

European Union Grants Advisor The Netherlands

Small and Medium Enterprises (SMEs) in the Netherlands use IT Training to Drive the Knowledge-Based Economy

At the forefront of Netherlands economic agenda is the encouragement of entrepreneurship. The need to develop into a knowledge-based economy has grown in importance over the last few years as the country faces economic recession. Fundamental to the growth of the knowledge-based economy in the Netherlands is the growth of innovation, employment, and social integration. Entrepreneurship contributes to the fostering of social and economic solidity, encourages economic activity and job creation, and integrates unemployed and disadvantaged people back into work.

Increasingly, the major contributors to job creation are the new and small businesses rather than the larger ones. An increase in entrepreneurship therefore should equate to a decrease in unemployment rates. In the Netherlands, between 1994 and 1998, eight per cent of fast-growing firms created up to 60 per cent of employment growth within existing enterprises.¹

The capacity to adapt to economic changes is crucial for the Dutch economy to increase its competitiveness. As the main drivers of employment and competition, SMEs are considered to be the backbone of the economy. The Dutch government is looking to small and medium enterprises (SMEs) as a key source of job creation and innovation.

Enterprises are also seen as the nucleus of the Lisbon Agenda, a strategy launched by the European Council (EC) in March 2000. The main objective of the agenda is for Europe to become the most

competitive and dynamic knowledge-based economy in the world by 2010. It encourages economic growth, fosters competitiveness and job creation, and advances structural and regulatory reform by giving small businesses greater access to innovation intelligence. With more than 20 million SMEs currently conducting business in the 25 EU member states, employing more than 122 million people, the EC believes that these enterprises are the key to achieving its goal.

One of the biggest obstacles to the growth of SMEs is the lack of available funding. Traditionally, banks need to see a positive track record and security, which new firms—particularly those developing knowledge-based activities—generally lack. To overcome this obstacle the EU is making available an estimated €117 billion (U.S.\$141 billion) to SMEs across Europe for technology-related investment during the budgetary period of 2000 to 2006, as part of the Lisbon Agenda. This figure is expected to double between 2007–2013.

To catalyse the growth of SMEs, the EU needed an infrastructure to help market the resources available. Recognising this need, Microsoft partnered with HP and Intel and the European Union Grants Advisor (EUGA) programme was born. Microsoft shares in the vision of the EU to use technology and the growth of SMEs to drive growth and innovation in the European and worldwide economies. It is working with a consortium of organisations including banks, technology companies, and consulting agencies to increase awareness of available EU funds and



“TRAINING GRADUATES TO IMPLEMENT SOFTWARE CAN BE A COSTLY AND TIMELY TASK. IT IS OFTEN HARD FOR MEDIUM BUSINESSES LIKE US TO AFFORD THE NECESSARY TRAINING TO KEEP AHEAD OF THE GAME. WITH THE HELP OF EUGA, WE WERE ABLE TO RECRUIT YOUNG PROFESSIONALS AND FINANCE OUR EXPANDING GOALS.”

Mark van Kemenade, CEO, Qurius



provide a facilitated application process to SMEs and local and regional governments (LRGs).

Qurius, a SME, focuses on adding value to mid-sized companies and divisions, based on business expertise and Navision solutions through an international network-organisation. Through well-trained project teams, it tackles projects from the small and short-term, to the big and complex. Recognising that knowledge creation and knowledge diffusion are important factors influencing the growth performance of small firms, Qurius sought to extend its manpower by recruiting and training 25 young professionals on implementing enterprise resource planning (ERP) software functionality and skills. It also wanted to enlarge its senior consultants' ability to manage ERP projects and successfully coach young professionals.

Mark van Kemenade, CEO, Qurius, says: “Training graduates to implement software can be a costly and time-consuming task. It is often hard for medium-sized businesses like us to afford the necessary training to keep ahead of the game. With the help of EUGA, we were able to recruit young professionals and finance our expanding goals.” The European Social Fund (ESF) granted €190,000 (U.S.\$240,000), 50 per cent of the total cost of the project. Using the money from the grant, Qurius is able to maintain its position as an attractive employer and keep up to date with the latest technologies.

Raising awareness is the first step in the EUGA initiative. As a second step, Microsoft provides more than 200 consultants from independent consulting agencies who specialise in each type of grant to help companies navigate the application process. After making Qurius

aware of the available funds Microsoft provided an independent consultant Marcel Klop (hired by PNO Consultants). Klop has a great deal of experience with the application process and works very closely with the awarding body. Having had a lot of previous grant application expertise, Klop was able to guide and advise Qurius on best practice during the application process.

Klop says: “Highly trained and skilled employees are considered facilitators in innovation. As a result of this training, the trained consultants will increase the labour market value. I believe very strongly in the importance of information and communication technology (ICT) training and enjoy working with SMEs to assist them during the application process. It is important for companies to be aware of the funds available and utilise these so we can progress our local and national economies.”

Education and training is imperative in reaching the goals set out in the Lisbon Agenda. With the help of government funding and the EUGA initiative, SMEs in the Netherlands continue to eagerly embrace the knowledge-based economy and strive to be world leaders in education and training.

¹http://europa.eu.int/comm/enterprise/entrepreneurship/green_paper/green_paper_final_en.pdf

Fast Facts

URL

www.microsoft.com/netherlands/ondernemers/subsidiekompas/default.aspx
www.qurius.nl

Country

The Netherlands

Profile

Located in Western Europe, the Netherlands is home to more than six million people. It enjoys a prosperous and open economy, which is heavily reliant on foreign trade. Part of the EU, it endeavours to become a strong knowledge-based economy focusing on the growth of small and medium-sized enterprises (SMEs), with particular emphasis on the IT industry.

Situation

Qurius sought to extend its manpower by recruiting and training 25 young professionals on implementing ERP software functionality and skills. It also wanted to enlarge its senior consultants' ability to manage ERP projects and successfully coach young professionals. Qurius sought government funding to aid with the implementation of its strategic project.

Solution

As part of the EUGA initiative, Microsoft and its consortium helped Qurius choose the appropriate fund to apply for and provided independent consultancy firm PNO to help with the application process. The European Social Fund (ESF) granted €190,000 (U.S.\$236,000), 50 per cent of the total cost of the project.

Benefits

- Consultants are able to maintain their mobility in the labour market and keep up to date with the latest technologies, giving Qurius the ability to maintain its position as an attractive employer and keep up to date with the latest technologies.
- Assistance for SMEs drives increased growth in local economies, establishing a solid foundation for future prosperity countrywide.
- Young professionals gain assistance in realising their economic potential using IT solutions that help achieve business goals more efficiently.

Contact:

For more information please contact Microsoft Corporate Affairs, or visit the Web site: www.microsoft.com/emea/euga