The Impact of Soft Skills Training in Micro and Small Enterprises – A Grounded Theory Study within the Maltese Context

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Abstract: This study aims to address attitudes towards soft skills training within micro and small enterprises within the local scene. Ongoing research reveals the need for soft skills training to enhance employability skills within enterprises of all sizes. Although employers need to accept individuals with different levels of competence, they have the chance to select and recruit the ideal candidate for the designated role in their organisation—one that has the right employability skills. This study aims to investigate and provide an understanding of the attitudes of employers and employees alike towards soft skills training. It also aims to increase the number of micro and small enterprises who carry out soft skills training for the right reasons. The grounded theory research design was used for this study, whereby secondary and primary data gathered used techniques to provide research findings that are grounded in theory. The findings therefore provide insight into trends, opinions, beliefs, and attitudes towards soft skills training, and put forward suggestions for employers and employees through a highly theoretically sensitive research study.

Keywords: micro enterprise; small enterprise; soft skills training; attitude; employability;

Background to the Study

When an individual applies for a position within an organisation, the individual hopes that they are the right candidate for the job. When seeing the job advert, the advert mainly consists of the qualifications needed as well as the transversal skills needed for the job. Transversal skills come about with competence of being able to do a job, relying on qualifications obtained (Ahmad et al. 2017). For example, an accountant needs to be able to carry out a profit and loss exercise as part of the job requirements. Hence, this is a transversal skill learned when obtaining the accounting qualification needed to do the job. Education prepares students to be employable so that, once they graduate, they can get themselves a job. However, one needs to appreciate that that is not the full picture of employability.

The individual sees the job advert and applied for the job. In a positive case scenario, the individual is short-listed and is called up for an interview. The interview is the most crucial part of the whole process. It is not about what the individual can or cannot do, because if the candidate was short-listed then we can say that the individual can do the job—but is the individual employable? Employers are responsible in taking the crucial decision to decide whether the candidate is employable or not, whether the individual is the right fit for the company or not. This is what the soft skill of the individual depends on. The bigger question here is what will the employer do if the employer realises that the candidate does not have the right soft skills that the employer wishes the candidate to have.

Studies have shown quite an arguably low percentage of small- and medium-sized enterprises (SMEs) that carry out training within the organisation. Studies have also shown
that training in organisations is a human resource solution for many issues faced within the company. It is important to investigate and discover the impact of the low amount of training carried out and its dependence on employability skills within micro and small enterprises.

**Literature Review**

*Introduction*

Training has been discussed to be one of the main pillars of Human Resource Management (Milhem et al. 2014). However, training in organisations is quite an ambiguous topic to discuss. First and foremost, one must consider what type of training is being carried out by employees. Training can vary. It can be accredited or non-accredited (Gibert et al. 2017); it can be training needed to simply add on CPD (Continuous Professional Development) hours; or it can be required or requested by the individual or employee (Milhem et al. 2014).

Secondly, the type of training must also be noted and highlighted. Gibert et al. (2017) suggest soft skills training programmes to be offered to employees following their graduate studies to create an added benefit to their current skills. Furthermore, Barrett and O’Connell (2001) discuss the methodology of organising training in-house for companies. Just by simply researching the type of training being offered on the local market, it is inevitable to note that there is more technical skills training being offered rather than soft skill training. One must appreciate, and furthermore argue, that it is not about how efficient or skilled an individual is on the job technically, or how much knowledge they may have, but also about how the individual makes use of, and exercises, the right exemplary attitude towards work that can be developed by soft skills training (Barrett and O’Connell 2001; Gibert et al. 2017).

Finally, one must clarify whether enterprise owners wish to consider upskilling or reskilling their workforce (Barrett and O’Connell 2001). Managers, directors, and leadership teams may be satisfied with their employees being sufficient at their job, but not efficient. Milhem et al. (2014) discuss that it can be difficult to measure the return of investment of training in enterprises, but a study by Barrett and O’Connell (2001) explains how the return of investment can be measured, for example, by identifying significant growth in positive productivity. Above all, Botke et al. (2018: 131) argue that soft skill training is not effective if “employees are both willing and able to use their new skills on the job”, making reference to the term “motivation to transfer” (Mishra and Sahoo 2021: 1230).

While delving deeper into the focus of technical skills training or soft skills training, it would be pertinent to identify the difference between the two for the purpose of this study. A technical skill would be the basic component needed by the individual to do the job, for example the accountant being proficient in finance and accounting, or the receptionist being able to answer the phone and manage the clients once they walk in (de Agua et al. 2020). The soft skill would be the empathy needed by the accountant when certain financial work is not executed on time, or the front office skills needed by the receptionist when greeting clients at the door (Ibrahim and Boerhannoeddin 2017). Another example would be leadership training. Training for leaders and managers can be quite technical as it would include several theories of leadership. However, the holistic approach to leadership training, that is the skills needed to be assertive when communicating or delegating, would be the soft skills training (Crosbie 2005; Goggin et al. 2019). Therefore, one can argue and conclude that individuals do need a mix of both technical skill and soft skill training to be efficient at their job, where the knowledge and skill combined provide a competence (Goggin et al. 2019). This research project will focus on soft skill training rather than technical skill training.
The aim of this research study is to identify how soft skills training is perceived in micro and small enterprises and the attitudes of employees and employers towards training. In 2021, Malta registered 35,709 micro enterprises (0-9 employees) and 2,350 small enterprises (10-49 employees). According to a Eurostat study published in early 2021 showing the latest figures of 2015, Malta placed with the bottom 7 countries, with only 55.9% of its small enterprises having provided training for their employees.

**Literature Map**

The following research themes have been identified that will be carried out as the main part of the secondary data research for this study.

![Figure 1: Literature Map](image-url)
Human Resource (HR) Practices

What is HRM?

Research shows that HR practices have changed over time—from functional HRM (human resource management) to SHRM (strategic human resource management) to developing a strategic human resource management system (De Pablos and Lytras 2008). Obedgiu (2017) explains that HR practices began with Fredrick Taylor who created a scientific management system leading to functional HRM to study and measure “workforce productivity” (986). Taylorism, which was named after Fredrick Taylor’s creation of scientific management (Obedgiu 2017), was the start of HR to measure work productivity, which in turn leads to measuring performance of the individual based on skill.

The shift to having a strategic human resource function is simply for one reason: for the company to have a competitive advantage over its competitors (De Pablos and Lytras 2008). Furthermore, the functional role eventually became the strategic role because the functional role took care of administrative procedures, but the strategic role needed more time to be responsible for developing and investing in the employees of the organisation (Obedgiu 2017).

HR Strategy – The Competitive Edge

As HR practices developed over time, Obedgiu (2017) states that HR persons began “viewing employees as assets rather than as cogs in a machine” (987) due to the development of an HR strategy, which is largely implemented by the individuals who work for the company, and the insight and knowledge that they can use to provide input for such strategic development. De Pablos and Lytras (2008: 50) support this by saying that strategic development improves “efficiency and efficacy” within the organisation, creating that competitive advantage and resulting in lower staff turnovers as well as “high product quality”. Moreover, Mercedes et al. (2013) argue that HR practices should “reinforce the behaviours required by the organisation’s strategy” (384) by investing in its workforce and using the right HR practices by implementing training.

Additionally, having “HR strategies, organizations, activities, and practices can help a firm build and maintain a competitive advantage” (McEvoy and Buller 2013: 87), leading to the development of talent intelligence. Mercedes et al. (2013) state that it is vital to have an HR strategy in today’s world because we are in a time where the world is “moving towards a knowledge-based economy” (380), whereby the increasing knowledge of employees contribute towards economic growth in companies. Finally, Rao (2017a) explains that “HR is the backbone” (3) for organisations, because company leaders are too focused on their product or service, rather than dealing with organisational change—this is where HR comes in.

It has been argued that “one would expect that as an organisation grows in size the HR practices that it exhibits would become increasingly formalised, complex and sophisticated” (McEvoy and Buller 2013: 101). The issue with HR in micro and small enterprises is that they “lack the resources to hire a dedicated HR manager”, so the creation and development of a formal HR strategy is lacking in such organisations (Black 2020: 498). In fact, McEvoy and Buller (2013) argue that research about HR practices and work mainly comes from large organisations, and this can be because most micro and small enterprises do not afford HR persons. As a result, small- and medium-sized enterprises deal with their HR strategy on an ad hoc basis and only cover the important pillars of HRM (Black 2020).
HR Pillars

The “employment lifecycle” (Obedjiu 2017: 987) and all the HR pillars that are used in this cycle are as follows:

- the use of employer branding for talent attraction when recruiting new employees;
- short-listing and selecting candidate when recruiting;
- carrying out training and development for the individuals while they are employed within the organisation;
- reviewing and managing the performance of the employee through performance reviews, and rewarding or compensating where necessary and deserved (Obedjiu 2017).

The cycle explained by Obedjiu (2017) is part of the HR strategy that can be adopted by an organisation. Nevertheless, De Pablos and Lytras (2008) support this by arguing that a SHRM function needs to be supported by training. By understanding why organisations outperform others or why they do better economically provides room for the development of knowledge in a company that depends on strategy, and therefore training is the solution to develop talent to provide the competitive advantage (De Pablos and Lytras 2008; McEvoy and Buller 2013; Obedjiu 2017). Finally, a company uses performance reviews to be able to retain its employees, but it is even more important to have a strategy put in place following the performance review (Obedjiu 2017).

Training

Training is referred to as a “retention tool” (Rao 2017: 3) to overcome the gaps between what is expected from employees and the actual reality that is being portrayed. Furthermore, Ahmad et al. (2020) state that the importance of soft skills is underappreciated and that soft skill training is needed to have the “attuned coworker and a good employee” (80). Additionally, Nida’a and Worley (2018) explain that employees need to identify that they have a skills gap and that they need to have the “desire and willingness” to be trained and “use the new skill” (253). Willingness can be brought about by keeping the employee actively involved in the training process and helping employees familiarise themselves with the training content in preparation for the training, rather than sending them to a training session without knowing why (Sahoo and Mishra 2018).

Soft Skills vs Hard Skills

When one talks about skills, they are often referred to as transversal skills. Transversal skills can be split into soft skills and hard skills. Hard skills are the technical skills needed to perform a job, based on academic qualifications that lead to a high-skilled person in a particular field (Ahmad et al. 2017). Rao (2014) states that “hard skills are nothing but the core skills, domain skills and technical skills” need to do a job (43). Rao (2018) also defines hard skills as those that are tangible and measurable. Such hard skills would include technical qualifications in subject like accounting, engineering, and marketing, or the work that would require particular equipment (Ibrahim et al. 2017; Wasshak and Hochholdinger 2020).

Hard skills are general skills, applicable to all individuals who carried out and achieved the qualification required to do the job, but they are not enough to perform the job, and in turn soft skills are what makes an individual successful in their job (Ahmad et al. 2017). Crosbie (2005) argues that the technical skill only contributes to 15% of success in a job, and the remaining 85% depends on soft skills. Additionally, 80% of the reason as to why
an employee would not be successful in their job is because they lack soft skills (Bolton 1986). The issue is that with highly technical skilled jobs, individuals argue that they are not people’s persons, with relationships at work simply suffering and facing remarkable issues and challenges because of a lack of empathy, for example (Crosbie 2005). Ibrahim et al. (2017) argue that hard skills are “considered less important in relation to individual employability” (2) when considering the soft skills of the individual.

Soft skills are also referred to as “non-cognitive” skills by Nida’a and Worley (2018: 248), stating that such skills are based on “personal attributed that influence behaviours” on the place of work. Soft skills are needed because one can no longer depend on the transmission of skills to the workplace, but rather the attitude towards work that can only develop through training (Mercedes et al. 2017). Additionally, to develop organisational strategy and growth, there is a dependency on the “behavioural perspective” on such changes which can only be developed through training to lead to the right attitude and the desired “employee behaviours” (Mercedes et al. 2017: 384).

Soft skills are important because nowadays, employers now address attitudes of individuals in interviews rather than the skills achieved and the abilities they have (Rao 2017). Furthermore, Nida’a and Worley (2018) discuss that when it comes to performance success, “academic credentials and technical skills are no longer sufficient” (250) but more depends on the soft skills obtained by the individual.

**Employability**

Employers nowadays are looking for “flexibility, critical thinking, problem-solving, teamwork and other soft skills” (Nida’a and Worley 2018: 249) when it comes to what makes an employee employable. Ahmad et al. (2017) argues that technical skills alone are no longer what makes a person employable, but the need for soft skills provides “job satisfaction” (88) in which talent lies, where talent is a mix of soft and hard skills. Furthermore, Klaus (2010) explains that 75% of a job’s long-term success is dependent on soft skills, hence longer employability and job retention.

Confirming that employers look for soft-skills-trained employees “rather than just degree-specific knowledge” (Ibrahim et al. 2017), it should also be noted that technical skills are of “declining importance” when searching for employable recruits (Nilsson 2010). Considering this, the competitive workforce shows that recruitment has become “highly personified” (Ibrahim et al. 2017: 3) in that jobs are now dependent on the person rather than the technical skills they have, with the need to have employees who are “socially and emotionally stable” (Nida’a and Worley 2018: 250).

Employers are finding it hard to employ individuals who are talented due to the lack of soft skills and that is vital for enterprises to employ talented individuals due to the competitive wage across the market (Black 2020). However, talented individuals who have the necessary soft skills do provide a “competitive advantage” in today’s workforce (Nida’a and Worley 2018: 250).

The trend is to say that recruiters need to employ someone with employability skills which are based on soft skills, but Ibrahim et al. (2017) state that managers and leaders are yet to understand what soft skills are really about due to the large competitive workforce we are experiencing. Nonetheless, it has been argued that HR managers pay more attention to training and employee rewards and benefits, which can in turn provide the talented individual with the soft skills training needed (McEvoy and Buller 2013).
Measuring the Skills Gap

When deciding about whether to train employees or not in soft skills, one of the most common issues is the measurement of training (Ibrahim et al. 2017; Mercedes et al. 2013). Ibrahim et al. (2017) explain that hard skills are easily quantifiable and easier to measure than soft skills. Furthermore, once the new skill is learned, since it is a technical skill one cannot unlearn it and there is no “behavioral change” involved (Ibrahim et al. 2017: 3). Nonetheless, employers need to understand and appreciate that soft skills training contributes to the long-term strategic goals as well as the growth of the human capital of the company, and therefore measurement may not be instant but the effects of soft skills training can be observed over time (Mercedes et al. 2013).

Employers do get put off from training employees in soft skills because the return of investment can be hard to measure and they therefore might see it as a waste of money (Ibrahim et al. 2017). Rao (2018) states that it is harder to measure soft skills and to teach soft skills. However, a potential solution is provided by Rao (2018) to measure soft skills:
1. A training needs analysis needs to be conducted to identify a skills gap;
2. It is vital to identify the core objectives of the training;
3. Training programmes must be aligned by the core objectives;
4. Any issues that arises during the training must be noted;
5. Trainees are to provide feedback on what they have learned from the training.

Training Methodology

The training methodology is quite a delicate link to the chain of events to acquire soft skills training. The term training methodology refers to the training method, resources, training techniques used by the trainers, as well as the transfer of training done by the trainees (Ibrahim et al. 2017).

Firstly, “soft skills training should occur in stages” as discussed by Nida’a and Worley (2018: 253), to allow for what is referred to as time-spaced learning. The concept of time-spaced learning is when training sessions do not happen too close to each other so as to allow the trainee to process what was discussed in the training session and apply it to the job (Ibrahim et al. 2017).

Training methods, such as using simulations to practise soft skills with real-life scenarios, are said to be effective during the process (Nida’a and Worley 2018). Another type of training method that has been said to be effective is coaching and mentoring, where the trainee embarks on a journey with a coach or mentor and values the one-to-one training experience (Ahmad et al. 2017). Crosbie (2005) discusses kinaesthetic learning, where many individuals learn best by doing as kinaesthetic learners. Once trainees can identify the benefits of the training methods used, trainees will be able to gain the full effectiveness of the training programme (Rao 2014).

Even though a training needs analysis would potentially be carried out, trainees may not identify their need for training like with hard skills, so it is vital that the way the training programme is designed caters for an effective learning process that will not encounter any resistance from trainees but rather produce the right attitude and behavior required from trainees to be effective (Wisskack and Hochholdinger 2020). Moreover, the design of the training programme depends on the trainer, and having a poor trainer will not “produce desired results” (Crosbie 2005: 50) because trainers are required to have the right knowledge and competences to be able to deliver training in the best and most effective way possible (Wisskack and Hochholdinger 2020). Additionally, “trainers should inspire trainees” and this all depends on the relationship developed between trainers and...
trainees (Nida’a and Worley 2018: 253). Finally, it needs to be understood that the trainer has been identified as one of the factors that influences the motivation to transfer training to real-life scenarios (Wisshak and Hochholdinger 2020).

**Motivation to Transfer**

Motivation to transfer can be explained as the motivation trainees and employees would have to transfer any skills learned in the training programme to the working experience or job (Mishra and Sahoo 2021). Nida’a and Worley (2018) state that for an employee to develop skills successfully, there needs to be “individual awareness of the skill gap” (249) and the want to be able to achieve new skills. Once there is no motivation to transfer, it can possibly mean that the employee is simply unaware of what soft skills are and their benefits (Ahmad et al. 2020). Nonetheless, Sahoo and Mishra (2018) highlight that a factor that influences transfer of training is whether trainees want to do the training program, or whether they were obliged to do the training program.

Motivation to transfer has been explained through theories of motivation by Mishra and Sahoo (2021) such as the theory of planned behavior (TPB) and goal-setting theory. Such theories, and research by Mishra and Sahoo (2021: 1314), found a “transfer problem”, mainly in soft skills training. Hence, Mishra and Sahoo (2021) explain that even though soft skill training requires the employee to be mindful about the process of learning abstract concepts, technical skill training requires the employee to have the soft skill to understand that they need the technical skill training. For example, we talk about digitalisation, but are the older generations mindful about having to learn to use new technology to improve the workforce? Ahmad et al. (2017) explains that the “digital era transformation” (84) requires professionals to have interpersonal skills and soft skills.

Training success is highly dependent on its transfer to the job in different contexts (Sahoo and Mishra 2018). It is also concerns generalising the abstract concept of the issue and sharing the knowledge in the workplace (Sahoo and Mishra 2018). Hence, to be able to transfer the training into daily experiences, one needs to be mindful about the experiences experienced, positive or negative, to be able to transfer the skill into the working experience (Nida’a and Worley 2018). Noe (1986) highlighted that behavioural change happens faster once the employees are motivated to obtain new skills and knowledge.

Employees need to have “trainability” in that they need to emotionally intelligent to understand what is being provided to them in training and be able to use it and transfer it to the job (Sahoo and Mishra 2018: 1314). Bhatti et al. (2014) describes this as learner readiness in that learners need to be ready to learn to be able to have the motivation to transfer.

Finally, even though the training methodology and the trainer affects the quality of the training being delivered, employees need to have the motivation to transfer the training for it to be effective (Wisshack and Hochholdinger 2020). It is pertinent to understand that transfer of training is not necessarily the outcome of training (Sahoo and Mishra 2018). Hence, for training to be successful, the pertinent link between training programmes and training transfer is the motivation to transfer the training.

**Barriers to Training**

One of the main barriers to training is that is can be quite costly or time-consuming and companies may resort to cost-cutting measures in difficult times—such as the pandemic—and training seems to be the first victim of cost-cutting measures (Mercedes et al. 2013).
Additionally, Zheng et al. (2009) support this by saying that small enterprises, particularly family businesses, are also pressured by time and extra costs, therefore less HR practices are adopted due to a lack of resources and seeing what maximum output can be achieved.

Another barrier to training is the measurement of soft skills training and employers encountering difficulties to measure soft skills training (Nida’a and Worley, 2018) Ahmad et al. (2020: 80) mentions a barrier to training that is the “lack of administrative support”; for example, the lack of support in organising the training programme, finding a trainer, and other administrative procedures. The lack of financial support from employers is another barrier in that employers will not invest in their employees for soft skills training (Mercedes et al. 2013). Other barriers could include the lack of preparation and pre-training information, the lack of planning in terms of investigating the skills gap and carrying out a training needs analysis, as well as trainee preparation (Sahoo and Mishra 2018).

Methodology

This study will focus on a qualitative method of research and the researcher’s philosophical worldview focuses on the constructivist paradigm, making further use of grounded theory (Lauridsen and Higginbottom 2014). Researchers who undertake the constructivist worldview are referred to as “social constructivists” who “believe that individuals seek understanding of the world in which they live and work” (Creswell and Creswell 2017: 9). Such researchers are also those who wish to observe and investigate phenomena to generate knowledge and theory (Birks and Mills 2015). Such a worldview researches individuals who have the lived experiences that can provide meanings that are “varied and multiple” (Creswell and Creswell 2017: 10). This worldview is chosen over others, namely postpositivist, transformative and pragmatic, and also distances itself from the Glasserian approach to grounded theory (Birks and Mills 2015; Creswell and Creswell 2017).

Through grounded theory, this study aims to develop “a general, abstract theory of process, action, or interaction grounded in the views of the participants” (Creswell and Creswell 2017: Birks and Mills 2015). As opposed to narrative inquiry, phenomenological research, ethnography and case studies, this design aims to carry out one interview at a time that is analysed, coded, and categorised before moving on to the next interview (Birks and Mills 2015). The purpose of this is to create an informed bias to be used for the next interview to be able to seek further understanding and meaning of the problem being researched (Creswell and Creswell 2017).

Grounded theory is a research design that was primarily developed by Glasser and Straus, who are referred to as the “first generation” (Birks and Mills 2015: 3) of grounded theorists, whose purpose was to develop a “notion of generating new theory from data, as opposed to testing existing theory” (Birks and Mills 2015: Birks and Mills 2015). Now in its eighth generation of qualitative research origination, Birks and Mills (2015) have provided their own guide to grounded theory, and such literature provides insight into previous literature to justify new grounded theory methods.

One of the factors of a grounded theory study is ensuring quality as an important factor to the process of the research study. Birks and Mills (2015) emphasise that a researcher ensures credibility through various ways during the process. Demonstrating “researcher expertise” is the first factor to ensure quality, where the researcher demonstrates the correct use of grounded theory and becoming theoretically sensitive (Birks and Mills 2015: 33). The second is “methodological congruence”, where the researcher understands his philosophical positioning to be able to execute the right methodology (Birks and Mills 2015: 33).
Finally, the third factor to ensure quality is “procedural precision”, where the researcher is encouraged to undertake certain processes to ensure precision in the process and data to ensure accuracy (Birks and Mills 2015: 33).

Once the researcher has clarified the philosophical positioning and carried out a preliminary literature review to identify gaps in the literature and gain “theoretical sensitivity” (Birks and Mills 2015), and gone through purposeful sampling, the data gathering and collection process can begin. The difference between data gathering and data collection is based on the different stage of research being carried out. Data generation is the process when the researcher is directly engaged with the research participant, for example during an interview; whereas the data is being collected when the researcher is not engaged with the participant (Birks and Mills 2015). This happens when the data is being analysed and theory is being generated through the data generated.

The generation of data will be done through in-depth unstructured interviews with various stakeholders, lasting between 45 minutes to one hour, and using open-ended questions to practise the constructivist worldview by seeking and understanding with no boundaries—assuming the “predetermined nature” (Creswell and Creswell 2017: 179). Open-ended questions in unstructured interviews would also not cause any limitations to the data being collected (Rubin and Rubin, 2011). Interview participants are collected through purposeful sampling, because through purposeful sampling any errors in data are avoided (Creswell and Creswell 2017: 175).

For the purpose of this study, three interviews will be carried out with:

- a human resource advisor;
- a business owner; and
- a trainer who provides soft skills training.

Participants will be asked for consent for interviews to be recorded and transcribed for analysis of data collected through the interviews. Transcribing will be carried out using the assistance of software that uses artificial intelligence, which is fully GDPR compliant where data is kept confidential—ensuring the ethical integrity of the participants and data. The process of data analysis will make use of MAXQDA, a programme designed to facilitate analysis of qualitative data with the use of in-vivo coding. The process of in-vivo coding is used to group the similarities in the data incidents under a particular title or theme (Birks and Mills 2015; Charmaz 2006). All incidents in the data will be coded by making use of selective coding (Birks and Mills 2015). Reflexive memoing will be used as a tool throughout for the researcher to add to the credibility of the research. Apart from ensuring credibility, the researcher uses reflexive memoing to be objective in approach and reflect on the industry’s expectations expressed by all stakeholders (Birks and Mills 2015). Hence, once selective coding is completed, those codes will be categorised according to the context, the action, and the consequence of the matter (Strauss and Corbin 1998).

Once the data is analysed, the researcher will be able to go through the stage of “constant comparative analysis”, where the researcher compares the data previously analysed, goes back to the literature review, identifies any gaps in the literature, and adds any further literature on new insights gained from the primary data, and then carry out theoretical sampling to figure out the next step—who the next interviewee may be (Birks and Mills 2015). In this study, the researcher does not achieve “theoretical integration”, where theory integrates itself within the literature and the data being analysed, owing to the low number of cases interviewed and researched (Birks and Mills 2015). Hence, a preliminary theory will be created.
Presentation and Analysis of Findings

Below is the MAXMap generated showing the emerging constructs that have been drawn out from the primary data gathered. Approximately 600 in-vivo codes were created from the primary data and then categorised, which were then further sorted into the conditional matrix to show three main categories: context and conditions, actions/reactions, and consequence and outcomes (Strauss and Corbin 1998). This is all based on the stakeholders’ views and lived experiences related to the impact of soft skills training in micro and small enterprises.

The contextual conditions include stakeholders’ views and experiences on employability skills, soft skills, attitude towards training, company culture, topics for training, who should deliver the training and types of training. The actions/reactions give insight to what is currently being done, namely how skills gaps and training needs are identified, what is being done as an HR strategy, how training is customised, training experiences, support given to trainees, and how trainees are motivated to train. The consequences and outcomes discuss the reasons and effects of training being done in the workplace, workplace issues experienced, and the results of training once carried out.
Figure 4 shows the categories divided into their subcategories providing a broader idea of stakeholders’ experiences providing further insights to the research and data gathered. It also shows the correlation between subcategories, and how even though some subcategories are consequential conditions, for example, they are still creating a correlating impact on actional/reactional conditions.

**Figure 4:** MAXMap generated to show the findings of the study
Contextual Conditions

The contextual conditions primarily show the opinions of the stakeholders interviewed and their views on the major topics discussed related to the research problem. All stakeholders provided insights based on their lived experiences and what they feel sets the scene within the Maltese context.

Soft Skills

Confirming the secondary research of this study, stakeholders defined soft skills as those skills “which help you do the job better” in relation to the hard skill, with the example given being that of using a machine. They are skills that “enhance” any technical job that is done, helping the individual to perform better. Overall, all stakeholders noted that employees from micro and small companies that they have had relations with in the past all lack soft skills and that there is a skills gap among employees. One stakeholder mentioned that they are skills that not only affect the employee at work and on the job, but also in their personal life like when communicating in a social environment.

Employability Skills

All stakeholders explained that there is difficulty in identifying employability skills at an interview stage. It is easy to ask for soft skills when searching for candidates, but stakeholders mentioned that it is difficult to measure soft skills in general as opposed to the technical skill, especially at an interview stage. Furthermore, it is vital to mention that one stakeholder mentioned that such employability skills only show once the employee starts working with the company and this is where issues arise. Employability skills were described as the skills required to be a culture fit for the company. One stakeholder highlighted that not all recruiting managers may agree on the types of employability skills, depending on the different sector, working environment or job. However, it was appreciated that individuals have their own working styles to influence individualistic types of employability skills. Stakeholders mentioned their ideal employability skills, some of which were assertiveness, organisation skills, time management, good team dynamics, customer relations skills, personal core values, communication skills and decision-making skills. Moreover, all stakeholders mentioned a skills, gap in the market, and companies need to be ready to be flexible and “train people into the job”. Additionally, stakeholders mentioned that recruiting a fresh graduate with no employability skills is better because the company can train and mould the employee into the right culture fit they would need in their company.

Culture Fit

Two stakeholders in particular spoke heavily about culture fit. It was defined as not only the skills of the individual and how the individual fits in with other employees, but also how the employee fits into “the values of the company and how the company operates”. The culture fit of the person is built on the vision of the company, where the company creates a vision of the people that would fit in the company based on the company’s vision. However, it was argued that once the candidate is a culture fit, “the running in and induction” is a faster process because the employee settles into the company quicker, therefore potentially not needing soft skills training at induction stage. Nonetheless, stakeholders prefer recruiting fresh graduates without the skills required as the employee can be “moulded” into the person they want them to be. However, if the employee is not a culture fit, the stakeholders feel that further training should be provided, and this has been discussed as a waste of time because training objectives may still not be achieved. In this case, they would then much prefer employing someone who already has some form of soft skills/employability skills rather than having to build a person from scratch due to the lack of time.
Training

Training was discussed in terms of two aspects: training methods that they have experienced and who delivered the training.

One of the different types of training methods sought for is in-house training, which is customised by training providers according to the training needs identified. Coaching and mentoring are also methods provided and sought for, as well as off-the-shelf courses that are open programmes one may wish to attend with other employees from other companies. One stakeholder mentioned that these off-the-shelf courses are not ideal because a situation has been described where trainees get sent to these courses by their managers thinking they would solve the issues being encountered, when as a matter of fact, the employee would have the soft skills and the issue would be unrelated. A popular type of training discussed in line with the secondary data of this study was time-spaced learning and this has been argued as the most effective method due to the ability of having time to “digest” what was learned during the training programme. One stakeholder provided a new insight into the research and type of training and mentioned that they seek self-training methods like reading articles and watching videos on the internet. Another stakeholder argued that the method of training is crucial and depends on what needs to be trained—one must “make sure about the actual cause of the issue you’re trying to train”. One difficulty encountered was that in micro and small companies, it is difficult to stop operations for a period of time to train staff so the training methods available then become limited, as opposed to bigger companies where the trainees can split up in groups without interrupting operations.

Training has been delivered by actual employees of the company and this has also been encouraged by one stakeholder who mentioned that, in some situations, it should be the managers who train their subordinates, especially when attempting to achieve the culture fit desired. Hence, if using an external trainer, it is vital for trainers to know what the training needs are and what the desired outcome is, as well as having a trainer who “should be your brand ambassador”.

Attitude

The overall attitude towards training is a negative one: there is not enough time or manpower for staff members to benefit from training opportunities. However, stakeholders do believe that the effect is a positive one and that more training opportunities provided will be beneficial. When it comes to the most preferred attitude towards training, one stakeholder mentioned that the most important thing is that “the people I have in my room want to be trained and are open to being trained”. On top of this, trainees need to make vital use of the training time they are being given. The training programme may not be suitable for them, but either way trainees must still find a way to make it beneficial for them to create a positive impact in some way. When discussing today’s workforce and generation, it was discussed across the board that today’s generation of the majority of workers lacks efficiency, and therefore their attitude towards training is either lacking or is a negative one. Employees do not believe that training will improve their “portfolio” but will only make them “grow” so they will do the training for the wrong reasons—to get the promotion rather than to be successful in their job. “The right and genuine” attitude also depends on what the trainees decide to be the outcome of the training programme, according to a stakeholder. Once the outcome training programme is a positive one, trainees realise that they needed the training programme. However, it can be argued that this hindered a small percentage of the learning process because time was wasted during the session to convince the trainees that training is needed rather than approaching the
session from the beginning with a different mindset. Moreover, one stakeholder believes that if a trainee is not up for the training, it should be avoided altogether. When it comes to unit managers in SMEs, one stakeholder mentioned that they “are usually so engrossed in different operations that they see this as being extra”. Nonetheless, unless the attitude is changed from doing training so as to “tick a box” or “for the sake of efficiency”, there is little to no impact on SMEs when it comes to training.

Actional/Reactional Conditions

Actional and reactional conditions have been carefully categorised in terms of what stakeholders believed were incidents currently occurring within the industry.

HR Strategy

The HR strategy approached highlighted by all stakeholders is two-fold, focussing on recruitment and training. One stakeholder mentioned that interviews are currently carried out by HR people rather than the managers involved, which is a deterrent to finding the right culture fit as previously discussed because the HR person does not know what candidates managers look for. Additionally, another stakeholder argued that in a small enterprise, the manager is also the HR person “because the issue in SMEs is resources”, so this issue becomes resolved. However, this stakeholder then mentioned another negative point which is that employees will not admit to certain issues due to conflicting positions within the company as both the HR person and manager. In terms of training, all stakeholders emphasised the importance of ongoing training, especially since companies now resort to employing individuals from foreign countries since Malta has a low unemployment rate. Since training is ongoing, all stakeholders mentioned the constant need to identify training needs.

Identifying Training Needs and Skills Gaps

All stakeholders mentioned “a very big gap” in soft skills among employees. Identifying skills gaps and training needs is done in many ways, including by measuring performance through appraisals, by measuring KPIs, and by using direct feedback from employees and their superiors. However, all mentioned that measuring soft skills through KPIs is not possible to do because they will measure the number of successful clients rather than the skill it takes to deal with the difficult customer and what the employee needs to do to retain the difficult customer. Another way of identifying training needs is by “a gap as to where the targets of the company are and where the skills of the employee are”. Gaps could potentially be new competitors in the market, where “as a result of the new competitor they need to up their game and they do it through training”. It has been argued that the pandemic has created a lot of chances for new competition because people had time to train their employees, so other companies have “now started to realise that they need to be better”, hence potentially the ongoing training. However, due to the intangible nature of soft skills, identifying training needs may not be so obvious. Additionally, gaps are identified across the board, from top management to bottom level because overall “people seem to be less efficient” and in the long run “you avoid dedicating time solving problems that are created by people who are not trained”. It is critical as to who is identifying these training needs, because one stakeholder mentioned that it needs to be the manager rather than the company owner/entrepreneur, because the entrepreneur just wants company success no matter how it is achieved. One stakeholder argued that employees wish to be trained because they would rather grow upwards in terms of promotions, instead of building their portfolio and be better at their job. Another mentioned that the partial problem of skills gaps is due to a shortage of skills that is learned and taught in secondary schools.
Training Experiences

Training experiences are always positive, in that it creates better team dynamics and people feel motivated. One positive experience was when the owner of the company attended the training programme and ensured a smooth training experience for the employees. The company owner also made it clear to the trainees that everything had to be discussed, even if it was negative, so that there would be a learning experience for the company owner too—“I want to hear everything: the good, the bad and the ugly. Because it’s the bad and the ugly I’m going to learn from”. One stakeholder mentioned that, often, training is more about venting frustration because, as previously discussed, the trainee would have been sent to the training course when training was not going to resolve the issue being encountered. Once a customised and interactive methodology is taken, training is “genuine” and not simply a training course with information that becomes irrelevant.

Training Motivation and Further Support

As discussed in secondary research, trainees have felt motivated to train due to the facts that they are given learning opportunities and training creates better overall team dynamics. It also creates a knowledge sharing platform, where trainees learn from other trainees who are high performers, for example. Supporting this, stakeholders identified the importance of active working relationships between employees and their subordinates to discuss workplace issues and training needs. Managers are constantly trying to spend time with their employees to learn about their habits and what may be missing, mainly “to ensure staff retention”. Stakeholders also feel that managers need to be responsible enough to question “what is hindering them [employees] from reaching that level?” and how they will support it.

Consequences and Outcomes

The consequences and outcomes are those that are a result of what happens during the actions placed within the context. Stakeholders discussed the result of what has been done so far and what is occurring presently, in that they are influencing issues on what needs to be acted on.

Workplace Issues

The two main issues discussed on the place of work were the interrelating ones of conflict and time management. Nonetheless, trainees find it comforting to attend open course programmes where they meet different people and use the course as an opportunity to vent about their issues on the place of work. Another issue discussed was a passive attitude towards the operations of the company because there is more focus on the importance of getting the work done. As previously discussed in HR strategy, there is a lack of resources in SMEs and therefore the workload is constantly increasing, hence not paying attention to company operations. One must also consider the sector of the company, as some companies are more “deadline-driven” than others, therefore fully ignoring the soft skill needed to get the job done because the technical skill is considered more important. Working styles were another discussed issue, and this is fully influenced by soft skills. One must empathise with another to understand the different working style and accept it. Additionally, distinction was made between two types of employees: high performers and low performers, that is, those who would do extra in their job to keep the client happy, and those who would simply rely on their job description to do their job and not do anything extra. Due to the overall difficulties in lack of resources and lack of focus on operations, “that is where sometimes SMEs get blocked”. Moreover, since the manager is not doing the job they should actually be doing in providing leadership direction, for example, the employees then suffers with
issues like conflict and time management, so the manager sends the employee to a training course on conflict or time management. However, it was also argued that the manager is “not treating the cause”, so training is being provided in the wrong way thus creating further workplace issues.

Results and Effects of Training

In terms of an experience, when training is taking place employees feel motivated and an improvement in team dynamics. However, in the long term it is not all positive and does create workplace issues. As previously discussed, employees realise that they are attending the training programme for the wrong reasons, where the issue is not the employee but the manager. Trainers are open to discuss the most ideal method for the employees being trained, but they feel that those who organise the training programme do not give it much importance. However, in terms of the training, it has been observed that “we feel the effect”, “the impact is huge”, and “we literally saw a progression”, not going in “just doing their job better” but also on a personal development level. That being said, because training needs may not have properly been identified, employees end up finding training a waste of time because they feel that they are not the ones that need to be trained to resolve certain issues. One stakeholder noted that the effects of training are “The byproducts. Teamwork. Cohesion. Everyone knowing what’s expected out of them. And direction”.

Conclusions, Limitations, and Recommendations

The purpose of this study was to understand the impact of soft skills training in micro and small enterprises. The stakeholders discussed their ideas of what soft skills are in relation to the employability skills employees need to have to be a right fit for the company culture they are working in. In relation to this, the company’s HR strategy was discussed in terms of what HR strategy is used in SMEs which mainly focussed on recruitment and training. Challenges were mentioned along the way such as workplace issues and how these are approached and dealt with in training. Training experiences were also discussed and how these can be beneficial or potentially improved.

Immediate gaps in the primary data show:

- the unclear objective of which point the training is delivered, be it at recruitment stage or after;
- the notion of self-training like reading articles and watching videos on the internet rather than having training delivered by an expert trainer; and
- a clearer understanding on an operational strategy in micro and small enterprises and how this affects training.

Nonetheless, the method of research used requires further research to be able to discover a theory that is grounded in the research gathered and collected through data. Grounded theory requires a sufficient number of cases when gathering data from research participants. The limitation of this study is that only three cases were used, hence:

- sampling was very limited, using only three types of stakeholders;
- gaps were found in the data; and
- the study did not reach theoretical saturation but only a preliminary theory.

Moreover, the interviews were recorded and transcribed, enhancing the notion of procedural precision and credibility by the researcher and research participants.

Further research should elicit a broader understanding of the impact of soft skills training in micro and small organisations, in terms of:
• what strategies are used to implement training—be it through the HR strategy as discussed in this study, or other strategies;
• expectations from employees to be able to discover the soft skills required and how they would impact performance and company growth;
• a better understanding of what is expected from micro and small enterprises on a national level to be able to discover what soft skills can impact this and how it can be implemented through soft skills training.

More varied stakeholders would create a better foundation for this study, including employees/recruits from different sectors, entrepreneurs, team managers, persons who organise training in organisations, as well as experts such as economists and ministers.

References


