



European Commission Socrates R3L Programme

A Stakeholder Audit

Small and Medium-Sized Enterprises

(Short Version)

A Tool to enable small companies to analyse and respond to a changing world in which continuous and lifelong learning is the key to business success, and cities and regions are in the process of becoming 'Learning Cities' and 'Learning Regions'

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Introduction to the SME Stakeholder Audit (short version)

The R3L programme

'Learning Cities', 'Learning Regions', 'Learning Organisations' are terms that are increasingly used to describe the rationale for the transformation of European cities, towns, regions and organisations for a knowledge age. The European Commission therefore funded, under the title R3L, 17 interlinked projects that would develop a deeper understanding of the practical benefits of lifelong learning in regions and their stakeholders throughout the continent. The European Commission definition of a learning region is as follows: *'A learning city, town or region recognises and understands the key role of learning in the development of basic prosperity, social stability and personal fulfilment, and mobilises all its human, physical and financial resources creatively and sensitively to develop the full human potential of all its citizens'*

Such a definition implies that all sectors of a local community, including business and industry, are 'stakeholders' in the construction of a mutually advantageous and interactive learning city, town or region that will deliver prosperity, social stability and the personal well-being of its citizens.

For small businesses this has important implications and benefits. They are the present and future growth sector of the city and the region. The prosperity so desired depends upon the ability of industry to create wealth. And the basic fuel of a knowledge society is learning. And since a positive, lifelong, learning attitude is the basis of local and regional prosperity and stability, not to mention personal well-being, small businesses will involve themselves in its development. Small businesses have much to contribute and much to gain from an active partnership with local government and other local and regional organisations to help create the sort of vibrant learning society that will deliver more skilful, productive and fulfilled people

The Indicators project

This was one of the most important of the 17 projects. In it, a group of experienced partners from 5 European countries is constructing 'stakeholder audits' to help public and private institutions measure their performance and progress toward becoming 'lifelong learning organisations' within a 'learning region. The 5 audits are written for schools, universities, small companies, adult education colleges and for local and regional authority administrations. They are completely comprehensive in nature covering a wide variety of internal and external lifelong learning indicators, based on the recommendations and results of research, reports, papers, projects and books written on the subject over a period of years.

A Stakeholder Audit

The audit itself is not simply a questionnaire. It is a carefully-worded instrument to engage the stakeholder in debate with itself about its own future as a quality learning organisation, and its relationship to others in the city/region and beyond. The lifelong learning rationale is embedded in each action element of the audit tool, in order to help stakeholder management and staff understand what a lifelong learning organisation within its sector will be like and how it can make that transformation. Respondents become closely involved with the transformation process through questions soliciting opinions, information and comment, and exercises developing internal and external debate. The 'stakeholder audit' tool we have created for small businesses therefore has five purposes, all of which are connected with meeting these criteria in a learning region:

- **It will enable small businesses to measure their performance as 'learning organisations' within a learning region.**
- **It will explore all the parameters which enable a modern business to address the vast number of changing needs and demands of all its own stakeholders – employees and their families, shareholders, board members, suppliers, customers and members of the community around it – in a 21st century lifelong learning society.**
- **It will examine the contribution the company might make to the construction of a learning region in which it can play a part and from which it can benefit.**
- **It will act as a basis for comparisons with small businesses in other regions**
- **It can be used to stimulate discussion among management and employees about learning and future directions**

We have tried to make the Audit both flexible and useful by dividing it into sections dealing with different aspects of the company's activities. Please note that this is a tool and not just a questionnaire – its purpose is to stimulate thinking, debate and action. This is the short version. There is a longer one to help those companies wishing to implement a full learning organisation plan. Inevitably the full version is long. The transition to a Learning Organisation affects all parts of the company, often in quite fundamental ways, and the change process takes months. It is not therefore a tool to be used for a week and then discarded

Whichever way you may wish to use it, we believe that you will benefit.

Part 1: Information and opinion

The purpose of this section is to elicit some information that can be used to enable us a) to make comparisons between regions and companies in respect of their location, their speciality and their size and b) to allow you to make some preliminary comments on the subject of this audit.

1. **Company Name:**.....

2. **Company Address:**.....
.....

3 **City/Town**.....

4 **Post Code**.....

5. **Tel:**..... 6. **fax:**..... 7. **www address**.....

8. **Name of Respondent**..... 9. **Tel:**.....

10. **email address:**..... 11. **Company role**.....

12. **Number of employees**..... 13. **No of company sites**.....

14. **Marketplace: Local?.....National?..... European?..... Global?.....**

15. **Nature of product(s)/activity:**.....
.....

16. **Date when form was completed**...../...../.....

17. **Please let us know what you consider to be your region ie the area within which your external focus extends.**

18. **Please let us know to what extent you consider learning to be one of the main challenges for the survival of your company in the future. And if so why?**

19. **How do you think the concept of a 'learning region' might be able to affect your company?**

Part 2: Your company as a Learning Organisation

The purpose of this section is to help SME's measure their performance as 'Learning Organisations' and to understand the relationship between the company's future profitability and the learning of its workforce. We explore together therefore the extent to which your company is a 'Learning Organisation' within the generally accepted meaning of that term.

2.1 The following quotation has been made in a report made by industrial analysts and leaders. Could you please indicate to what extent your senior management in the company agrees with the sentiments expressed.

1= fully agree, 2= agree mostly, 3= neutral, 4= disagree, 5= disagree strongly

		1	2	3	4	5
2.1.1	<i>The knowledge society of the 21st century will discover that learning is the source of wealth, welfare and competitive advantage. We are experiencing a paradigm shift. The evidence suggests that the development of learning organisations is not merely desirable, but essential to the survival of companies in the 21st century. (Ball – Action Agenda)</i>					

2.2 The company as a Learning Organisation

Modern industrial companies are becoming 'Learning Organisations,' quick on their feet and anticipating the future through new ways of doing things. The following are 20 classic indicators of a learning organisation. Please indicate in the right hand boxes the extent to which your company has adjusted its practises in the following ways. 1= 100% implemented, 2= 60-99% implemented, 3= 30-59% implemented, 4= 10-29% implemented 5= 1-9% implemented, blank= not implemented at all

		1	2	3	4	5
2.2.1	All members of the company are consulted frequently and fully					
2.2.2	Decisions are made and acted upon at the most appropriate point					
2.2.3	A sophisticated reward system exists applicable to all people in the company					
2.2.4	The company is flexible and adaptable to meet new challenges					
2.2.5	The company structure is non-hierarchical					
2.2.6	Employees work in teams, each team working out its own work schedule					
2.2.7	Feedback is encouraged, always acted upon and always replied to					
2.2.8	There is a sophisticated confidential system of airing grievances with no come-back to the complainant					
2.2.9	Contribution to policy-making is welcomed and acted upon					
2.2.10	Everyone in the organisation is oriented towards satisfying the customer					
2.2.11	Everyone in the organisation has been on a quality improvement course and is constantly trying to improve performance					
2.2.12	Everyone has a hand in defining the company mission and is given a copy of the mission statement					
2.2.13	Everyone in the organisation knows, and is acting upon, the organisation's strategy for the present and the next five years					
2.2.14	Every effort is made in many different ways to keep all people up to date with events, news, successes, failures, problems, opportunities					
2.2.15	Every employee is encouraged and supported to contribute to the community					
2.2.16	Every member of the company feels to be a part of its mission and is eager to contribute to its success					
2.2.17	The company promotes and publicises its achievements as a learning organisation to the community and the wider world					
2.2.18	The company contributes to the community of which it is a part					
2.2.19	The company helps other companies to become Learning Organisations					
2.2.20	All employees are encouraged to understand and take good care of the site environment					

2.2.21 We welcome your opinion. If you wish to make a comment for discussion about the company's policy and/or performance as a Learning Organisation, please do so below.

Part 3: The Company's relationship with the Learning City and Region

In this part of the audit we are exploring together the way in which the company, as a valued and valuable member of the local and regional community, can both receive and make a contribution to learning in the locality.

3.1 Please mark the boxes on the right according to the quotations's influence on company strategy. 1= v high to 5= v low

		1	2	3	4	5
3.1.1	A Learning Organisation creates opportunities for, and encourages, all its people in all its functions to fulfil their human potential <ul style="list-style-type: none"> - as employees, members, professionals or students of the organisation - as ambassadors of the organisation to its customers, clients, audiences and suppliers - as citizens of the wider society in which the organisation exists - as human beings with the need to realise their own capabilities (ELLI Learning Organisation Principles No 3)					

3.2 Please indicate below your attitude to the following 1= 0-5%, 2= 6-15%, 3= 16-30%, 4= 31-50%, 5= over 50%

		1	2	3	4	5
3.2.1.	To what extent do you believe that the town or city in which the company is situated is a true learning city or region within your definition in part 1?					
3.2.2	To what extent does company management try to influence the development of your city or region as such a learning city or region?					

3.3 Does the company contribute to the growth of a learning city in any of the following ways 1= yes, 2=no, 3= possibly in future

		1	2	3
3.3.1	Is represented on local lifelong learning committees			
3.3.2	Takes in students for work tasting from schools			
3.3.3	Takes in students for work experience from local colleges			
3.3.4	Works with local colleges to develop and deliver courses for its employees			
3.3.5	Works with universities to develop and deliver courses for its employees			
3.3.6	Works with the local authority on learning matters			
3.3.7	Encourages its employees to make their talents, skills, knowledge and expertise available locally			
3.3.8	Encourages mentoring between employees and local students in schools or colleges			
3.3.9	Encourages family learning among its employees			
3.3.10	Gets involved with national lifelong learning campaigns (eg learning at work days etc)			
3.3.11	Shares its resources with other local educational organisations			
3.3.12	Runs open days for the local community			
3.3.13	Participates in learning fairs and learning festivals organised by the city			
3.3.14	Sponsors local events for charity			
3.3.17	Works on joint research projects with local universities			
3.3.18	Supports local voluntary organisations			
3.3.19	Other (please state)			

3.4 Does the company have a Corporate Social Citizenship policy towards the city/region/community Yes/No

3.5 If you wish to add a comment here for discussion about the company's external lifelong learning policies with the city or region , please use the box below to express your thoughts and/or opinions or to give more information.

Part 4 The company and the learning habit – why, who, where, and how

The purpose of part 4 of the Audit is to explore together how the company encourages and facilitates learning among all its employees

4.1 Learning and the Company – Why? To what extent do company learning policies subscribe to the sentiments expressed in the following statement. 1= crucial to 5= not at all relevant

		1	2	3	4	5
4.1.1	<i>In a company context a "Total Learning Environment" means that the company itself becomes the learning environment. Learning is seen as a key element of the integrated strategic plan to achieve organisational and business goals. The continuous self-learning ability and level of overall competence of the workforce, which go together to make up the total learning organisation, is recognised as the means to being able to undertake organisational and technological changes in order to meet business needs. (Nyhan – developing peoples' ability to learn.)</i>					

4.2 Learning and the Company - Who?

4.2.1 Who within the company is given time and financial support to take the following types of learning
1= every employee, 2= those with a company-driven need, 3= those who express a wish to, 4= no-one

		1	2	3	4
4.2.1.1	General education to retain the habit of learning				
4.2.1.2	Personal skills development courses as and when required				
4.2.1.3	Technical education on specific aspects of the company's products				
4.2.1.5	Management and leadership development				

4.3 Learning and the company – Where? ‘

4.3.1 What percentage of your learning/training needs are satisfied in the following way.

4.3.1.1	Use your own on-site training department	
4.3.1.3	Send employees on full-time courses at the university or adult education college	
4.3.1.4	Send employees on part-time courses at the university or adult education college	
4.3.1.5	Have the university or college run courses on site	
4.3.1.6	Send employees on management courses at a management school	
4.3.1.7	Employ part-time consultants and experts to run courses and seminars	
4.3.1.8	Recruit full-time new people with the right skills/knowledge	
4.3.1.9	Join with other companies to develop courses	
4.3.1.10	Consult the City/region training officer	
4.3.1.12	Other (please state)	

4.4 Learning and the company – How?

4.4.1 Please say what proportion of employees have done the following.
1= 100%, 2= 60-99% 3= 40-59% 4= 10-39% 5= less than 10%

		1	2	3	4	5
4.4.1.1	Has undergone a personal learning audit to give understanding of his/her own learning needs					
4.4.1.2	Has developed a personal continuous improvement programme and is implementing it					
4.4.1.3	Has clear learning objectives linked to an awareness of company performance					
4.4.1.4	Has personal daily, weekly and monthly Learning target					
4.4.1.6	Uses modern technologies for learning in the workplace					

4.5 Are there wall displays showing prominently the value of learning by employees in all buildings? (Yes/No)

4.6 Is a company learning charter made available or displayed? (see annexe 1 at the end of this audit for an example). Yes/No

4.7 We welcome your opinion on the why, where, how, when of learning in your company. Please use the box below to express an opinion or to give additional information.[

Part 5 Learning support

Employees will need all the support they can get for learning, especially those for whom learning is not a natural thing to do. This part of the audit explores with you the existence of the personal, technical and financial incentives and support structures that exist to encourage and help employees to learn

5.1 To what extent does company educational policies subscribe to the sentiments expressed in the following statement.
1= fully, 2= mostly, 3= partly, 4= very little, 5= not at all

		1	2	3	4	5
5.1.1	<i>Small companies need people with new confidence and self-esteem who genuinely understand how improved skills and more learning can secure for them a more positive and productive future. This will demand a change in attitudes to learning from individuals. (Scottish Enterprise)</i>					

5.2 Personal Support Structures ‘It is becoming clear that individuals who do not practice lifetime learning will not be employable - organisations and businesses which do not support this will not survive.’ Ball - Kent Region of Learning

5.2.1 Please indicate whether the following is available in support of the learning of all employees 1= for all, 2= for some, 3= No

		1	2	3
5.2.1.1	In-house trained Learning Counsellors to discuss the learning needs of each employee			
5.2.1.2	External Learning Counsellors to discuss the learning needs of each employee			
5.2.1.5	Managers trained to encourage, define learning needs and monitor the learning of each employee			
5.2.1.6	An in-house system of mentors and coaches to provide personal support for learning employees			
5.2.1.7	External mentors and coaches to provide personal support for learning employees			
5.2.1.8	Other (please specify)			

5.3 Learning Development support. What percentage of employees have completed the following?
1= 100%, 2= 60-99%, 3= 30-59%, 4= 1-29% 5= none

		1	2	3	4	5
5.3.1	A Personal Learning Audit to investigate past experiences, present participation and future needs for learning?					
5.3.2	A personal learning action plan outlining needs for workplace learning?					
5.3.3	A personal learning action plan outlining needs for learning across the spectrum of their lives					
5.3.4	Other (please specify)					

Would you like to know more about personal learning audits and Action plans? Yes/No

5.4 Does the company give Financial and other incentives to encourage learning: 1 = yes, 2 = no, 3= maybe in future

		1	2	3
5.4.1	Financial grants to take courses at educational institutions for learning activities connected to company business			
5.4.2	Financial grants to take courses where the learning is not related to company business			
5.4.3	Financial rewards for successful completion of courses			
5.4.4	Other financial incentives eg dinner for two for successful completion			
5.4.5	Other non-financial rewards or awards for successful completion			
5.4.6	A certificate or diploma or letter of congratulation on successful completion			
5.4.7	Other please specify			

5.3.5 We welcome your opinion. If you wish to make a comment about how the company encourages and gives support for learning please do so below.

Part 6. Your opinions and information. Here we would like you to give your opinions on learning and learners as it affects your company.

6.1 Recruitment policy Please say to what extent the following are indicators used by the company to recruit new employees, including school-leavers. 1 = crucial, 2= very important 3 = important 4= little importance, 5= no importance

		1	2	3	4	5
6.1.1	Paper qualification for the job					
6.1.2	A Willingness to learn					
6.1.3	Ability to work within a team					
6.1.4	Potential Leadership qualities					
6.1.5	Communication Skills					
6.1.6	Creativity and ability to think outside the box					
6.1.7	Eagerness to please the boss					
6.1.8	Flexibility and Adaptability					
6.1.9	Versatility – ability to do several jobs					
6.1.10	Experience in the job					
6.1.11	A pleasant and attractive personality					

6.2 Please make a list of the new skills and/or knowledge you need at the present time? Put a tick after it if it is urgent.

6.3 How do you identify the new skills and knowledge needed to progress your business?

6.4 If you commissioned a course from a learning provider what would your expectations be?

		Obligatory	Desirable	Not really
6.4.1	The course should if possible be delivered on site			
6.4.2	Every lesson should be evaluated by students for effectiveness of content			
6.4.3	Every lesson should be evaluated by students for effectiveness of delivery			
6.4.4	The course should have a qualification attached to it			
6.4.5	The course should use modern learning technologies			
6.4.6	There should be an attempt to give the student an ownership of the learning			
6.4.7	The students' learning styles should be evaluated and catered for			
6.4.8	The learning should be active ie not just listening to a lecturer			
6.4.9	The provider should discuss content with you			
6.4.10	The provider should discuss methodology with you			
6.4.11	The provider should know the company's objectives well			
6.4.12	There should be a final examination			
6.4.13	Testing should be frequently embedded into the course			
6.4.14	It should contain Case Studies related to the company's business			
6.4.15	The whole course should be evaluated by the students			
6.4.16	Other requirements (please state)			
6.4.17				

6.5 You may wish to use the charter on the next page to summarise your company performance 1= excellent to 5= poor – give it to several employees at different levels. And then compare the answers.

Thank you for taking the time to complete this audit. We hope that it has been of use to you. As we said in the introduction, this is the short version. The full version contains many more ideas and indicators. For those companies that are really serious about putting together a strong company learning policy the full version will be invaluable, either as a pointer to the questions you should be asking, or as an indicator of the ideas you should be considering or as the means of stimulating debate among management and employees.

There is also an organisation – PASCAL – which specialises in helping relationships between business, industry and regional authorities. See www.obs.pascal.com .

You will also benefit greatly from the learning materials to be found at www.longlearn.org.uk/materials.html.

For further reading try ‘Learning Cities, learning regions, learning communities’ and ‘Lifelong Learning in Action’ both available from http://www.taylorandfrancis.co.uk/shopping_cart/search/search.asp?search=longworth/

For further information on this and other audits contact norman.longworth@losmasos.com or m.osborne@educ.gla.ac.uk

We have also attached an annexe which should be of use for stimulating discussion among management and employees

A COMPANY LEARNING CHARTER

WE ASPIRE TO BE A WORLD-CLASS LEARNING COMPANY

WE RECOGNISE THE CRUCIAL IMPORTANCE OF LEARNING AS THE MAJOR DRIVING FORCE FOR THE FUTURE PROSPERITY OF THE COMPANY, THE WELL-BEING OF OUR EMPLOYEES AND THE CREATION OF A STABLE SOCIETY IN WHICH WE CAN GROW

We declare that we will invest in Lifelong Learning within our company by:

1. **PROMOTING WEALTH CREATION** BY ESTABLISHING THE COMPANY AS A CONTINUOUSLY LEARNING ORGANISATION AND KEEPING KEY SCIENTISTS, ENGINEERS AND MANAGERS UP TO DATE WITH THE LATEST RESEARCH

2. **DISCOVERING THE LEARNING REQUIREMENTS** OF EVERY EMPLOYEE FOR PERSONAL GROWTH, CAREER DEVELOPMENT AND FAMILY WELL-BEING

3. **WORKING WITH LEARNING PROVIDERS** IN AND OUT OF THE COMPANY TO SUPPLY LEARNING GEARED TO THE NEEDS OF EACH EMPLOYEE WHERE, WHEN, HOW AND BY WHOM IT IS REQUIRED, LIFELONG

4. **SUPPORTING THE SUPPLY OF LEARNING** BY PROVIDING MODERN LEARNING GUIDANCE AND COUNSELING SERVICES AND ENABLING THE EFFECTIVE USE OF NEW LEARNING TECHNOLOGIES

5. **STIMULATING DEMAND FOR LEARNING** THROUGH INNOVATIVE COMMUNICATION STRATEGIES, LEARNING AUDITS AND THE EFFECTIVE USE OF THE MANAGEMENT SYSTEM

6. **MOTIVATING ALL EMPLOYEES** TO CONTRIBUTE THEIR OWN TALENTS, SKILLS, KNOWLEDGE AND ENERGY TO SUPPORT THE LEARNING OF OTHERS AND TO CARE FOR THE ENVIRONMENT

7. **DEVELOPING PRODUCTIVE PARTNERSHIPS** WITH OTHER LEARNING PROVIDERS FOR OPTIMISING AND SHARING RESOURCES, AND HELPING THE GROWTH OF A LEARNING CITY

8. **ACTIVATING OUTWARD-LOOKING PROGRAMMES** TO ENABLE EMPLOYEES TO WORK HARMONIOUSLY WITH PEOPLE OF ALL RACES, CREEDS AND ABILITIES

9. **CONTRIBUTING FINANCE, FACILITIES AND EXPERTISE** TO THE COMMUNITY IN WHICH WE LIVE AND SUPPORTING ITS GROWTH AS A CARING, ACTIVE, STABLE AND CREATIVE LEARNING COMMUNITY

10. **RECOGNISING THE POWER OF LEARNING** THROUGH EVENTS TO CELEBRATE AND REWARD LEARNING ACHIEVEMENT IN EMPLOYEES AND THEIR FAMILIES

Chart developed by Professor Norman Longworth, norman.longworth@losmasos.com

