# Integrated strategy Initiative for Strengthening the supply of APPrenticeships in TEXtile sector

# TEXAPP

| TASK | 1.2 – EU Synthesis Report - EURATEX |
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| **Work Package:** | WP1 |
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## Introduction

In the framework of the TEXAPP project – A strategic initiative to strengthen the supply of apprenticeships in the European textile sector – this report has the objective to analyze and summarize the main findings reached through a survey among the six partners' countries of this project (Bulgaria, Greece, Hungary, Italy, Portugal and the United Kingdom) conducted from March to June 2017.

The survey included questions related to the companies' knowledge, experience and needs in regard to professional practices and apprenticeships, as well as some general questions about the companies' economic situation and human resources.

By contacting the companies directly and using social networker (e-mail), we reached the total of 210 answers (198 completed and 12 which miss a few replies that do not interfere with the final results and analyses). In some questions, we have reached more than 210 since companies selected more than one option as a possibility of reply. In other few questions, it was not possible to determine all data of the European sample of 210 companies due to several reasons: companies do not have this information in a database; they never needed this information; nobody could provide the necessary information. The companies that answered to this part of the questionnaire represents 96,89% of the total of 210 companies.

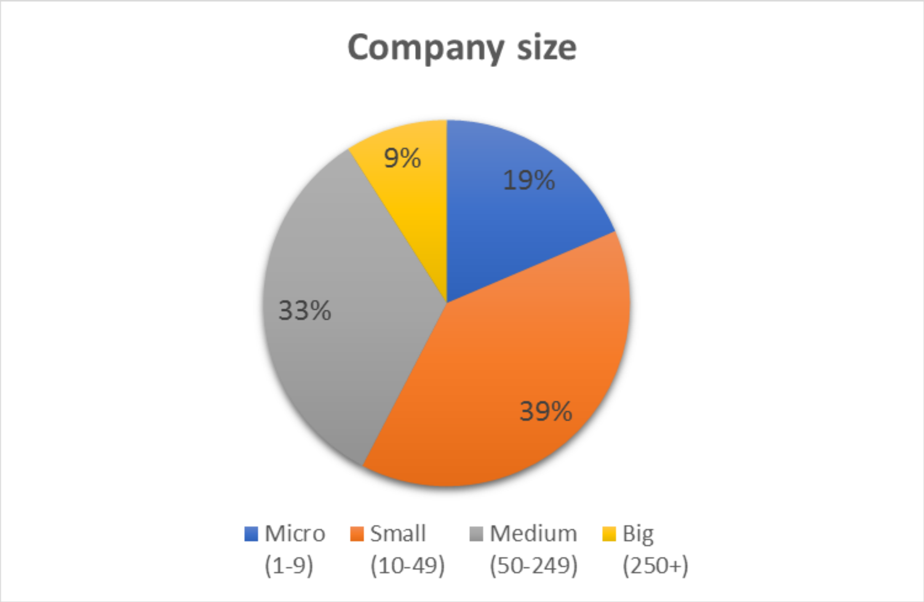
The total number of workers employed by the respondent companies is 23 833. Partners have decided to limit the analyses in these completed cases in order to have a good and more precise perception of the needs of the companies considering their feedback.

Please note that for countries' specificities we invite the reader to look at the national reports. We will, however, highlight peculiarities among the partners in the present report.

# Chapter 1: General Characteristics

## Main characteristics of respondents

Chapter 1 presents the general characteristics of the European companies that replied to the questionnaire, as expressed in the following graphics. The European sample comprises 210 companies and most of them are small (39%) and medium-size (33%), while 19% are micro companies and 9% are large firms. In Bulgaria, we have only 1 micro company because most of the micro firm are not engaged with industrial production but rather operating as agents or wholesalers.

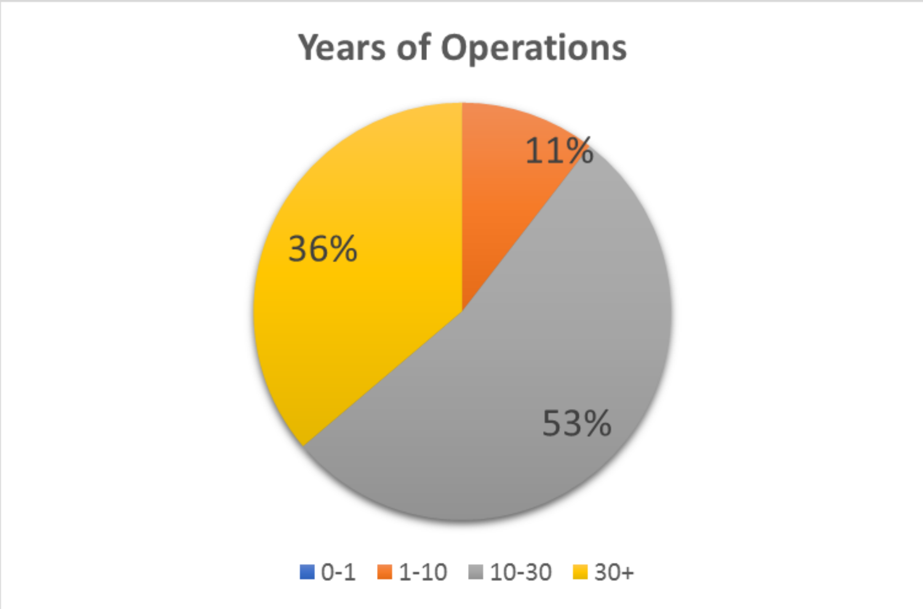



Graphic 1 – Company size

| Company size | | | | |
|---|---|---|---|---|
| | **Micro (1-9)** | **Small (10-49)** | **Medium (50-249)** | **Big (250+)** |
| **BG** | 1 | 13 | 11 | 6 |
| **EL** | 10 | 16 | 7 | 0 |
| **HU** | 18 | 17 | 14 | 5 |
| **IT** | 0 | 5 | 10 | 3 |
| **PT** | 6 | 24 | 10 | 4 |
| **UK** | 4 | 7 | 18 | 1 |
| **Total** | **39** | **82** | **70** | **19** |

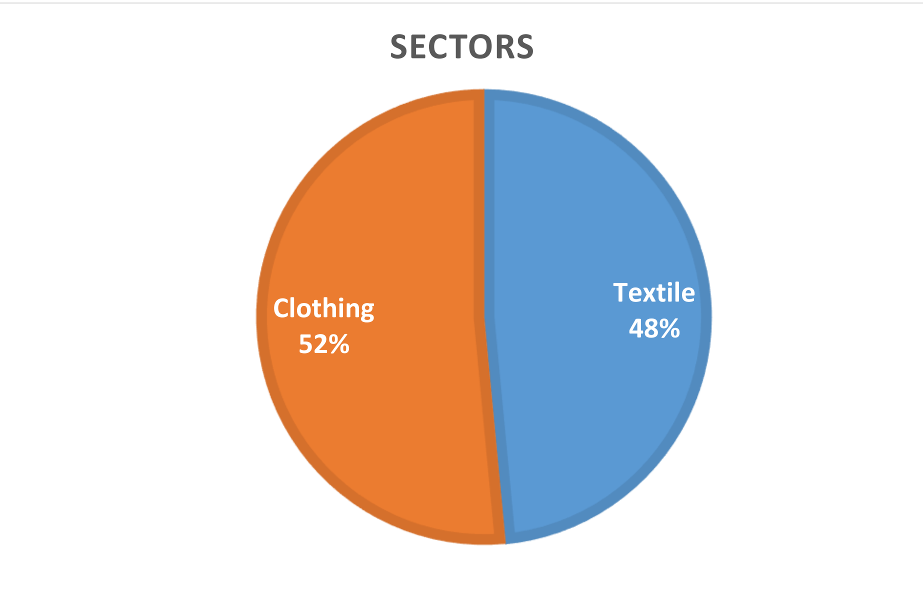
Table 1 – Company size

More than a half of the companies were established between 10-30 years (53%) and only a few of them have 10 years of less of existence (11%). A special note should be given to the fact that the economic crisis of 2008-2010 did impact heavily the companies creation in number of the countries surveyed.




Graphic 2 – Years of operations

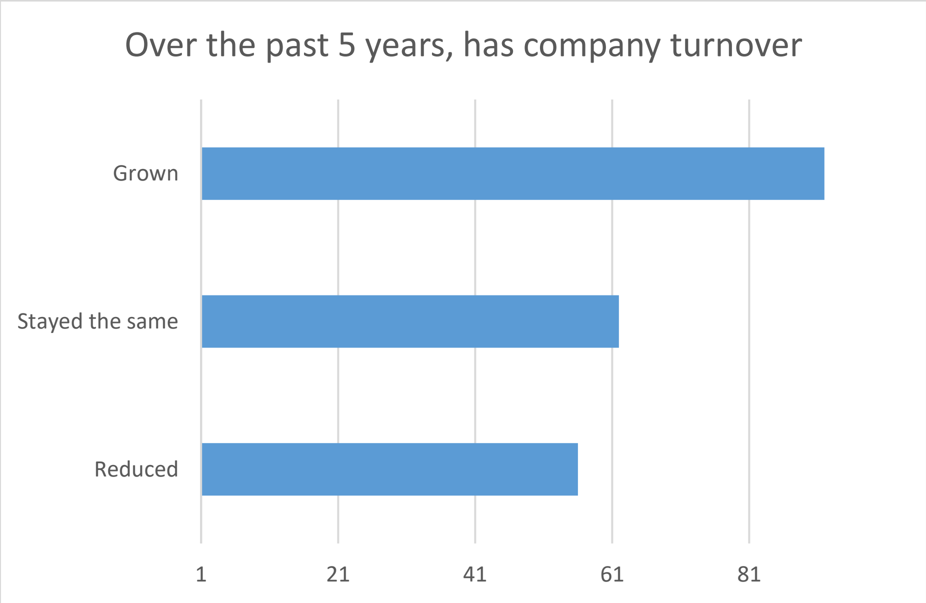
Of the 210 companies, 48% come from the textile sector, while 120 companies come from the clothing sector (52%), knowing that some companies are active in both sectors:




Graphic 3 – Sectors

## Financial information

74% of the sample did report a stabilization or a growth of their turnover reflecting the general economic situation of the sector. The main reasons supporting the stance of the 92 companies having reported an increase in turnover over the last five years is twofold: either the growth is due to greater focus on exports in the post-crisis period or due to an improvement of the household consumption in the EU. It is remarkable to note that in Bulgaria the turnover increase was supported by the reshoring of many fashion brands from China back to Europe as well as by the insecure political situation in major clothing exporting countries, such as Ukraine, Turkey and Tunisia. On the reverse, we observe that Greek companies did face in majority a decline in turnover while in the UK a strong majority of enterprises managed to stabilize their turnover.



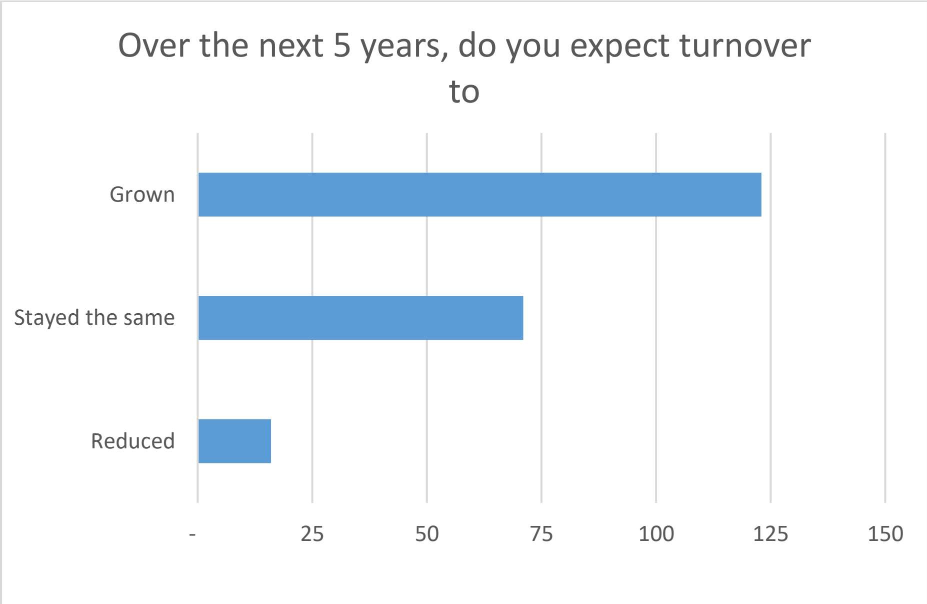

Graphic 4 – Over the past 5 years, has company turnover

| Over the past 5 years - Company turnover | | | | |
|---|---|---|---|---|
| | **Reduced** | **Staid the same** | **Grown** | **Total** |
| **BG** | 6 | 7 | 18 | 31 |
| **EL** | 16 | 9 | 8 | 33 |
| **HU** | 18 | 12 | 24 | 54 |
| **IT** | 3 | 4 | 11 | 18 |
| **PT** | 6 | 11 | 27 | 44 |
| **UK** | 7 | 19 | 4 | 30 |
| **Total** | **56** | **62** | **92** | **210** |

Table 2 – Over the past 5 years, company turnover

Furthermore, there is also an optimism among the European companies for the next 5 years, as 59% of them did expect an increase of their turnover (123 out of 210 companies). In Greece, companies express their optimism too since they feel that the worst part of the economic crisis has passed and some growth is on the way, at least as far as turnover is concerned. Although the British companies believe that the turnover will remain stable in the next 5 years but no one predicts a decline in revenue.

In Hungary, this growth can be experienced in companies which are specialized in technical textile or deliver to industries showing growth (e.g. tourism).



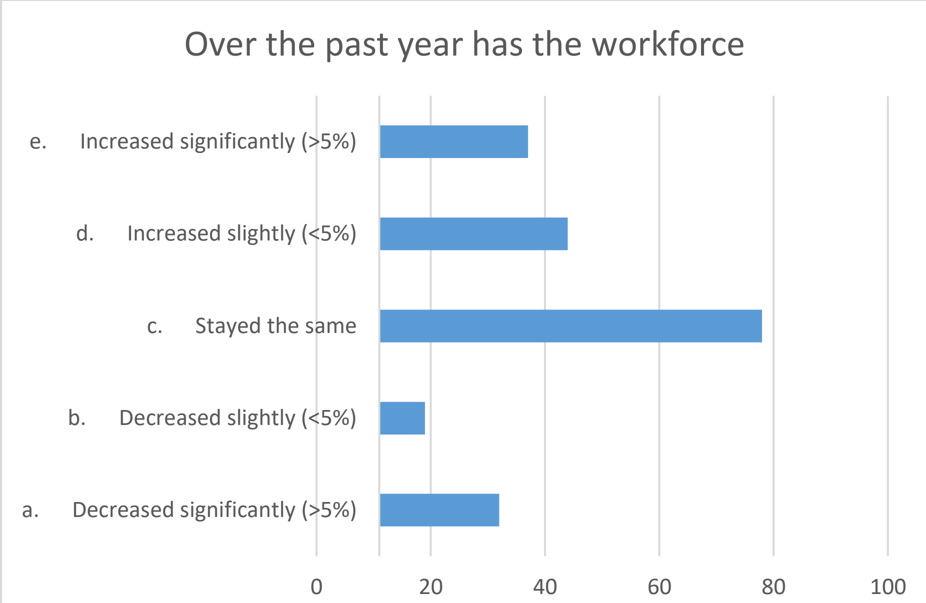

Graphic 5 – Over the next 5 years, do you expect turnover to

| Over the next 5 years - company turnover | | | | |
|---|---|---|---|---|
| | **Reduced** | **Stayet the same** | **Grown** | **Total** |
| **BG** | 4 | 10 | 17 | 31 |
| **EL** | 3 | 8 | 22 | 33 |
| **HU** | 6 | 18 | 30 | 54 |
| **IT** | 0 | 5 | 13 | 18 |
| **PT** | 1 | 6 | 37 | 44 |
| **UK** | 2 | 24 | 4 | 30 |
| **Total** | 16 | 71 | 123 | 210 |

Table 3 – Over the next 5 years, do you expect turnover to

## Personnel

Even though the turnover increased in recent years, the workforce did not follow this tendency, keeping pretty much the same number of workers (78 of 210 companies) over the past year, followed by a slightly increase (44 of 210 companies) and a significant increase (37 of 210 companies). The minority of companies suffered a slightly decrease (19 of 210 companies) and others suffered a significant decrease (32 of 210 companies) as the following graphic illustrates. This could be explained by the focus on specialization and a result of achieving an increase in per capita productivity.




Graphic 6 – Over the past year, has the workforce

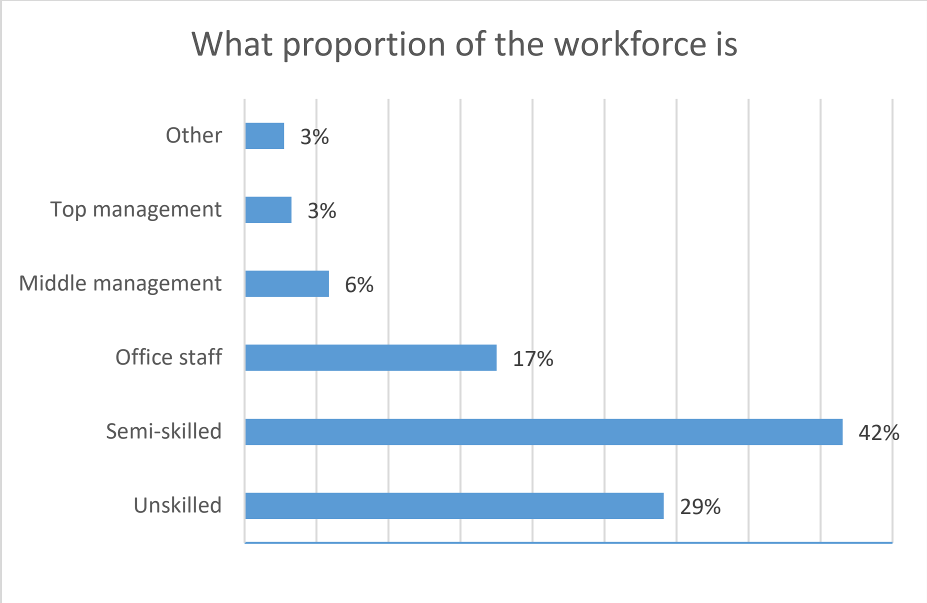
| Over the past year - workforce | | | | | | |
|---|---|---|---|---|---|---|
| | Decreased significantly | Decreased slightly | Stayed the same | Increased slightly | Increased significantly | Total |
| **BG** | 5 | 6 | 8 | 11 | 1 | 31 |
| **EL** | 5 | 2 | 15 | 10 | 1 | 33 |
| **HU** | 17 | 0 | 24 | 0 | 13 | 54 |
| **IT** | 3 | 1 | 7 | 4 | 3 | 18 |
| **PT** | 2 | 5 | 15 | 8 | 14 | 44 |
| **UK** | 0 | 5 | 9 | 11 | 5 | 30 |
| **Total** | 32 | 19 | 78 | 44 | 37 | 210 |

Table 4 – Over the past year, workforce

It is worth to mention that the highest number of companies which decreased significantly their workforce can be found in Hungary (17 of 54 Hungarian companies). Hungarian companies pointed out that the decrease of the availability of skilled labour is one of the greatest concern for them, beyond the consistently increasing and generally perceivable lack of manpower.

The last point relates with the following topic that is the skills level of the workforce and their main work activities at the European level[1]. As verified in the following graphic, the majority of the workforce is semi-skilled (42%) and unskilled (29%). Office staff represents 17%, middle management 6% and top management and 'other' category represents 3% each one.

[1] A methodological note should be given in this regard: it was not possible to determine all data of the European sample of 210 companies due to several reasons: companies do not have this information in a database; they never needed this information; nobody could provide the necessary information. The companies that answered to this part of the questionnaire represents 96,89% of the total of 210 companies.




Graphic 7 – What proportion of the workforce is

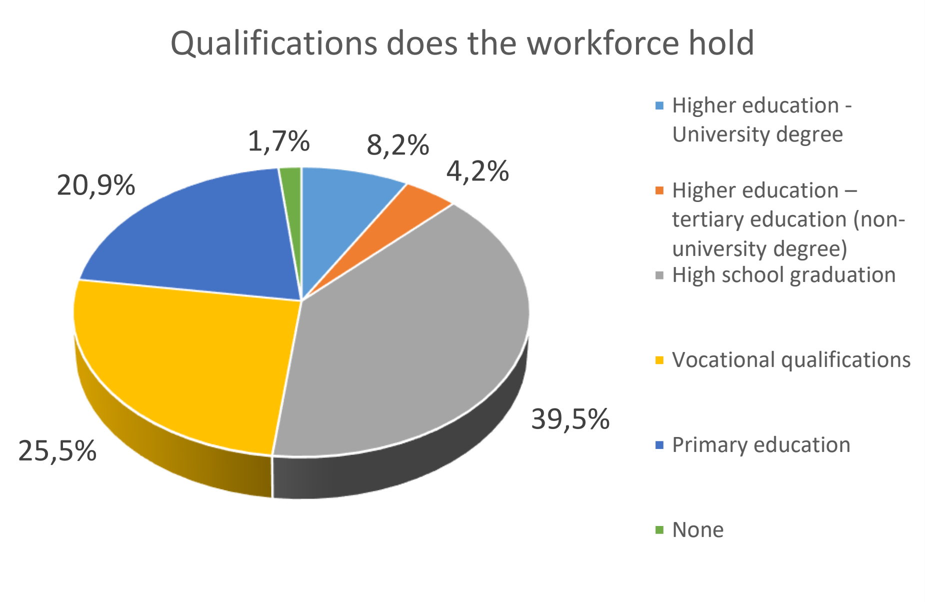
The highest number of unskilled workforce among the six European partners came from Italy where represents 46% of the total in this country. It is explained by the weight in the questionnaire of some Italian large companies with numerous personnel on production facilities. In Bulgaria, semi-skilled staff's high percentage could also be explained by the fact that companies provide some basic training after recruitment.

| What proportion of the workforce is | | | | | | | |
|---|---|---|---|---|---|---|---|
| | **Unskilled** | **Semi skilled** | **Office staff** | **Middle Management** | **Top Management** | **Other** | **Total** |
| **BG** | 1187 | 4350 | 533 | 244 | 82 | 185 | 6581 |
| **EL** | 74 | 685 | 328 | 251 | 96 | 0 | 1434 |
| **HU** | 1234 | 1592 | 421 | 226 | 92 | 363 | 3928 |
| **IT** | 2657 | 599 | 1893 | 130 | 272 | 3 | 5554 |
| **PT** | 1198 | 1110 | 512 | 257 | 100 | 100 | 3277 |
| **UK** | 442 | 1346 | 416 | 241 | 111 | 99 | 2655 |
| **Total** | 6792 | 9682 | 4103 | 1349 | 753 | 750 | 23429 |

Table 5 – What proportion of the workforce is

In what regards the qualifications that the workforce hold[2], 39,5% has a high school graduation, followed by 25,5% vocational qualifications, around 20,9% primary education, 8,2% university degree, 4,2% tertiary education and 1,7% responded none.

[2] A methodological note should be given in this regard: it was not possible to determine all data of the European sample of 210 companies due to several reasons: companies do not have this information in a database; they never needed this information; nobody could provide the necessary information. The companies that answered to this part of the questionnaire represents 96,89% of the total of 210 companies.




Graphic 8 – Qualification does the workforce hold

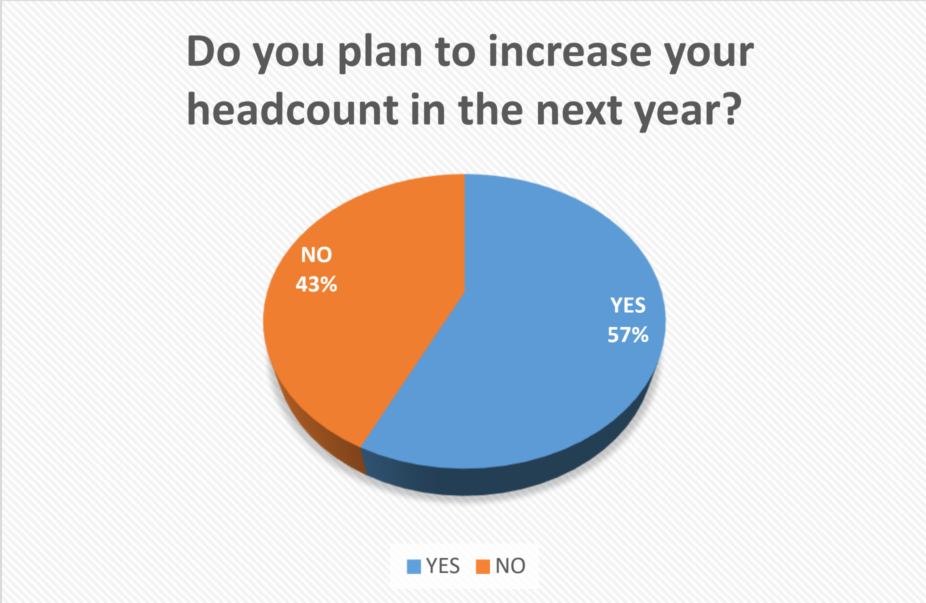
| Qualifications does the workforce hold | | | | | | | |
|---|---|---|---|---|---|---|---|
| | **University** | **Tertiary** | **High School** | **Vocational** | **Primary** | **None** | **Total** |
| **BG** | 643 | 46 | 3661 | 783 | 1379 | 69 | 6581 |
| **EL** | 202 | 210 | 737 | 203 | 81 | 2 | 1435 |
| **HU** | 188 | 155 | 759 | 1736 | 1058 | 32 | 3928 |
| **IT** | 324 | 10 | 1881 | 2801 | 533 | 0 | 5549 |
| **PT** | 314 | 147 | 861 | 140 | 1316 | 99 | 2877 |
| **UK** | 130 | 261 | 902 | 172 | 391 | 88 | 1944 |
| **Total** | 1801 | 829 | 8801 | 5835 | 4758 | 290 | 22314 |

Table 6 – Qualifications does the workforce hold

The survey thus confirms the fact that most of the employees in the T&C sector have no higher education degree and those who has it are part of the top management teams and office administration.

Roughly 23% of the workforce possesses either primary education and even none education at all which represents a challenge for the sector. It is indeed recognized the need to bet on the valorisation of the human resources in the T&C sector at the European level while the sector acquires a better image as a generator of future careers.

The next graphic show that companies plan to increase their headcount, 57% answered yes (120 out of 210) and 43% answered no (90 out of 210), which may be linked with the positive perspective in terms of turnover over the next 5 years (previously analysed).




Graphic 9 – Do you plan to increase your headcount in the next year?

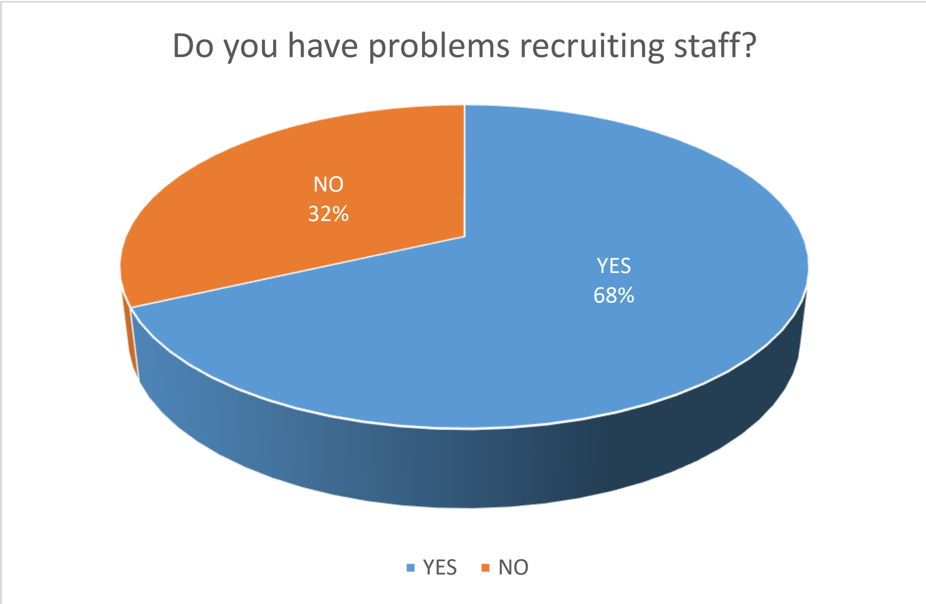
| Increase the headcount in the next year | | | |
|---|---|---|---|
| | Yes | No | Total |
| BG | 21 | 10 | 31 |
| EL | 14 | 19 | 33 |
| HU | 30 | 24 | 54 |
| IT | 9 | 9 | 18 |
| PT | 29 | 15 | 44 |
| UK | 17 | 13 | 30 |
| Total | 120 | 90 | 210 |

Table 7 – Increase the headcount in the next year

Among the six countries analysed, Greece is the only less optimistic, although 14 of 33 Greek companies are planning to increase their headcount too. In Italy, we have a divided opinion: 50% of the companies answered yes and 50% answered no. Very much optimistic are Bulgaria and Portugal with 68% and 66% respectively showing their positive impression. In Portugal, in 2013, the T&C sector registered a growth of 6,4% in production, 6% in turnover and 3,8% in exports, which has been growing up to now, reasons that could explain their optimism.

In fact, these results are pretty in line with the estimations from Euratex: 1.688 million employees in 2015 and 1.692 employees in 2016. However, despite this increase at the European level, it is worth to highlight the difficulty founded in some countries, namely in Bulgaria, where although is clear the need for finding people with adequate qualification, these plans can be seriously impeded by the heavy loss of manpower suffered by the T&C industry due to the strong competition from other sectors, such as automotive.

At the same time, it is also a real problem the fact that 68% of companies says that they have problems in recruiting staff, while only 32% says they do not have problems.




Graphic 10 – Do you have problems recruiting staff?

| Do you have problems in recruiting staff? | | | |
|---|---|---|---|
| | **Yes** | **No** | **Total** |
| **BG** | 29 | 2 | 31 |
| **EL** | 22 | 11 | 33 |
| **HU** | 41 | 13 | 54 |
| **IT** | 7 | 11 | 18 |
| **PT** | 28 | 16 | 44 |
| **UK** | 16 | 14 | 30 |
| **Total** | 143 | 67 | 210 |

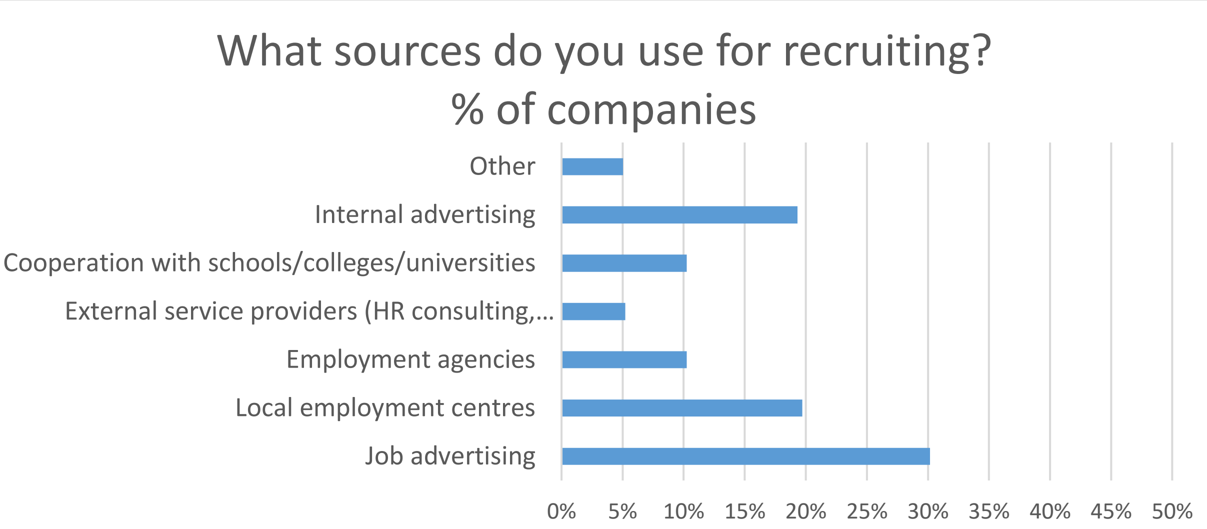
Table 8 – Do you have problems in recruiting staff?

Although Italy is the only country with no problems in recruiting staff, we should be careful with these results. In fact, the general reduction in the number of employees of the past years in Italy has put on the market a sufficient availability of unskilled labour force; that is why companies answered not having problems in recruiting. However, almost 40% of companies still complain about the difficulty mainly in the search for specialized personnel. In Bulgaria, almost of the entire industry is facing troubles with finding workforce despite the fact their optimism in recruiting in the near future.

The most preferred sources used for recruiting is job advertising (150 out of 497[3]) and through local employment centres (98 out of 497), what corresponds to 50% of the sample. Internal advertisement

[3] The total of replies of this question (497) is due to the fact that companies have selected more than one source for recruiting.

is also quite used as a source for recruitment, representing 19% (96 out of 497). The less used source are the external service providers (26 out of 497), along with "others". Italy is the country where local employment centres are less used as a recruitment source, along with the United Kingdom and Greece. In the United Kingdom, "other" sources are namely personal contacts, local media and the Textile Centre of Excellence (TCoE), the UK project's partner.




Graphic 11 – What sources do you use for recruiting?

| What sources do you use for recruiting? | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | **Job advertising** | **Local employment centres** | **Employment agencies** | **External service providers (HR consulting, headhunter, etc.)** | **Cooperation with schools/colleges/ universities** | **Internal advertising** | **Other** | **Total** |
| **BG** | 29 | 21 | 4 | 3 | 6 | 9 | 0 | 72 |
| **EL** | 25 | 9 | 3 | 1 | 4 | 11 | 5 | 58 |
| **HU** | 44 | 33 | 9 | 5 | 14 | 23 | 8 | 136 |
| **IT** | 7 | 2 | 12 | 8 | 8 | 11 | 2 | 50 |
| **PT** | 21 | 25 | 5 | 4 | 12 | 26 | 2 | 95 |
| **UK** | 24 | 8 | 18 | 5 | 7 | 16 | 8 | 86 |
| **Total** | 150 | 98 | 51 | 26 | 51 | 96 | 25 | 497 |

Table 9 – What sources do you use for recruiting?

Looking at these results and considering the companies that have answered they have problems in recruiting staff (68%) that was previously analysed, it is worth to understand whether the above sources that have been used are the most indicated ones and/or the procedures and recruitment practices are the most suitable ones.

It is also important to highlight two important aspects: first, it is clear that companies tend to cooperate with local employment centres and job advertising (i.e. by local media), which can be explained by the fact that most companies are located in small and medium-sized cities where the employer is relatively well-known; second, only few companies rely on cooperation with schools/colleagues/universities (51 out of 497) so there is a need for improvement in terms of the match the needs and expectations of both sides.

# Chapter 2: Demographics about the company and HR

## HR strategy / standards

Chapter 2 analyse the training, human resources and quality companies' strategy.

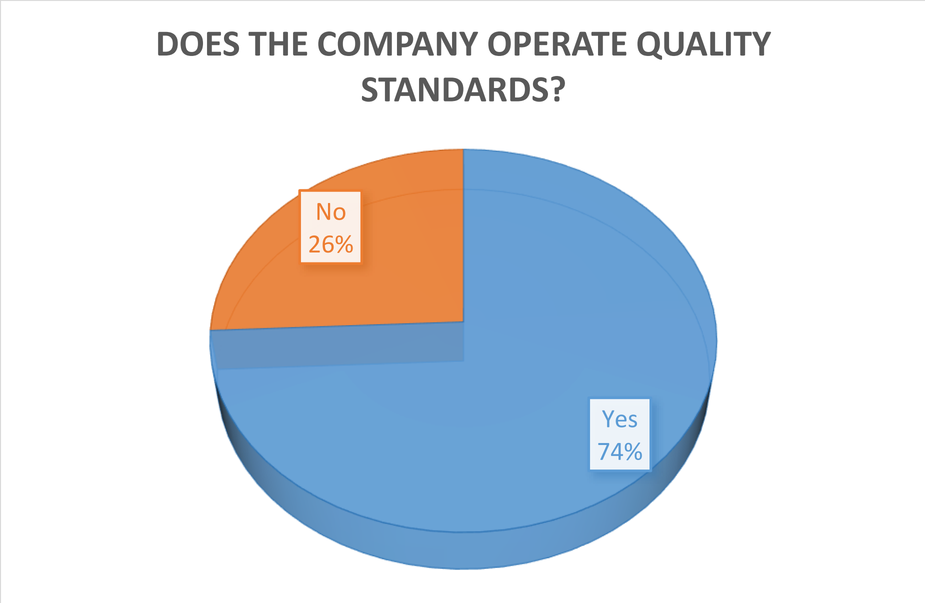
109 of the 210 companies answered yes and 111 of the 210 companies answered no when asked for training/HR strategy, which represents a quite divided scenario among the sample.

| Training/HR strategy | | | |
|---|---|---|---|
| | **Yes** | **No** | **Total** |
| **BG** | 12 | 19 | 31 |
| **EL** | 14 | 19 | 33 |
| **HU** | 21 | 33 | 54 |
| **IT** | 12 | 6 | 18 |
| **PT** | 33 | 11 | 44 |
| **UK** | 17 | 13 | 30 |
| **Total** | 109 | 101 | 210 |

Table 10 – Training/HR strategy

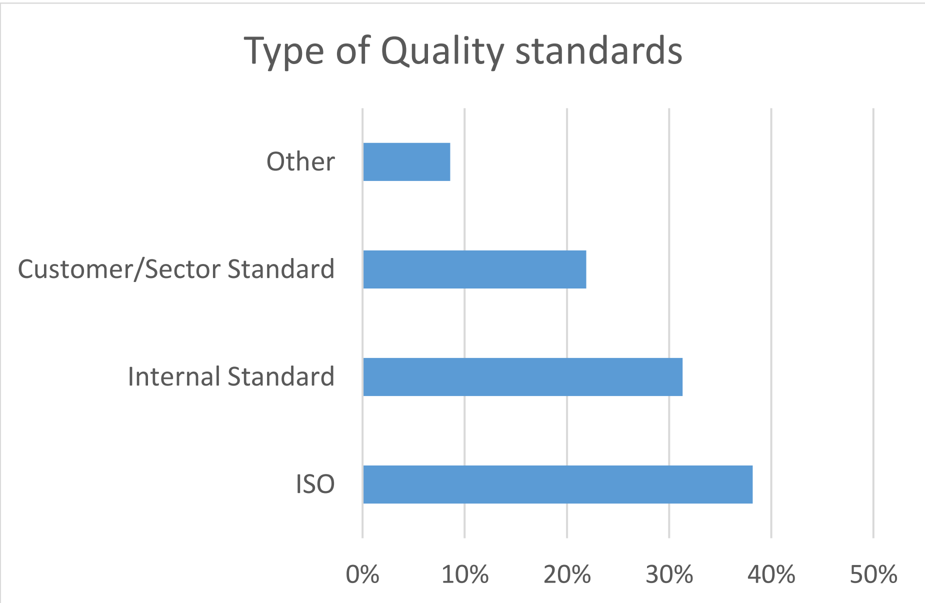

Graphic 12 – Training/HR strategy

On the other hand, 74% of companies (156 out of 210) operate with quality standards, since most are also exporters. However, still 26% companies do not (54 out of 210), which represents a problem in companies with quality process.




Graphic 13 – Does the company operate quality standards?

The companies that answered positively regarding the quality standards use mainly ISO (38%) and Internal Standards (31%), followed by Customer/Sector Standard (22%) and others (9%). In the United Kingdom, we found the biggest reply in the last category, namely Ascotex 100, UKAS, OETEX and Euroflower standards.  A note should also be given to the fact that Portugal is the country where internal standards are most used among the sample' countries (25 companies have replied positively). Some companies selected more than one standard, that's why we have 233 replies in total.

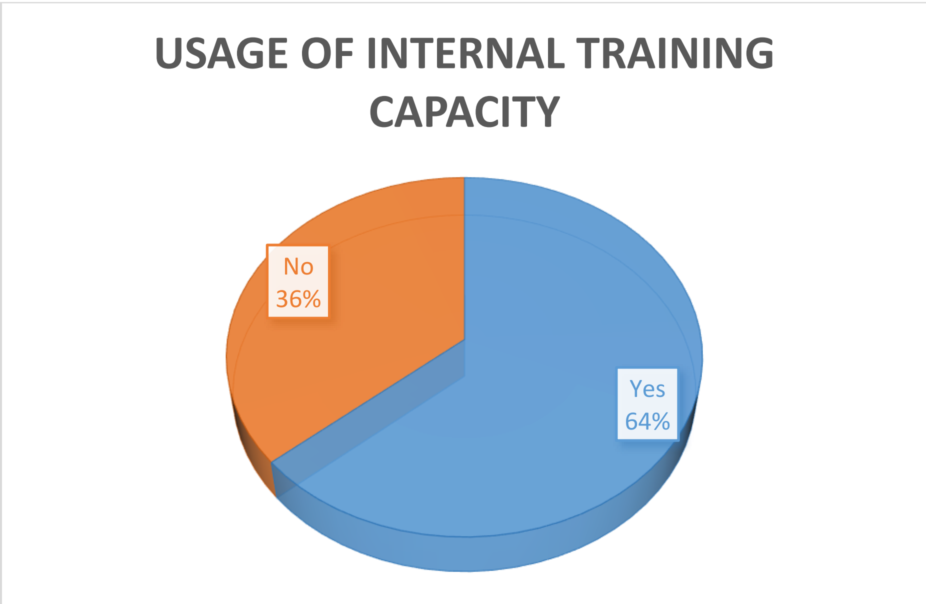



Graphic 14 – Type of quality standards

| Type of quality standards | | | | | |
|---|---|---|---|---|---|
| | **ISO** | **Internal Standard** | **Customer/Sector Standard** | **Other** | **Total** |
| **BG** | 17 | 9 | 10 | 0 | 36 |
| **EL** | 9 | 7 | 0 | 2 | 18 |
| **HU** | 18 | 23 | 7 | 6 | 54 |
| **IT** | 12 | 4 | 4 | 1 | 21 |
| **PT** | 18 | 25 | 27 | 4 | 74 |
| **UK** | 15 | 5 | 3 | 7 | 30 |
| **Total** | 89 | 73 | 51 | 20 | 233 |

Table 11 – Type of quality standards

As verified in the next graphic, 64% of the companies use their internal training capacity, while 36% do not, what is in line with the previous analyses on the existence of training/HR strategy in most of them.




Graphic 15 – Usage of internal training capacity

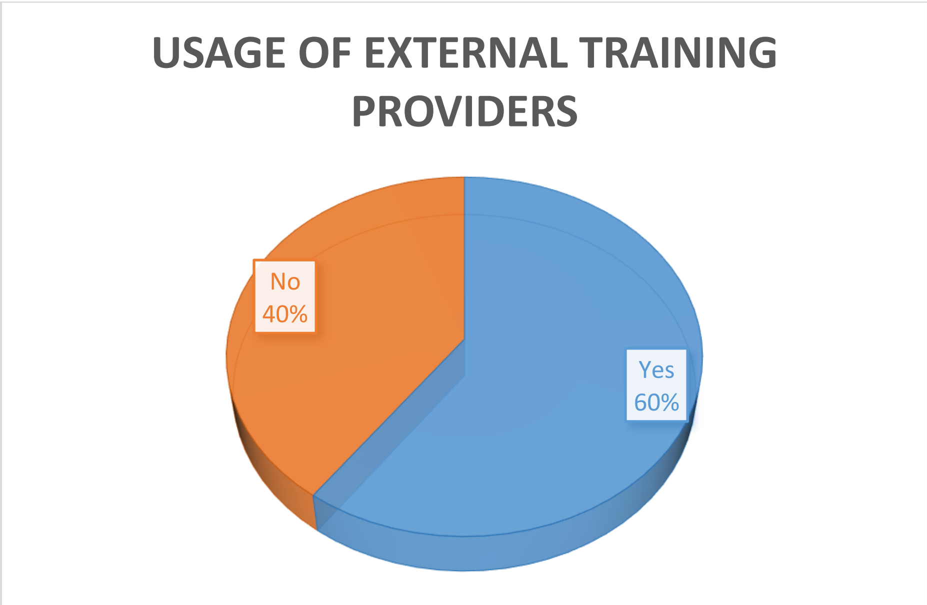
However, in some countries, especially Portugal, Greece and Bulgaria, there is a flag raised considering different interpretations of the results:

- In Portugal, reality has revealed that most organizations in the sector, absorbed by routines and the urgency of everyday life, do not use all internal/external training capacities;
- Meanwhile in Greece, their view might be explained by the fact that the Greek sample is mainly composed by small size companies, which makes respondents confident regarding the training that they can provide internally;
- In Bulgaria, there are different meanings about the term "internal training capacity". In fact, a large portion of the companies mean by this the initial training of personnel after recruitment and not the effective existence of a functioning apprenticeship programme or any other kind of a structured system for vocational training implemented.

| Internal Training Capacity | | | |
|---|---|---|---|
| | Yes | No | Total |
| BG | 19 | 12 | 31 |
| EL | 25 | 8 | 33 |
| HU | 26 | 28 | 54 |
| IT | 11 | 7 | 18 |
| PT | 31 | 13 | 44 |
| UK | 22 | 8 | 30 |
| Total | 134 | 76 | 210 |

Table 12 – Internal Training Capacity

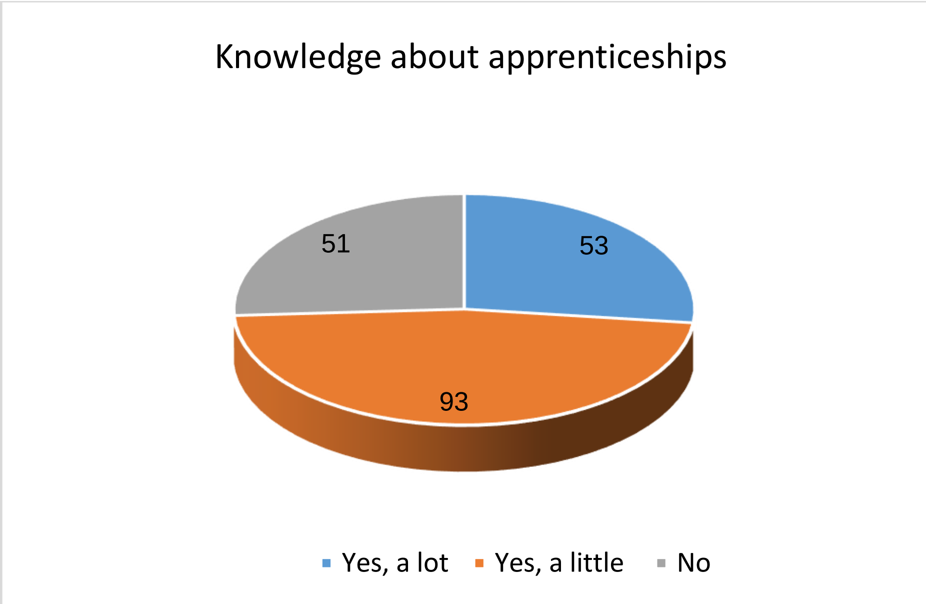
Roughly the same are the next replies regarding the usage of external training providers: 60% of them use it, while 40% do not.




Graphic 16 – Usage of external training providers

# Chapter 3: Apprenticeship characterization

Chapter 3 analyses the companies' knowledge about apprenticeships. 93 out of 197 companies[4] know a little about apprenticeships (47%), 53 companies know a lot (27%) and 51 companies do not know at all (26%).



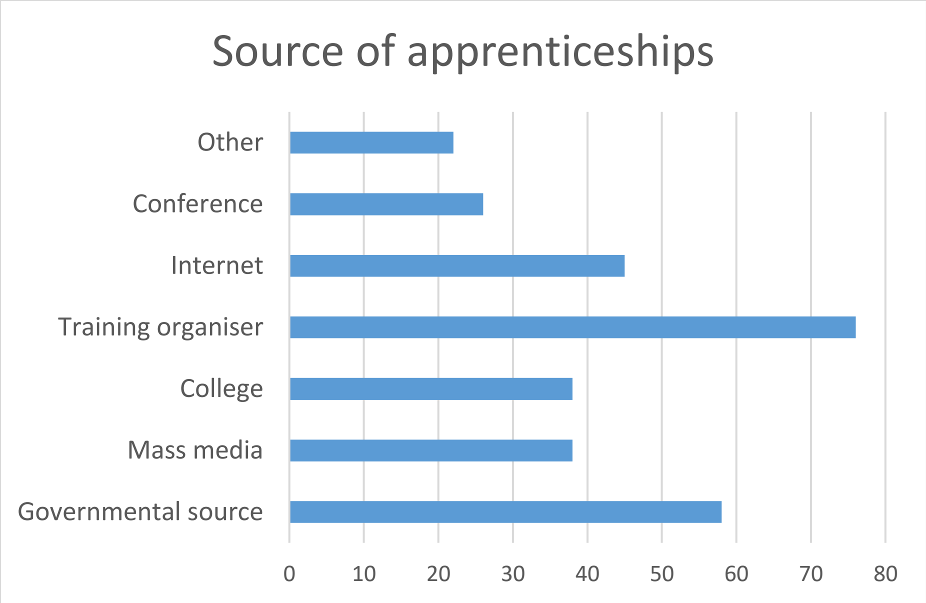

Graphic 17 – Knowledge about apprenticeships

In the following question, it is possible to verify the main sources of apprenticeships: training organizer (25%), governmental source (19%), internet (15%), mass media and college (both 15%), conference (9%) and other (7%). We have a total of 303 replies since companies have selected more than one source of apprenticeships.

| Source of apprenticeships | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Gov | Mass media | College | Training Org | Internet | Conference | Other | Total |
| **BG** | 13 | 8 | 5 | 10 | 5 | 4 | 1 | 46 |
| **EL** | 8 | 6 | 4 | 9 | 8 | 1 | 1 | 37 |
| **HU** | 10 | 10 | 8 | 16 | 9 | 7 | 9 | 69 |
| **IT** | 5 | 7 | 3 | 3 | 1 | 2 | 2 | 23 |
| **PT** | 16 | 4 | 14 | 19 | 13 | 9 | 0 | 75 |
| **UK** | 6 | 3 | 4 | 19 | 9 | 3 | 9 | 53 |
| **Total** | 58 | 38 | 38 | 76 | 45 | 26 | 22 | 303 |

Table 13 – Sources of apprenticeship

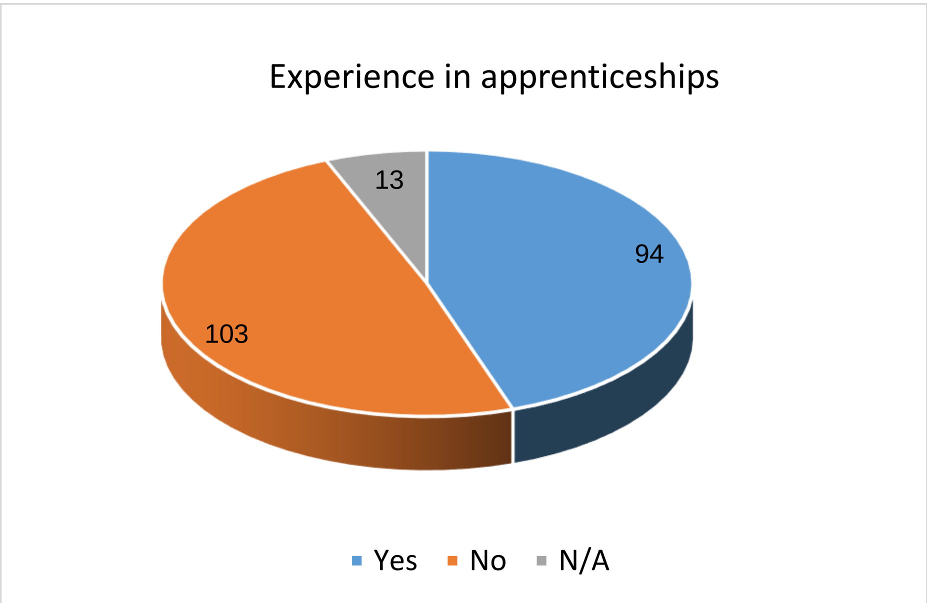
[4] In this question, there are only 197 companies that have replied to it.




Graphic 18 – Source of apprenticeships

For instance, in Hungary, the Chambers of Commerce play (local and regional) an important role in apprenticeships. Out of the 9 companies who have selected "other" source of apprenticeships, 5 have gathered information in apprenticeship from such Chambers.

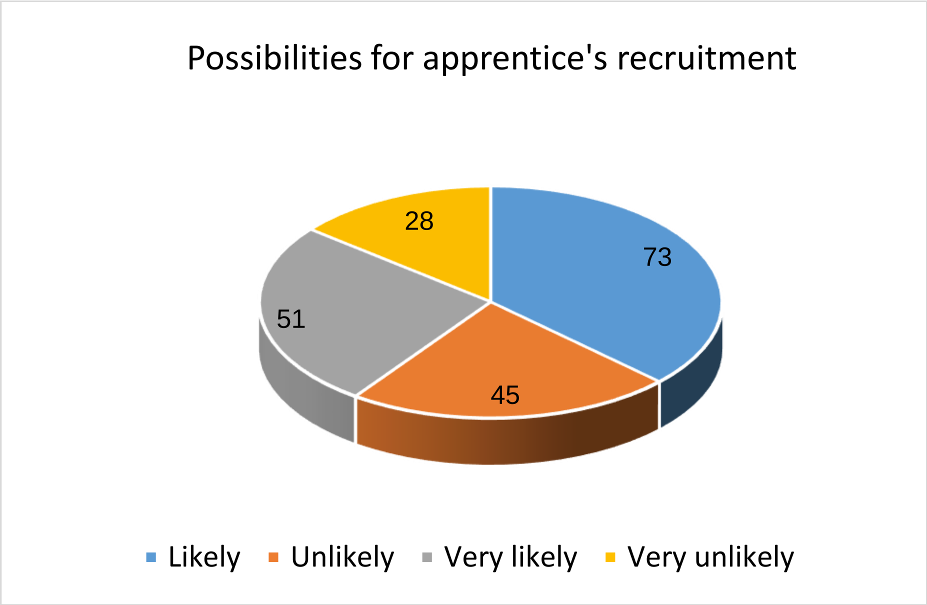
Almost half of the respondents say that they have experience in apprenticeships (94 out of 210 companies), representing 45% of the total, while 103 out of 210 companies do not have experience, representing 49% of the total and 13 out of 210 companies do not know or did not reply, representing 6% of the total. In this question, companies have selected more than one source of apprenticeships, representing 303 selected replies as a total.




Graphic 19 – Experience in apprenticeships

Considering these results, it is important to understand at what extend companies do not have experience in apprenticeships either because they do not have enough information about the possibilities and programmes or because companies do not think necessary to have apprentices (which seems it is not the case considering the fact they are planning to recruit new comers in the near future, they have difficulties in recruiting staff and because they are likely in doing so as we can verify in the next question).

In this question, the missing replies is due to the fact that not all the 210 sample companies have replied to it. Of the 197 companies that answered about the possibility for apprentice's recruitment, 51 are very likely, 73 are likely, while 45 are unlikely and 28 are very unlikely to do so.



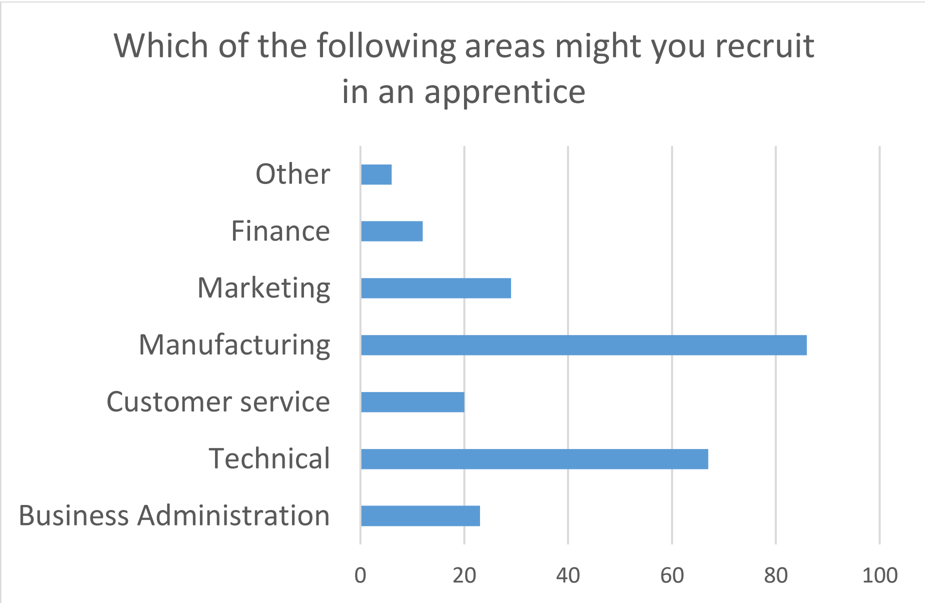

Graphic 20 – Possibilities for apprentice's recruitment

| Possibilities for apprentice's recruitment | | | | | |
|---|---|---|---|---|---|
| | **Likely** | **Unlikely** | **Very likely** | **Very unlikely** | **Total** |
| **BG** | 7 | 6 | 12 | 6 | 31 |
| **EL** | 15 | 8 | 9 | 1 | 33 |
| **HU** | 14 | 16 | 7 | 12 | 49 |
| **IT** | 9 | 4 | 3 | 2 | 18 |
| **PT** | 17 | 4 | 12 | 3 | 36 |
| **UK** | 11 | 7 | 8 | 4 | 30 |
| **Total** | 73 | 45 | 51 | 28 | 197 |

Table 14 – How likely are you to recruit an apprentice over the next 2 years

We can then conclude that the promotion and development of apprenticeships are vital for the needs of the majority of the companies that replied to this question, along with their difficulty in contracting staff, what we already had the opportunity to analyse in detail previously. On the other hand, this interesting results in terms of possibility for recruit an apprentice also show the rising of awareness among companies about the importance of apprenticeships for their strategic development. It is also interesting to highlight the fact that, although the majority of companies do not have experience and knowledge about apprenticeships, at the same time, they are very likely to recruit an apprentice. However, there are still considerable companies that they do not plan to recruit apprentices, meaning that not the entire T&C industry is convinced in the practicability of apprenticeships.

In what regards the areas that companies might recruit an apprentice, most of them prefers manufacturing (35%), followed by technical (28%), marketing (12%), business administration (9%), customer service (8%), finance (5%) and other areas (2%).

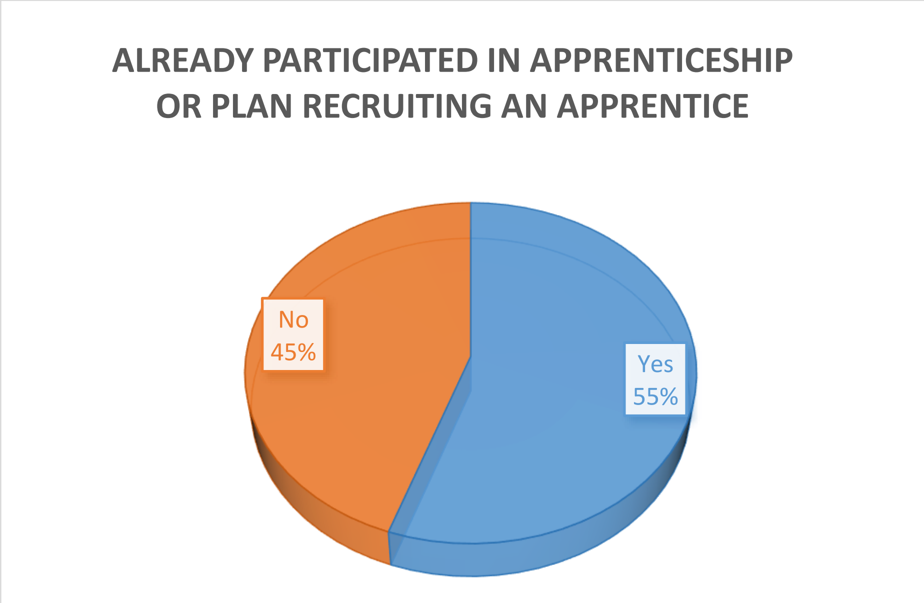



Graphic 21 – Which of the following areas might you recruit in an apprentice

| Which of the following areas might you recruit in an apprentice | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Business Administration | Technical | Customer | Manufacturing | Marketing | Finance | Other | Total |
| BG | 6 | 10 | 4 | 12 | 7 | 7 | 0 | 46 |
| EL | 5 | 11 | 10 | 16 | 8 | 3 | 2 | 55 |
| HU | 3 | 9 | 0 | 17 | 1 | 0 | 0 | 30 |
| IT | 3 | 6 | 2 | 8 | 2 | 0 | 1 | 22 |
| PT | 3 | 21 | 1 | 18 | 9 | 0 | 0 | 52 |
| UK | 3 | 10 | 3 | 15 | 2 | 2 | 3 | 38 |
| Total | 23 | 67 | 20 | 86 | 29 | 12 | 6 | 243 |

Table 15 – Which of the following areas might you recruit in an apprentice

In the following question regarding the participation of the company in apprenticeship or plan to recruiting an apprentice, only 195 companies have replied to it. 108 of 195 (55%) replied positively while 87 replied negatively (45%).



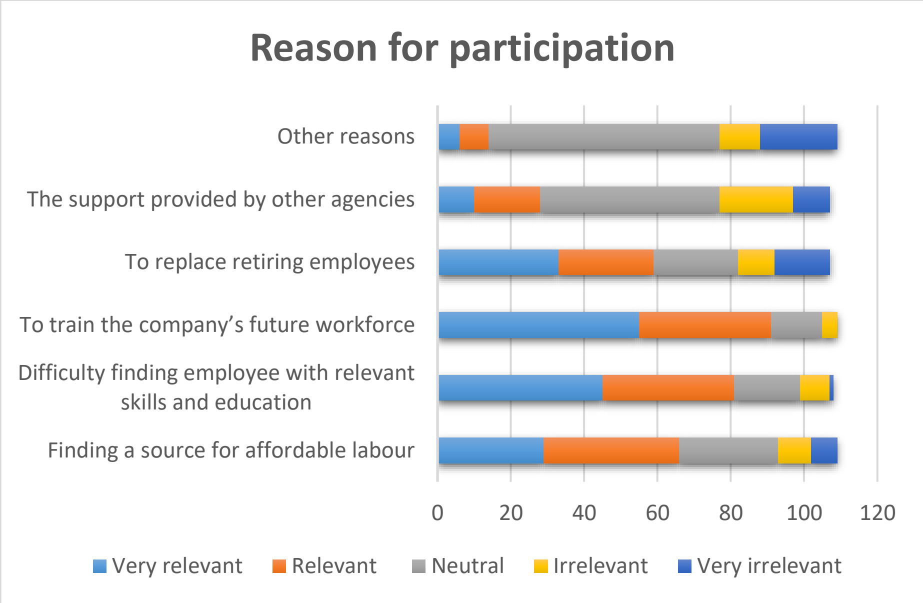
Graphic 22 – Already participated in apprenticeship or plan recruiting an apprentice

| Already participated in apprenticeship or plan recruiting an apprentice | | | |
|---|---|---|---|
| | **Yes** | **No** | **Total** |
| **BG** | 12 | 19 | 31 |
| **EL** | 16 | 15 | 31 |
| **HU** | 23 | 26 | 49 |
| **IT** | 12 | 6 | 18 |
| **PT** | 23 | 13 | 36 |
| **UK** | 22 | 8 | 30 |
| **Total** | 108 | 87 | 195 |

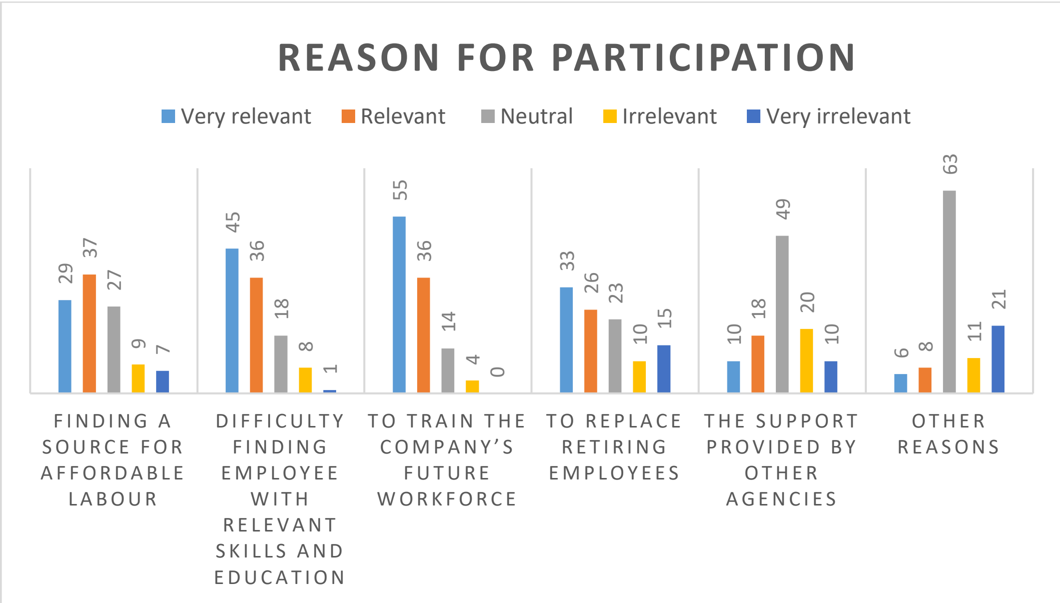
Table 16 – Already participated in apprenticeship or plan recruiting an apprentice

The most common reasons to participating in recruiting apprentices are:

- To train the company's future workforce (55 very relevant and 36 relevant);
- Difficulty finding employee with relevant skills and education (45 very relevant and 36 relevant);
- To replace retiring employees (33 very relevant and 26 relevant);
- Finding a source for affordable labour (29 very relevant and 37 relevant);
- The support provided by other agencies (10 very relevant and 18 relevant);
- Other reasons (6 very relevant and 8 relevant).

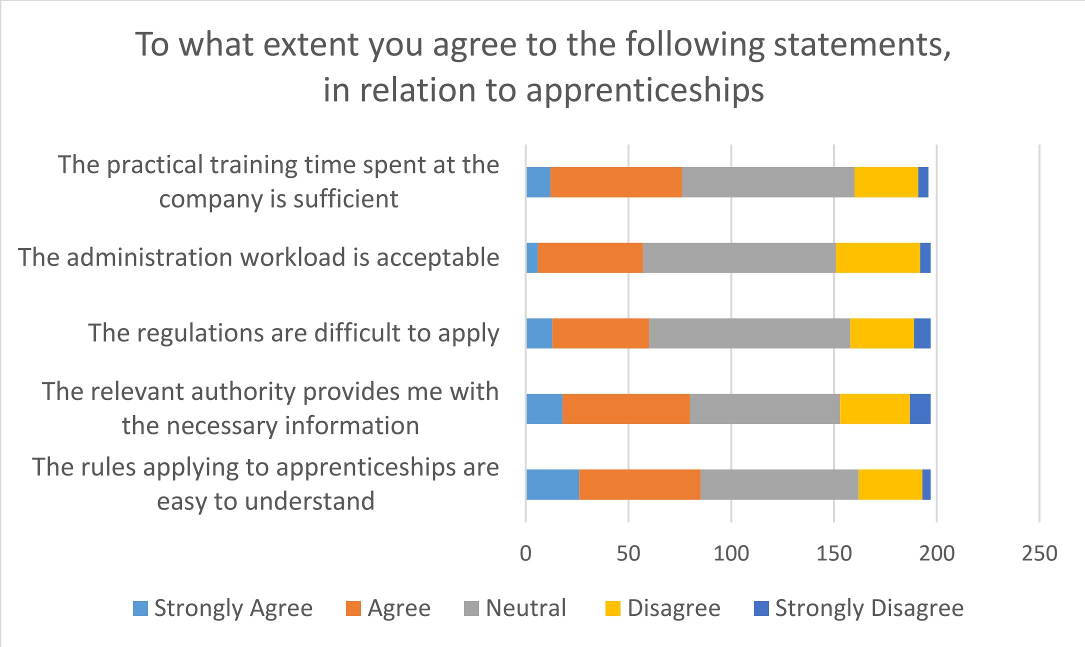



Graphic 23 – Reason for participation




Graphic 24 – Reason for participation

When asked about some realities of apprenticeships, the most common answer to the sub-questions here is neutral. This implies the limited knowledge and awareness among companies on this topic or/and companies with no previous experience that remained neutral instead of giving an unsubstantiated opinion.




Graphic 25 – To what extent you agree to the following statements, in relation to apprenticeships

| To what extent you agree to the following statements, in relation to apprenticeships | Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|---|---|---|---|---|---|
| The rules applying to apprenticeships are easy to understand | 26 | 59 | 77 | 31 | 4 |
| The relevant authority provides me with the necessary information | 18 | 62 | 73 | 34 | 10 |
| The regulations are difficult to apply | 13 | 47 | 98 | 31 | 8 |
| The administration workload is acceptable | 6 | 51 | 94 | 41 | 5 |
| The practical training time spent at the company is sufficient | 12 | 64 | 84 | 31 | 5 |

Table 17 – To what extent you agree to the following statements, in relation to apprenticeships

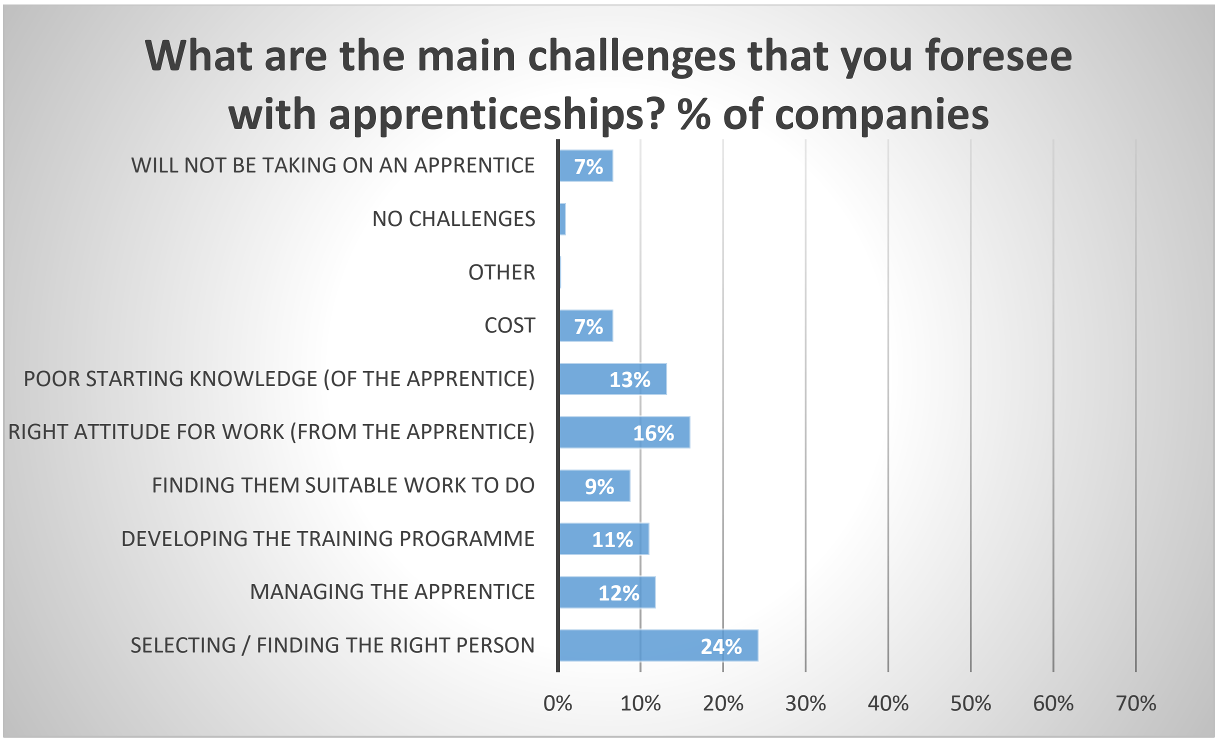
Besides the 'neutral' option, the biggest choices from companies are:

- The rules applying to appreticeships are easy to understand: 59 companies agree, 31 disagree, 26 strongly agree and 4 strongly disagree;
- The relevant authority provides me with the necessary information: 62 companies agree, 34 disagree, 18 strongly agree and 10 strongly disagree;
- The regulation are difficult to apply: 47 companies agree, 31 disagree, 13 strongly agree and 8 strongly disagree;
- The administration workload is acceptable: 51 companies agree, 41 disagree, 6 strongly agree and 5 strongly disagree;
- The practical training time spent at the company is sufficient: 64 companies agree, 31 disagree, 12 strongly agree and 5 strongly disagree.

Concerning the challenges that companies identified, the following ones are the most outsanding:

- Selecting / finding the right person (24%);
- Right attitude for work (from the apprentice) (16%).

The less selected are related to the 'costs' (7%) and 'will not be taking on an apprentice' (7%). In this question, companies have selected more than one option and consequently we arrive in havingo 523 replies.

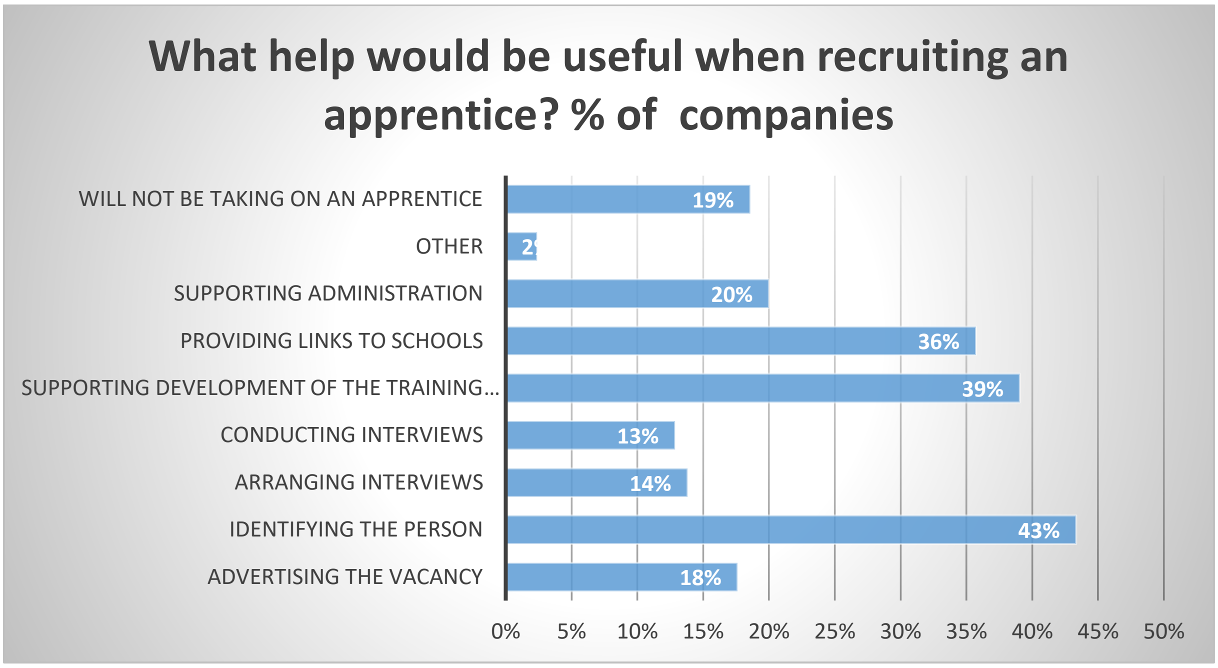



Graphic 26 – What are the main challenges that you foresee with apprenticeships?

| What are the main challenges that you foresee with apprenticeships? | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Selecting / finding the right person | Managing the apprentice | Developing the training programme | Finding them suitable work to do | Right attitude for work (from the apprentice) | Poor starting knowledge (of the apprentice) | Cost | Other | No challenges | Will not be taking on an apprentice |
| 127 | 62 | 58 | 46 | 84 | 69 | 35 | 2 | 5 | 35 |
| Selecting / finding the right person | Managing the apprentice | Developing the training programme | Finding them suitable work to do | Right attitude for work (from the apprentice) | Poor starting knowledge (of the apprentice) | Cost | Other | No challenges | Will not be taking on an apprentice |
| 24% | 12% | 11% | 9% | 16% | 13% | 7% | 0% | 1% | 7% |

Table 18 – What are the main challenges that you foresee with apprenticeships?

Considering the aboved scenario, it is important to understand what help would be useful when recruiting an apprentice, which are namely in identifying the person (43%), supporting development of the training programme (39%) and providing links to schools (36%). Conducting interviews (13%) and arranging interviews (14%) are the type of help less important in this case. In this question, we arrived to 427 replies since companies have selected more than one option.




Graphic 27 – What help would be useful when recruiting in apprentice?

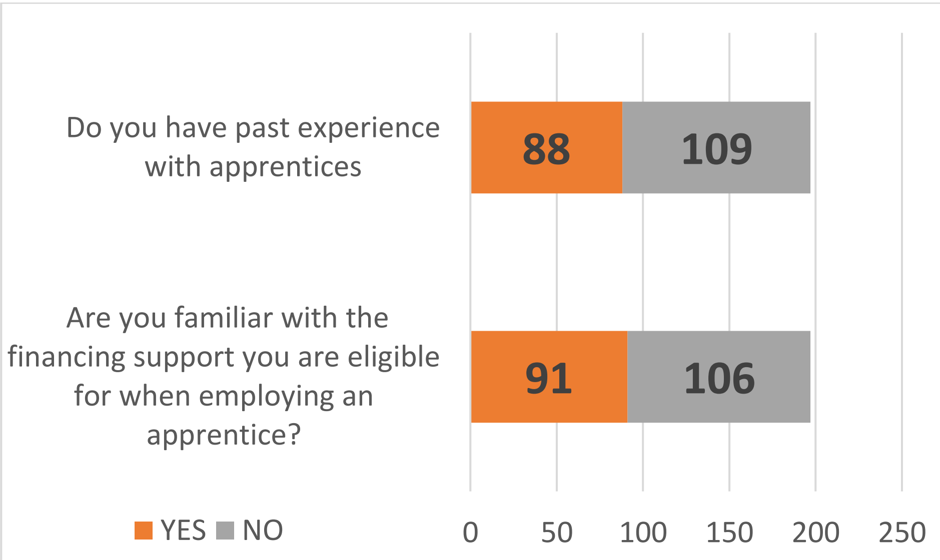
| What help would be useful when recruiting an apprentice? | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Advertising the vacancy | Identifying the person | Arranging interviews | Conducting interviews | Supporting development of the training programme | Providing links to schools | Supporting administration | Other | Will not be taking on an apprentice |
| 37 | 91 | 29 | 27 | 82 | 75 | 42 | 5 | 39 |
| Advertising the vacancy | Identifying the person | Arranging interviews | Conducting interviews | Supporting development of the training programme | Providing links to schools | Supporting administration | Other | Will not be taking on an apprentice |
| 18% | 43% | 14% | 13% | 39% | 36% | 20% | 2% | 19% |

Table 19 – What help would be useful when recruiting in apprentice?

## Chapter 4: Familiarizing with Apprenticeship

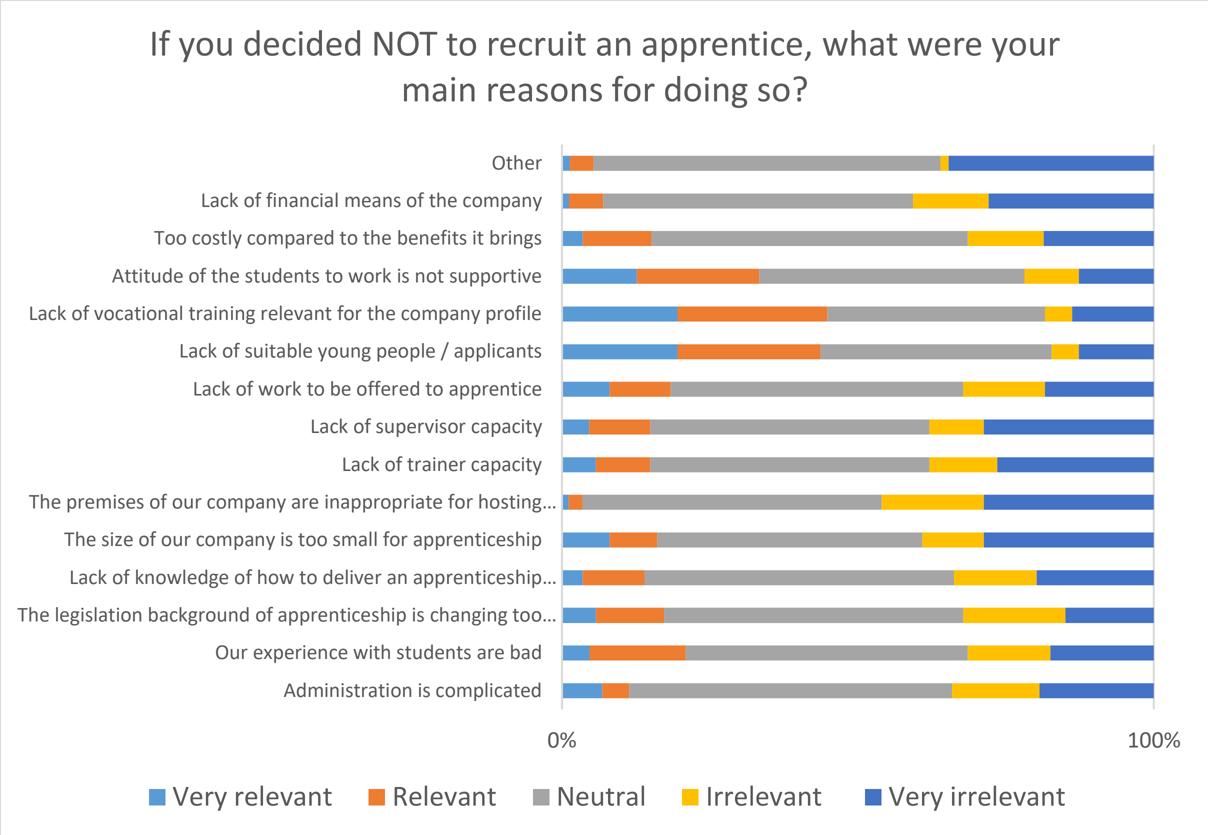
Chapter 4 aims at detecting how familiar are companies with the concept of apprenticeship.

Only 197 companies have replied to these two following questions. 91 out of 197 companies are familiar with the financing support that companies might be eligible when employing an apprentice (46%), while 106 out of 197 companies are not (54%). When asked about experience, 88 out of 197 companies say they have past experience with apprentices (45%) and 109 out of 197 do not have it (55%).




Graphic 28 – Past experience with apprentices and familiar with the financing support eligible for employing an apprentice

Most of companies choose to select the "neutral" option for most of the reasons why they do not recruit an apprentice, as we can see in the following graphics. Again, this might be explained by the limited knowledge that companies have about apprenticeships. In this question, we have 1290 replies since companies have selected more than one reason.




Graphic 29 – If you decided not to recruit an apprentice, what were your main reasons for doing so?

However, when checking the most relevant and irrelevant reasons for not recruiting, we arrive at the following results:

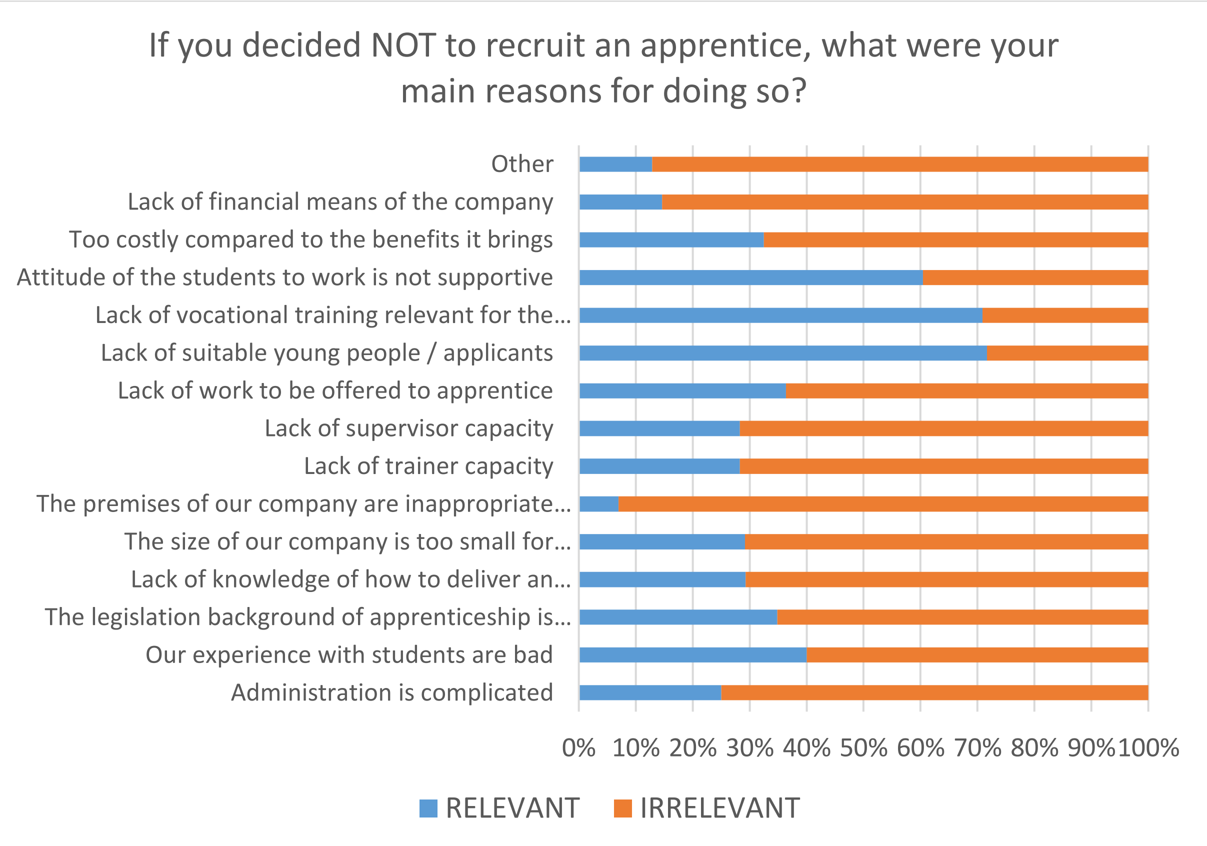
Relevant: lack of vocational training relevant for the company profile (39), lack of suitable young people / applicants (38) and attitude of the students to work is not supportive (29).

Irrelevant: the premises of our company are inappropriate for hosting training (40), lack of financial means of the company (35) and the size of our company is too small for apprenticeship (34).

| | RELEVANT | IRRELEVANT |
|---|---|---|
| Administration is complicated | 10 | 30 |
| Our experience with students are bad | 18 | 27 |
| The legislation background of apprenticeship is changing too often | 15 | 28 |
| Lack of knowledge of how to deliver an apprenticeship programme | 12 | 29 |
| The size of our company is too small for apprenticeship | 14 | 34 |
| The premises of our company are inappropriate for hosting training | 3 | 40 |

| | | |
|---|---|---|
| Lack of trainer capacity | 13 | 33 |
| Lack of supervisor capacity | 13 | 33 |
| Lack of work to be offered to apprentice | 16 | 28 |
| Lack of suitable young people / applicants | 38 | 15 |
| Lack of vocational training relevant for the company profile | 39 | 16 |
| Attitude of the students to work is not supportive | 29 | 19 |
| Too costly compared to the benefits it brings | 13 | 27 |
| Lack of financial means of the company | 6 | 35 |
| Other | 4 | 27 |
| TOTAL | 243 | 421 |
| % | 37% | 63% |

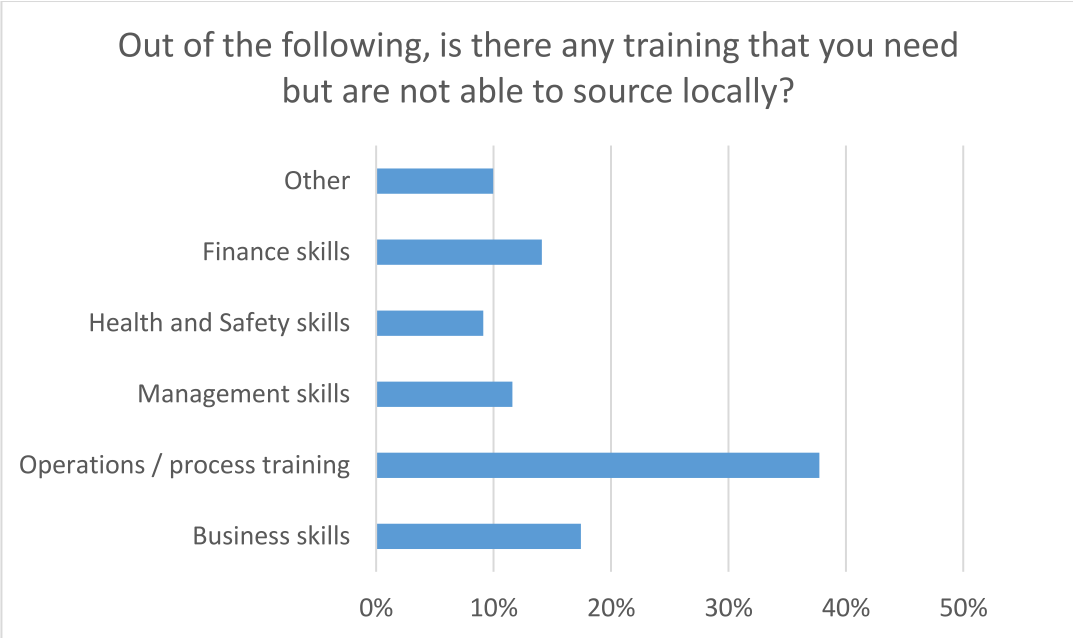
Table 20 – If you decided not to recruit an apprentice, what were your main reasons for doing so? (relevant/irrelevant)



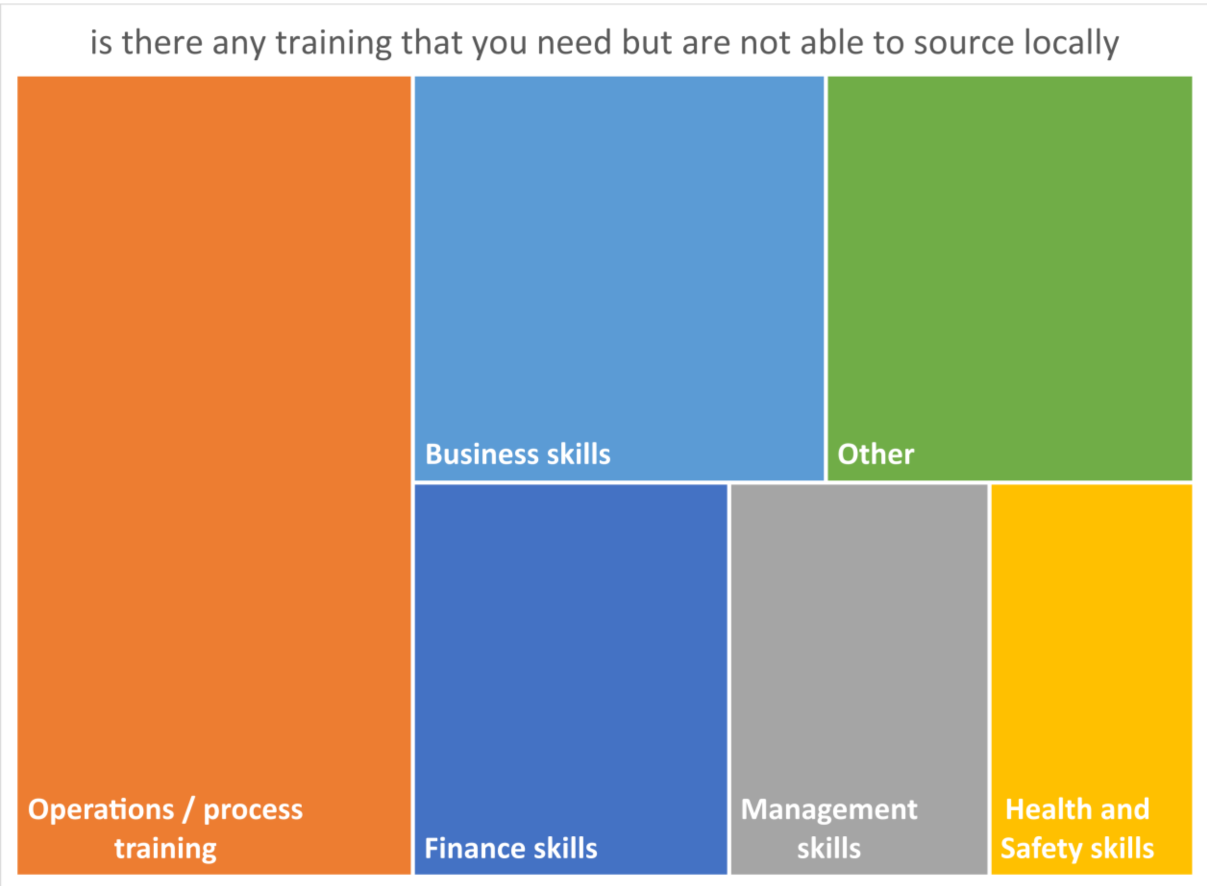

Graphic 30 – If you decided not to recruit an apprentice, what were your main reasons for doing so? (relevant/irrelevant)

In what regards the companies' needs on the main training categories that they are not able to source locally, we conclude the following among 241 total replies (companies have selected more than one categories): 91 out of 210 companies selected 'operations/process training', followed by business skills

(42 out of 210), finance skills (34 out of 210), management skills (28 out of 210), others (24 out of 210) and finally health and safety skills (22 out of 210).




Graphic 31 – Out of the following, is there any training that you need but are not able to source locally?




Graphic 32 – Out of the following, is there any training that you need but are not able to source locally?

| Out of the following, is there any training that you need but are not able to source locally? | | | | | |
|---|---|---|---|---|---|
| **Business skills** | **Operations / process training** | **Management skills** | **Health and Safety skills** | **Finance skills** | **Other** |
| 42 | 91 | 28 | 22 | 34 | 24 |
| **Business skills** | **Operations / process training** | **Management skills** | **Health and Safety skills** | **Finance skills** | **Other** |
| 17% | 38% | 12% | 9% | 14% | 10% |

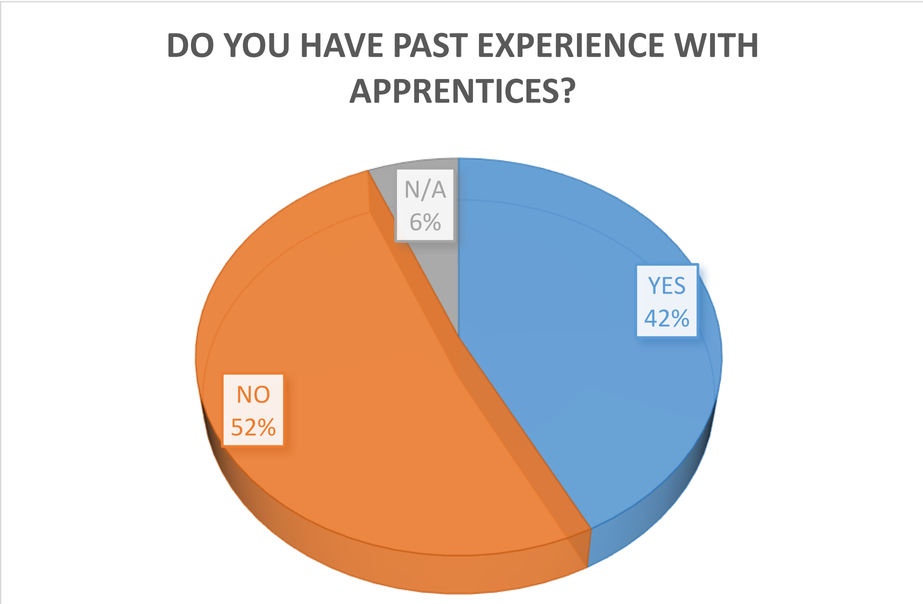
Table 21 – Out of the following, is there any training that you need but are not able to source locally?

We can easily conclude that the need for trained people in operations and processes are a reality among this European sample.

# Chapter 5: Apprenticeship in organization & impact of apprenticeship

In this chapter, we will analyse the apprenticeships in the organization and its impact.

The majority of the companies do not have past experience with apprenticeships (52%) while 42% do and 6% did not respond to this question, what was already mentioned in graphic 28 as well.




Graphic 33 – Do you have past experience with apprentices?

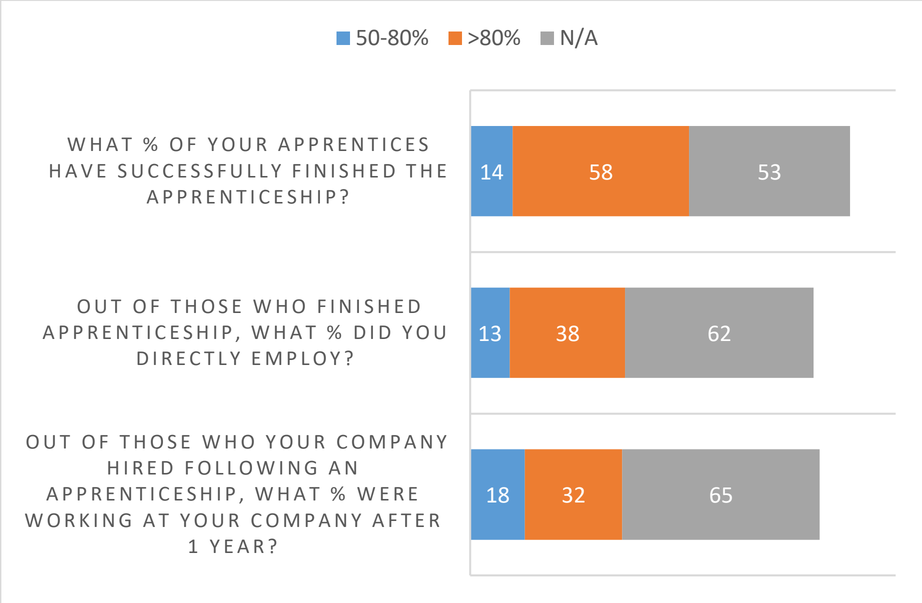
| Past experience with apprentices | | | | |
|---|---|---|---|---|
| | Yes | No | N/A | Total |
| BG | 5 | 26 | 0 | 31 |
| EL | 12 | 21 | 0 | 33 |
| HU | 18 | 31 | 5 | 54 |
| IT | 11 | 7 | 0 | 18 |
| PT | 22 | 14 | 8 | 44 |
| UK | 21 | 9 | 0 | 30 |
| **Total** | 89 | 108 | 13 | 210 |

Table 22 – Do you have past experience with apprentices?

In what regards the experience with apprentices, we found the following results:

- >80%: 58 companies declare that the apprenticeship was successfully finished[5];
- >80%: 38 companies declare that they directly employ after an apprenticeship period[6];
- >80%: 32 companies declare that they hire an apprentice and they are still working in the company after one year[7].

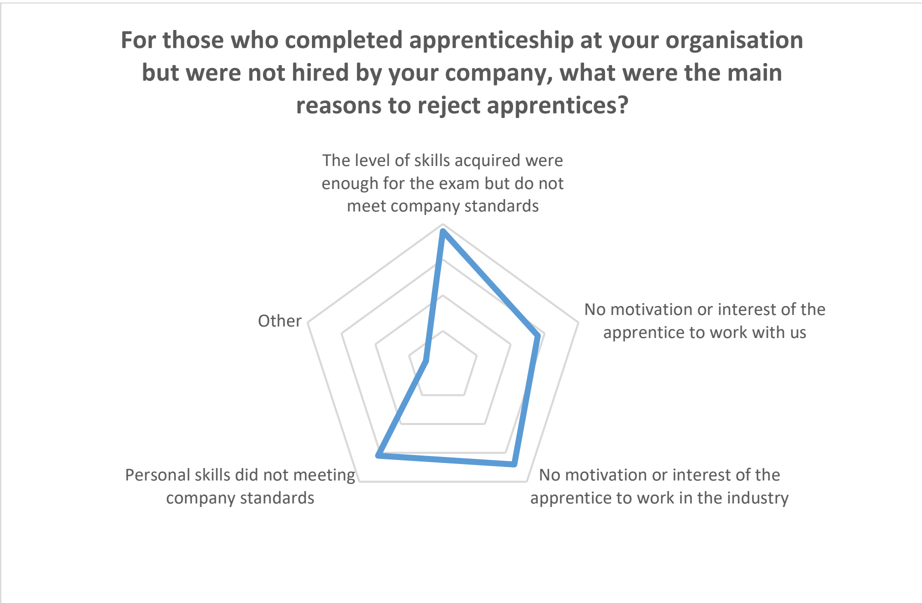
[5] In this question, only 125 out of 210 companies have responded it.
[6] In this question, only 113 out of 210 companies have responded it.
[7] In this question, only 115 out of 210 companies have responded it.




Graphic 34 – Experience with apprenticeship, employment and hire apprentice

Concerning the scenario of apprentices that completed their apprenticeship but were not hired by the company, among the 136 companies that replied to this question, the most important reason for not hiring an apprentice after a period of apprenticeship is due to the level of skills acquired that were enough for the exam but do not meet company standards (38 out of 136 companies) which represents 28% of the sample.

The second main reason is related to the no motivation or interest of the apprentice to work in the industry, representing 25% (34 out of 136 companies), followed by the reason related to the personal skills that did not meet the company standards representing 23% (31 out of 136 companies). No motivation or interest of the apprentice to work with us is the reason of 21% of companies (28 out of 136) and finally only 4% point out “other reasons” (5 out of 136 companies).



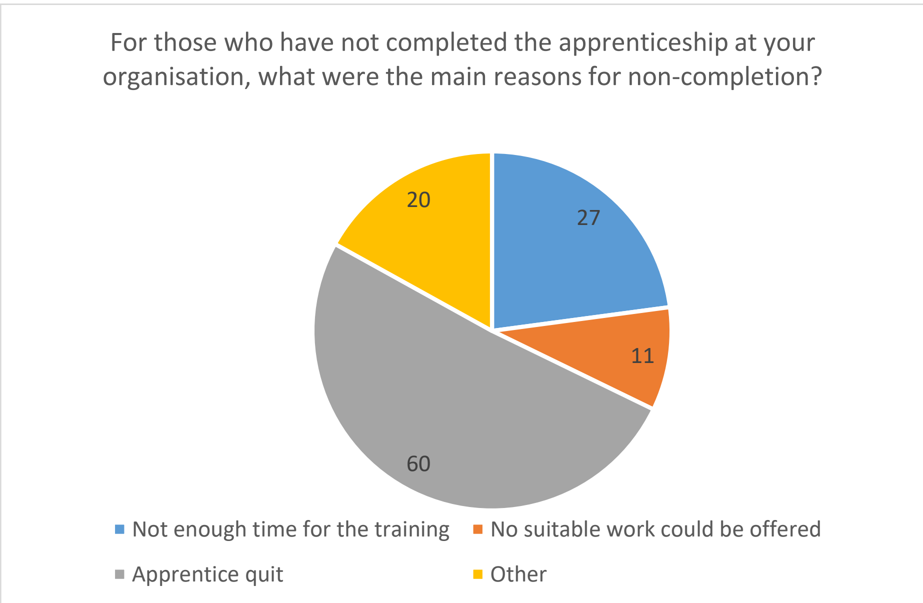
Graphic 35 – For those who completed apprenticeship at your organization but were not hired by your company, what where the main reasons to reject apprentices?

| Country | The level of skills acquired were enough for the exam but do not meet company standards | | No motivation or interest of the apprentice to work with us | | No motivation or interest of the apprentice to work in the industry | | Personal skills did not meet company standards | | Other | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Yes+No | Yes | Yes+No | Yes | Yes+No | Yes | Yes+No | Yes | Yes+No | Yes |
| BG | 5 | 0 | 5 | 3 | 5 | 4 | 5 | 0 | 0 | 0 |
| EL | 12 | 1 | 12 | 1 | 12 | 4 | 12 | 5 | 0 | 0 |
| HU | 10 | 3 | 18 | 3 | 18 | 12 | 18 | 4 | 0 | 0 |
| IT | 25 | 7 | 25 | 8 | 25 | 4 | 25 | 7 | 0 | 0 |
| PT | 22 | 6 | 22 | 6 | 22 | 4 | 22 | 11 | 5 | 0 |
| UK | 21 | 21 | 21 | 7 | 21 | 6 | 21 | 4 | 0 | 0 |
| TOTAL ANSWERS | 95 | 38 | 103 | 28 | 103 | 34 | 103 | 31 | 5 | 5 |
| % | 23% | | 25% | | 25% | | 25% | | 1% | |

Table 23 - For those who completed apprenticeship at your organization but were not hired by your company, what where the main reasons to reject apprentices?

On the other hand, the main reasons why apprentices did not complete their apprenticeship are because: a) the apprentice quit (51%), b) they do not have enough time for the training (23%), c) other reasons (17%) and d) no suitable work could be offered (9%). In the "other reasons" category, following an analyse of the replies, we may conclude that most of companies used this category to attest the completeness of the apprenticeships by their apprentices since the main answers are "completed", "never happen not complete", among others.

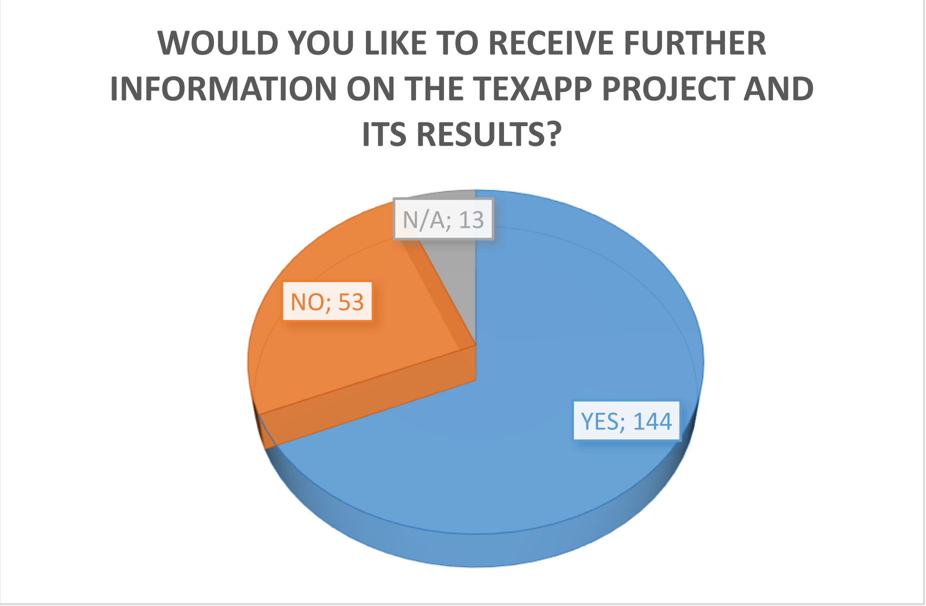
Out of 210 companies of the sample, only 118 companies have responded to this question.




Graphic 36 – For those who have not completed apprenticeship at your organization, what where the main reasons for non-completion?

## Chapter 6: Follow-up

144 out of 210 companies (69%) are interested in receiving further information on the TEXAPP project and its results, while 53 companies are not interested in it (25%) and 13 do not know or do not answer (6%).




Graphic 37 – Would you like to receive further information on TEXAPP project and its results?

# Chapter 7: Regression model

## Conclusions

The questionnaire allowed the collection of updated and pertinent information from 210 European companies (Bulgaria, Greece, Hungary, Italy, Portugal and the United Kingdom).

Based on the questionnaires, we have developed the following SWOT analysis, which allows an analysis of the current situation of apprenticeships in sector's SMEs.

| Strengths | Opportunities |
| --- | --- |
| • The sample is composed by a well-established small and medium-sized companies with less than 50 employees representing both Textile and Clothing sectors;<br><br>• The majority of them has been experiencing growth in terms of turnover in the past and in the next 5 years, while their workforce stayed the same or slightly increased;<br><br>• More than 50% of the sample assume they do have any training/HR strategy and, consequently, they use internal training capacity (but also external training providers);<br><br>• More than 70% of the companies operate with quality standards, especially ISO and internal standards;<br><br>• The majority of apprentices finish their apprenticeship, are directly employed and after one year they are still working in the company. | • Half of the correspondents affirmed they plan to increase their headcount in the next year;<br><br>• The main sources of apprenticeships are the training organizer, governmental source and the internet;<br><br>• The majority of the companies are likely to recruit an apprentice over the next 2 years, namely in the areas of manufacturing, technical and marketing;<br><br>• The need of support for the development of the training program;<br><br>• The main reasons for participating in apprenticeships are the need to train the company's future workforce, the difficulty in finding employees with relevant skills and education and the necessity to replace retiring employees. |

| Weaknesses | Threats |
| --- | --- |
| • The majority of the workforce is semi-skilled and unskilled, possessing high-school graduation and vocational qualifications while roughly ¼ possesses either primary and none education at all;<br><br>• Companies have problems recruiting staff and the main sources used for it are job advertising, local employment centres and internal advertising;<br><br>• The knowledge of the companies as regarding apprenticeships is quite limited;<br><br>• Almost 50% of the sample do not have experience in apprenticeships;<br><br>• The majority of the companies are not familiar with the financing support when employing an apprentice;<br><br>• The lack of vocational training relevant for the company profile, the lack of suitable young people/applicants and the attitude of the students to work that is not supportive;<br><br>• When apprentices do not finish their programs, it is mainly because they quit and because they do not have enough time for the training. | • Difficulty in finding employees with relevant skills and education and the necessity to replace retiring employees;<br><br>• Selecting/finding the right person, the right attitude for work and, consequently, the help that would be useful when recruiting an apprentice is the identification of the person, support the development of the training programme and provide links to schools;<br><br>• Companies are not able to source locally; it is operations/process training, business skills and finance skills;<br><br>• For those who were not hired by the company, the main reasons are the level of skills acquired that were enough for the exam but do not meet the company standards;<br><br>• Lack of motivation or interest of the apprentice to work in the industry. |

The need for better trained and more highly skilled employees at different levels, and at attracting the younger generation towards a career in the industry is an urgency for the textile and clothing sector.

It is also important a deeper involvement in relation to apprenticeship and that education and training should be a core issue.

There are important measures still to be adopted in order to achieve an ideal apprenticeship:

- Ensure better match between qualification supply and job demand;
- Establishment of media/information to make the textile and clothing sector better known and more attractive to the general public and potential recruits;
- Increased dissemination of Information and apprenticeships.