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## **CITY: BARCELONA**

**POLICY AREA: WORKFORCE DEVELOPMENT** 

## BEST PRACTICE

**Barcelona Activa** is the local development agency of the Barcelona city council, part of the Economic Promotion department. Created in 1986, the agency's mission is to foster the transformation of Barcelona through efforts to enhance entrepreneurship, business growth, innovation, human capital, professional opportunities and quality employment.

#### ISSUE

In the 1980s, with unemployment at an astronomical 21percent and industrial jobs representing 41percent of all employment, Barcelona struggled to attract businesses. Widely viewed as an industrial-based economy, Barcelona ranked 11<sup>th</sup> among European cities as a destination for entrepreneurship.

## **GOALS AND OBJECTIVES**

The objective of Barcelona Activa was to change this perception by driving economic growth through increased entrepreneurship, job creation and expanded knowledge-based sectors.

#### **IMPLEMENTATION**

In 1986, the City Council created Barcelona Activa, a business incubator program that began with 14 business projects. That modest start laid the foundation for what would become an innovative local development agency whose work would help transform the city's economic development landscape. Barcelona Activa's success has enabled Barcelona to better address the needs of businesses and jobseekers, and in doing so has positioned the city as one of Europe's most attractive destinations for businesses. Barcelona Activa's programs focus on:

- **Business Creation:** coaching the creation of new businesses with growth potential and future, with particular emphasis on the development of strategic sectors and entrepreneurship as an engine for social inclusion.
- **Business Growth:** creating conditions that promote the sustained growth of innovative companies in the city through internationalization, access to funding, cooperation and improving business strategy.
- Access to Quality Employment: offering job training resources and professional guidance to facilitate access of unemployed people to inclusive, quality employment.
- **Human Capital Development:** promoting the development of vocational guidance and the professional growth of Barcelona's citizens.
- **Digital Culture:** promoting technological progress and empowering citizens, businesses and workers in the use of Information and Communication Technologies (ICT) as means to improve their competitiveness and skills.
- Development of Strategic Sectors: promoting the development of economic sectors with high added value related to the knowledge economy (sustainable transport and airspace, energy, biotechnology, clean technology, ICT, medical technologies & services, higher education and design) in various areas of the city to consolidate Barcelona's position as a center of innovation and business competitiveness. Two such renovation development projects are 22@ Barcelona and BZ Innovation Zone.
- **Talent Attraction & Retention:** promoting initiatives to attract and retain international entrepreneurial, creative and research talent to the city, since a highly qualified human capital is seen as an asset to ensure the competitiveness of cities like Barcelona.



To create an entrepreneurial and knowledge-based workforce development system, Barcelona Activa developed the following seven strategies:

#### I. Cultivating Entrepreneurship

To promote the goal of entrepreneurship and facilitate the transition from a business idea to a feasible business project, Barcelona Activa created an Entrepreneurship Center that blends a methodology of onsite and online support, supplemented by a wide array of training activities.

#### 2. Encouraging Business Growth

In addition to growing its base of start-ups, Barcelona knew that it needed to better enable new companies to become competitive and position themselves in the global marketplace. Businesses that grow are the ones who attract international talent, provide competitive jobs, lead their sectors and in turn spark additional economic activity. To this end, Barcelona Activa supplements its incubator program with programs to support business cooperation, internationalization, improvement of business strategy and access to funding for growth, a mentoring scheme, online training, digital tools to produce a strategic growth plan and business acceleration schemes.

#### 3. Fostering Human Capital

Porta 22 – Professional Development Center is a cost-free and anonymous access amenity that provides services for professional guidance & progress using a blended model that combines anonymous expert coaching without the need for a previously set appointment, a website with resources and multimedia tools on the labor market that includes information on more than 925 new professional profiles related to job offers, reports on trends in the labor market and a range of multimedia tools (job interview simulator, test of professional interests, soft skills test, etc.), and a training program for professional development focusing on four areas: skills development, job search strategies, management of professional change and dialogues with the labor market.

Porta 22 – Professional Development Center is the new generation scheme for detecting, spreading and acclimating to new employment opportunities created through the knowledge society. Each year over 73,000 participants use the Porta 22 amenity that is part of the international professional guidance network Réseau des Cite des Métiers (Network of Cities of Occupations).

#### 4. Training Jobseekers

To combat structural unemployment, particularly among populations with special needs and difficulties, and to move towards an economic model based on high value-added activities, Barcelona Activa has designed programs that cater to the needs of individual jobseekers while taking into account the needs of businesses and strategic challenges. These programs range from vocational and tailor-made training in high-demand sectors to work experience and inclusion programs that prepare individuals for new opportunities.

#### 5. Adopting New Technologies

To prevent digital exclusion Barcelona Activa created Cibernàrium, a digital training center, in 1999. The idea was to create a hub that would serve as a local reference center for ICT dissemination and skills acquisition, particularly with respect to the rise of the Internet and its countless professional & social applications. With training activities characterized by a practical nature and short duration, Cibernàrium fosters IT literacy, skills acquisition and technological professionalism. Barcelona Activa now has 2 Cibernàrium facilities and in 2010 had almost 71,000 users.

#### 6. Transforming Former Industrial landscapes into Innovation Territories for Strategic Sectors

22@Barcelona: The Innovation District is a comprehensive urban, economic, and social development strategy to transform the old industrial areas of the Poblenou neighborhood—over 530 acres—into a high-quality environment for working, living, and learning. Its aim is to develop clusters of activities linked to the knowledge economy: ICT, media, design, medical technologies and clean technology. So far, the project has attracted more than 1,500 knowledge-based companies (among them Microsoft, Yahoo, Alstom Wind Power, Mediapro, T-Systems, Sanofi Aventis & Indra) and 44,600 highly skilled workers, 25,000 students and 12 Research, Development and Innovation Centers.



### 7. Attracting and Retaining Foreign Talent

In 2009, Barcelona Activa launched the comprehensive city initiative DO IT IN BARCELONA to attract talent and entrepreneurship activity to Barcelona. DO IT IN BARCELONA goes beyond a traditional city branding initiative by offering a portfolio of landing support services addressed to four specific targets: foreign entrepreneurs, qualified professionals, researchers and postgraduate students that consider coming to Barcelona to set up a business, find a qualified job, do research or pursue post graduate studies. The program offers four specific tracks of professional services for those targets and one common track of personal landing services on issues such as migration permits, city facilities and housing and schooling support. The program does so in collaboration with other city, regional and national partners, such as university and research institutions, business schools, economic stakeholders and others.

Barcelona Activa has developed a wide network of specialized amenities that provide services and resources in the previously described fields. Some amenities include an entrepreneurship center, business incubators, employment centers and a professional development center.



## **Business Incubator**

**Professional Development Center** 



Today, with increased unemployment due to the economic downturn, Barcelona Activa is continuing to train the city's human capital so they will adapt and be convertible to the jobs specifically in the sectors with job creation, such as logistics, tourism, ICT and biotechnology.



## Соѕтѕ

Barcelona Activa is supported by the Barcelona City Council and also seeks funding from the Governments of Catalonia and Spain, the European Union and private sponsors.

## **RESULTS AND EVALUATION**

**A More Competitive Workforce** – Today, industrial employment represents 10 percent of the total workforce in Barcelona - down from 41 percent. Service industry employment has risen to 84 percent, with 22 percent of jobs being those in high value-added services. Exports of these services represent 64 percent of total exports.

**Serving Both Entrepreneurs and Jobseekers:** – Barcelona Activa has become a local, national and international benchmark in the fields of entrepreneur support, business growth, professional development and job creation, and digital culture by annually serving 263,735 users. Its Entrepreneurship Center coaches some 2,500 business projects per year, 69 percent of whom become companies that create an average of 1.8 jobs per company. Some 110 innovative & tech based Small and Medium Enterprises (SME) are located in its Business Incubator and Technology Park facilities. Porta 22 – Professional Development Center has served more than 73,000 participants looking for work and skills training, and an additional 70,000 have received technology training at the Cibernarium.

Attracting New Businesses – Formerly considered a predominately industrial center, today Barcelona is viewed as the southern European entrepreneurship & innovation hub. It is ranked 5<sup>th</sup> most attractive city on the continent to create a business, a vast improvement over its previous ranking of 11<sup>th</sup>.

## LESSONS LEARNED

**Leadership in the local government and economy is crucial** – The City Council recognized that the local government was best suited to tackle the unemployment challenges through leading workforce development initiatives and creating Barcelona Activa as a robust agency that could grow over time. Successful initiatives always require the Mayor's support and his leadership set the tone that the effort was to be taken seriously.

**Strive to reach political and institutional consensus** – Barcelona Activa, with the support of the Barcelona City Council has promoted the ongoing **Agreement for Quality Employment in Barcelona 2008-2011**, an instrument through which the Barcelona City Council, the General Workers Union (UGT) and Worker Commissions (CCOO) trade union, the employers association Foment del Treball Nacional, the SME Associations of Catalonia (PIMEC) and the Government of Catalonia have agreed for the first time the framework and priorities on which to develop active employment policies and local development in the capital of Catalonia. This employment agreement designs and implements a series of actions to promote a quality and inclusive labor market with high productivity, and to generate job opportunities while boosting economic growth that brings added value and innovation to the city, whilst achieving high shares of competitiveness, welfare and social and territorial cohesion. This consensus strategy is in the very DNA of Barcelona Activa that benefits from extensive collaboration with other stakeholders, such as the Chamber of Commerce of Barcelona, the Government of Catalonia, the Spanish Ministry of Industry, Tourism and Trade, several banksm business angels and microloan schemes, Microsoft, Osborne & Clarke, Ernst & Young, Biocat (Catalan Biotech Cluster), the Genome Spain Association and ESADE Business School, among others.

**Move from industrial-based economy to knowledge-based sectors** – There has been a concerted effort to move from more mature industrial economic sectors to the sectors of the knowledge-based economy. This has taken not only an extensive consensus-building effort, but long-term vision and urban planning that leveraged unique events such as the 1992 Olympics. The five new clusters planned for the conversion of the formerly industrial area of Poblenou include ICT, media, design, medical technologies and clean tech.



### TRANSFERABILITY

Barcelona Activa is internationally recognized as being at the cutting edge of economic development and job creation. Barcelona Activa's model of support for entrepreneurship and business growth has been recognized as a best practice by several international institutions like the United Nations, the World Bank, the OECD, the European Union and EUROCITIES, a network of major European cities. Likewise, the agency's programs and methodologies to support entrepreneurship, business growth and human capital management have been transferred successfully to many other cities throughout the world.

### **CONTACTS**

Jordi William Carnes Deputy Mayor for the Treasury and Economic Promotion President of Barcelona Activa Barcelona City Council Plaça Sant Jaume s/n 08002 BARCELONA, Spain T. +34 93 402 75 67 <u>http://www.bcn.cat</u> jcarnes@bcn.cat

Anna Molero Romen Managing Director of Barcelona Activa Carrer Llacuna, 162-164 08018 BARCELONA, Spain T. + 34 93 401 96 33 www.barcelonactiva.cat www.barcelonanetactiva.com www.doitinbcn.com http://w27.bcn.cat/porta22/en/ www.cibernarium.cat www.22barcelona.com

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