and Employment), Moderna Foundation, National Centre of Renewable Energies.

What could this Group LaGoTa contribute:

- ★ It should be the assessor in talent retention and capture policies, in the different Departments of the Public Administration, especially in Education and Labour.
- ★ It should share experiences and create environments of collaboration both inside Navarre and at an international level.
- ★ Provide truthful and objective information to the Public Administration so that from it they can define efficient action plans that contribute to an increase of the business productivity and of employment, especially of young people.
- ★ The private sector must have a greater initiative to approach the academic world to the business world, and must have the support from the Public Administration.
- ★ Take advantage of the best practices of other regions participating in the project and that are more advanced in this matter.
- ★ Inform about what is done in other countries and work in collaborative environments. Serve as a showcase and sell Navarre.
- ★ Take advantage of the best talent practices available for the other regions.
- ★ The exchange between EU professionals can improve

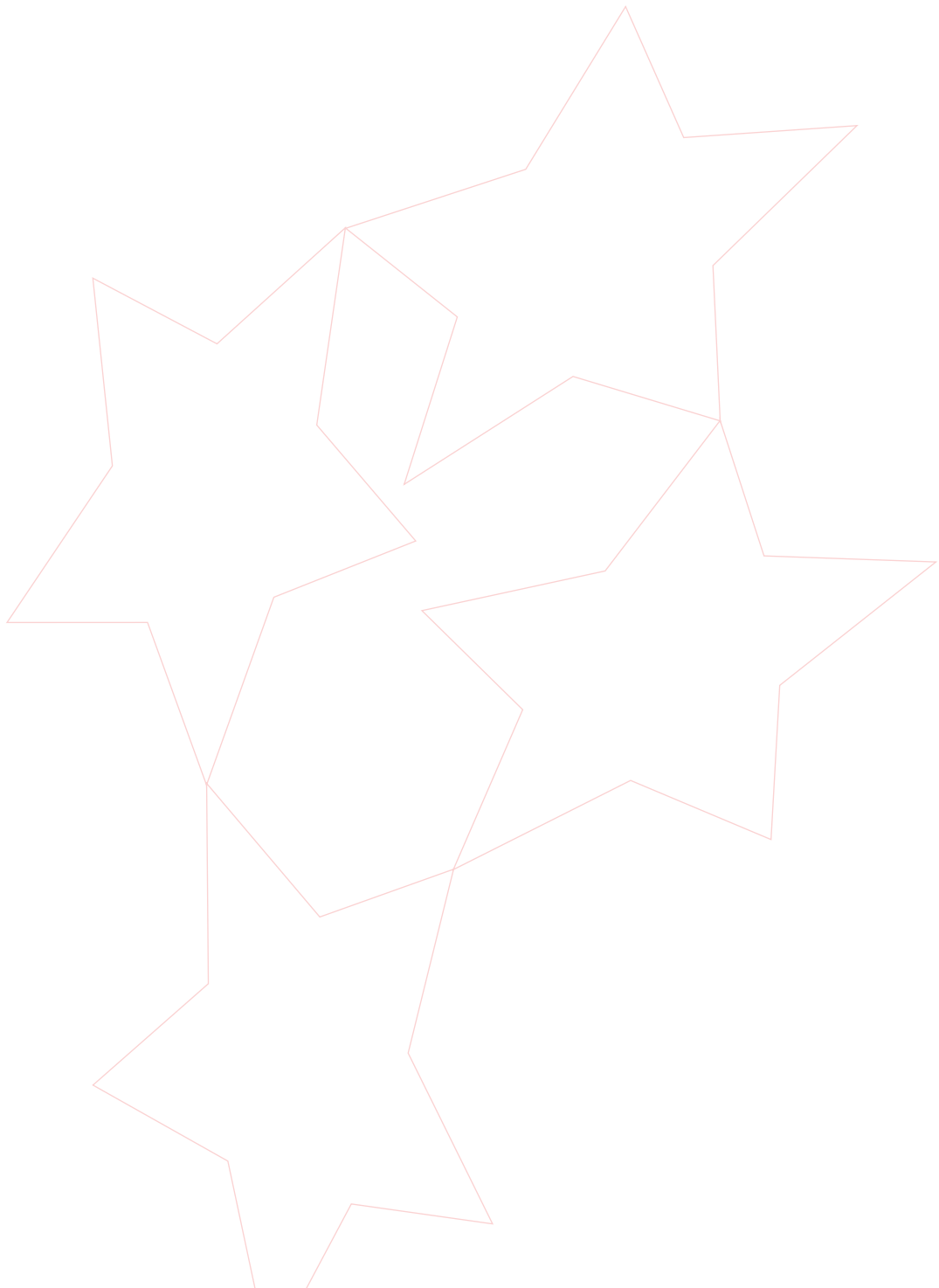
between the public universities that should develop agreements with the foreign universities as well as enrich the knowledge and quality of its training offers.

- ★ Define together with the Public Administration a training plan to adapt the conventional academic training to the company's requirements.

### Attracting, Developing and Retaining Talent —

- ★ Despite the majority of companies considering the management of talent as something outside their competence and as something that concerns the training centres, we already see companies that have established relationships with the training centres to achieve a greater collaboration between the educational system and the need for talent. Nevertheless, this policy is still not generalised and may be increased for the benefit of the organisations.
- ★ In a self-interested manner and to improve their own operating accounts, some companies already have adopted a participative policy and a talent generation guide, as the lack of professionals in the market generates immediate costs and difficulties in their process of talent management.
- ★ The active participation of the company in defining requirements and training itineraries with the talent training centres optimises the process of generation and incorporation of talent in the organisations.
- ★ From the educational sector's point of view, it is necessary to educate the Vocational Training specialities and the graduates and/or post graduates to the current requirements of the different sectors and in view of the future, by establishing collaboration paths between the companies and the educational centres.
- ★ The use of the university job banks and those at the secondary education centres is generalised among the companies to capture talent.
- ★ The Public Administration programmes that subsidise and support the training and development of talent is not capable of attending the idiosyncrasy of the different sectors.
- ★ It is easier for the companies to identify and capture potential talent from non-complex profiles with little experience. They identify that in the region of Navarre the people with this profile acquire high level of professional training very fast and intensively. Nevertheless, it lack complex profiles, with high experience and of a national and international level.
- ★ The acquisition of linguistic competences of a second language is still as serious problem in the field of the lifecycle of talent.
- ★ Navarre companies do not have a measuring system for the return on investment of talent. Therefore, we can not confirm through a reliable indication that the investments yield the results expected.

- ★ Not all companies have talent shortage problems when capturing talents. Nevertheless, even those that do not have a shortage believe that in order to strengthen the lifecycle of the management of talent in the region of Navarre, the training centres, as well as the universities must adapt in a practical way the theoretical knowledge of the training that they impart with practice, according to the company's reality, including in the programmes the teaching of behavioural competences and languages.
- ★ The majority of the companies surveyed do not have a specific action to retain talent.
- ★ The main problems of retaining talent in the region of Navarre are linked to the Remuneration Policy, the company's geographic locations and the non socio-cultural adaptation of the foreigners.





# 4. THE EUREGIO GRONAU

MARIEKE MAES & LINDA BLOM



Founded in 1958, the EUREGIO is the first euro region.

**It is situated at the Dutch German border and is an amalgamation of 130 Dutch and German rural districts, towns and municipalities.**

The area has 3.4 million inhabitants. There is a tradition of cross-border collaboration in many areas: labour market (e.g. the number of cross-border commuters), economy (e.g. collaboration of KvK and IHK [Dutch and German chambers of commerce and industry] and companies for example in the VNDU [Association of Dutch and German Companies and universities).

At the time of establishment, the region suffered (among others due to its peripheral location in a national point of view) from an unfavourable economical situation (weakened textile industry), bad infrastructure and a weak social cohesion due to prejudices between the German and Dutch inhabitants. In the past decades, the EUREGIO managed, together with other organisations (such as the member communities and regions, the chambers of commerce, regional development agencies) to successfully address these challenges.

See [www.euregio.eu](http://www.euregio.eu) for more information.

# 3 400 000



## 4.1 Regional labour market and economy

Regional labour market experts came to the conclusion that it is very likely that “the euregional labour market” will always be composed of at least two labour markets because of the big differences between the Dutch and the German system. Therefore, it is hard to collect data at the euregional scale.

In the table below, the key data for the current labour market situation are therefore split up:

Labour Market and Economy EUREGIO			
	EUREGIO-NL		EUREGIO-D
Unemployment rate	6 – 6,5 %		3,8 – 7,8 %
Expected economic growth	-2%		+0,7 – 1,3 %
Shortages of skilled workers within	medical, metal/ electro, trading and ICT sector		medical/social, metal/synthetic/ electro, logistics/trade, catering industry handicraft

Source: Regio Twente + Bundesagentur für Arbeit (2013)

Nowadays, “the euregional economy” is characterised by strong SME’s. Among them, there are several “Hidden Champions” in the fields of mechanical engineering, food industry, health care industry, logistics and furniture manufacturing, to only sum up the TOP 5. The total number of cross-border commuters is estimated at ± 30.000. The cross-border mobility of employees strongly correlates with the economical cycle in the consequent countries. From 2000-2005, one could observe that the number of German cross-border commuters rose with 204% whereas in the same time, the number of Dutch cross-border commuters decreased with about 25%. The number of German students studying at the universities situated in the Dutch part of the EUREGIO is estimated at ±4500 (2011) whereas the total number of Dutch students studying in whole Germany is estimated at 1.500 (2009). Thus, a one way cross-border mobility of students is apparent. The GDP per capita of the German member regions are, apart from the cities of Osnabrück and Münster, in general lower than the German average (see figure 1). The region of Twente has a slightly higher GDP per capita compared to the German average and a significant lower one than the Dutch average.

## 4.2 Net out-migration of young inhabitants as a challenge

The demographical situation is, with a natural increase rate of 0,3 between 2004 and 2009 and a migration rate of -0,1, rather favourable (ILS, 2011). In 2030, the EUREGIO is expected to have lost less than 1% of its current population. However, because of the changes in the population structure (caused by ageing and outmigration of young people) the decrease of the potential labour force (15-65 years old) constitutes a big challenge (-9% for the German side of the EUREGIO (Münsterland e.V., 2012)).

A factual threat for the EUREGIO, which most likely directly relates to the fact that the region is characterized by many hidden champions, is the migration behaviour of young graduates. An analysis of the migration behaviour of different population cohorts (2005-2009) showed net outmigration at euregional level both for the 15 until 24 years old and the 25 until 29 years old. These population losses at the euregional level are only slightly compensated by net in-migration of families (combination of 0-15 years old and 30-49 years old) and of 50-65 years old people which implies a net loss of possible working force for the region. The euregional outmigration is in favour of the national agglomerations (e.g. Randstad for the Dutch side of the EUREGIO and Berlin and München for the German side of the EUREGIO).

# 5. THE INTERREGIONAL CONFERENCE “MAKE IT VISIBLE”



The mid term interregional conference in Pamplona from 29 – 31 October 2012 concluded the first phase of the project: ‘Make it visible’.

Analyses of the regional developments, conclusions and recommendations were presented by the four partners. During this conference a number of workshops were organized to share information, experiences and ideas with the members of the Local Action Groups of Navarra, Dortmund, the Achterhoek and the Euregio Gronau. The issues addressed in the workshops were derived from the input of the regional reports.

Six issues were identified with a common ground and interest in all participating regions and in line with the objectives of the LaGoTa Project.

- 1. Image change**
- 2. Cooperation between educational institutions and regional businesses**
- 3. Establishing Local Action Groups on Talent**
- 4. Sharing Talent across economical sectors**
- 5. Sharing and transferring knowledge within organizations**
- 6. Facilitate the transition from school/universities to the workplace**

The participants in these six workshops were composed of mixed groups of members of the Local Action Groups of Navarra, Dortmund, the Achterhoek and the EUREGIO. Each workshop was chaired by a member of the steering group of the LaGoTa project.

## 5.1 Session 1 | Image change

If you want to attract talent, you need to be attractive to talent. The central question dealt with was: “how do we ensure that the image of the region is in line with the needs of talents?”.

### The Main ideas outlined by the group

1. Invest in your internal communication: you should be aware that every employee/inhabitant is an ambassador for the region. Make sure that your ambassadors are polite and welcoming towards newcomers.
2. Make sure that your external communication gives a good impression of your region. More precisely:
  - Insert a link with information of the region (dealing with the topics mentioned under point 3) on each vacancy.
  - Always mention the contact person and contact details, in this way information is more accessible.
  - Open a welcome office, a location that joins all possible information.
3. Communicate not only a job offer, but also a housing offer and the educational opportunities. Other important features for talents are: regional cultural offer, accessibility of infrastructure and services, family-friendliness and offers for the target group 15-25 yrs (e.g. free time activities, lively city centre) “Stars” within 50 km (= easily accessible) need to be considered and communicated, so “don’t stay within the traditional borders of your region!”
4. Apart from employees, you also need to consider tourists, interns and students as important target groups! People need to have “a connection” with your region (be it work, friends, internship, studies,...) All these experiences pull people to your region.

## 5.2. Session 2 | Cooperation between education and businesses

The main question addressed in this session was: “what can we do to improve the cooperation between vocational training centres, universities and companies?”.

### Main ideas outlined by the group

1. The cooperation between the education sector and businesses can be increased by extending cooperation from primary and secondary education. Currently it is observed that cooperation, when it occurs, is mostly at the vocational and university level, not taking into account the primary or secondary education. Primary and secondary education is the key in building values and attracting the interest of students.
  2. Cooperation between the education sector and business strategy corresponds to a win-win situation. The closer the relationship, the greater the benefits for both parties and for professionals / students.
  3. To be more effective, it is necessary to have a close collaboration between the education and business sectors, with a network whose members are representatives of the various actors in the process of formation and labour market. These members can and should be: professional associations, business associations, government, university and vocational centres.
  4. The big goal and in turn the great challenge of collaboration between the education sector and the business sector is to align the curricula of the schools to the needs of companies, given the constant changes that companies are immersed in. That way, the system obtains better professionals who can adapt more easily to the technical and social demands of the work environment.
- Another benefit from the collaboration or improved collaboration between the education sector and regional businesses is an acceleration of the recruitment process, and that schools need to know the business, prepare young trainees to join the company immediately. In turn, companies have training centres as a source for recruitment and selection processes.
- It is important for academic and training centres to seek to keep up to date regarding the latest technologies applied in enterprises. Unfortunately it is observed that if there is a close collaboration, training centres still use technologies that are not as current as those applied in business, creating a skills gap when the young applicants join a company. The deepening and improving of such liaison would require greater participation and relationship between students, teachers and businesses.

## 5.3. Session 3 | Establishing Local Action Groups

One of the main objectives of the project is to establish a local action group on talent. In this workshop we exchanged ideas and experiences among participants in setting up this local action group on talent.

### Main Ideas outlined by the group

In any action group success depends on four key issues of the team process:

- 1. Trust and acceptance:** any team success is based on trust and acceptance of the team members
- 2. Sharing information:** if trust is built, the sharing of information and ideas will take place. Without trust and acceptance, team members will be reluctant to share information, which will lead to diffuse team objectives
- 3. Common goals:** when information and ideas are shared well, the team members will be able to identify common team objectives and work towards commitment to these objectives
- 4. Agreed plans and procedures:** as soon as common objectives are identified, plans to reach those objectives can be elaborated and actions agreed. If the team members are committed to these plans and actions and are reliable in doing what is agreed on, this will enhance trust and acceptance.

Since 'trust and acceptance' seems the basic impact factor, it would be a wise policy to form a local action group of members with the 'R' factor.

- ★ **Reputation:** to be effective as a local action group, the members of this group should be respected in their region because they have built up a positive reputation in one or more of the relevant areas.
- ★ **Relation:** they should have an existing network in the region. If the team members know each other and are of different relevant sectors, this will enhance the success ratio of the group
- ★ **Relevancy:** their network must be relevant (regarding sector, labour market, education) to the goals of the local action group and they must be committed to use that network
- ★ **Results:** members must have shown should to be successful in obtaining results in the past
- ★ **Reliability:** the group must be certain of the enduring commitment of its members. They do actually what they promised and agreed to do.

To be successful some more factors were identified during the workshop:

- ★ Focus, and start with one or two limited projects and

celebrate small successes. Success breeds success and it takes time to inspire the region.

- ★ Communicate, communicate and communicate: use internet to share success and to be transparent to the region.
- ★ Think about the sustainability of the group and of success. Often this means a support plan to attract money for actions.
- ★ And last but not least: no words, but work and action.

## 5.3 Session 4 | Sharing talent

If there is a shortage on talent in the region, there are basically two strategies to attract and retain talent: to compete or to share. In this workshop we discussed the possibilities, experiences and ideas about sharing talent, with the motto: "You can only multiply when you share".

### Ideas outlined by the group

Although there are a number of disadvantages if enterprises share their talent like confidentiality and protection of knowledge, patents and unique technology, the group felt that there are more advantages in sharing the scarce talent in the region. Especially if this sharing is across different sectors because that enhances innovation instead of competition.

Competition easily derails in lost strategies and loss of energy, while sharing enhances the opportunity for win/win strategies. For talent, it is beneficial and appeals to the next generation on the labour market: Learning experience, Personal and professional development, fun, energy and inspiring, state of mind (mobility and flexibility).

Examples are: cooperation between SMBs, R&D and educational institutions in Regional Tech Cells (synergy between business projects – student groups and innovative technology).

The group identified as success factor: start with young kids and share information in the region about what is going on. Built regional 'technology transfer centres' with so called knowledge brokers to match supply and demand in the region.

## 5.5 Session 5 | Knowledge sharing/ transfer within a company

The question addressed in this workshop was: “what are the methods of transferring knowledge to (potential) talents (within a company)?”.

### The Main ideas outlined by the group

Knowledge is present in organizations through people, for that reason, the knowledge is transferred through and by people. However, not all knowledge is easy to transmit and transfer, as in the case of tacit knowledge, scientific, creative and innovative knowledge.

Some of the best practices found in organizations that represent valid methodologies for the transfer of knowledge and learning in organizations are:

- ★ Identify employees with some experience who is willing to help the recent additions in the first step in the company.
- ★ Mentoring System: to identify people who are able and willing to act as a mentor to other professionals that are in development.
- ★ Welcome guide: is a welcome tool to the new additions, which to compile the most important and relevant information of the company (who is who, phones, etc.) facilitates the adaptation phase of the newly built, as well as serving as reference material.
- ★ Internal training for the development of internal talent.
- ★ Wikipedia: Internal organizational tool that is also a reference for technical consultations.
- ★ Job Rotation: consists of a system of job rotation that allows the practitioner to learn different tasks, develop versatility and minimize the risk of loss or leakage of knowledge of the company.
- ★ Learn from different generations: encouraging employees with more years of experience, or near retirement, to share their knowledge with other people within the organization.

The lack of transfer or lack of dissemination of knowledge is a great risk for organizations because it can lose it or suffer from its leakage. In either case, leakage or loss of knowledge would represent a decline in the competitiveness of the organization.

## 5.6 Session 6 | Facilitate the transition from education to work

There seems to be a gap between company's expectations and curriculum objectives of schools and universities. The main question addressed in this workshop: “how can we bridge that gap?”.

### The Main ideas outlined by the group

All stakeholders have their own role and responsibilities:

1. Education system must find a balance between the original curricula, targets and demands of potential employers. They need to adapt to up-to-date teaching methods and prepare students for the labour market.
2. Companies should adapt expectations concerning the graduates multitasking abilities and should offer internships for students to get to know them at an early stage. Moreover they should offer additional training courses
3. Students should be aware of the skills needed on the labour market. They need to train their professional skills, but also their social skills.

The outcome of the workshops is also the input in the next phase of the project 'make it better'.

# MAKE IT BETTER

PART 2

2



# 6. ACHTERHOEK LOCAL ACTION PLAN



In three subsequent meetings of the Local Action Group, the recommendations were narrowed down to three comprehensive and interdependent themes.



Make it better | The Focus

**Motto “To attract Talent we need to be attractive”**

- ★ 1. Entrepreneurship & innovation  
Facilitate the creation of regional networks of SMB's to enhance the possibility of new P-M-T combinations.
- ★ 2. Region branding  
Communicate in region branding campaign an exciting innovative region with exciting jobs and opportunities for professional and personal development.
- ★ 3. Labour market & Mobility
  - To create new jobs.
  - To provide opportunities and possibilities for mobility.
  - To attract talent to an exciting innovative region.

The elaboration of each theme into an action plan and projects was coordinated by a team of three members of the Local Action group and supported by the members of the steering committee of the LaGoTa project.

Moreover the three themes were directly linked to the Achterhoek 2020 Strategy in its theme 'Sustainable economy', and therefore these projects will be sustained over the next years.





# 6.1 Theme 1 | Innovation & Entrepreneurship

The Local Action Group strongly believes that innovation, entrepreneurship and mobility on the labour market can be enhanced in the Achterhoek by creating innovation Hubs and concurrent facilitating the establishment of networks and chains of strategic alliances of companies who:

- ★ Are not each others natural partners or currently do not cooperate;
- ★ Are no business competitors (except on the market for talent);
- ★ Operate in a 'cross border' context:
  - in different economic sectors of markets (or for different type of clients),
  - with different products or services,
  - with the use of different technologies (or knowledge, production methods or – processes).

This firm conviction was elaborated in three complementary projects on innovation and entrepreneurship.

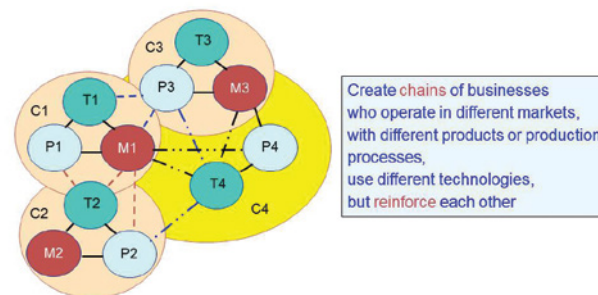
### Facilitating Networks and Alliances

Assuming that each company has its own unique set of 'Product – Market – Technology Combinations or its own set of products or services, operates in its own market has its own clients or customers and uses its own production methods, processes or technology in producing that product or service.

By smart combining these PMT's in cross-sector networks of companies the possibilities are increased and conditions created for innovation.

## ★ Innovation & Entrepreneurship

### Creating new (strategic) alliances and networks



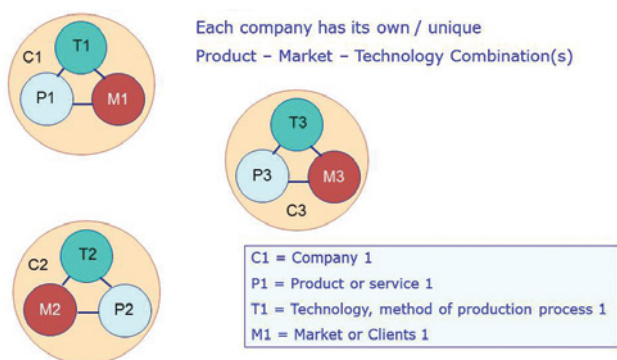
- These alliances and networks add value to companies:
- ★ they will benefit of each others knowledge, markets and ideas
  - ★ they can share the scarce personnel and talent
  - ★ they can develop new selling channels, new products or services and new technologies
  - ★ they offer their personnel and talent more flexibility and opportunities for their professional development and unfolding careers in the Achterhoek.

### The Creation of Innovation Hubs

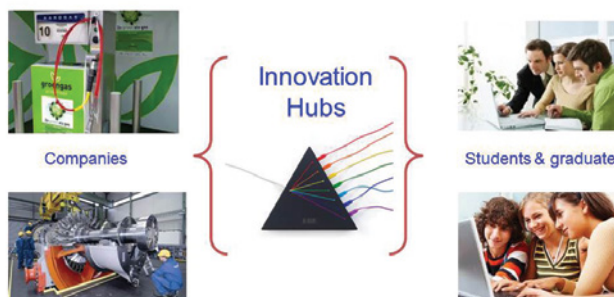
An Innovation Hub is defined as a small community or centre, that provides continuity in the plans for innovation and improvements in a company. A Hub is built around groups of 7 / 9 students of different studies, disciplines and levels on medium (MBO) and higher vocational training (HBO) and scientific level (University). The students can do internships and / or graduate at their educational institution.

## ★ Innovation & Entrepreneurship

### Creating new (strategic) alliances and networks



## ★ Innovation & Entrepreneurship



The conditions that must be met to make Innovation Hubs successful are:

1. There is coordination over volatility and discontinuity as a protection against the day to day or ad hoc modus operandi in organisations.
2. The Innovation Hub must be well anchored in the company culture. Management should endorse and support the Hub for 100%.
3. It is all about project ownership both for the company and students.
4. A focus not only on plans and intentions, but on implementation is essential.
5. Provides synergy between young talent and seasoned personnel with practical experience.
6. The Hub consists of different disciplines and levels. The strength is in the diversity.
7. The Hub needs its own room (both freedom and location) in the company.
8. Each participating company commits itself during at least three consecutive years.

Each Hub is managed by a graduate during 8 to 12 months. After that period he/she will be replaced by a successor also a recent graduate. The Hub manager will receive a salary and gains professional and work experience and receives skills or professional training. The Hub manager is able to build a network in the region and will be ready to succeed his career in the region.

The benefits for participating companies are:

- ★ They have no concern for managing the Hub nor any concern for paperwork of the students because the educational institutions take care for education and graduation.
- ★ There is a continuity in their innovation projects because there is a continuity in resources.

### Cooperation between Employers Associations -

The third project within the theme 'Innovation and Entrepreneurship' is the cooperation between cross border employer Associations VNO-NCW Achterhoek and AIW. The objective of the project is increasing cross border cooperation by facilitating contacts and links between members / companies.

The idea is a Growth model that starts with an assessment of the commitment of the members and an inventory of information regarding the individual members. The outcome will be registered in a database that is accessible to all members. In the end this 'dating site' for companies will lower barriers for cooperation and generate more business. In the Long run the project will unfold in geographic perspective and in content and to Labour market issues like:

- ★ Supply and demand.
- ★ Vacancies and recruitment.
- ★ Internships.
- ★ Training and development.
- ★ Over-capacity.

## 6.2 Theme 2 | Region Branding

The core values of the Achterhoek are naturalness, conciseness, authenticity and 'neighbourship'. In other words 'Real Achterhoek'. In region branding campaigns these core values are frequently promoted. But as stated the region is also the second innovative region in the Netherlands. This fact is relatively unknown to the general public.

★

Region Branding



"It Happens in the Achterhoek"



Innovative, sustainable, energetic, vital, promising





The challenge of the region is now to promote the region as an innovative and for talent and careers, attractive region combined with its traditional strong core values. This will lift the region branding campaign to the next level with innovative regional businesses in the spotlight.

★

Innovation & Entrepreneurship



VNO-NCW  
ACHTERHOEK

Cooperation Employers Associations



AIW

1. Information to members AIW en VNO-NCW Achterhoek about objectives:
  - by mail; website; workshops; newsletters
2. Collecting information and assessing needs
  - outcome in database,
  - to all members accessible
3. Evaluation after 6 month:
  - Possibilities for expanding and improvement

Questions like

- What by-product of your product, could be of interest for other companies in the region
- What products could you possibly produce that have yet no market
- What support do you expect from your Association

## 6.3. Theme 3 | Labour Market And Mobility

### The Metro Project

To enhance the attractiveness of the region it is necessary to make new entrants to the region feel 'at home'. The metro project aims to provide job seekers with smart linked information (metro stations) of the Achterhoek. The job seekers are guided through housing companies websites, work related organizations, educational institutions and cultural institutions and possibilities. But also through ambassadors of these organizations who will act as personal guides through the regions' systems.



Labour Market & Mobility

## The Metro Project

### Objective

To increase the visibility and added value of the regions to potential job seekers and talent

### How

Smart Linking of the Metro lines  
Working - Housing - Learning - Recreating

### Aimed at

Different groups with different needs

- ★ Young professionals: graduates
- ★ Young families with young kids

### Commitment is essential

Smart linking to:

- ★ Running Projects and Initiatives
- ★ Regional businesses



Commitment is essential. Therefore the project is smart linked with other initiatives and running projects that are part of all themes of the Achterhoek 2020 Agenda. It is also smart linked to the companies and organizations in the region.

# 7. DORTMUND LOCAL ACTION PLAN



The action plan of the Dortmund Economic Development Agency arose from the results of the interviews and discussions held by the action group, as well as from parallel processes among the individual stakeholders or stakeholder groups. The planning and processing status of activities is very varied. For this reason, they were structured according to the following criteria:

- 1. Immediate Effects of LaGoTa (Brain Flow)**
- 2. Initiated Measures**
- 3. On the Agenda**
- 4. Strengthened by LaGoTa**



## 7.1 Immediate Effects of LaGoTa (Brain Flow)

Besides the planned actions to be included in the “action plan” prepared by the Economic Development Agency, initial concrete actions have already been obtained even before the project itself was completed.

### **DB Schenker AG – Cooperation with Spain**

The visit to the Volkswagen Academy Navarre during the “interregional meeting” of the LaGoTa project in October 2012 in Pamplona inspired to ideas to respond to the lack of professional drivers at DB Schenker in Dortmund and to recruit professional drivers.

In this context, it turns out that the language barrier has first to be overcome before such a project can be successful. Therefore, the company developed a “pilot project” to train professional drivers in the vehicle fleets of Schenker in Spain and to teach them German at the same time, to be able then to deploy the qualified drivers in Germany.

### **Leonardo Project “Lifelong Learning”**

As a result of the exchange of experiences during the LaGoTa project three participants (CEN Navarre, KITZ, Do Dortmund, Beta Technology Centre Achterhoek) initiated a new project for support through the “Leonardo da Vinci”, European Lifelong Learning Programme. The project focus is on promoting young children’s development in the transition phase between nursery school and primary school and continuing advanced training of educators. Young children are introduced to technical and scientific applications in a playful way whilst losing their shyness towards such topics, where applicable. Educators are trained along the lines of the KITZ.Do model and handbook. The authorisation for the project is expected to be granted in the months of June / July of this year; the term will then be two years.

### **Workshop “Between Image and Welcome Culture” (28 February 2013)**

The interviews and discussions in the local action group, inspired the Dortmund LaGoTa team and colleagues of the Economic Development Agency Dortmund to design a workshop to address the question of what future skilled personnel expect from their working environment.

The 30 participants developed ideas as to how potential groups of migrants could be mobilised and bound on site and what actors would have to be involved in this regard to recruit skilled personnel for the regional SME, using examples of particular cases. This workshop not only served the purpose of developing new ideas, but also strengthened networks and identified constellations of successful actors in Dortmund.

## 7.2 Initiated Measures

### **Dortmund Welcome Agency**

The Ruhr metropolitan region, including Dortmund, is not sufficiently attractive for skilled personnel from other parts of Germany and abroad. To recruit highly qualified, skilled personnel from abroad, another mentality must be in place both within the companies and throughout the entire urban life. This “Welcome culture and international orientation” of the city of Dortmund is a process that must be supported by all social players – through campaigns, individual best-practice initiatives and a growing cosmopolitan attitude, which is not only “moral” in the age of globalisation, but also more necessary than ever from an economic point of view.

Therefore the Economic Development Agency develops a concept which stipulates the organizational structure, sponsorship, resource requirements and financing conditions of a Welcome Agency and is evaluating the future need of individual organizations.



### Welcome Agency

1. Acts as a navigator between the scientific institutions, the scientists at universities, cultural institutions (e.g. museums), qualified skilled personnel and managers of companies as well as the city of Dortmund.
2. Serves as a central hub within the network of Dortmund’s actors and bundles information.
3. Informs and refers to the competent bodies and institutions, which can help with specific demands.

This also includes the contact to:

- ★ Authorities, service facilities
- ★ Employers and scientific institutions
- ★ Day-care centres and schools
- ★ Housing associations
- ★ Health insurance funds
- ★ Insurance companies
- ★ Local organisations and networks

### Organisational Obligation of the Stakeholders –

According to the local Action Group Dortmund the different expectations of the different actors were one of the key issues to address

- ★ There is a lack of basic competences concerning substance and social character.
- ★ The training of teachers at universities lacks practical experience in overall terms. The resulting deficiencies have a negative impact on the graduates on the labour market.
- ★ There is an incompatibility between the expectations of graduates and the companies.

Companies expect job applicants to have cross-disciplinary knowledge and flexibility, social and intercultural competences as well as an ability to deal with conflicts; in turn, however, they offer too often underpaid, temporary jobs with no prospects. Graduates make increasing, identity-forming demands (self-realisation, work/life balance) and are very reluctant to switch jobs when they have a secure employment. Demographic, structural and value changes in social framework conditions are seen as important reasons for the obvious and alleged incompatibilities.

A general organisational obligation for the actors was developed and the following steps taken:

- ★ Stocktaking of the activities carried out by the individual actors in addition to their original tasks.
- ★ Definition of further relevant parameters that can be used by the actors.
- ★ The resulting quality improvement of the network.

## 7.3 On the Agenda

### Reduction of “Parochial Thinking”, Strengthening of Networks

Individual organisations are offering and/or implementing a large number of activities and projects with regard to recruitment and retention of skilled personnel. However, this requires closer coordination and stronger links. The aim is to overcome the so-called local and internal “parochial thinking” in order to develop common contents instead of any project egoism. The Economic Development Agency decided to establish the local action group as a platform for regular exchange to ensure and to consolidate the resultant network in this way .

### Emphasis on Regional Commonalities

In order to increase the attractiveness of the Dortmund location the task is now to think on a regional level. Dortmund is part of the “Ruhr area metropolitan region” and can make use of regional image factors, such as in the cultural or economic field. This, too, is a way of

overcoming the so-called “parochial thinking”, which in this case refers to the self-interest of individual towns and administrative districts. When developing new offers, special care should be taken to ensure that these are complementary and not compete with each other.



### Increase Attractiveness

Job advertisements should be furnished with a link that includes information on the region and directly refers to its strengths like infrastructural facilities, child care, cultural offers, professional networks, etc.

The regional marketing should be specifically focused on individual age groups.

Present the offers for the age group of people between 15 and 25 in a more efficient way, in order to establish ties with the region and to root future skilled personnel more firmly here.

Win over all citizens as “ambassadors” for both city and region, since a positive image is also spread by means of word-of-mouth.

An important step towards inter-municipal co-operation has already been taken by the Economic Development Agency within the framework of its “high potentials” project . The project, which has been running since 2011, is focused on binding graduates of the Dortmund universities to local companies and will enter a new phase as from 2014. It is envisaged to continue the project jointly with the neighbouring town of Bochum.

## 7.4 Strengthened by LaGoTa

### MES Municipal Employment Strategy

Despite a successful structural change of the city towards a modern and innovative business and science location, it has yet not been possible to solve the problem of long-term unemployment. The increasing requirements for potential employees that correlate with such structural change often make it difficult to get back onto the labour market. An important approach on the part of the local actors towards the prevention of long-term unemployment is thus the improvement of educational opportunities for children and young people. Due to the lack of alternatives on the first labour market, the long-term unemployed concerned should (again) be provided with the opportunity to participate in society and be offered an appropriate workplace with sufficient income. It is necessary to open up adequate fields of employment as well as to maintain and create as many “unskilled jobs” as possible.

The issue of combating long-term unemployment in a targeted manner in Dortmund has already been taken into consideration by the city for a long time now. The Social Welfare Department and the Dortmund Economic Development Agency in cooperation with the Dortmund Job Centre and the Dortmund Employment Agency developed an approach to implement the 2015 Municipal Labour Market Strategy.

The targets of this project are as follows:

- ★ To decrease the rate of unemployment in Dortmund by 2015 to below 10%.
- ★ To establish a social labour market by 2015.
- ★ To have made a sustainable contribution towards the development of skilled personnel on site by 2015.

Besides the improvement of educational opportunities and the provision of so-called “unskilled jobs” for lower-skilled persons, the strategy is focused, in particular, on ensuring an optimal networking of approaches, structures and funding opportunities. This involves the Dortmund Social Administration and Economic Business Development Agency, Adult Education Centre, departments of Youth and Schools, Job Centre, Employment Agency, Mayor and the City Council.

The approach illustrated in the graph below underlines that it will only be possible to reduce the number of unemployed persons by pursuing different strategies that are interlinked with one another.

Early and basic education	Transition school-career (directly)	Qualification of employees and personal development
Qualification of unemployed people	Labour market	Good work
Target-oriented activation of labour force	New job settlement	Promoting an enlarged Social labour market

The need for such strategies has been further confirmed within the framework of the LaGoTa project. The responsibility of the city is not only to attract highly qualified skilled personnel for the economic power of the municipality but also social justice. It is likewise important to take responsibility for all potential employees in order to prevent the social gap in the city from becoming even wider. This, too, is an important image and location factor. A city that is in competition for skilled personnel should not only make efforts with regard to students, university graduates and qualified skilled personnel, but must also take care of supposed “marginalised people”. Long-term unemployment is not only a factor that affects the city’s image in a negative manner, but a fate experienced on a personal level, which can often not be overcome by one’s own efforts. The responsibility of a municipality is to provide support in this context and thus to take and operate both “packing ends” of the labour market.

# International Cooperation - Added Value and Experiences

The leading NRW Ministry of Economics had invited the Dortmund Economic Development Agency to become a partner in the LaGoTa project. Although the other regions involved differed considerably from Dortmund as regards their structure, Dortmund was able to benefit from this very pertinent (issued-oriented!) cooperation. The added value arose in the following areas:

## ★ **New creativity in internal processes** ———

Dortmund disposes of very strong networks that form different constellations and carry out activities regarding the local labour market policy as well as the development and bonding of skilled personnel. The local action group was composed of those partners with which interviews had been conducted at the very beginning. The particularity of the local action group turned out to be the fact that these discussions could be conducted independently. This not only provided profitable results for the group participants, but was also a source of enrichment for them. The Economic Development Agency will maintain this special context for discussion and thus the local action group as a platform for the regular exchange of views on the part of the network partners involved.

## ★ **Technical contents in a new perspective** ———

As a result of the exchange of views with the new project partners from the Netherlands and Spain, some of the topics were seen from a slightly new perspective. There are two examples of this:

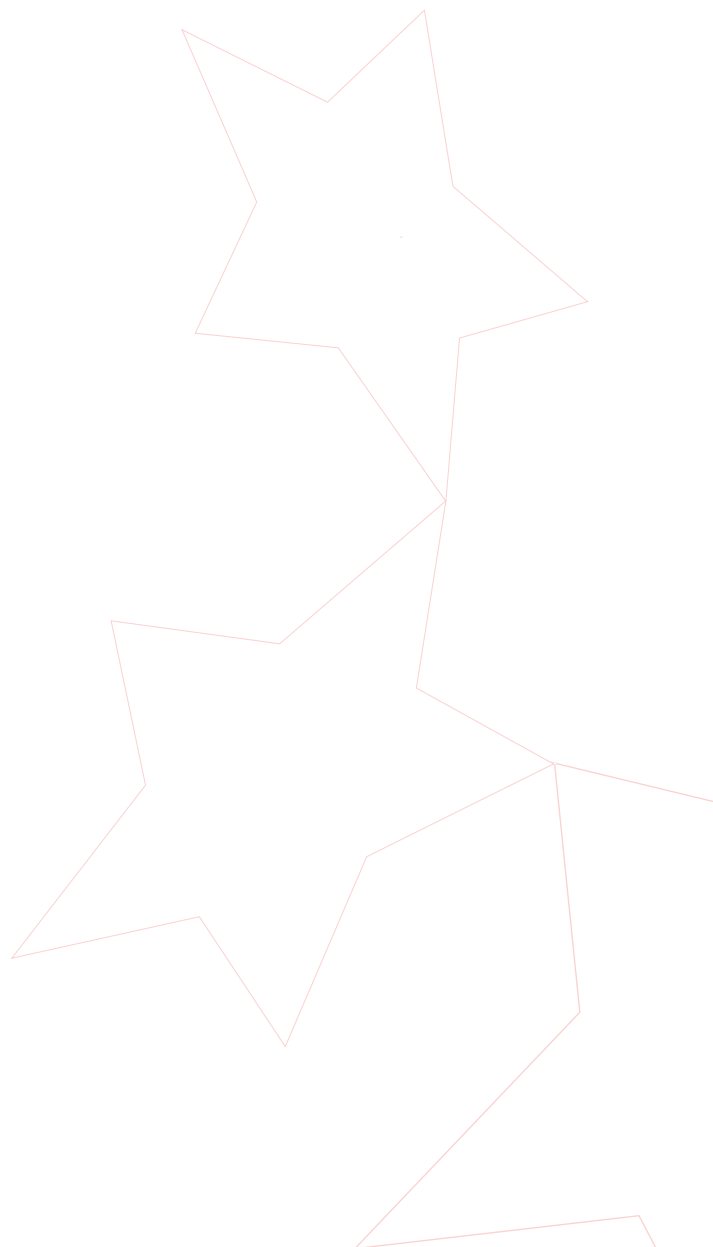
Under the heading of "brain circulation", the local actors emphasised that one should not make politics "behind closed doors". Talents or well-trained skilled personnel gaining professional experiences or receiving additional training either in southern Germany or abroad must not be deemed to be lost for the region. It is important that the location present itself in such a good manner before their departure so that especially such skilled personnel, who had been rooted in the region, find their way back to Dortmund in the case of an occupational change or in a different phase of life. Regions benefit from such persons, who come back better trained, more experienced and enriched by new innovative ideas. The important factor is to maintain contact with corresponding networks, wherever possible. Examples for this are the alumni networks within various faculties at universities in Dortmund

The significance of regional marketing was particularly emphasised on the part of the Spanish partners. From an international point of view the city

image is "specific for Germany". Dortmund should thus have to present itself as part of the so-called Metropole Ruhr (Ruhr metropolis) and make use of the positive aspects of the entire region for such marketing purposes.

## ★ **International relationships strengthened** ———

Thanks to the LaGoTa project, it was possible to strengthen the international relationships between the different regions involved. Even if Dortmund still had doubts at the beginning of the project as to whether one would actually be able to benefit from the cooperation of such different partners, such doubts were dispelled during the project term. This was achieved, in particular, thanks to the intensively held discussions regarding the image improvement of the respective regions which were addressed in detail by all three of them within the framework of their action plan.





# 8. NAVARRE LOCAL ACTION PLAN



This plan of action establishes the priority lines of action to reach the objective of remedying the main shortcomings pointed out in the “Make it visible” study related to the life cycle of talent.

This plan of action focuses on two key points:

- 1. A closer cooperation between training centres and companies**
- 2. Talent retention**



## 8.1 A Closer cooperation between training centres and companies

The time and effort invested in understanding the trends of the labour market in which it develops, as well as analysing its own current and future needs will allow organisations to define which talent marks the difference in their business and in their type of organisation.

Vocational training centres and Universities are two of the main sources for recruitment. Their policies, curricular design and development of skills for students must be in line with requirements of the business fabric. It is therefore essential for these two agents to achieve a greater approach and collaboration.

Companies tend to focus more on the identification, capturing, retention and development of talent, and are not directly involved in the generation of external talent. They don't consider it as their competences. However, some successful cases prove that the greater the collaboration between training centres and companies is, the better the results in degree of employability of the students. Moreover the time needed for training and adaptation to the work environments is minimised.

It is therefore necessary to search for ways that will allow future professionals to have training programmes in line with companies' requirements.

### Collaboration policies

There are many ways of increasing the collaboration between the vocational training centres and companies. Transfer of knowledge, training of company employees, joint innovation projects, joint use of equipment, collaboration in the updating of pupils and teachers, collaborations for provisions of infrastructures, etc.

This project aims at the active participation of the company in defining requirements and training itineraries with the talent training centres optimises the process of generation and incorporation of talent in organisations. A collaboration committee/team, formed by representatives of the vocational training centres, company representatives and the Public Administration will be created, to establish the collaboration channels and policies. Specific sub-committees, determined by business sectors (cluster) will be created in this project. The critical factors for success are interest, availability and commitment of the representatives forming the committees and a shared view that all the representatives involved will benefit from this collaboration.

The project will run from June 2013 till July 2014.



### Objective / action result

1. Establish ways for collaboration between companies and vocational training centres.
2. Guaranteeing the training programmes will be adjusted on companies' present and future requirements.
3. Prepare a catalogue of good practices.

### Aimed at

- ★ Companies: Ensure that the training centres have updated information on their talent requirements.
- ★ Vocational training centres: understand companies' needs for talent and understand the labour market trends to reflect them in the curricular design.
- ★ Navarre Business Confederation (CEN): present in the board of 9 vocational training centres. Act as facilitator in the collaboration process between companies and training centres.

### Curricular design

The active participation of the company in defining requirements and training itineraries with the talent training centres optimises the process of generating and incorporating talent within organisations.

The main problems pointed out by companies when incorporating professionals coming from vocational training centres, according to the sectors surveyed are

- ★ Staff with professional training with mainly theoretical knowledge, although lacking practice.
- ★ Lack of training in the management of resources and people as these are aspects dealt with during the education period.
- ★ Lack of training, vocation and interest in commercial aspects on behalf of the technical trained professionals, as these are not dealt with during the education period.
- ★ Lack of a joint training plan between the educational centres, for a collaboration and complement of the training when developing certain profiles to meet the demands of the region's labour market.

Despite that, this study presents exemplary cases of collaboration between companies and training centres, these are the exception and must be used as inspiring models, as the distancing between these two agents is real and causes a deficiency in the life cycle of talent.

In this two year project, the members of the sub-committees create a channel and encourage visits and meetings between companies within their sector and representatives of the vocational training centres

to understand the development in technology and processes, as well as the companies' current and future requirements. The specific sub-committees define the curricular design and make proposals for improvement in the content of regulated training schemes. The sector sub-committees will analyse the impact of the curriculum change in companies' incorporations. The critical factors for success are the availability of knowledge, new technologies and processes of the companies and the timely reaction of the vocational training centres.



## Curricular design

### Objective

1. For the curricula design to reflect companies' current and future requirements.
2. For the training centres to know the market trend and reflect these trends in the future curricular designs.
3. For the students at the centres to receive a training more in line with companies' requirements.
4. For the young professionals to reach their first employment more prepared.
5. For companies to have available a pool of young professionals better prepared for the development of the tasks within the labour environment.

### Aimed at

- ★ Companies: to have young professionals coming from the training centres with an education more in line with their requirements.
- ★ Vocational training centre: to have an updated curricular design in line with the market trends.
- ★ Public Administration: to promote and support policies according to the training centres and business sectors' requirements.

### Development of social skills

For the majority of the companies interviewed the concept of Talent depends on the development of social and transversal skills. These skills are related with:

- ★ The resolution capacity
  - ★ Level of autonomy
  - ★ High sense of commitment
  - ★ Good relationships and influence capacity.
  - ★ High level of integration within the company.
- There is a need to adapt the person's knowledge with university or vocational training to the reality of companies and to integrate the development of transversal and social skills into the curricular design of university students and staff with vocational training.

The objective of this project is to shape people's profile to the organisations' current needs and enable them to be better prepared to adapt to the companies' requirements, facilitating a greater development of their talent in general.

This project is aimed at professionals linked to the business world and not only professionals from the academic world, in order to participate in the development of these skills in the different training centres

In this perspective, CEN developed a guide of activities for the development of action skills in professional training. Methodologies are proposed for the development of the following skills: communication, organisation and planning, team working, management of costs and budgets, management of conflicts, negotiation, influencing and pro-activity.

### Development of language skills

For the majority of the surveyed companies in Navarre the language competence and the development of bilingual profiles still represents a significant shortage and supposes a considerable economic and organisational effort. In this project young students and professionals are approached to make them aware of the reality of the companies of the Navarre business fabric in the international context and the need for the knowledge of foreign languages for the competitiveness and development of the activities in a globalised world.



## Language Skills

### Objective

1. Integrate the development of the language competence in the different training phases.
2. Encourage the interest of young professionals for the international labour environment.
3. Highlight the need of knowing a foreign language for working in international projects.
4. Help to communicate activities and areas in which the use of foreign languages is required.

### Aimed at

- ★ Companies: have young professionals with better foreign language skills.
- ★ Universities and training centres: facilitate the acquisition of knowledge regarding the work activities that require the use of a foreign language.
- ★ Young professionals: Increase awareness to be prepared with regard to language skills and of the international context of the Navarre companies.

## 8.2 Talent retention

The main problems pointed out to retain talent have to do with factors related to salary, the level of social and cultural adaptation or the characteristics of the geographic location and logistic networks. But the majority of companies do not have specific plans for retaining talent.

This project has the objective of developing a “Guide of good practices” in “Talent Retention” issues.

This guide will include the best practices established by the key sectors of the Autonomous Community of Navarre. The development is aimed at “retaining and developing Talent” enables companies to become more competitive and to position themselves better in the marketplace.

- ★ Encourage several workshops and collaboration forums in which these good practices are disseminated and serve as a reference model to promote these talent retention practices.
- ★ Promote talent retention practices with collaborative programmes and Administration aids aimed at increasing the retention of the key professionals within companies.
- ★ Encourage actions that promote “internal talent search” programmes both inside companies and within the emerging sector.

Among the critical factors for success is the necessity for the Government of Navarre support the integration of people from abroad, mainly in the legal regulation and regarding the regional lobbying, deploying actions to promote its image as a region that has multinational companies and that is prepared to accept several more. This part of the action plan is related to the strengthening of the company’s competitiveness as well as to the improvement of the level of retention of the key professionals and the improvement of the external image.

# 9. OBSERVATIONS AND CONCLUSIONS



The observing role of the EUREGIO in the project provided an added value. With some distance they could formulate lessons learned about the Local Action Group Concept, and summarize handy do's and don'ts for future and up-coming projects.



## 9.1 The Local Action Group Concept

### Motivation and Strategy

The drive for setting up an action group on talent does not necessarily need to be a mere labour market question (both in terms of numbers of skilled workers and in terms of the right qualifications). Rather than being in need of extra personnel, innovation is of key importance to create labour and attract talent.

Set up an action group to strengthen the policies and accelerate the activities of single local actors; local actors can be more effective in their talent strategies. A single local municipality or employer cannot realize what a group of organizations can.

Set up an action group to target a mind shift in your network/region (f.e. be more open towards other regions, sending talents away in a structured way).

Use an action group as a change generator. For traditionally more closed-up regions, setting up an action group, the counselling of an (external) expert and the exchange with other regions makes local actors turn to be more open for change; developing out of the box activities. However, be aware that when the urgency is not high enough, companies/SMEs will continue with their traditional strategies. The chance to reach this goal therefore depends on the time of setting up the project. Re-evaluating, expanding and cherishing existing networks foster new insights and result in new measures.



### Local Action Group Concept

#### Success factors

1. Focus, and start with one or two limited projects and celebrate small successes. Success breeds success and it takes time to inspire the region.
2. Communicate, communicate and communicate: use internet to share success and to be transparent to the region.
3. Think about the sustainability of the group and of success. Often this means a support plan to attract money for actions.
4. And last but not least: no words, but work and action.

**Different Thinking for Different Results**

## 9.2 The Local Action Group Concept

### Partners

Aim at a representative action group; the board you create should reflect the socio-economic environment of your region. Especially when a sound collaboration culture already exists, try to make use of existing structures as much as possible (a mix of public-private-intermediaries). In this way, the action group is immediately embedded in society and the acceptance goes faster.

Make sure that the group has a workable and efficient number (9-12 members). Make for example a group of three people responsible for coordinating and elaborating actions for each thematic part of the action plan.

Re-evaluate existing boards; both in terms of membership and in terms of role and function:

- ★ Add members based on age (e.g. young entrepreneurs, students' organization).
- ★ Add members that are able and motivated to put plans into effect. Keep in mind that the composition of the action group partly will be coincidentally (people who got interested to take part via multipliers).
- ★ A well-functioning action group might need a coordination and decision-making body as well as an working group to implement action plans.

Bear in mind that SMEs are difficult to reach due to the absence of a human resource department and generally do not have time to participate in an action group. On the other hand SMEs are more interested in taking part because they are not capable of maintaining networks themselves.



### Local Action Group Concept

**Since 'Trust and acceptance' seems the basic impact factor, it would be a wise policy to form a local action group of members with the 'R' factor.**

1. Reputation: to be effective the members should be respected in their region and have built up a positive reputation in one or more of the relevant areas.
2. Relation: the members should have a existing network in the region, this will enhance the success ratio of the group.
3. Relevancy: their network must be relevant (regarding sector, labour market, education) and the members must be committed to use that network.
4. Results: members must have shown should to be successful in obtaining results in the past.
5. Reliability: the group must be certain of the enduring commitment of its members.

Pay attention to (the communication of) the added value of participating in an action group on talent; people invest time and expect returns. Therefore, a level of efficiency is important.

A good policy regarding talents does not only focus on work and study (labour market, economy and education); also free time and integration is important (touristic offer and social services). Thus, a comprehensive approach is needed. This implies that also actors in the field of innovation, mobility and tourism need to be addressed in the course of the Lagota activities.

Although the basic information and task was the same for each region- the composition of each local action groups will be different.

### **Project Duration**

Don't underestimate the time spent on obtaining the necessary acceptance in the region and organizing and post-processing the necessary events. The aspiration to set up action groups in different regions and foster exchange between these action groups on talent within 1,5 years (including the financial and technical completion of the project as in the LaGoTa case) is a bit too ambitious.

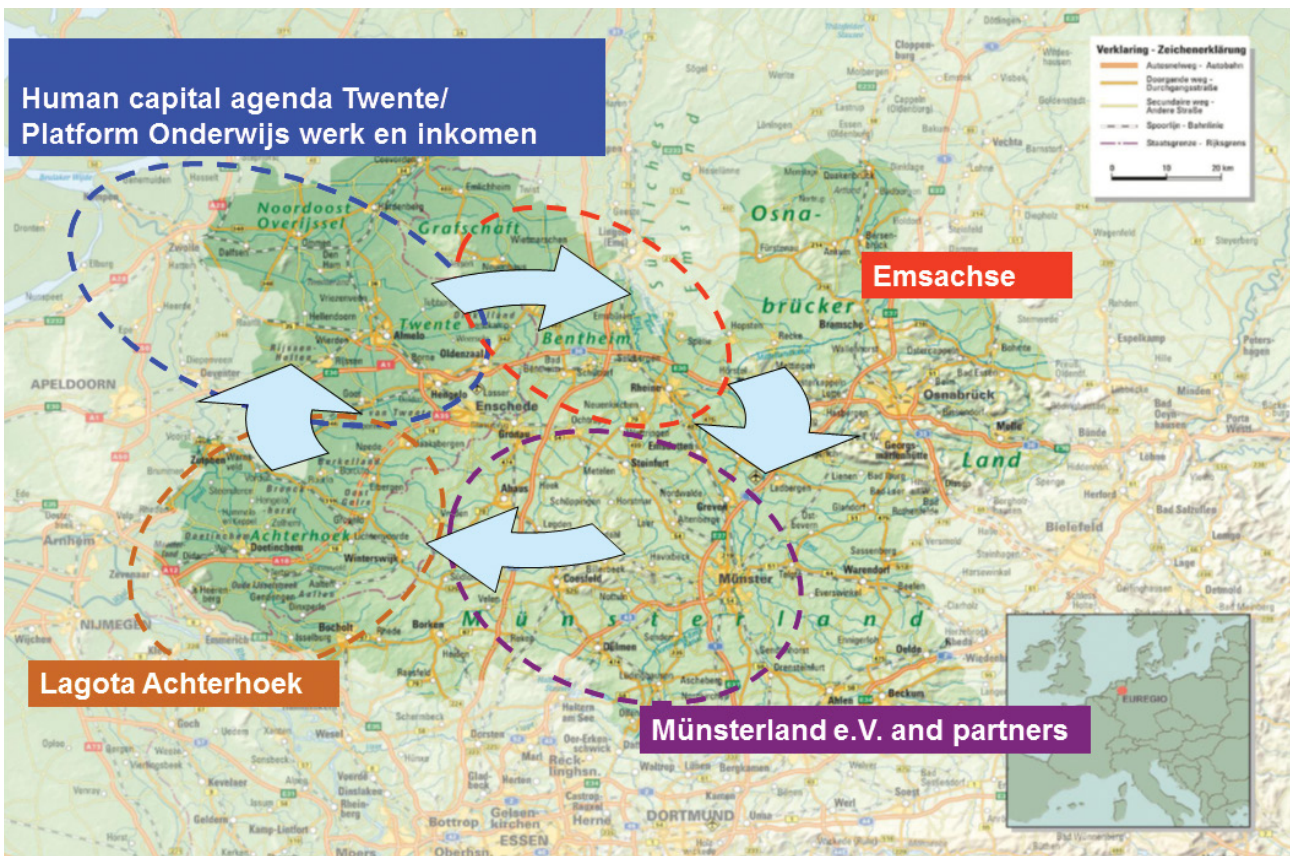
### **Costs**

Calculate enough personnel costs in for the coordination and organization. Organizing meetings and getting the necessary input is more time-consuming than expected.

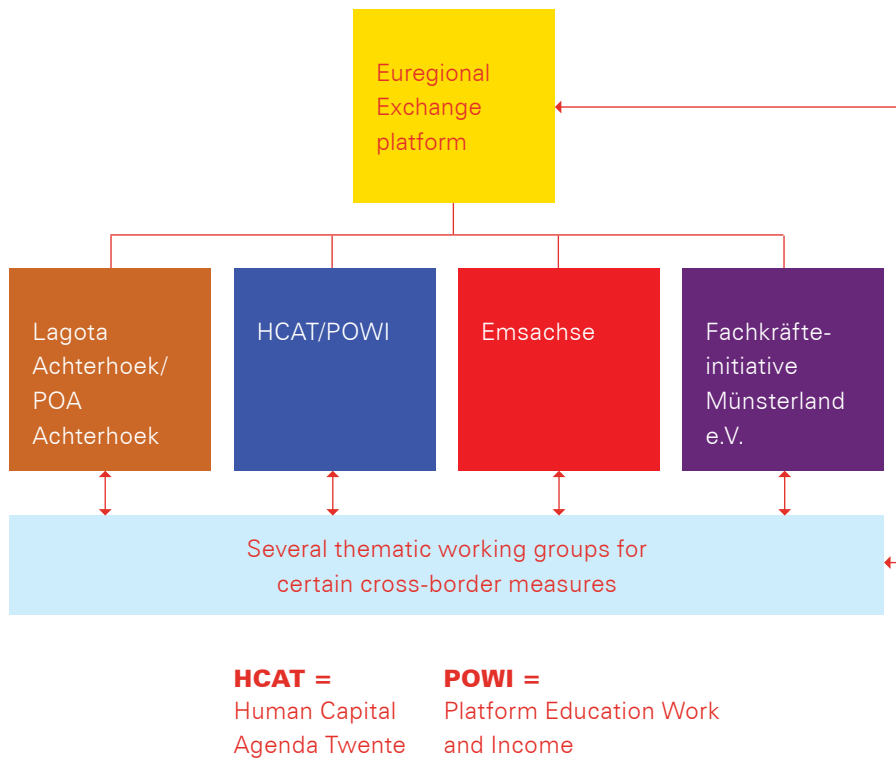
## 9.3 The Local Action Group concept in a Cross Border context

Since the EUREGIO consists of several regions with several labour markets, the size of one euregional action group would soon become very big. Moreover, one euregional action group would be not practical due to the lack of direct connection between the different labour markets (also within the same country) due to the geographical distances.

So, it seems a better strategy to use the already existing networks and action groups in the different regions of the cross border environment and organise several euregional exchange meetings to foster learning from each other, to develop a euregional scope within the different strategies and to identify and set up cross-border measures. Based on the observations mentioned above, these meetings could among other deal with topics like "Life skills of graduates", "Fostering entrepreneurship" and "How to deal with alumni networks". The euregional exchange meetings are thus conceived as an impulse for the strategies of the local action groups and as a way of making the border more transparent.



The organizational structure of a cross border network of action groups then could be visualised as below.





# 10. THE INTERREGIONAL CONFERENCE “MAKE IT BETTER”



The second phase of the LaGoTa project “Make it better” was concluded during the final conference from 9 to 11 April 2013 in Doetinchem. The four partners presented their regional action plans.

During this conference, facilitated by Mr. Doede Sytsma and opened by Mr. Steven Kroon, Deputy Mayor of the City of Doetinchem, special attention was paid to the importance of the INTERREG programme and three main issues of interest to all the participants and partner regions and in line with the goals of the LaGoTa project.

- ★ Innovation
- ★ Region Branding
- ★ Entrepreneurship



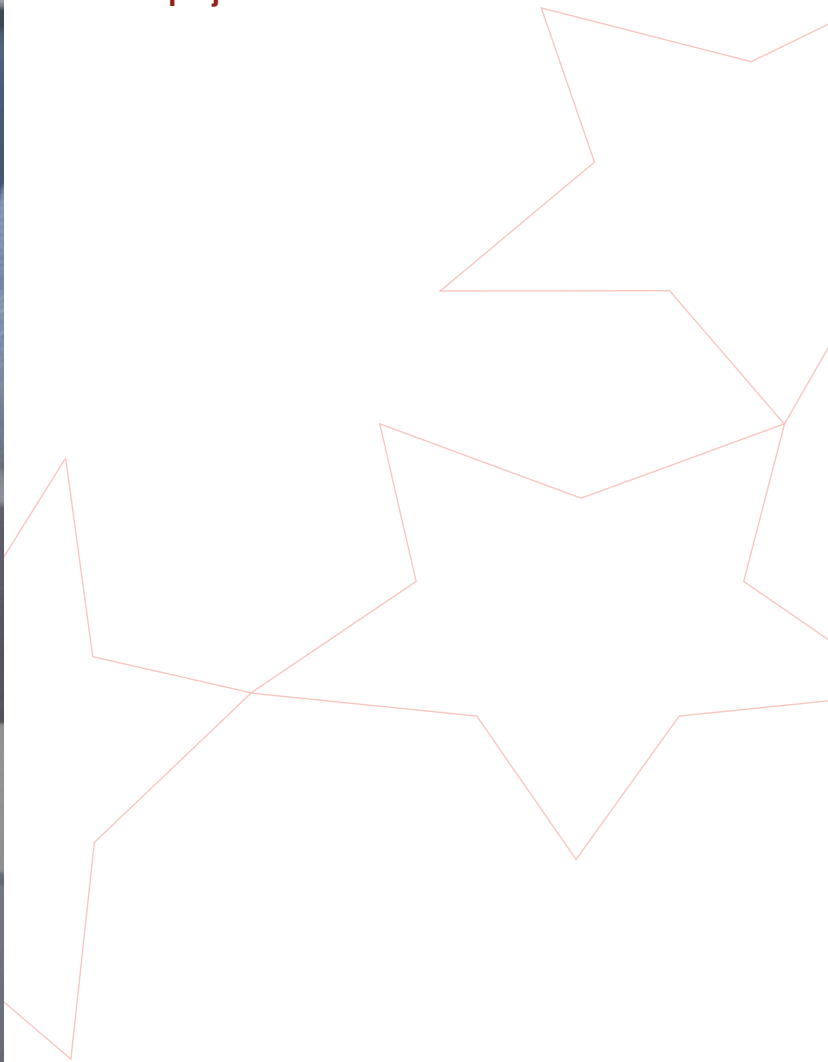


Prof. Jan Jacob van Dijk



The first key note speaker was Prof. Jan Jacob van Dijk, Minister of Social Affairs of the Province of Gelderland. In his opening he emphasized the importance of a Human Capital Agenda for the regional economic development.

In this perspective he bridged his key note speech current labour market developments on the importance of participating in the Brain Flow Programme and projects like the LaGoTa project.



## Innovation

Prof. dr. Ben Dankbaar from Nijmegen University argued in his contribution that monoculture is the enemy of innovation and that an innovation-friendly environment is characterized by the presence of different sectors, firms of different sizes, and different cultures.

New solutions arise when people with different backgrounds come together to tackle a problem in:

- ★ Multidisciplinary teams
- ★ Strategic alliances
- ★ Coordination in the supply chain

According to prof. Dankbaar variety is an important source of progress. Although a fair share of innovations stem from serendipity, it is important to enhance the chance for innovation by organizing networking events.

But these events can only be successful when people come there with a prepared mind.

He quoted Louis Pasteur "Chance only favours the prepared mind".





Prof. Ben Dankbaar



Prof. Frans Boekema

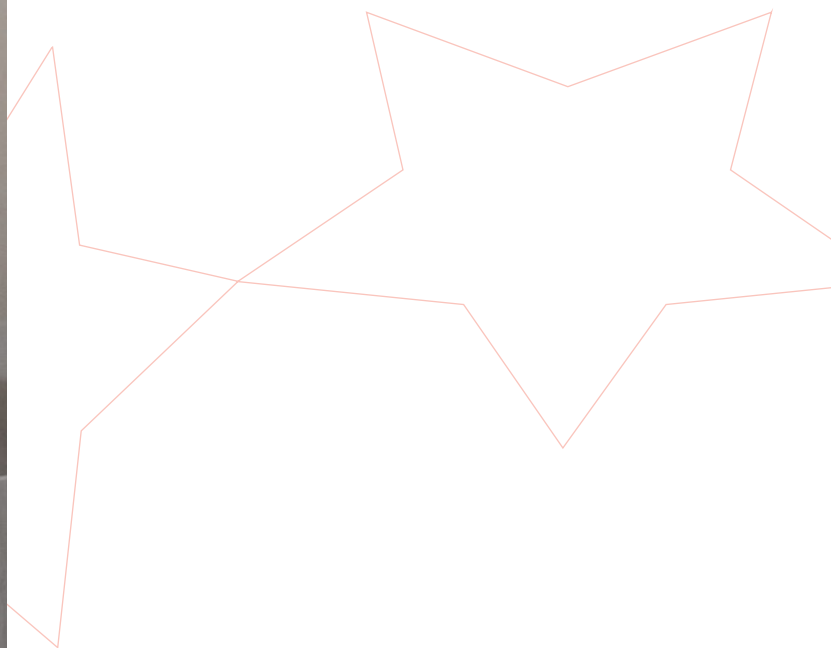


## Region branding

Prof. Frans Boekema from Tilburg University shared his ideas and experiences on region branding and city marketing. He warned for “copy cat” behaviour of other successful regions like “Silicon Valey”. Region branding is useless if it does not meet the needs and demands of regional actors.

A general campaign only supply oriented is a waist of energy and money. He argued that a region should stay faithful to its origins and strength if it wants to change its image.

Emphasize the strong points and go with good and practical examples in the desired direction.



# Entrepreneurship

The last key note speech was delivered by Dr. Sharda Nandram, Professor Entrepreneurship at Nyenrode University.

She shared a theoretical background to the definition of entrepreneurship and entrepreneurial behaviour. In her contribution, she emphasised on the importance of entrepreneurship to the local economy. She argued that policy makers should develop not only a multidimensional view on competences, but also a multidimensional view on the needs of entrepreneurs to enhance entrepreneurship.



## Why is entrepreneurship important

- ★ Entrepreneurship accounts for most new jobs creation in the economy.
- ★ Entrepreneurs are responsible for introducing a major proportion of new and innovative products and services into market.
- ★ People of diverse background can improve their economic status by becoming entrepreneurs.
- ★ Value creation by more efficient and effective use of economic resources.
- ★ It serves psychological needs of autonomy, freedom, creativity enhancement and self realization.



Steven Kroon and some other participants



The conference room in the Doetinchem city hall



# 11. AGORA TALENTIA & 6TH BRAIN FLOW TEEM

The 6th Brain Flow Thematic Exchange of Experience Meeting on 30 and 31 May 2013 was a shared event with the Agora Talentia Conference in Pamplona.

To give all participants more insight into the Brain Flow findings the European Talent Cup Competition was held. In three rounds based on the three Brain Flow priorities the eight sub-projects battled for the cup by presenting their main findings, their relevance to the retention of skilled workers and their next steps to implement these impacts in front of an independent jury, presided by Prof. dr. Antonio Castelló of the University of Barcelona.

All sub-projects delivered highly interesting and valuable presentations and engaged in a lively discussion with the jury as well as the audience and other sub-project representatives.

The jury awarded the LaGoTa project as the winner of the **European Talent Cup**, for its relevance, presentation and practical and applicable results.



Paul Hartman presenting the LaGoTa project



The jury members (from left): Elisa Álvarez (director INTERAC), Prof. dr. Antonio Castelló (University of Barcelona), Lasse Juliussen (County Councillor Hedmark County Council), Monica Gundahl (County Councillor Varmland)



The Award winning LaGoTa team Paul Hartman, Bart Teunissen, Jose Olivar and Joke Emaus

# 12. STEPS AHEAD



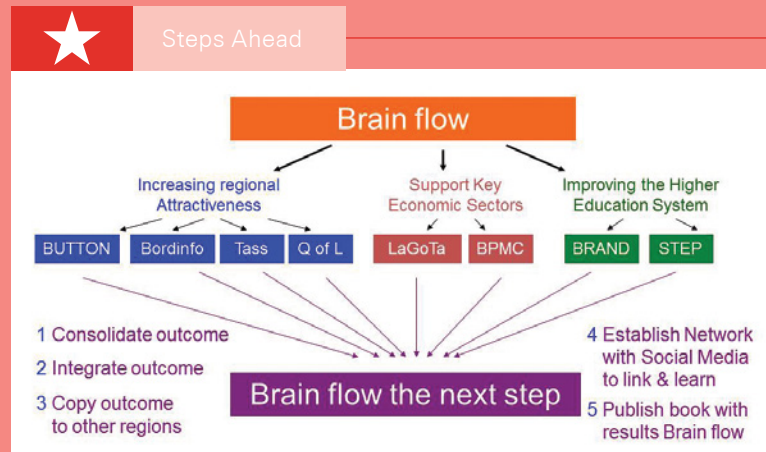
Winning the European Talent Cup Competition is a result but not the goal or the end of the LaGoTa project. The Cup also lays a responsibility on the shoulders of the project team and the Local Action groups to put ideas and plans into action and practice.

A first step ahead is the consolidation of the outcome of the project. But it would be a missed opportunity if the results of this LaGoTa project are only implemented in the regions of the four project partners.

An important next step ahead will be the dissemination of the outcome, experiences, plans, knowledge and best practices to the other partners regions within the Brain Flow programme, so they could benefit from the LaGoTa project.

At the same time an attempt should be made to integrate or merge the results of all eight 'Brain Flow' projects. In the LaGoTa project we felt a strong interaction with the other priorities of the 'Brain Flow' programme, but there was no or only very limited communication between the eight projects and their project partners. Increasing regional attractiveness and improving the Higher Educational System are also parts of our Local Action plans to support Key Economic Sectors.

Some results of the BUTTON, Bordinfo, STEP and BRAND projects could also play an important role in implementing the LaGoTa action plans.



# 13. THE ADDED VALUE OF LAGOTA



The added value of LaGoTa

## **LaGoTa was much more than a description of regional situations and improving regional action plans**

1. It put attracting and retaining talent on regional agenda's.
2. We discovered shared challenges and priorities.
3. New or strengthened Networks of Stakeholders.
4. More focused regional strategy and policies towards talent.
5. Lagota is incubator to international cooperation and projects:
  - ★ Cooperation Dortmund based company - Spain in exchange personnel.
  - ★ Mutual application for Leonardo project (exchange of experience and knowledge about development of technique education).
6. Successful introduction of Local Action Group concept.



The added value of LaGoTa

### **What we learned from each other**

- ★ new inspiration
- ★ new perspectives
- ★ new ideas
- ★ new experiences



And remember...

**Man's mind stretched to a new idea  
Never goes back to its original dimensions**



# APPENDICES



# APPENDIX 1 ORIGINAL REPORTS LAGOTA PROJECT PARTNERS



**Achterhoek's got Talent** - The economic landscape and developments in the Achterhoek, Paul Hartman, Bart Teunissen, Doetinchem  
Part 1 November 2012  
Part 2 April 2013

**Welcome to Dortmund** - The economic landscape and developments in the Dortmund region, Harriet Ellwein, Sandra Schulze, Robert Schwanitz, April 2013

**Study on the lifecycle of talent in Navarre** - Made for CEN by Human Management Systems, Yolanda Esteban and Vanessa Magui  
Part 1 October 2012  
Part 2 May 2013

**Action group on talent in a cross-border context** - Building blocks for the EUREGIO, Marieke Maes, Linda Blom, Gronau/ Enschede, April 2013



# EUROPE'S GOT TALENT

Due to their more peripheral location and the resulting socio-economic built-up, border regions are particularly vulnerable for out-migration of qualified persons, the so-called brain-drain phenomenon. Together with the reality of an ageing workforce and the trend towards more skill-intensive jobs and the resulting mismatch on the labour market, border regions are likely to face a lack of qualified workforce.

Local and regional actors on the labour market (governmental, educational, employers et cetera) are not always aware of the impact of their individual actions on the local and regional labour market as a whole. This situation leads to a possibly suboptimal situation. Sometimes the policies and the effects of their individual actions towards 'talent' are implicit, and the joint effects of the separate actions taken by each partner are unknown.

Four European border regions, Achterhoek, Euregio Gronau, North Rhein Westphalia/Dortmund and Navarre,

work together in the project Local Action Groups on Talent, one of eight projects in the mini-programme 'Brain Flow' within the framework of INTERREG IVC to share experiences and best practices in order to make these actions more visible and optimize them.

The LaGoTa project started in May 2012 with the first project phase "Make it Visible". Each region described their economic landscape and developments on their regional labour market and best coping practices.

In the second phase of the project "Make it better", Local Action Groups were established and local action plans developed. These plans were presented during the final conference in Doetinchem on the 10th of April 2013 and the 'Brain Flow' Thematic Exchange of Experience Meeting in Pamplona on the 30th of May 2013.

This publication presents the main results of the LaGoTa project

