

MICRO-ENTERPRISES
TRADITIONAL CRAFTS
AND COMMERCIAL MICRO-ENTERPRISES

ORGANIZATION
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TECNICAL SHEET

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Presentation

The activities which integrate Traditional Craft Trades and Commercial Micro-enterprises have historically been given little support and appreciation, especially because they are not integrated in an obvious political priority and also, to a large extent due to that circumstance, because they are not supervised by a Ministry or government department.

To insert the referred activities in the Programme for Local Development Initiatives would not contribute to overcome the identified difficulties. This includes the surcharge of the incentives referred in the Micro-enterprises Incentives Scheme and Regional Incentives Scheme, as well as the launch of structuring action programme for the rehabilitation of traditional craft trades, under the responsibility of a Council created within the Ministry for Territorial Planning and Management and reporting to the relevant Minister.

Although the situation did not change significantly until today, in our opinion, the integration of this problematic in the Operational Programme of the Regional Development Potential – PPDR is very positive. One of the main reasons is that it enhances the local development potentialities, namely by involving the civil society and strengthening the mechanisms and forms of co-operation between the central administration, the municipal authorities and the local development organizations.

The initiative of launching the process of the sectoral project “Traditional Craft Trades and Commercial Micro-enterprises” establishes, per se, the justification and confirmation that it integrates adequately in the referred PPDR framework.

Our commitment in the implementation and development of this project, aims, more than anything else, at giving a contribute to the establishment and functioning of a public policy focussing the Traditional Craft Trades and Commercial Micro-enterprises.

August 2000

Training and qualification

JOAQUIM DE AZEVEDO

1. Introduction

As previously mentioned, the characterisation of the traditional arts and crafts and of the commercial micro-enterprises as economic and business units reveals a vast field of needs and opportunities in terms of vocational training and qualifications.

We consider we have reached the main conclusions of the survey undertaken within the framework of the present study on craft units and commercial micro-enterprises. They reveal the existence of structural weaknesses related to the poor basic academic qualifications of employers and employees. But they also reveal a number of opportunities based on the professional skills acquired by workers in this field of economic and cultural activity.

Before outlining the proposed action plan, we have chosen to establish a set of principles by which any type of political action in the area of vocational qualifications should be guided. We will now describe the model for an action plan: basic and specific training of local development adviser agents and the qualifications of in-service professionals (the present study does not take into account initial vocational training).

Within the same model, we propose a system of certification of professional competence acquired during the exercise of a professional activity in the area of traditional arts and crafts, an area in which very little progress has been achieved in Portugal.

Finally, we will outline a set of general programmes for in-service vocational training in the areas where intervention is more urgent. We believe that these guidelines can promote the development and the emergence of political action plans at national, regional or municipal level, aiming to create the conditions for increased competitiveness

within a critical sector, as well as to improve the quality of life of the people involved in it.

2. Craft units and commercial micro-enterprises: qualifications and training needs

The economic globalisation, the progressive opening of the markets to international competition and the constant technological evolution with its continuous impacts on: production, products and production processes; commercialisation; and also on the organisation of the enterprises, are factors that require a new order of competitiveness and adaptation, since the activities of micro-enterprises are no longer tight nor protected.

One of the challenges enterprises are currently facing lies in their capacity to "think globally and act locally". It is therefore necessary to build this capacity from the start, as an element of a network of relations where it can grow, in a diversity of inter-relations, having recourse to their most important capital, to the capacity and development of skills of their staff. These factors will induce and highlight anticipating changes. All enterprises, including micro-enterprises are facing this challenge.

On the other hand, the employees must be ready to accept constant professional adaptation because skills have a continuously shorter lifecycle. Their updating is therefore indispensable, or else they will run the risk of continuously failing to adapt to their workplaces.

The enterprises will also have to undertake continuous adaptation efforts at various levels. In the past, enterprises could only be competitive in a direct proportion of their structural dimension. However, in this era of continuous changes, it is most important to maintain hard-core competence and procedures based on logic of partnerships with the outside world, if possible, comprising the added value of methodically grouped enterprises.

The adhesion to the European Union opened a vast potential market for the enterprises. As a consequence, these must react very quickly to avoid being overtaken by their competitors. One of the policies supported by the European Union itself, and materialised in specific programmes for the SMEs and micro-enterprises, is the creation of community networks of European enterprises co-operating amongst

themselves. This will allow them to acquire a dimension and a market share otherwise difficult to obtain.

The conclusions of the survey carried out amongst crafts units and commercial micro-enterprises highlighted some of the relevant characteristics of this population. It has made it possible to draw a clear picture of their training and qualification needs.

On the one hand, and in terms of school qualifications, the survey shows that some 80% of the small entrepreneurs and artisans have a level of education below the 1st cycle of primary education. This is related to the fact that they belong to a relatively high age cohort. On the other hand, their lifelong learning process is based on "seeing how to do it" (some 40% indicated having learned their crafts with the family). Moreover, they participated in practically no qualification or professional development actions. This applies both to the entrepreneurs as well as to the rest of the labour force of micro-enterprises (only 6 to 9% of these units' workers had undertaken vocational training during the last two years).

A first analysis of the survey results showed that neither craftsman nor entrepreneurs feel the need for vocational training. 50% of craftsmen do not identify training needs at all. However, others consider training in production techniques and commercialisation as a priority. Amongst the micro-enterprises, 50% of their staff indicated training in bookkeeping and administration as their first priority, followed by sales techniques, commercialisation, and management.

In fact, these units seem to be based on very weak economic structures. They are born with the artisan or entrepreneur (the majority started the craft at a very young age), and they tend to die with them (in 80% of the cases they indicate that nobody is being prepared to continue the business after their retirement or death). It would be interesting to analyse the causal relation between this volatility, the qualification structure, and the businesses' profitability. The results of the study reveal that there is a relation between the level of qualifications of the entrepreneurs and the level of development of the enterprise and, naturally, the attained profitability levels.

In the overwhelming majority of cases, the conduction of business is done without resorting to structured and systematic management practices. Consequently, the enterprises are strongly dependent on external factors, and are unable to proactively put any improvement scenarios into perspective. Training would greatly contribute to changing this situation.

It is also noticeable and in accordance with the general tendency, that younger artisans and owners of micro-enterprises have better school qualifications. This fact should, in principle, contribute to a new attitude towards vocational training and qualifications. It is known that the higher one's academic level is, the more attracted one will be to undertake lifelong training and qualifications. In other words, the lower one's qualifications are, the less prone one is to look for new qualifications. The marginal profitability of their investment is not easily perceptible to these persons, and it is not evident that those investments will be a direct contribution to the improvement of their professional status. On the other hand, it is possible that these investments may influence their professional activity. Actually, it is recognised that this is not the most mobilising element for a worker.

It should be noted that this cohort has acquired relevant skills during their professional activity. However, these skills are undervalued in terms of professional progression and development, as well as in terms of sustained in-service professional training schemes.

In the light of this framework of weaknesses and opportunities, we propose an approach to this set of problems in the areas of lifelong vocational training and qualifications. Before describing it in detail, we suggest the adoption of a set of principles by which various practices and forms of in-service vocational training could and should be guided.

3. Qualifications: some guiding principles

To turn the qualification of this target public of crafts units and very small commercial enterprises into a profitable investment, it is important to respect some elementary principles by which whatever kind of training practice or actions should be guided. We highlight seven guiding principles.

1. Many consider training as something unnecessary and marginal. It should not be undertaken because some "enlightened" outsiders proclaim that vocational training is the engine of development or a necessary investment that has to be made. In fact, training is **instrumental**: it should be presented and developed as a reference to a clearly identified objective, either of individual

professional qualification or as an aim for the development of an enterprise or a given professional area. In terms of efficiency, we often watch investments being reduced to dust due to the lack of organisational, economic and even cultural conditions to create the ballast for necessary and pressing changes to occur. People's qualifications should not be an isolated effort. The more it is so, the more separated it becomes from other efforts towards local development in a given area.

2. The **adequacy** of the training to be offered to this public, and its appropriateness to its environment: all training strategies, including their contents, methods, timing and places must be developed with great concern for the adequacy of the formative proposals to this specific target group and for its living and professional environments (i.e., the existence of multi-activity). Once the general references of training and each of its actions is established, all training courses should refer to specific situations of people, case by case, within a general framework of methodological flexibility.
3. The **accessibility** of training is another elementary principle: using computing language, training should be as "user friendly" as possible. This principle concerns not only the contents and methods but also the places where it is taking place, the timing, for instance the schedule (which should not forget the female overrepresentation), and also its cost. It is quite a risk to offer in-service vocational training to people and then treat them as if they were still in school, as is frequently the case. This attitude leads this public, often with little schooling, to abandon their access to permanent qualifications, and contributes to such levels of failure and abandonment, perfectly avoidable if the offer of training would take the target public's previously acquired knowledge and skills into consideration, and if that training was exclusively planned for it.
4. Any qualification practice should be guided by the incentive to establish **co-operation**. Co-operation can be achieved through the creation of small networks of micro-enterprises, with a view to qualify their staff. It has been previously noted that networks should be set up as part of an important competitive strategy of the activity of craft trades and micro-enterprises. These co-operation networks can become, in certain cases, the only means

leading to a generalised qualification of people, since it is the only way to achieve a certain demand. This should be possible provided they entail an adequate volume of training at an affordable price.

5. **Integration** must be the main focus of the training activity. Together with flexibility, integration can cover different fields such as the integration of different contents and training models, i.e. specific training (such as accounting), general training for the entrepreneur, and the difference between training and development. The integration of training in other local efforts towards social development must be encouraged, if necessary by the training promoters themselves, because these are perfectly aware of the minimal effect of isolated training actions, as these will not attain an effective integration in local processes for the development of people's quality of life.
6. Then there is **personal valorisation**, a basic requirement for any in-service vocational training. If one does not value what people already know so that they can use that knowledge as an opening to learning something more, then we are devaluing people, even if the envisaged vocational training tools are serious. When people do not feel valued, they will have difficulty to undertake with enthusiasm something which, from the beginning, does not seem natural nor, like in the majority of cases, desirable.
7. Finally, the **development of competence** should not be confused with attending technical actions of specific technical training. It should be seen as a progressive cultural process in which one uses (or not) important specific technical knowledge and a vast range of personal competencies: co-operation, initiative, team work, communication skills, capacity to solve new problems, capacity to listen, self-esteem, team leadership, and other so-called soft skills and interpersonal capacities.

4. The role of local development agents

Training and qualification in the traditional arts and crafts and commercial micro-enterprises must be a dynamic process, integrated into local structures where long-term interaction is promoted between training and development, trainees and trainers. In our opinion, it is unfea-

Qualifications for the 21st century

13 types of skills for the future (Levin & Runberger)

1. Initiative, drive and creativity (working independently to a greater extent);
2. Constructive interaction and co-operation with others;
3. Working in a group. Interaction in work groups focussed on short and long-term objectives;
4. Mutual training (advice and mutual training amongst peers);
5. Assessment. Examination, valuation and certification of the quality of the product or of service provided by the work;
6. Communication;
7. Reasoning. Assessment and production of logical arguments bringing inductive and deductive processes into play;
8. Problem solving. Identification and investigation of the different possible solutions and choice and application of solutions;
9. Taking decisions;
10. Obtaining and use of information. Defining the relevant information, obtaining it, processing it and using it;
11. Planning. Setting objectives, drawing up a schedule, prioritising in the organisation of work;
12. Being able to learn. Cognitive and affective attitudes facilitating the acquisition of new necessary knowledge;
13. Open attitude towards multiculturalism. Being able to work with people from different cultural backgrounds.

Crossover skills (Carnevale, 1988)

1. Being able to learn — possessing the capacity to absorb and apply new information in new contexts, keeping all your senses alert, facing changes and the growing complexity of organisations and production;
2. Being able to read, write and make calculations — basic academic skills updated and practised;
3. Communication — oral communication and listening. Good communication is the basis of working success (we spend 8.4% of communication time writing, 13.3% reading, 23% talking and 55% listening);
4. Creative thinking and ability to solve problems;
5. Self-esteem, motivation and willingness to develop personally;
6. Person-to-person explanation, negotiation and team-work skills;
7. Organisation knowledge and leadership ability.

sible to sustain training projects as isolated acts and hope that they impact on working and living conditions, improving them as if "by magic". Whenever possible, training must be subordinate to other efforts and investments for the benefit of development, as already stated; this must involve an instrumental training vision with acute attention to converting it into an efficient instrument for both individuals and organisations.

Therefore, in our opinion, it is vital to train dynamic agents in training consultancy, capable of working to establish training networks where they had appeared unnecessary or where they were not included in economic, production, cultural, environmental or energy projects.

The local services supporting qualification processes do not need to be independent, municipal units. They may be integrated in a number of types of local services and include different merits. Essentially they must be processes co-ordinated by local development consulting agents which call for the involvement of trainers skilled in these areas and in this public and the participation of other players, such as local authorities, cultural, business and recreational associations, museums, social communication bodies, foundations, masters of crafts and other volunteers with socially recognised skills.

The local development co-ordinators must succeed in optimising the use of all the structures/institutions/entities/individuals for the provision of the most appropriate services. No relevant local dynamic must be omitted (see, for example, the adult training centres network project, at municipal level, which is to be developed by ANEFA — National Adult Education and Training Agency. These centres will provide local support to adult training and the certification of professional skills, chiefly for academic equivalence purposes).

The integration of the knowledge of all the local players must devote special attention to the development of artisans, not only as trainees but also as trainers to perpetuate the way in which their art is passed on through the ages, as masters to their apprentices.

In order to guarantee the effective performance of this role, a specialist-training programme for local development co-ordinators is also proposed and presented in this section.

The types of services which must be provided by these agents to support the qualification processes for the traditional craft trades and micro-enterprises need to be addressed; we are able to suggest a set of generic and specific services.

a) Generic services:

- analysis of skills profiles and professional profiles (contents and levels);
- performance of specific training activities;
- dissemination of experiences and positive results of training/development processes (benchmarking activities);
- promotion of co-operation networks amongst artisans, small business owners, commercial structures and local development agents, with a view to stabilising long-term processes of innovation, development and qualification;
- assessment of the results of the projects activated.

b) Services directed at traditional craft trades:

- identification of nuclei of suppliers of skills: artisans with experience and know-how, available to transfer and reproduce this knowledge;
- supplementing of activities to improve performance within the craft trades;
- considered information on these professions and their promotion amongst young people, during their initial training;
- promotion of activities to heighten awareness of traditional arts and crafts and craftsmanship amongst young people;
- promotion of initial training qualifying young people in these areas, in particular at vocational schools and vocational training centres and, also via the distribution of information on the existing supply and promotion of areas of coexistence between the entities offering this type of training and the population in general (Annex 1: brief summary of the training available);
- promotion of further training in specialist areas in other European countries, at the level of apprenticeship training, via the Community mechanisms available, such as Europass training;
- promotion of professional work placements in other European countries;
- activities to promote awareness of the economic and social importance of craft areas at higher educational establishments for design and architecture (having recourse, for ex-

ample, to the CD-ROM published by the Industrial Arts Vocational Training Centre — CEARTE, in Coimbra¹).

c) Services directed at micro-enterprises:

- supplementing of activities to improve performance within commercial micro-enterprises;
- identification of nuclei of suppliers of skills, to support training processes;
- promotion of initial training qualifying young people in this specific area, particularly in vocational schools;
- promotion of work placements in other European countries.

4.1 Merits of a professional profile

These local development agents will revitalise the local environment of these business units and must assume a profile, which enables them to intervene at the external and internal level of the actual micro-enterprise or craft trade.

The general objectives of their involvement, in terms of their expected contribution towards business development must be:

- to supply the regions with players capable of supporting entrepreneurs in the processes of intervention and business modernisation in various areas (organisation, commercialisation, finance, training and quality etc.);
- to strengthen, qualify and diversify the training consultancy services to enterprises, in particular, to micro-enterprises;
- to promote vocational qualification processes more suited to each context and each case; and
- to promote mechanisms of professional certification of skills acquired throughout life, in the network.

With a view to the facilitation of training and emergence of these types of players in the training/consultancy/development processes at local level, we believe that the following merits must be included in their professional profile:

¹ www.cearte.pt

a) Area of intervention and process of training

- Being capable of putting into perspective any areas of intervention as a revitalising agent, identifying needs and opportunities, as well as more or less profound weaknesses.

b) Strategic assessment of the regions and sectors and possibilities of intervention

- Being capable of identifying and characterising elements of strategic assessment in the regions and sectors from the point of view of the potential and conditioning factors applicable to the companies.
- Being capable of giving the business models a contextual meaning, from a sector-based and geographical point of view and from the point of view of the conditions of development of the macroeconomic framework.
- Being capable of describing the characteristics and dynamic forces of the socio-economic fabric of the regions in which they are integrated.
- Being capable of understanding the characteristics and dynamics of the main sectors of activity in the regions.

c) Analysis, comprehension and action in respect of micro-enterprises or craft trades.

- Being capable of making diagnoses of business/institutional situations and conceiving/developing methodologies and instruments of intervention aiming to solve problems and/or using opportunities in different contexts.
- Being capable of making an internal assessment of business units, with an integrated perspective and in view of their main sub-systems.
- Being capable of selecting and using the following instruments of intervention, *inter alia*, depending on the context and requirements: SWOT matrix, problem dendrogram; interview; questionnaire; direct observation and logic matrix of project framework.
- Being capable of selecting and rendering operational programmes in support of the business activity.

- d) Organisation and development of the activity of the local development agent
- Being capable of working independently, with versatility and flexibility, having recourse to specialist support depending on the working conditions and actual needs.
 - Being capable of adopting suitable attitudes for dialogue and communication in the relationship with different types of actors.
 - Being capable of organising, promoting and carrying out a professional job as a consultant/development agent.

4.2 Training proposal

Having reached this point, it is possible and desirable to establish a training profile for this type of agent/service which, locally, in municipal or inter-municipal terms, can be supplied to support training activities, consultancy and other local development dynamics.

The qualification to be triggered in a designated group of development agents operating in this economic area, without being directly involved in its economic process, must promote broad skills, which contribute to maximising both the internal performance of small organisations and their relationship with the environment.

As already stated in the global analysis, these agents must present a clear added value at the level of:

- analysis of market trends,
- commercial brands and products,
- markets and customers,
- promotion and marketing,
- local development projects and incentive systems,
- traditional arts and crafts, innovation and design.

A multiplicity of skills are involved, integrating knowledge, know-how and the ability to react, namely, in terms of **thought, knowledge** of trends and approaches to the business problems of this type of micro-enterprise, **interpretation, analysis and assessment** of business realities, **selection and manipulation** of intervention instru-

Training programme for local development agents

Description	Creation and supply to the market of technical assistance and consultancy skills directed at small business units, in the area of craftsmanship and in the commercial area.
Methodological principles	<p>Training based on a principle of alternation between a training component in the class and training in the work context.</p> <p>Training in terms of a structured process of development and transformation of the methods of intervention in these micro-organisations.</p> <p>Training in terms of an open process that is based on the active participation of its different participants and direct contact with business and institutional agents.</p> <p>Training in terms of a progressive, flexible process, based on a dynamics of permanent regulation.</p>
Training	<p>Organised around five main training points, seen as key points for the acquisition of knowledge, skills and behaviour developed over time in a related but not sequential manner:</p> <ul style="list-style-type: none"> — area of intervention of the consultant and training process, — strategic assessment of the regions and sectors and possibilities of intervention, — understanding of the processes and dynamics of local social development, — analysis, comprehension and action in respect of the company, — organisation and development of activity of the consultant. <p>Promotion and training in respect of knowledge, skills and behaviour with reference to these five points, is embodied in the execution of training practices with a theoretical/methodological and instrumental character, organised in accordance with four main subject areas:</p> <ul style="list-style-type: none"> — regional, sector-based and macroeconomic framework of the business activity, — the company: analysis, diagnosis and intervention, — methods and instruments of action, — being a consultant: attitudes and behaviour.

ments and **adoption of behaviour** and attitudes to facilitate a close relationship with companies and the dynamics of development (the CD-ROM published by CEARTE is a good resource to use as it provides a good evaluation of new business projects launched by young artisans).

5. Qualification: going for two levels of training

For the target population, characterised in general terms by a low level of school education and almost zero participation in training and vocational development initiatives, a training approach focused on two levels is suggested:

- basic training (key skills/literacy);
- specific vocational qualifications (technical and organisational).

The characteristics of the two levels of continuing lifelong training are set out below, with a matrix of specific training proposals. We then go on to present a grid of actions and their contents.

5.1. Basic training — Key skills

As already mentioned, the majority of the authors who examine the problem of labour and training, insist on the importance, for good individual career paths, of a series of nuclear, non-technical skills, at the personal and behavioural level and which, regardless of whether they are designated as soft skills, general skills or key skills, represent the common denominator underlying the so-called new professional skills.

Many of these skills constitute the area designated here as basic training. As this type of training does not intend to "train" people for precise and specific technical areas, but, upstream from this, to promote the development of attitudes and behavioural patterns, and to raise important questions which have not always received until now the attention that they deserve and which, obviously, influence people's professional performance and, as a result, the performance of the companies that they work for.

It can be stated that the new technologies and the adoption of new processes and products have brought with them new forms of labour organisation, reinforcing teamwork and co-operation within and amongst enterprises. As a result, workers and entrepreneurs are confronted with more and more new problems that are the result of new contexts and new challenges.

All these changes also affect professional profiles, in that they tend to place emphasis on a central nucleus of attitudes, dispositions and values which prove effective in the exercise of a profession, and in particular on a sense of initiative and creativity, communication skills and the ability to solve problems in new situations, new skills in team work, the ability to collect, process and use data, and the ability to appraise specific projects.

The rapid obsolescence of knowledge means that a person's ability for life-long learning provides a solid basis for surviving as an employable worker.

On the other hand, any training of adults involved in craft trades and in micro-companies calls, as a result, for efforts to provide qualifications to be made in very precise situations, i.e. that of adult training and, more specifically, of adults with poor educational qualifications yet possessing specific and at times very valuable professional skills.

The professional training of adults has, in fact, its own very concrete features which it is important to stress, in order to establish a strict and suitable reference framework for qualifying workers in traditional arts and crafts and in micro-enterprises. Three basic elements make up this reference framework for adult vocational training.

1. First of all it is urgently necessary to resort to the global concept of literacy to enrich the vision of the problem and overcome such concepts as teaching how to read or adults education or even workers vocational training.

Literacy translates a concept of application of reading, writing and arithmetic skills (the skills of a literate person) in the various circumstances of life. This skill mobilisation is dynamic and changes over a person's lifetime, as a function of the various work and life contexts. Whereas, in the classroom, levels of school training are acquired, the use of the concept of literacy enables us to verify the real ability to use these skills or, in other words, what the real skills are at any point in time.

In applying this, we have to expect that:

- the **contents** can vary from group to group and even from one person to the next. These contents are far-ranging and can embrace: oral expression, public speaking, interviewing, arguing, reading, interpreting, narrating, summarising, giving/carrying out instructions, letters, messages, telephone communications, identification information, meetings, reports and minutes, CVs, requisitioning, manufacturing orders, graphs, work programmes, organising documents etc.
 - the **activities** too can be multiple-mode: study visits, listening to reading, listening to recorded text, reading, reading aloud, silent reading, case studies, wall magazines, posters, discussions, dramatics, trials, round tables, spoken newspaper, etc.
 - the **materials** used need to be very rich and diversified: graphs, maps, dictionaries, encyclopaedias, atlases, manuals, timetables, prescriptions, computers, newspapers, tapes, radio programmes, films, TV and video, film cameras, photography, collections of local habits and customs and tools related to professional activities.
2. Secondly, and following on the previous item, it is important to leave behind the school model of training, which tends to dominate everything and is ever-present in every form of training activity and much used amongst ourselves, in adult training. This perspective leads, for example, to adopting training directions such as:
- building on the trainees' real-life experience;
 - starting from an evaluation of what has already been acquired, regardless of how and when;
 - getting rid of the trainer's "teacher" connotation;
 - treating people's and groups' varied experiences as a resource;
 - ranking and systematising knowledge and skills acquired during trainees' lifetimes;
 - establishing a permanent framework of dialogue;
 - focusing training on what is really important (whether for quality, or safety, or productivity);

- making use of active learning methods, as this represents a process of personal transformation, and expresses clear individual commitment;
 - focusing learning on the production of knowledge and skills and not on the consumption of the same;
 - establishing plans, objectives, contents, goals and rules for each training module and sharing them;
 - promoting team work and team research;
 - creating work and incentive atmospheres, of mutual respect and trust;
 - the trainer needs to make systematic use of group leading and motivation mechanisms;
 - the teaching material needs to be easily accessible and explicit;
 - the trainer needs to supply continuous feedback on trainees' progress, according to the objectives and targets that have been established.
3. Thirdly, it is important to make use of mechanisms for validating and certifying the skills that have been acquired. Artisans and commercial staff in micro-enterprises sometimes possess very significant knowledge and skills, but which have been acquired outside the formal school context and which therefore remain neither validated nor certified. One of the most motivating tools for getting these population groups to have access to new training modules (as was seen in the survey, access to training is for people who already possess reasonable educational skills at the outset) lies precisely in taking full advantage of professional know-how and skills. This process calls for the development of suitable instruments, on which we will give some directions further on.

5.2. Specific vocational qualifications

Based on a nucleus of key skills, it is then necessary to work on promoting a nucleus of specific, technical skills, more directed at supporting productive and commercial activity. Particularly important, in this case, is either a mixture of specialist knowledge and know-how (work in earth, clay, iron, etc.) and knowledge and know-how in particu-

lar in marketing the products and in directing and managing the negotiating process (communication, image, marketing, packaging, etc.).

In this way we define the development of a framework of skills in two major areas, specific technical skills (linked more to a technical and technological process) and specific organisational skills (linked more to negotiation).

5.3. Proposed qualifications matrix

Based on these two essential nuclei — basic training and specific professional qualification (technical and organisational), what we propose is a qualifications matrix, in the form of a cross between three variables: the addressee (artisan, craft unit and commercial micro-enterprise), the type of training (basic training; technical and organisational vocational qualification) and the level of development (basic and advanced).

The themes that are indicated in the matrix given in the two frames below constitute the list of thematic areas, the contents of which are presented in schematic form in the last item of this document.

6. Certification: recognition and validation of acquired skills

In the network of relationships within the global market, in which small companies are subject to growing international competition, new opportunities depend more and more on innovation and on the mobilisation of professional skills.

It has not been easy to construct a positive speech with regard to the qualifications of Portuguese working people. We hear time and time again that our workers are poorly qualified and that our labour force is unskilled.

In terms of school qualification, our labour force is indeed quite "unqualified". The fact of lagging behind in terms of schooling is clear for all to see, and continues to demand a high price, despite major efforts made to improve schooling in recent years. However, in professional terms, our labour force has a skills capital, acquired throughout their lives, either through professional experience or through continuing training, which must not be dissipated, but which, on the contrary,

Qualifications matrix — basic level

	ARTISAN	CRAFT TRADE UNIT	COMMERCIAL MICRO-ENTERPRISE
Basic training (key skills)	Personal and social development Expression and communication Professional and organisational culture Functional calculation (Mathematics for everyday life)		
Skill qualification — technical	Craft techniques Raw materials Technology, quality and production processes		
Skill qualification — organisational	Business direction and management Entrepreneurial co-operation networks		

Qualifications matrix — advanced level

	ARTISAN	CRAFT TRADE UNIT	COMMERCIAL MICRO-ENTERPRISE
Basic training	Foreign languages (English) Information technology		
Qualificação Profissional Técnica	Design and production Quality Development and application of new technologies		
Skill qualification — Organisational	Commercialisation and marketing Accounting and taxation Information systems Certification and industrial property Logistics Introduction to the digital economy		

should be accorded its true value. This situation is common to the entire working population in Portugal and also, in particular, to artisans and workers in commercial micro-enterprises, as can be attested by statistical study of this target population.

Looking beyond formal education and training systems, individuals acquire and develop their skills in many ways: in companies, in their social surroundings, through information networks, vocational training etc. In this way, with the construction of individual training and qualification paths, there emerges the urgent need to recognise these professional skills that individuals have acquired, regardless of the paths taken to achieve them, without any need to present oneself with an academic title or to pass through formal teaching systems.

The recognition and validation of these skills, using systems created for this purpose (see diagram later in this paper), is able to provide the relevant benefits, both at the individual and the supra-individual level.

- for individuals, the validation of the skills that they have acquired promotes mobility and can improve their position on the labour market, as well as facilitating access to the formal education and training system;
- for enterprises, the validation of acquired skills can prove a suitable solution to obtaining more and more versatile resources, in the form of a wide and effective set of personal skills and not just of school certificates;
- for vocational training systems, the validation of acquired skills can be a factor for innovation and for increasing the credibility of vocational training actions, in particular amongst persons with low levels of schooling and where training is carried out in small and medium-sized enterprises;
- for society as a whole, the validation of acquired skills can play an important role in simplifying skill transfer between the various areas of everyone's lives (education, work, social life, private life).

As can be seen already in the different countries that are paying special attention to the questions of assessment, validation, recognition and certification of qualifications acquired in lifelong contexts, it is possible to motivate workers, even those with less official schooling, to obtain the training (that they need) and to increase their qualifications, more and more, step by step.

This process certainly involves constructing a new vision of the problem, which can bring with it a perspective that is more constructive and more able to resolve the inherent difficulties. This takes concrete form in the definition and implementation of a system of vocational

certification, which integrates the skills that people have developed throughout their lives.

A system of vocational certification will involve the design and construction of reference frameworks, which can define the various tasks and skills references of each of these tasks and the various qualification levels (where these exist).

A system of qualifications based on the certification of skills that have been acquired informally life-long is based on flexible and individual systems for obtaining professional qualifications. Knowledge, aptitudes and professional experience can be converted into official, approved qualifications, based on skill verification, using a pre-established reference framework. In this way the professional aptitudes required for a particular qualification are not tied to any particular taking part in a specific form of training. In this model, training and certification need to be understood as two areas that can and must be separated.

Continuing training needs to be broken down into modules or items, allowing individuals, depending on the skills they require, to select those modules or items that they wish to have validated.

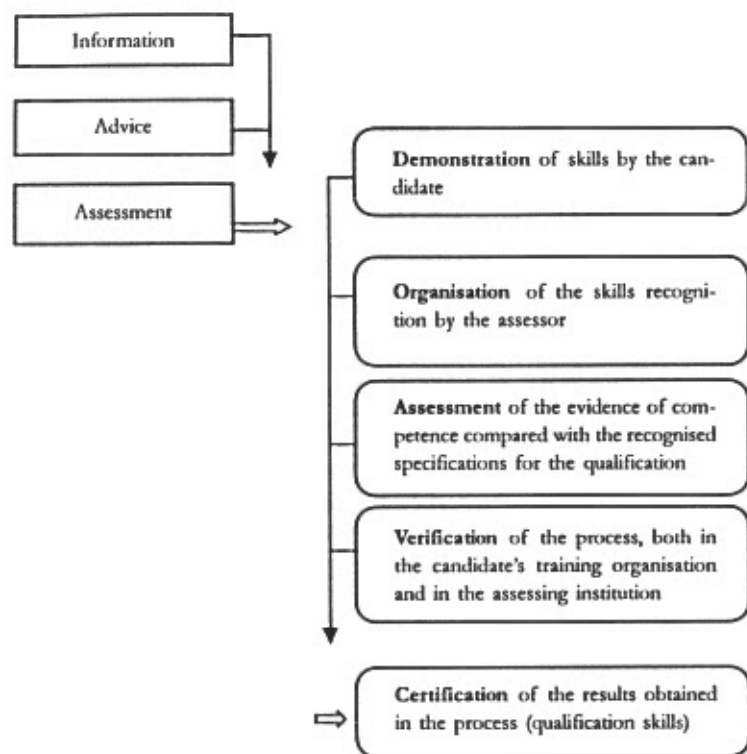
Starting from the assumption that experience (professional, personal, life) can produce both skills and qualifications, it is precisely with respect to skills acquired through experience that the concepts of recognition and validation need to have a contextual meaning.

In this framework, the recognition of acquired skills consists of identifying and assessing the personal skills accumulated in learning situations throughout professional and outside the professional life, and in this way building up a personal skills portfolio. This can normally provide the input for developing a "skills balance sheet" for the person involved, with the perspective of identifying and valorising that person's personal and professional development until now.

The validation of acquired skills refers to a rigorous and structured process from the administrative viewpoint, that is linked to the obtaining (in whole or in part) of a diploma, or a homologated title or even of a professional category, necessarily preceded by a stage of skills recognition. This process can be summarised in schematic form as follows on next page.

One concrete proposal that we would formulate is the creation of a Skills Certification Pass Book in the area of Traditional Arts and Crafts.

Process of skills assessment and certification



Artisans/master craftsmen in the various arts and crafts accumulate skills of incalculable value, which have no objective validation or valorisation on the market. One way of promoting and encouraging a valorisation culture (also social valorisation) in this type of profession and in investing in vocational development through training, could be the implementation of a system of **skills portfolio**, as a halfway stage to subsequent professional certification.

The validation and certification process would have to be entrusted to specialised commissions, official bodies, associations, vocational training centres, duly accredited to this end, to networks of enterprises in a given sector, or to examining boards specifically set up to this end.

In the case of traditional arts and crafts, one could suggest that specialised qualified commissions be set up (for example for stonework, ironwork), bringing together the various specialities in each area or domain of knowledge or know-how. These professional commissions could create, by means of well pre-defined specifications, the skills reference profiles for each of the crafts jobs/activities and the validation and certification mechanisms. This is an area of political action in which the State ought to play a regulatory role and ought to leave the professional sectors to carry out their task with sufficient freedom of movement by means of strict specifications defining the public mission that they are called to carry out.

In Annex II we present a glossary, which explains these terms in sufficient detail — given their novelty — in order to prevent a proliferation of incorrect or distorted concepts.

7. Proposals for programmes and contents

Below are a number of concrete examples of training programmes and modules that could be used to help qualify adults on specific training courses in the traditional arts and crafts and in commercial micro-enterprises. This list is not meant to be exhaustive and instead simply provides a frame of reference for the arduous and urgent task of programme reconstruction, based on a number of past experiences in Portugal and other countries (cf. for example the cases from Canada, Australia, Finland, the United Kingdom, and France). We are seeking to initiate these working hypotheses on the basis of actual experiments already developed and accompanied by the authors of the study, in particular the "SMEs training programme" and its Project Offices (programme staged between 1998 and 2000 by the Portuguese Employers' Association AEP), and the PRONACI Programme (staged by the AEP between 1997 and 2000).

7.1. Training modules — basic level

Basic Training / Key skills / Literacy	
Description	Application of skills of reading, writing and arithmetic and interpersonal relations; Development of new skills and attitudes with regard to personal and organisational awareness
Training	<p>Mathematics for everyday life</p> <ul style="list-style-type: none"> — Interpreting information and understanding processing methods — Performing calculations — Interpreting results and presenting conclusions — Interpreting physical space and the application of a mathematical model — Expression and communication — Understanding and making oral presentations in various situations — Reading and interpreting information — Writing various kinds of documents in accordance with specific objectives — Understanding and producing non-verbal or mixed languages in various contexts <p>Social and personal development</p> <ul style="list-style-type: none"> — Team work: working with others, ability to agree on/negotiate objectives, be sensitive to other people's ideas and points of view, defining joint working methods, leading a group, reaching compromises — Adaptability and flexibility: monitoring own professional development, time management, autonomous working, assuming responsibility, taking initiatives and demonstrating entrepreneurship, be aware of organisational and social systems — Lifelong education and training: participating in continuous training activities, learning how to learn, knowing the structure of opportunities on the labour market, recognising the importance of the means of social communication, identifying technological innovations that affect professional work — Interpersonal relations: knowing one's own strengths and weaknesses, working with people from different social backgrounds, sharing work, showing self control, leading negotiations, conflict management and negotiation.

Craft techniques

Description	Application of craft techniques (to be specified by area)
Training	<p>Raw materials: varieties and respective application</p> <p>Working techniques on various kinds of raw materials (to be specified by area)</p> <p>Combination of raw materials</p> <p>Use of other products: conservation, etc.</p>

Raw materials

Description	Identification of the type of raw materials used in craft trades
Training	<p>Technical specifications</p> <p>Quality/compliance requirements</p> <p>Origin</p> <p>Conservation techniques</p> <p>Conditions of durability</p>

Technology, quality and production processes

Description	Analysis of the conditions for optimising the production process by incorporating technology and quality criteria
Training	<p>Techniques for analysing the craft production process</p> <p>Quality of the production process: critical points/points for improvement</p> <p>Available technology and its introduction in the production process</p>

Business management

Description	Develop a strategic view of the business based on knowledge of the different contexts in which it operates: internal and external perspectives
Training	<p>Knowledge or perception of the market: competition, suppliers, customers</p> <p>Analyse the business/activity life cycle</p> <p>Examine the problem of succession</p> <p>View work as an ordering of flexible procedures and promote the self organisation of working teams</p> <p>Detect and correct problems</p> <p>Streamline work procedures in order to foster competitiveness</p> <p>Promote training as a factor for development and innovation</p> <p>Operational management of the business</p>

Entrepreneurial co-operation networks

Description	<p>As an indication, the program should pursue three basic aims:</p> <ul style="list-style-type: none"> — Information as a source of wealth — The concepts of co-operation as a form of development, consolidation or survival — The broader competitive environment in the European Union
Training	<p>Entrepreneurial associations</p> <p>The old maxim of "strength in numbers" remains valid even today, especially in a context of global competition.</p> <p>Strategic direction should be found to channel the potential significance and role of development support structures that bring together and defend the joint interests of business along with the official bodies, and where these same support structures have recourse to information and specialised services that they do not have (commissioning of technical studies, vocational training, etc.)</p> <p>Entrepreneurial co-operation</p> <p>In the past you always had to be big to compete. Today, though, big does not mean best, nor does small mean beautiful. The optimum size depends on being flexible and adaptable. We need to consider the structure that is best suited to the resources, technologies and size of the markets where the company will have to compete. Thus a good alternative to "big is best" is the relationship enjoyed with other SMEs — customers, competitors and suppliers.</p> <p>Subcontracting</p> <p>Many SMEs subcontract or are subcontracted to carry out specific tasks and as a way of maintaining a fixed low cost structure. When duly built into the business dynamic, this can be an excellent form of co-operation</p>

7.2. Training modules — advanced level

Foreign languages

Description	Develop an ability to respond to various communication situations in the working environment: oral and written comprehension, oral and written expression
Training	Pronunciation, intonation Verbal and modal tenses Numbers and quantities Spatial reference Written expression: small texts and business letters

Information technology

Description	Familiarisation with the basic communication and information processing tools
Training	Windows operating system: use Productivity applications: word processing, spreadsheets and databases Introduction to the Internet Use of e-mail applications

Design and production

Description	Introduction to product design and its incorporation in the production process
Training	General introduction to the concept of design Design and traditional arts Importance of design in product valuation Importance of design as a component of sales and marketing

Quality

Description	Explore the concept of quality and tie it in with craft trades at the product and service level
Training	Product quality: characteristics Service quality: reception, distribution, etc. Quality certification (the seal of quality) The overall product of craft trades Techniques for controlling and guaranteeing quality and its implementation

Development and application of new technologies

Description	Innovation and constant development in the work processes are key conditions for the survival of any business. The role of new technologies should be analysed as one of the instruments for development.
Training	Innovation in production processes New technology available: What are they? How can they be accessed? Optimisation of processes for the application of new technologies

Commercialisation and marketing

Description	Customers and commercial and marketing policy: types of customers, distribution, forms of commercialisation, advertising, customer reception and relations
Training	Commercial aggression as a development strategy Tools for marketing and advertising actions Key factors in the commercialisation/distribution of craft products Identification of origin and commercialisation Showcasing: techniques and methods for exhibiting products Customer reception and relation techniques

Accounting and taxation

Description	Accounting, financial management and business financing
Training	General concepts of accounting Basic accounting documents: reading and comprehension techniques Accounting as an element in the system of company information and as a decision-making aid Accounting cycles and important data for the accomplishment of legal obligations (the task of the Official Accounts Officer) Tax declarations Types of taxes Management of cash flow and sources of funding

Information systems

Description	Processing of internal and external information and market access based on the exploration of the concept of information as a resource to be managed as such.
Training	Concepts of company information Information systems as aids to decision-making Identification of the advantages of doing business using information systems Inclusion of information systems in strategic business analysis

Logistics

Description	Identifying the operational techniques involved in all logistical processes: supply, production, distribution
Training	Analysis of the company value chain: logistics as a factor of competitiveness Supplies: purchases and stocks Distribution and transport Integrated logistics as a way of optimising the supply chain

Certification and industrial property

Description	Knowledge of product certification and registration of industrial ownership, and its importance to craft trades
Training	Certification systems: presentation Certification supervisory bodies Introduction to industrial property Industrial property supervisory bodies Importance of certification and the registration of ownership for the business Certification of designation of origin and certification of quality Costs and benefits of these systems

Introduction to the digital economy

Description	Initial approach to the new context of increasing globalisation of the economy and culture, especially the potential of e-commerce
Training	Advent of the Internet and globalisation: a new era, a new market What is e-commerce? Solutions for the small business The new consumer: profile and requirements The new salesman: logistical and distribution infrastructure, virtual customer networks

9

Promotion, marketing and commercialisation

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COMMERCIAL MICRO-ENTERPRISES

1. Recent evolution

Things changed a lot in trade. And they will not stop changing.

A few years ago — not many — the characterisation of this sector, shopkeepers and their shops could be made through the following remarks:

- high number of units, specially in the food area,
- small shops, widely scattered throughout the country,
- careless organisation of the spaces, with obsolete equipment,
- family rooted enterprises, with frequently aged shopkeepers,
- incipient management and very low interest for training,
- passive attitude towards the consumer and competition behaviour,
- reserved attitude on the co-operation between enterprises and associative organisations,

Things are quite different today, and the transformations — noticed in *economy* in general and also in the *trade sector* — are only too evident and very deep.

These changes in the commercial sector consider:

- a sharp reduction in the number of shops,
- a growing concentration of business premises in urban centres,
- a continuous re-dimensioning and refurbishment of the shops,
- an interest on vocational training and new management procedures,