

## **CONSTRUCTING DIGITAL COMPETENCE IN SMALL AND MEDIUM-SIZED ENTERPRISES – CHALLENGES AND OPPORTUNITIES**

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### **ABSTRACT**

Today, there is an increased demand for both digital competence and specialized skills across various industries and job markets. While Sweden is considered at the forefront, international competition remains fierce, necessitating different initiatives to maintain the position. Digital competence can be described as a strategic factor for economic growth, yet limited digital skills and competencies pose obstacles, especially in the context of digital transformation.

This paper aims to introduce a conceptual book that describes and analyzes how companies in different sectors are impacted by digitalization. The focus lies on perceived digital competence needs, the challenges and opportunities companies encounter with digitalization. The book draws from data collected in the project “Digital Competence and Cutting Edge Skills in Kronoberg,” which includes 181 brief telephone interviews and 34 in-depth interviews. These interviews were conducted with SMEs across six different industries in the Kronoberg region. The in-depth interviews provide insights into underlying reasons for competency needs and offer a clearer understanding of unique competencies and strategies to digitalize. Additionally, the analysis explores how organizations approach competency supply in general.

From a general perspective, the responses indicate that most companies experience a high pace of digitalization, emphasizing the importance of digital-related issues. Furthermore, a significant number of companies actively develop their digital competence on an ongoing basis. Challenges consist of knowing what, how and when to invest in digital competence. Looking ahead, continued digitalization is seen as essential, particularly to prepare employees for the ongoing transition.

**Keywords:** Digital Competence, Cutting Edge Competence, Digital Strategies, Inhabited Institutions and Communication Small and Medium sized Companies.