

Project Insights Report

Capacity building for Canadian small and medium-sized enterprises: Skills Bridge



PARTNERS

Ontario Chamber of Commerce



LOCATIONS

Alberta
Nova Scotia
Ontario
Quebec



INVESTMENT

4,089,500



PUBLISHED

September 2024

Executive Summary

Small and medium-sized enterprises (SMEs) represent 99.8% of employer businesses in Canada and account for 88.1% of private sector employment. The COVID-19 pandemic disproportionately affected SMEs, particularly small businesses. Access to talent is a critical competitive issue for SMEs; they face challenges in hiring, retaining and training talent, and often lack HR resources needed to support recruitment and training of existing employees due to their size. When surveyed, 75% of firms identified a need to invest in training and retaining their workforce, indicating that SMEs are aware of these barriers but may not have the capacity to address them. Time and cost are two of the main barriers identified by SMEs that limit their ability to provide training.

This project sought to understand SME skills and training needs, and the barriers SMEs face in accessing skills training and talent. The project focused on evaluating the effectiveness of addressing skills needs among SMEs. It did this by developing, testing, iterating and evaluating a national learning management system designed to support the recruitment and skills development needs of SMEs and entrepreneurs, including the advancement of equity, diversity and inclusion (EDI) skills and capacity in SMEs, entrepreneurs and the ecosystem. Project goals included identifying and validating training content that meets the needs of SMEs, providing SMEs with access to training resources that promote diverse and inclusive hiring practices, and developing an evidence-based training model that is cost-effective and scalable.

Some of the main learnings of this project thus far include the following:

- SMEs are starved for solutions to their labour shortages and skills gaps, and they see this learning management system as a critical step moving forward.

- SMEs are willing to act but often do not know where to begin, and they need supports, which can be difficult to access.
- Employers are looking for training content that focuses on building specific skills within their workforce, including in adaptability; collaboration; communication; creativity and innovation; digital; entrepreneurship; EDI; management and supervision; mental health; numeracy; problem solving; reading; and writing.
- SMEs are increasingly interested in EDI and its benefits in finding skilled talent and reducing labour shortages, but they often do not know where to start to recruit more diverse candidates.
- The learning management system platform created with [Magnet](#) and the [Ontario Chamber of Commerce](#) (OCC) provided insights into the feasibility and functionality of a shared learning platform. The platform offered custom-built course content, as well as content developed by the OCC and the [Diversity Institute](#).
- Courses on the learning management system were well received; with the large majority of learners rating course quality as “high” and saying they were “likely to recommend the course they took to a co-worker or friend.”
- Over four in five learners were able to use the learning management system without any barriers or challenges.
- Learners indicated a preference for shorter courses and formal credentials.

KEY INSIGHTS

- 1 In our study, 77% of learners rated course quality as high, and 83% were likely to recommend the course they took to a co-worker or friend.
- 2 Just over 690 learners from 385 SMEs registered in courses, including 508 participants in EDI-related webinars.
- 3 The project provided valuable feedback for the feasibility of a user-friendly, shared learning management system platform and the additional features and functionality needed.

The Issue

Access to talent is a critical competitive issue. [SMEs face challenges](#) in hiring, retaining and training talent, and often lack HR resources needed to support recruitment, train existing employees and create more formalized processes. A study shows that [75% of the firms surveyed](#) indicated a need to invest in training and retraining their workforce. However, [less than half](#) are actually doing it. They often cite lack of time and resources as the main reasons, among others. They also often hope to recruit employees with the required skills as opposed to investing in training.

SMEs also often present [more barriers to women and diverse employees](#) due to heavy dependence on informal recruitment processes, which tend to disadvantage candidates from [equity-deserving groups](#). At the same time, [SMEs are aware](#) of the need to expand their talent pools and to upskill and re-skill in order to thrive.

The ecosystem is fragmented, and SMEs find it difficult to find information and support for upskilling and re-skilling. They do not have the time, resources, infrastructure or government programs available to large corporations. They want guidance.



What We Investigated

This project focused on the development, testing, iteration and evaluation of a national platform designed to support the recruitment and skills development needs of SMEs and entrepreneurs. In addition to providing access to free customized and curated courses on a range of management, technical and specialized skills, the project focused on building skills and capacity for advancing EDI skills and capacity in SMEs, entrepreneurs and the ecosystem. Project goals included identifying and validating training content that would meet the needs of SMEs, providing SMEs with access to training resources that promote diverse and inclusive hiring practices, and developing an evidence-based training model that is cost-effective and scalable.

Program design included skills selection, content sourcing and creation, and iterative testing phases to collect quantitative and qualitative feedback throughout program delivery (including the creation of the OCC Skills Bridge learning management system platform). Research design sought to answer the following:

- What skills gaps and shortages do SMEs commonly face?
- What skills and tools are needed in different regions, sectors and occupations?
- Is there a specific need for more EDI skills in SMEs in order to foster more inclusive and diverse workplaces?
- Is high quality, curated, asynchronous content an effective solution to SMEs' needs for training, upskilling and re-skilling? How does engaging in this type of content address the skills gap within

SMEs?

Built over a series of five iterative feedback phases, the Skills Bridge project ensured that the evaluation and content included in training were anchored in data, research and trends on skills and the identified skills needs of SMEs. The research design enabled SMEs, the target end users, to help with platform and content development.

The project engaged over 600 learners across nearly 400 different SMEs by leveraging the OCC's membership and through strategic partnerships with chambers and boards of trade from across Canada (e.g., Alberta, the Atlantic provinces, Quebec). Participating SMEs signed their employees up for training opportunities and provided feedback through pre-training and post-training surveys and roundtables. Their feedback informed the curation and creation of e-learning courses from various learning management systems in 13 skill areas (adaptability; collaboration; communication; creativity and innovation; digital; entrepreneurship; EDI; management and supervision; mental health; numeracy; problem solving; reading; and writing). These skill areas align with Employment and Social Development Canada's Skills for Success and are grounded in evidence-based research and market scans conducted in collaboration with the Diversity Institute at Toronto Metropolitan University.

Key dates for the testing phases:

- Phase 1: January 17, 2022, to April 30, 2022; 176 learners from 88 SMEs
- Phase 2: July 4, 2022, to October 27, 2022; 264 learners from 122 SMEs
- Phase 3: November 28, 2022, to March 17, 2023; 123 learners from 64 SMEs
- Phase 4: December 4, 2022, to March 31, 2023; 111 learners from 107 SMEs

Feedback included quantitative surveys and qualitative roundtables to assess participant experience and solicit feedback to improve the overall experience. Project coordinators conducted five roundtables before the first testing phase to assess what SMEs were looking for in a learning management system, what skills they were looking for, what challenges they were facing, and their interest in EDI. Coordinators also conducted between one and three roundtables after each testing phase to assess participants' satisfaction with the course content and platform experience, as well as to collect feedback on what the participants would like to see on the platform and what would improve user experience. In total, coordinators conducted 11 roundtables.

In addition to the roundtables, project coordinators asked chambers, SMEs and employee participants to complete surveys. Registration surveys collected demographic and organizational information from the chambers and SMEs, and demographic and pre-training skills assessment information from participants. Post-training surveys were completed by participants only in order to assess their skills post-training. Participants were also asked to complete a post-course survey after completing each course taken to assess course content and usefulness, as well as overall experience with the courses.

Both the roundtables and surveys provided key insights into who the SMEs and participants are and what they need, which directly informed the development of both subsequent phases and the creation of custom content and a customized learning management system platform. This project reinforces that continuous evaluation, data collection and monitoring can help inform best practices and effective outcomes. The aim is to keep this iterative approach alive and foster a spirit of continuous learning to ensure that the learning management system keeps improving and remains current and innovative, and relevant for SMEs.

Project coordinators chose this approach because it would involve impacted stakeholders in identifying their own needs and gaps and in creating and testing a proposed solution. This approach resulted in the creation of the OCC Skills Bridge learning management system tool. The rigorous evaluation framework enabled significant insights and implications that inform improvements to the learning management system, next steps and future research. It also supported the overarching goal of developing a solution to support SMEs and their employees in essential skills training, which includes improved understanding of EDI and EDI practices within the organizations. As SMEs are short on time, coordinators designed the research and program execution to ensure that the technology and tools would help and not hinder participating organizations. The Skills Bridge platform's value proposition lies in the fact that asynchronous learning can happen when it's convenient for the businesses and their employees while meeting the needs of businesses and various learning preferences.

What We're Learning

This project demonstrated that SMEs need an evidence-based training model that is cost-effective and scalable. Through the iterative testing phases, critical feedback was gathered that facilitated a better understanding of the types of content that resonate with SMEs and their employees, and highlighted specific concerns from equity-deserving groups. For instance, content that is interactive and segmented into digestible pieces is preferred to very long, lecture-like courses. SMEs and their employees want training that is engaging, flexible and immediately applicable to their work, and that they will be able to fit into their already busy schedules.

Feedback also highlighted a gap in the market regarding online, asynchronous training. This project contributes to filling this gap, as it led to the creation of the 18 custom designed courses currently available to SMEs on the Skills Bridge online platform, which is powered by Magnet.

The feedback also identified that demand for French training content is strong, but there is limited French language training content available that is original, locally created and not simply translated from English with a voiceover. Francophone participants do not want (often poorly) dubbed content and/or content created in France with terminology that does not apply to their day-to-day experiences.

Participants living with disabilities need content that is truly accessible, and racialized participants want to see more representation within the courses.

All insights collected throughout the feedback process were critical in informing our iterative approach, which was grounded in the continuous application of project learnings. These learnings will also inform future programming and research to further support SMEs through Skills Bridge and can serve to inform others in their work as they seek to address skills and training gaps experienced by SMEs.

★ Why It Matters

SMEs are the backbone of the Canadian economy. However, they often cannot access the resources that are available to large organizations. While SMEs face the same skills and labour shortages as large organizations, they often face more challenges attracting top talent, re-skilling and upskilling, and offering training programs. Currently, SMEs tend to try to recruit people with the required skills, but the results of this tactic have been middling at best. Additionally, the over-reliance of SMEs on informal recruitment methods tends to perpetuate a dynamic where members of equity-deserving groups, even highly qualified ones, are excluded, as they are not always part of the “right networks.” This leads to SMEs facing talent and skills shortages, and talented equity-deserving individuals being underemployed.

More collaboration with SMEs must be fostered to create meaningful supports and share best practices to ease and eventually remedy this problem. Where there is a will there's a way, but SMEs are asking for help with wayfinding, as they have limited resources.



Skills Bridge Preliminary Evaluation

The Skills Bridge project aims to overcome barriers to upskilling faced by SMEs. By developing and testing the Skills Bridge platform and its curated training content, the goal is to build knowledge about what works to address SMEs' upskilling needs.

[Read Evaluation Report](#)

Bringing stakeholders together from different sectors, industries and locations fosters collaboration and creates synergies, which can lead to economies of scale and can inform development of an evidence-based model that is cost-effective and scalable. It also allows SMEs to discover what is unique to some sectors and industries, as well as what is shared between SMEs.

►► What's Next

The Future Skills Centre would like to increase the value and scale of the Skills Bridge tool by building on learnings from this project and by leveraging technology to drive change in the skills and employment ecosystem. A greater volume and variety of content will be curated and made accessible to SMEs within the learning management system platform. In addition, OCC will onboard selected partners and industry experts to deliver a scalable digital platform that will resonate with SMEs to help reduce fragmentation and break down training silos.

Through continued evaluation and application of feedback, Skills Bridge will provide insights on trends and solutions to skills needs. It will provide an integrated framework to serve labour market training requirements and help close the skills gap. In addition to meeting training needs, it will also seek to provide multiple support pillars to SMEs through the Magnet Platform, including access to talent and business support resources, such as information on grants, etc.

The expanded Skills Bridge tool will move beyond testing individual courses to testing bundled learning pathways. The expanded evaluation of Skills Bridge will include a market analysis of current offerings to chamber networks; identify a communications and marketing strategy; assess its impact on skills-development decision-making; and determine whether EDI training via online content has a durable effect on equity, diversity and inclusion in workplaces.

Options to serve underrepresented demographics such as newcomers and immigrants, Indigenous communities and Black youth will be explored. The expanded platform will offer resources for employees looking to transition careers or upskill and for new entrants to the workforce. It will also continue to focus on training resources that promote diverse and inclusive hiring practices, and expand training offerings pertaining to the digital and connected world of work, decarbonized economy, regulatory and professional requirements and governance. OCC Skills Bridge's online course catalogue will be enhanced to better address the 13 skill areas identified in the original project. Revenue sharing models, custom content creation and purchase of existing training content will also be explored.

Have questions about our work? Do you need access to a report in English or French? Please contact communications@fsc-ccf.ca.

How to Cite This Report

Project Insights Report: Capacity building for Canadian small and midsize enterprises: Unleashing learning management systems at scale. Toronto: Future Skills Centre. <https://fsc-ccf.ca/projects/capacity-building-for-small-midsize-enterprises/>

Funded by the
Government of Canada's
Future Skills Program



Capacity building for Canadian small and medium-sized enterprises: Skills Bridge is funded by the Government of Canada's Future Skills Program. The opinions and interpretations in this publication are those of the author and do not necessarily reflect those of the Government of Canada.