

# Toolkits for restructuring based on the innovative actions of European Social Fund Article 6 projects

DG Employment, Social Affairs and Equal Opportunities

The final document submitted by GHK

Date: 03/12/2009

Brussels Office

146 Rue Royale, B-1000 Brussels

Tel: +32 (0)2 275 01 00; Fax: +32 (0)2 275 01 09

| G | H | K |

# CONTENTS

<b>EXECUTIVE SUMMARY .....</b>	<b>4</b>
<b>1 INTRODUCTION.....</b>	<b>9</b>
<b>2 RESTRUCTURING TOOLKIT FOR COMPANIES.....</b>	<b>11</b>
2.1 Article 6 project actions for companies in the stage before restructuring .....	11
2.2 Article 6 project actions for companies in the stage during restructuring .....	22
2.3 Article 6 project actions for companies in the stage after restructuring .....	30
2.4 Temporary measures to mitigate the current economic crisis in companies.....	31
<b>3 RESTRUCTURING TOOLKIT FOR EMPLOYEES.....</b>	<b>33</b>
3.1 Article 6 project actions for employees in the stage before restructuring .....	33
3.2 Article 6 project actions for employees in the stage during restructuring .....	35
3.3 Article 6 project actions for employees in the stage after restructuring .....	36
3.4 Temporary measures to mitigate the current economic crisis in relation to employees .....	38
<b>4 RESTRUCTURING TOOLKIT FOR SOCIAL PARTNERS.....</b>	<b>39</b>
4.1 Article 6 project actions for social partners in the stage before restructuring .....	39
4.2 Article 6 project actions for social partners in the stage during restructuring .....	42
4.3 Article 6 project actions for social partners in the stage after restructuring .....	45
4.4 Temporary measures for social partners to mitigate the current economic crisis .....	45
<b>5 RESTRUCTURING TOOLKIT FOR EMPLOYEE REPRESENTATIVES .....</b>	<b>46</b>
5.1 Article 6 project actions for employee representatives in the stage before restructuring .....	46
5.2 Article 6 project actions for employee representatives in the stage during restructuring .....	47
5.3 Article 6 project actions for employee representatives in the stage after restructuring .....	50
5.4 Temporary measures to mitigate against the current economic crisis .....	52
<b>6 RESTRUCTURING TOOLKIT FOR REGIONAL AUTHORITIES.....</b>	<b>53</b>
6.1 Article 6 project actions for regional authorities in the stage before restructuring .....	53
6.2 Article 6 project actions for regional authorities in the stage during restructuring .....	61
6.3 Article 6 project actions for regional authorities in the stage after restructuring .....	65
6.4 Temporary measures for regional authorities in the current economic crisis .....	68
<b>7 RESTRUCTURING TOOLKIT FOR NATIONAL AUTHORITIES .....</b>	<b>69</b>
7.1 Article 6 project actions for national authorities in the stage before restructuring .....	69
7.2 Article 6 project actions for national authorities in the stage during restructuring .....	73
7.3 Article 6 project actions for national authorities in the stage after restructuring .....	74
7.4 Temporary measures for national authorities in the current economic crisis .....	74
<b>8 CONCLUSIONS.....</b>	<b>75</b>
<b>ANNEX I.....</b>	<b>77</b>
<b>ANNEX II.....</b>	<b>82</b>

This action is supported by the European Community Programme for Employment and Social Solidarity (2007-2013). This programme was established to financially support the implementation of the objectives of the European Union in the employment and social affairs area, as set out in the Social Agenda, and thereby contribute to the achievement of the Lisbon Strategy goals in these fields.

The seven-year Programme targets all stakeholders who can help shape the development of appropriate and effective employment and social legislation and policies, across the EU-27, EFTA and EU candidate and pre-candidate countries.

The programme has six general objectives:

- (1) to improve the knowledge and understanding of the situation prevailing in the Member States (and in other participating countries) through analysis, evaluation and close monitoring of policies;
- (2) to support the development of statistical tools and methods and common indicators, where appropriate broken down by gender and age group, in the areas covered by the programme;
- (3) to support and monitor the implementation of Community law, where applicable, and policy objectives in the Member States, and assess their effectiveness and impact;
- (4) to promote networking, mutual learning, identification and dissemination of good practice and innovative approaches at EU level;
- (5) to enhance the awareness of the stakeholders and the general public about the EU policies and objectives pursued under each of the policy sections;
- (6) to boost the capacity of key EU networks to promote, support and further develop EU policies and objectives, where applicable.

For more information see: [http://ec.europa.eu/employment\\_social/progress/index\\_en.html](http://ec.europa.eu/employment_social/progress/index_en.html)

## EXECUTIVE SUMMARY

This document is intended as a practical 'toolkit' to help actors effectively deal with restructuring, both as an ongoing process of managing change, as well as a way of responding to individual cases of company restructuring. The toolkit presents a range of actions and success factors that six types of actor can undertake in relation to the three main 'stages' of restructuring. The actions are summarised according to the actors and stages in the table on the following page.

The information in this toolkit is based on detailed research and analysis of the European Social Fund (ESF) Article 6 Innovative Measures projects undertaken by GHK Consulting Ltd on behalf of DG Employment, Social Affairs and Equal Opportunities (DG EMPL) of the European Commission.

Looking across the restructuring actions of the 43 Article 6 projects, a number of overall conclusions can be drawn. Firstly, the majority of actions (and associated success factors) have focused on the 'before' stage of restructuring. These actions have entailed a more proactive approach to anticipate changes and take appropriate measures – with the view to remaining 'ahead of the game' economically, but also minimising the negative social impacts.

An overall message from the Article 6 projects is clearly the importance of multi-actor collaboration through all the stages. Regional, national and sectoral partnership-working are essential ingredients to dealing with the many issues and concerns that restructuring entails, from the economic impact on a particular region or sector, through to the environmental considerations and effects on individual lives. Article 6 also has highlighted that the 'collaborative approach' does not stop at these six actors. Indeed, universities, centres of research/expertise, Public Employment Services (PESs) and other agencies have also been cited.

Another area worth highlighting is the emphasis on training and other human capital measures, such as mentoring. Many of the projects have addressed the need for actors to develop their skills, knowledge and understanding of restructuring, either to deal with their own personal employment situation or to support their company, organisation or other people in handling change. An extension of this approach has been the emphasis on the exchange of learning and good practice, both at the regional, national and international level. These exchanges have also formed the basis for establishing working groups and networks to ensure that the learning and exchange is ongoing and evolving.

Concerning measures to specifically deal with the crisis, it is important to note that most Article 6 projects were finished before the troubles hit – projects came to an end in 2008 at the very latest. However, an overwhelming message of the project representatives has been that most, if not all, of their activities would be suitable for times of crisis.

As a final message, the Article 6 programme has generated a wealth of useful experience and information on the challenges and opportunities in dealing with restructuring. It is therefore hoped that this toolkit will provide practical ideas and inspiration for readers, and above all, act as an impetus to find out more about the individual Article 6 projects. Contact details are provided in Annex I.

Table summarising the main restructuring actions in relation to six types of actor and three 'stages'

Actor \ Stage	Before restructuring	During restructuring	After restructuring
<b>Companies</b>	<ul style="list-style-type: none"> <li>• Undertake an analysis of company adaptability</li> <li>• Train companies in change management, including the planning of change management, development of guides and manuals, as well as the development of training programmes</li> <li>• Collaborate in initiatives to identify scenarios and forecast socio-economic development trends across the region and/or sector – ideally involving the establishment of an observatory</li> <li>• Collaborate in initiatives to forecast skills needs and identify shortages on the company level</li> <li>• Collaborate in initiatives to provide training at the company level</li> <li>• Set up clusters of companies to promote the exchange of information, mutual support and collaboration on a local, regional, national or sectoral level</li> <li>• Develop and regularly review the company's change management strategy</li> <li>• Take a socially responsible approach to restructuring, both in the company's policy and practice</li> <li>• Build alternative scenarios and organisational models to embrace change</li> <li>• Set up pilot projects to test new human capital and innovation development strategies</li> <li>• Examine case studies and good practices available to see how other companies have managed their restructuring process and revitalised their business</li> </ul>	<ul style="list-style-type: none"> <li>• Undertake a shared diagnosis of the restructuring situation with company management, employee representatives and other actors from the territory</li> <li>• Develop a tool to maximise the positive effects of worker flexibility in a company</li> <li>• Develop models for the analysis and optimisation of company operations i.e. cost saving</li> <li>• Maintain continuous collaboration and information exchange with research organisations for ongoing improvements in companies operations, structures and communication</li> <li>• Set up a comprehensive mentoring system for employees in companies</li> <li>• Collaborate between companies in order to share workers</li> <li>• Skills audits in companies to assess the available skills and develop or acquire those missing</li> <li>• Develop a dialogue between company and employee representatives on the improved management of outsourcing, including the development of a tool to guide this process</li> <li>• Develop crisis intervention tools, including telephone-based support</li> </ul>	<ul style="list-style-type: none"> <li>• Share responsibility and get involved in actions facilitating worker job transitions or asserting the situation of the remaining workers (i.e. implement measures to anticipate restructuring, human resources needs and skills in the future)</li> <li>• Use support structures and models for ensuring effective business succession i.e. transfer of a business to a new owner</li> </ul>

<i>Actor</i> \ <i>Stage</i>	Before restructuring	During restructuring	After restructuring
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Make active use of training opportunities within companies and other arrangements aimed at increasing employees' employability (e.g. career guidance, work-time flexibility, mentoring, etc.)</li> <li>• Use the local or regional offer to develop skills and competences, especially generic skills which allow for diversification and a move towards better jobs</li> </ul>	<ul style="list-style-type: none"> <li>• Make use of mentoring services as a way to update skills and gain guidance and support</li> </ul>	<ul style="list-style-type: none"> <li>• Make use of national or regional assistance to improve mobility and facilitate job transitions (e.g. subsidies for relocation, job search across regions, reconversion units, etc.)</li> <li>• Ensure support and make use of the job rotation schemes that are set up</li> </ul>
<b>Social partners</b>	<ul style="list-style-type: none"> <li>• Identify and forecast skills needs and shortages in a region and/or a sector</li> <li>• Develop training programmes in line with the identified skills needs and shortages</li> <li>• Collaborate in initiatives to identify scenarios and forecast socio-economic development trends across the region and/or sector - ideally involving the establishment of an observatory</li> <li>• Develop fora for social dialogue to foster intra-regional cooperation for the strategic development of a sector</li> </ul>	<ul style="list-style-type: none"> <li>• Undertake a shared diagnosis of the restructuring situation with company management and other actors from the territory</li> <li>• Assist companies in preparing a change management strategy</li> <li>• Increase awareness and understanding of sustainable outsourcing as a key aspect of restructuring</li> </ul>	<ul style="list-style-type: none"> <li>• Identify the 'secondary skills' of older workers or workers at risk of being made redundant for their redeployment within the same company or in another company of the same economic sector</li> </ul>

<i>Actor</i> \ <i>Stage</i>	Before restructuring	During restructuring	After restructuring
<b>Employee representatives</b>	<ul style="list-style-type: none"> <li>• Embed a 'learning culture' and ensure training provision amongst employee representatives to manage change</li> </ul>	<ul style="list-style-type: none"> <li>• Undertake a shared diagnosis of the restructuring situation with company management and other actors from the territory</li> <li>• Develop mechanisms to consult workers before, during and after restructuring</li> <li>• Develop a dialogue between employee and company representatives on the improved management of outsourcing, including the development of a tool to guide this process</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluate restructuring cases and identify how these could have been better managed from the employee representative point of view</li> <li>• Introduce, support and/or participate in schemes that help (redundant) workers in their job transition</li> </ul>
<b>Regional authorities</b>	<ul style="list-style-type: none"> <li>• Create a platform or forum for cross-regional learning on how to anticipate changes, ensure long-term improvements in competitiveness and economic sustainability</li> <li>• Set up initiatives to identify scenarios and forecast socio-economic development trends across the region and/or sector - ideally involving the establishment of an observatory</li> <li>• Develop plans and policies for regional economic diversification, focusing on the economic potential of the region and new skills required by people living in the region</li> <li>• Create a task-force for knowledge transfer between universities and business</li> </ul>	<ul style="list-style-type: none"> <li>• Undertake a shared diagnosis of the restructuring situation with company management and social partners</li> <li>• Coordinate support for responding rapidly to individual restructuring cases</li> <li>• Set-up advisory services on the professional requalification of people affected by restructuring</li> <li>• Organise specific training programmes to develop skills required in the region in order to create and sustain employment</li> <li>• Coordinate and support a socially responsible</li> </ul>	<ul style="list-style-type: none"> <li>• Create a 'reconversion unit' to implement measures aimed at minimising the shock of restructuring</li> <li>• Assess and raise awareness of the health implications of restructuring as well as offer assistance to workers in dealing</li> </ul>

<b>Actor</b> / <b>Stage</b>	<b>Before restructuring</b>	<b>During restructuring</b>	<b>After restructuring</b>
<b>Regional authorities</b>	<ul style="list-style-type: none"> <li>• Prepare ‘anticipation strategy’ based on scenario-building for the region</li> <li>• Develop a system for continuous improvement of local communities based on the principle of Total Quality Management (TQM)</li> <li>• Create a task-force for attracting and retaining young talent in the region</li> <li>• Use regional know-how and networks to promote competitiveness and encourage business development</li> </ul>	<p>approach to restructuring trying to minimise negative impact on people</p> <ul style="list-style-type: none"> <li>• Develop tools, policies and measures to deal with delocalisation and its consequences on employees, companies and regional competitiveness</li> </ul>	<p>with lay-offs</p> <ul style="list-style-type: none"> <li>• Create integrated regional services for the re-employment of workers laid-off due to restructuring</li> </ul>
<b>National authorities</b>	<ul style="list-style-type: none"> <li>• Undertake research into the advantages and disadvantages of work-time flexibility</li> <li>• Identify and forecast skills needs and shortages in certain regions/sectors or nationwide</li> <li>• Develop training programmes addressing the skills needs and shortages identified</li> <li>• Make the anticipation and managing of restructuring a national policy priority</li> </ul>	<ul style="list-style-type: none"> <li>• Undertake a shared diagnosis of the restructuring situation with company management, regional partners and social partners</li> <li>• Coordinate support for responding rapidly to individual restructuring cases</li> </ul>	<ul style="list-style-type: none"> <li>• Facilitate access to microcredit for micro, small and medium enterprises (MSMEs)</li> </ul>

# 1 INTRODUCTION

This document is intended as a practical ‘toolkit’ to help actors effectively deal with restructuring, both as an ongoing process of managing change, as well as a way of responding to individual cases of company restructuring. The toolkit is aimed at six actors specifically:

- Companies;
- Employees;
- Social partners;
- Employee representatives;
- Regional authorities; and
- National authorities.

Each section of the toolkit focuses on one of these actors and is divided into the three ‘stages’ of restructuring, namely:

- *Before* stage - as its name indicates, this stage covers initiatives that promote a proactive and anticipatory approach to the management of restructuring in order to prepare for the changes ahead and minimise any negative social and economic consequences;
- *During* stage - this stage is characterised by more ‘hands-on’ measures, primarily focusing on the development and institutionalisation of initiatives that help to deal with restructuring events that are in train; and
- *After* stage - this is the restructuring stage that covers more ‘reactive’ or ‘remedial’ approaches with the aim of eliminating or mitigating the social fall-out of restructuring cases.<sup>1</sup>

The information in this toolkit is based on detailed research and analysis of the European Social Fund (ESF) Article 6 Innovative Measures projects – hereafter, Article 6 projects – undertaken by GHK Consulting Ltd on behalf of DG Employment, Social Affairs and Equal Opportunities (DG EMPL) of the European Commission. GHK specifically concentrated on the 43 projects funded under the “management of restructuring” theme of the Article 6 programme. Project descriptions are given in this toolkit to illustrate the various actions and success factors presented. Further information on these projects can also be obtained in:

- Annex I of this document, which gives contact details and links to the project websites;
- The background document entitled “Breaking new ground in restructuring: insights from the European Social Fund Article 6 programme” available on the DG EMPL website<sup>2</sup>; and
- Article 6 programme pages of the DG EMPL website<sup>3</sup>.

---

<sup>1</sup> It is acknowledged that there is some degree of overlap between the three stages and restructuring can be treated as a purely linear process. However, the stage-based approach has been used to present the toolkit information in a clear and practical way.

<sup>2</sup> <http://ec.europa.eu/social/main.jsp?catId=782&langId=en&eventsId=133&furtherEvents=yes>

<sup>3</sup> [http://ec.europa.eu/employment\\_social/esf/fields/innovative\\_en.htm](http://ec.europa.eu/employment_social/esf/fields/innovative_en.htm)

During the course of GHK's research, representatives of the Article 6 projects were asked to put forward their ideas for responding to the economic crisis. These ideas are presented at the end of the section for each actor.

When using this toolkit, it is useful to bear a number of points in mind. Firstly, the actions and success factors in this toolkit are by no means exhaustive. They are simply intended to represent the main messages from the people who were involved in designing and delivering the Article 6 projects. Secondly, the actions and success factors are presented in no specific order. All the ideas can be taken individually or in combination to find the most appropriate restructuring response. And finally, some actions may be developed and implemented by one particular actor, but in fact targeted at another. For example, a regional authority and social partner may work together to develop a training package, but this package may be aimed at company employees. The reader is therefore encouraged to take note of information across the *whole* toolkit given that more than one actor may be involved or targeted in any particular action.

*Please note that the tick boxes for the actions and success factors can be used also in the electronic version of this document, thereby forming a type of checklist and saving paper.*

## 2 RESTRUCTURING TOOLKIT FOR COMPANIES

### 2.1 Article 6 project actions for companies in the stage before restructuring

Action:

#### Undertake an analysis of company adaptability

Success factors:

- Develop a clear understanding of the potential for job creation and economic growth on a scale relevant for the company, as well as any potential threats or weaknesses that may cause restructuring shocks.
- Clearly identify indicators to measure the adaptability of enterprises. Compare company performance according to these benchmarks (e.g. assess company readiness to embrace future challenges, such as technological development, climate change, ageing population, etc.)
- Develop a toolkit to allow organisations to carry out their own adaptability assessment.
- Create a group of expert consultants to provide enterprises with advice and guidance during the (self) assessment of their adaptability.
- Identify the potential for alternative jobs amongst other employers and/or third sector organisations within the context of the local/regional labour market.

Project example(s):

The *SOCIAL ECONOMY XXI* project developed an early warning system for enterprises, local authorities and social partners to anticipate a restructuring situation in its earliest stages. This system enabled the actors to look ahead and identify key restructuring trends, thereby placing them in a much better position to introduce measures well in advance of employment and economic shifts. Linked to the early warning system was the development of, what the project called, a “European protocol.” This protocol contained simple tools for enterprises to undertake a self-analysis and audit of their organisation. A group of expert consultants was created to provide the participating enterprises with advice and guidance as part of this assessment process.

The *DIALOGUE* (Developing Indicators of Adaptability which Lead to Organisational Growth and Underpin Employment) project developed an “Adaptability Index” for small and medium-sized enterprises (SMEs). This was a standard that could be used to benchmark a firm’s preparedness for change in sectors particularly likely to be hit by restructuring. The “Adaptability Index” could be used by companies or whole industries (e.g. in areas susceptible to natural disasters, such as low-lying flood plains). Once the companies’ readiness for restructuring was assessed by the Index, the project offered personalised advice, training courses and help with relocation. In addition, the project developed a quality standard, which served to ‘accredit’ those companies that had achieved a certain level of adaptability.

Developing innovative approaches to the management of change in small and micro enterprises (SMicEs) were the primary target group of the *MIC - MICRO-INNO-CHANGE* project. This initiative offered the managers in SMicEs one complementary system composed of four approaches to manage change in a different target group: owner and executive staff; advisers and consultants for SMicEs; multiplier organisations such as

chambers of commerce and associations offering support to these companies; and multiple-groupings involving advisers, multipliers and owners of SMicEs.

Action:

**Train companies in change management, including the planning of change management, development of guides and manuals, as well as the development of training programmes**

Success factors:

- Create and use a 'guidance manual' for line managers and workers for planning change management in companies. This could include, but is not limited to, structures for continuous process improvement, human resources development, quality assurance, inclusive and empowering communication processes to anticipate key factors driving the change, as well as problems and solutions in integrating these.
- Emphasise and encourage co-operation between enterprise, governmental and non-governmental actors in managing change. The role of organisations representing employers is central in encouraging enterprises to give thought to their readiness to embrace change.
- Access external advice and guidance in managing change. This can be obtained by consulting with external experts, or engaging in fora or networks of other companies that are facing similar challenges.
- Ensure that the owners and senior managers are fully committed to leading the change process – and therefore trained appropriately. Without this high-level commitment, change will be difficult to implement across the enterprise.
- Present change as a positive progression for the company, as a way of capitalising on new business opportunities and mitigating against the negative effects of market pressure.

Project example(s):

*Local initiatives and social partnership* or *LISP* project focused on improving the management of change in Local Productive Systems (LPS)<sup>4</sup>, particularly by fostering life-long learning for business managers. The project set up "Change Labs," a participative management approach to change in five LPSs in Italy and Spain. The Change Labs served as fora to enable restructuring actors to exchange information, and find and elaborate joint solutions. By taking part in the Change Labs, enterprises could access problem-solving tools on specific technological and managerial issues, with the support of external consultants. A total of 18 Change Labs were created within the framework of the programme, involving 150 entrepreneurs and comprising more than 300 hours of consultations offered.

<sup>4</sup> By definition, LPSs include enterprises of all sizes, but in reality they often consist of SMEs that are not vertically integrated. From: <http://www.scielo.cl/pdf/jotmi/v4n2/art12.pdf> Accessed on 23 October 2009.

Action:

- Collaborate in initiatives to identify scenarios and forecast socio-economic development trends across the region and/or sector – ideally involving the establishment of an observatory**

Success factors:

- Link the observatory to other regional initiatives for socio-economic development and ensure that synergies are created amongst all stakeholders.
- Ensure that the observatory is based on meeting *real* company needs, thus creating concrete market intelligence.
- Cooperate with local policy-makers, universities, research centres, trade unions, business organisation representatives and experts in order to make best use of forecasting models.
- Use the observatory to create quantitative and qualitative information as a basis to inform company activities and strategic planning.
- Link relevant companies into networks, thereby uniting related sectors for the better anticipation of needs and developments.
- Involve experts, if possible, in ascertaining the present and future developments in the areas crucial for a particular business.
- Collect key data on the region that are of high relevance for the development of the economic sector, such as demographic trends, economic growth, technological change, governance and socio-political values.
- Ensure the results of the monitoring and forecasting feed directly into the company's strategy for managing restructuring.
- Put the observatory on-line to enable a wider access and dissemination of the relevant information to internal audiences (intranet) and external stakeholders (Internet) e.g. for promotion (press, newsletters, etc.) and public use (seminars, client, partner and expert use, etc.).

Project example(s):

Project example(s):

The *ANTICIPATING CHANGE* project, among others, established a strategic research observatory and piloted integrated approaches to confront the implications of restructuring processes. The value added of this project was the creation of better logistics links between the economies of port cities in Belgium. For example, the project 'opened up' the Bruges region by physically improving access to the port via boat, train or road, and by creating a virtual network linking SMEs for the exchange of good practice, evidence, and intelligence with regard to restructuring processes, labour market, and linking port and inland businesses. This observatory and networking platform was firstly transnational and then replicated at the local level.

Action:

**Collaborate in initiatives to forecast skills needs and identify shortages on the company level**

Success factors:

- Ensure that the analysis of future skills needs covers a wide range of areas, including soft skills and technical competences.
- Collaborate with other companies, employer and employee organisations, as well as territorial authorities in skills anticipation and planning.
- Work closely with education and training institutes as they are recognised specialists in skills assessment and forecasting. In particular, the human resource managers need to develop strong links and communication with these institutes.
- Create a system for the evaluation of skills needs and shortages.

Project example(s):

Among other activities the *I-CAR-O*<sup>5</sup> project undertook the analysis of employees' professional competences in companies working in Navarre region in northern Spain. This analysis identified a lack of language skills among the workers, which was reducing the competitiveness and limiting the capacity of these companies to compete on international markets. The project then contributed to setting up a new framework program to provide language skills for workers in the regional companies.

Action:

**Collaborate in initiatives to provide training at the company level**

Success factors:

- Join efforts with other companies operating in different segments of the same sector in order to determine their common and complementary training needs, as well as to jointly provide training.
- Work closely with education and training institutes as they are the experts in the provision of training.
- Create e-learning tools in order to make the training more flexible and accessible.
- Revise the training programmes according to the results of evaluations to ensure continuous professional development in companies.

Project example(s):

The above mentioned *I-CAR-O* project played an important role in setting up a new program providing language skills for workers in enterprises of Navarre region. This programme, entitled "LINGUA EMPRESA", was supported by the Navarre Employment Service and backed up by a strong commitment from the Navarre Government as well as

<sup>5</sup> Full name of the project: *Regional Innovative Strategies for Employment Sustainability in the European Automotive Industry*

the Spanish Public Employment Service. The programme helps in identification of the language skills gaps in companies and has developed a new methodology for acquiring language competences. In a longer term (period 2008-2011) it is expected to improve the competitiveness of enterprises in the region, for example by helping them to expand their business abroad.

Other actions of *I-CAR-O* project are described later in this section (pg. 20), in the Toolkits for Social Partners (pg. 42) and Regions (pg. 55).

#### Action:

- Set up clusters of companies to promote the exchange of information, mutual support and collaboration on a local, regional, national or sectoral level**

#### Success factors:

- Use the clusters to assess the future workforce and skills needs of the companies involved.
- Make best use of the extra 'weight' and economies of scale afforded by companies working together. This action can help to pass on messages to public national authorities and/or access services which could not have been obtained individually.
- Ensure the participation or inform regional authorities. Involve the relevant academic actors, such as universities, and education and training providers, at the appropriate level.
- Strive for face-to-face communication with the different actors involved. This helps to establish strong relationships and a constructive basis for collaboration among members of the cluster.
- Ensure that the clusters are organised to fit in with the busy schedules of business owners and managers e.g. breakfast meetings can work well.
- Make sure that the clusters are clearly focused on the needs and priorities of the enterprises involved, without straying into broader political agendas. Businesses give up valuable time (and resources) in participating in clusters, so their time needs to be 'well spent'.

#### Project example(s):

The *INNOVATIVE REGIONS*<sup>6</sup> project worked on the strategic task of identifying the competences that companies would need in the future in order to face globalisation. The project achieved this by setting up large clusters in three regions, respectively in the UK, Denmark and Sweden. The development of competences was one of the issues on the clusters' agenda. In particular, companies used the fora to express their skills needs, which were subsequently passed on to policy makers for the preparation of skills development plans and tailor-made training. The project experience revealed the openness of companies to regional support in the development of their skills, as well as their overall strategic plans (e.g. automation of production processes). The work of the clusters also allowed more fruitful cooperation with different education institutions, leading to the development of new training modules tailored to company needs.

<sup>6</sup> Full name of the project: *Innovative Regions - Facing the Challenges of Globalisation*

Within the framework of the *I-CAR-O* project in Spain, a “Dynamo Agent of the Automobile Cluster of Navarre” was set up with the purpose of unifying and coordinating the sector. The Agent facilitated synergies, cooperation and projects among automobile enterprises, and promoted cooperation between the sector and other clusters in Spain. It also supported the launch of various strategic projects designed to implement the automobile sector’s “Anticipation Strategy.” Furthermore, the Agent encouraged international cooperation through the European Automotive Strategy Network (EASN)<sup>7</sup>. The role of the Agent was entrusted to the European Centre for Enterprises and Innovation of Navarre (CEIN)<sup>8</sup>.

#### Action:

#### **Develop and regularly review the company’s change management strategy**

##### Success factors:

- Analyse and regularly review the company’s market position and changing environment to underpin the strategy.
- Use intelligence and information from local/regional sources in order to situate the strategy within a wider economic and structural context.
- Make sure that the strategy is manageable on the company scale, with a clear and substantial evidence base and measurable objectives.
- Clearly assign responsibility for implementing and reviewing the strategy to someone within the enterprise.
- Make sure the strategy is clearly communicated and promoted to all employees as part of a bottom-up approach. Some employees could even be involved and/or consulted in developing the strategy from the start.
- Use the examples of change management strategies available or draw on international experience to develop your own strategy.

##### Project example(s):

*INNOVATION FOR RE-ORGANISATION AND NETWORKING OF TELECOM INDUSTRY MEDIUM ENTERPRISES*, or simply the *IRON TIME* project, developed the “Change Management Model for SMEs.” This model provided an affordable and simple alternative to expensive quality management strategies. The model was designed to help telecommunications SMEs to assess their training needs and ensure training was delivered appropriately. It stressed the link that the training provides between the elements of strategic planning (business diversification, job specialisation, flexibility in decision making, listening, planning and cultural innovation) and organisational development (professional relationships, local autonomy, technological innovation, socio-organisational innovation, shared values, programming, coordination, etc.). The Change Management Model became the subject of a study at Turin University.

The *CHANCE* project also promoted forward-looking, long-term and strategic management in companies. The project gave SMEs the necessary know-how to integrate ‘future management’ into their company activities and long-term goals. It developed a model for

<sup>7</sup> *I-CAR-O* contributed to the establishment of the European Automotive Strategy Network (EASN).

<sup>8</sup> Centro Europeo de Empresas e Innovación de Navarra (CEIN).

sustainable economic development of the regions. This model took into account both the economic and social changes surrounding the SMEs in three regions of Germany, Finland and Austria. Using the model, the project provided support and advice to 125 SMEs operating within the project's topic range of renewable energy, eco-technology, tourism, agriculture and materials. In addition, 60 company founders from all the regions benefitted from guidance on future management issues.

The project *Regards Croisés Sur La Gestion Des Restructurations De L'emploi Dans Les Territoires*<sup>9</sup> used multi-stakeholder dialogue to promote sustainable development in rural areas. The employment structures in rural areas are characterised by a very large number of SMicEs that do not have appropriate strategies to adapt to change and remain competitive. These rural companies are particularly vulnerable to restructuring due to pressures from urban-centred knowledge-based economies and trends such as delocalisation. They also lack access to good training facilities and support infrastructures. Therefore, the project sought to include stakeholders, such as trade unions, enterprises, local authorities, training institutions and social partners in the design of new strategies targeted at these SMicEs in order to prepare them for restructuring in a short and a long-term perspective. The actors involved took part in the design and the implementation of the strategies that covered different levels, from human resource management to individual employees. The multi-stakeholder dialogue took the form of inter-regional meetings, various exchanges and conferences. The events allowed the exchange of information and experiences, raising the awareness of grass-roots actors, as well as decision-makers (notably representatives of the local authorities, trade unions, as well as ministries of employment and agriculture).

#### Action:

- Take a socially responsible approach to restructuring both in the company's policy and practice**

#### Success factors:

- Prepare code of conduct or a Corporate Social Responsibility (CSR) plan for the company to constitute and ensure a coherent and socially responsible way to deal with restructuring.
- Draw on knowledge at a national or international level in order to learn from CSR practices already available in the field.
- Actively involve social partners or employee representatives in the process of developing a CSR policy and implementing it at the company level.
- Use guides to CSR, responsible and sustainable change management, when available, to implement change in companies.
- Develop a tool to assess the CSR of the company as a basis for dialogue and support.
- Organise seminars, conferences and other gatherings to raise awareness of CSR.

#### Project example(s):

The *PRO CRISIS* project was one of the Article 6 projects promoting CSR. The project

<sup>9</sup> Different views on the management of restructuring of employment in the territories

worked with large enterprises in the Greek clothing industry, building their awareness of CSR and emphasising the need for CSR plans at the company level. The project used regional information channels to distribute information on CSR and organised seminars for companies on this subject. The representatives of the clothing companies in Greece, with the advice of professional organisations from France and Portugal, developed a CSR Assessment Tool for the sector. As a result, the project provided technical assistance and recommendations to 11 large clothing companies in Greece in the development of their CSR policy on relevant measures to be adopted.

One of the results of the *SOCIAL ECONOMY XXI* project was the development of a proposal for a European Certification of CSR. The project produced case studies of organisations that had undergone restructuring, identified good practice in CSR and efficient methods for revitalising companies, sectors and whole regions while maintaining sustainable employment.

Also the *S.E.C.T.O.R.* (Shared enhancement for cooperation to transform and restructure) project was seeking solutions to the sectoral crisis in the textile, clothing and metallurgic industries. The project started off by raising awareness about the economic challenges for these sectors and offered guidelines to companies on how to anticipate sectoral changes. The key results of the project included operational frameworks for CSR, change management and corporate governance. These were disseminated among companies, social partners, local authorities, training and education agencies, and PESs through a newly established network and a good practice manual.

#### Action:

#### **Build alternative scenarios and organisational models to embrace change**

##### Success factors:

- Ensure that the analysis of the enterprise's context and the identification of economical and technology drivers (also in the future) is sound. It is very difficult to make medium and long-term forecasts. Wrong information will have serious and negative consequence on the reliability of the organisational models.
- Involve experts from the local universities in the identification of the economical and technology drivers relevant at the local level.
- In the case of large companies, work not only at the company level, but also at the level of individual sites. The on-site expertise can be crucial in the identification of local knowledge sources, experts and implementing the changes.
- Involve all the relevant actors from the very beginning. The actors may include management and human resource representatives, trade unions, external partners such as vocational training institutes, engineering or management schools, and representatives of local, regional or national authorities (depending on the scale).
- Ensure the commitment of the top management (at least, business unit managers). This is crucial to obtain buy-in from the workforce and the necessary resources for change.
- If the company does not have in-house resources or capacity for scenario building and analysis, search for external experts as an alternative.

**Project example(s):**

A good example of an Article 6 project focusing on future scenario building is provided by the *MATRI* project. This project focused on developing alternative organisational models for the process of new product development (NPD) in the microelectronics and computer-based-knowledge-intensive business sectors. This methodology was first implemented in two companies leading these sectors in the French Rhône-Alps region.

At the start, the economical and technological drivers for change were identified for these sectors through expert consultation (expert panel consensus-building was undertaken using the Delphi method of systematic and interactive forecasting) and background research (review of literature and the relevant studies). Business process analysis was undertaken in the companies involved to understand different processes, tasks, how these were implemented and by whom. This work examined, for example, the way companies allocated tasks between sites and what would be the skills, tasks and competences required by the company locally following a delocalisation of one of its sites). Tools like SWOT analysis and business process analysis were used for this purpose. The gathered information was enriched through interviews with the industry representatives. Based on this, case studies of companies, their organisation, activities and how these are expected to evolve were developed.

Then, with the help of experts, the project described the most likely scenarios for the development of companies and their business branches over the next three to five years. These scenarios provided an idea of how the sectors and their activities would evolve, as well as identifying the future competences required locally to address these needs. In particular, the project:

- drew up a list of the jobs that were foreseen in the various scenarios;
- established the competence frameworks i.e. the areas of competence, performance levels, and soft and technical skills requirements for the above jobs;
- identified jobs with a high added value and the associated competences required in the next three to five years, taking into consideration the expected changes in the organisational processes;
- identified the most important collective competences i.e. competences and social networks shared among the members of a team, thereby boosting their effectiveness over the next three to five years; and
- evaluated the availability of such individual and collective competences at the regional level.

This analysis was supplemented by the development of 'roadmaps' aimed at training and developing the technical and collective competences of the employees affected by restructuring. These roadmaps were designed by companies, trade unions and regional actors, and led to the development of new training programmes in collaboration with academic partners.

**Action:**

- Set up pilot projects to test new human capital and innovation development strategies**

**Success factors:**

- Adjust the pilot initiatives to the characteristics of participating companies.

- Make sure that the planning and evaluation of pilot actions are based on the regional or national benchmarking of the best practices in the field.
- Seek assistance from well selected external consultants. They can help to engage SMEs and ensure good results.
- Ensure a participative approach so as to ensure the collaboration of the main actors. This is crucial for both the development and implementation of the pilot activity.
- Actively involve the company itself, which is crucial in testing and thereafter disseminating the pilot project results.

Project example(s):

The *I-CAR-O* project designed, tested and evaluated innovative tools and actions aimed to support companies in the automobile industry undergoing restructuring processes. These activities were aimed at preserving the competitiveness of companies and reducing the negative impacts of restructuring processes.

One of the challenges faced by the project was to guarantee the success of the anticipation strategies developed. Many sectoral strategies fail due to the lack of continuity between the planning and the action phases. The *I-CAR-O* project approached this challenge by launching of several pilot initiatives, primarily focusing on the human capital development and innovation. The pilot initiatives focused on the following issues:

- Identification of companies' strength and opportunities for diversification. This action consisted of consultant-guided reflection within a company of its competences and strengths. Based on this consultation, opportunities for diversification were proposed, not only within the sector, but also with regard to new, emerging industry sectors. Ten companies from the automobile sector participated in this pilot action, and each finished this pilot initiative with a specific action plan on how to attain the diversification possibilities identified.
- Sharing and applying innovation developed in one sector to another sector. This pilot initiative was seeking to help companies in the identification of new solutions and/or improvements to products (materials, technology, etc.) based on an innovation in another sector. Two research and development companies in the automobile sector participated in this initiative, consisting of the identification of key innovations, the main actors involved and drawing up applied innovation proposals. In both cases, the companies began to collaborate with the technology centre to introduce in practice some of the proposals.
- Developing innovation capacity and opportunities within a company. Eleven companies in the Navarre region participated in this initiative that consisted of establishing "Innovation & New Opportunities Committee (CINO)" in each of them. CINO was in charge of ensuring that the search for new ideas, which were likely to become opportunities for growth and profit making, were conducted permanently. The project delivered the necessary training and guidance in setting up CINO in each of the participating companies.

Accessing opportunities in foreign markets and setting up production centres abroad. The internationalisation of companies also reinforced the activity of the company in the region, moving towards higher-value processes and creating more highly qualified jobs. The approach of this pilot initiative consisted of an initial diagnosis of a company's capacity for internationalisation, definition of a strategy to be implemented, evaluation of the local capacity and development of business plans.

## Action:

- Examine case studies and good practices available to see how other companies have managed their restructuring process and revitalised their business**

## Success factors:

- Carefully select the subject for the case study – it must not be too old, nor too recent in order to guarantee the availability of information and a certain ‘detached’ perspective of the actors who participated in the restructuring.
- Engage experts in the restructuring, labour market, employment or social dialogue field to develop the case studies, but also ensure that individuals who actually took part in the restructuring process have a chance to contribute their hands-on knowledge and comment on the drafts.
- Make sure that the company undertaking the analysis or the company constituting the example have a ‘healthy’ understanding of restructuring process as something inherently natural to the business environment.
- Set up a situation whereby well structured discussions can take place, ideally face-to-face and mediated by a professional (e.g. representative of the PES, consultant or researcher). This arrangement provides openness for exchange and encourages the people to provide relevant examples. Ultimately, it helps to overcome the stereotype that companies do not like to share their experience of restructuring – meaning that a lot of good restructuring examples go unnoticed.

## Project example(s):

The *SOCIAL ECONOMY XXI* project established a network to train social economy businesses on the management of cooperatives in a changing environment (based on the European model for the management of change in cooperatives.) Based on the experience gathered of organisations that had undergone restructuring, the project identified and formulated good practice examples of how to revive sectors and territories, as well as create sustainable employment. These practical studies were used to create the European Cooperative Centre of Innovation, which prepared strategies, developed and demonstrated tools, and offered advice in the innovative management of restructuring.

The case studies undertaken by the *MIRE* project also offered a detailed review of restructuring processes in enterprises. These case studies were ‘validated’ through multi-stakeholder workshops, including individuals who participated in the particular restructuring cases examined. In this way, the project not only examined how the restructuring process ought to happen (the legal framework and social partners’ agreements), but also how it actually happens on the ground i.e. any deviations from these frameworks. The example of the *MIRE* project is discussed in more detail in the section on Regional authorities below (pg. 64, 67), as territories played a particularly important role in this project.

## 2.2 Article 6 project actions for companies in the stage during restructuring

Action:

- Undertake a shared diagnosis of the restructuring situation with company management, employee representatives and other actors from the territory**

Success factors:

- Establish an ongoing collaboration to create trust and a co-operative environment between company management, employee representatives and authorities of the relevant territory. This helps to develop a common approach to the management of restructuring.
- Work in workshops, seminars or working groups. These types of fora contribute to the exchange of perspectives among all the actors involved in the management of restructuring and may result in a consensus on the current situation and the actions to be taken.
- Set up a formalised structure (at the company, sectoral or territorial level) to help manage change and undertake the diagnosis. Such institutionalised frameworks help a great deal in the facilitation of ongoing restructuring practices (formalising social partner negotiation procedures, forecasting regional development trends, determining workers skills needs, and facilitating cooperation with academic and training institutions where appropriate<sup>10</sup>).

Project example(s):

One of the Article 6 projects demonstrating the principle of partnership working for the effective management of change in companies was the *Creating Value Through Change* or the *SPEKS* project. The project involved a broad range of actors – companies, employee representatives, academic, research and training organisations – in an approach that strived to develop a better blend of improved social dialogue with management practices.

In particular the project implemented the following steps:

- Study and evaluation of the existing best practices in social dialogue and management of restructuring in Greece and worldwide;
- Development and pilot implementation of a permanent informal social dialogue mechanism dealing with legal framework and rules about employment, sectoral and regional development.<sup>11</sup>
- Creation and introduction of an innovative management systems with procedures that concern the reengineering of operations, the redistribution of roles, education and employee awareness.<sup>12</sup>
- Social partners' collaboration with technology and systems developers constituting a "one-stop shop" for businesses, providing a blend of valuable information for management of change.

Development of IT tools for change management in SMEs, including business process re-engineering and business intelligence tools, on-the-job training system and tools to identify

<sup>10</sup> The above action can be seen as a framework for all the actions listed, valid per se.

<sup>11</sup> <http://speks.zenon.gr/>

<sup>12</sup> <http://speks.zenon.gr/Publications/SPEKS%20INE%20publication%20English%20VG%2001.pdf>

employee training needs.

Action:

**Develop a tool to maximise the positive effects of worker flexibility in a company**

Success factors:

- Examine and take into account the legal framework for flexible work in the country, region or sector concerned.
- Review the existing tools available allowing or facilitating work time flexibility.
- Recognise the workers' needs with regard to flexible work hours. Offer recognition and motivation for employees that are working flexible hours.
- Valorise the positive side of flexibility that can improve dedication, motivation, satisfaction, fight routine, and instil a work-life balance and employment security.
- Take into account the negative side of flexible working, such as unpredictability in work planning.
- Create a human resource tool to manage work-time flexibility.
- Negotiate elements of flexibility with employees or employee representatives.
- Use flexible working time schemes to deliver up-skilling, for example by employing a job rotation method.

Project example(s):

The aim of the *RE-FLEX – RÉORGANISATION DES ENTREPRISES: ACTIONS SUR LA FLEXIBILITÉ*<sup>13</sup> project was to understand the effects of the flexible organisation of work time and to capitalise on the positive effects of this flexibility. The project created tools for enterprises, workers and their representatives to predict the effects of flexible working and its benefits for companies. Overall, this allowed for a better management of flexible forms of work organisation.

The project identified staff needs with regard to flexible working and the extent to which these were being met within a particular company. It then went on to design a database that helped to determine the precise staffing requirements for a specific service within a company at a specified time, and compared this information with the staff resources actually available. The approach was tested in Belgium, Portugal and Spain in four sectors: childcare, trade, transport and graphics. Both companies and their workers were involved and consulted. As a result, the project improved the use of flexible work time of over 250 workers. The project also analysed the situation with the recognitions of workers on flexible work time by the various actors in companies. After having collected data, the project developed actions to promote recognition of these workers.

<sup>13</sup> Translation from French: *Reorganisation of enterprises – actions on flexibility*

Action:

**Develop models for the analysis and optimisation of company operations i.e. cost saving**

Success factors:

- Ensure the active participation of the employees, middle and lower managers in the development of tools for improving company restructuring processes.
- Ensure managers and workers understand the relevant production and quality insurance processes.
- Provide training to company management enabling them to take the necessary decisions and implement operational measures ensuring quality, effective coordination of responsibilities, as well as the development and management of qualifications.
- Implement and maintain systems with active employee participation in order to ensure a continuous up-skilling of employees. Improve the representativeness in the communication processes i.e. empower employees with possibility to voice their opinion on their area of expertise.
- Ensure that the choice of the people participating in the management of change from different company departments and positions is approved by company management.

Project example(s):

The *MIPRO* project developed and implemented systems helping SMEs to overcome technological and organisational changes caused by new market requirements. In particular, a process for ensuring middle and lower managers' participation in the restructuring process was designed and introduced to Italian, Czech, British and German SMEs. The guidance and facilitation process developed by the project empowered these managers to, jointly with employees affected by restructuring, continuously optimise the performance of a company. The project offered training to company management enabling them to take the necessary decisions and implement operational measures. The training focused on developing strategies to implement the process improvements and included aspects of:

- process visualisation, improvement and management;
- process-oriented quality assurance;
- improving coordination (a systematic task sharing) among employees;
- qualifications management; and
- improving representation and flexibility.

This training helped the company management to gradually learn how to effectively implement and maintain systems with active employee participation in order to ensure a continuous up-skilling of the human resources. The Analysis and Optimisations Model proposed by the *MIPRO* project was implemented in eight companies. As a result, these firms were able to significantly improve their information and communication activities, as well as their long-term strategic production planning. The participating companies reported an average cost saving of 20% in certain process sectors.<sup>14</sup>

<sup>14</sup> DG Employment, Social Affairs and Equal Opportunities. "Breaking New Ground in Restructuring: Insights from the European Social Fund Article 6 Programme". Background document for the 2008 Restructuring Forum. November 2008. Accessed on 21 October 2009 at: <http://ec.europa.eu/social/BlobServlet?docId=699&langId=en>

Action:

- Maintain continuous collaboration and information exchange with research organisations for ongoing improvements in companies operations, structures and communication**

Success factors:

- Involve regional actors in 'cooperation networks' as their reach and support may help a more strategic development of an industry or a sector in which a company operates.
- Engage regional or local education and training institutions. Their participation in a partnership alongside regional authorities will contribute to the development of the necessary qualifications in the region.
- Encourage the participation of research organisations or experts for better assessment of labour market challenges as well as opportunities now and in the future.

Project example(s):

The *ERKENNEN - ERFASSEN - HANDELN IM INTERNATIONALEN WANDEL*<sup>15</sup> project an EDP-based (Electronic Data Processing) business-check for small companies located in Germany, mainland Portugal and Madeira. Companies were able fill out a questionnaire which was then automatically analysed the answers and provided solutions to enable active intervention to anticipate crises. The project also sought to expand and improve an existing 'cooperation forum' and promote contacts between SMEs and research facilities. To this end, the project created a database with a gathering of sources for SMEs, as well as a website ([www.impacto-online.com](http://www.impacto-online.com)), which acted as a recruitment portal, a trade directory and a facility for companies to search for a suitable German or Portuguese business partners.

Action:

- Set up a comprehensive mentoring system for employees in companies**

Success factors:

- Deliver the mentoring service, with the combined efforts of chambers of commerce, companies, vocational training centres, employee organisations, consulting companies, as well as with the help of international partners with specific expertise in mentoring.
- Prepare a handbook on the mentoring process and introduce it at a company or sectoral level to serve as a practical guide.
- Ensure that the company has clear induction procedures for the mentor and mentee to ensure the objectives of the mentoring relationship are clear to both parties and also to allow for the best matching of social and professional profiles.

<sup>15</sup> Detect - collecting - act in the international change

- Allow time to build a relationship of trust between the mentor and mentee.
- On a broader scale, set up a mentors' database to formalise and share the know-how of mentors, to make their services more accessible and to contribute to centralisation of their training.

Project example(s):

A comprehensive and clear system of mentoring during periods of restructuring and transition may be of great benefit for companies. The *IMPLEMENT* project developed and integrated such a programme for the workers of the Greek ICT and tourism sectors.

According to the project, the system of mentoring within an enterprise should focus on the three following steps:

- Step 1: Building a mentoring relation – the first meeting;
- Step 2: Approaching the goal – the middle sessions; and
- Step 3: Ending of the relationship.

More specifically, the first step establishes a range of issues to be covered during a mentoring relationship: aims of mentoring, responsibilities of each party, privacy and confidentiality, handling problems that may occur during the process etc. The second step focuses on strengthening the mentor-mentee relationship and on delivering results. The third stage focuses on the closure, summing up and evaluation of the overall results of a mentoring relationship.

The mentoring (i.e. guided learning) method was used by the project to help specific groups of workers in companies during the restructuring process. The project piloted around 300 mentoring schemes, each consisting of one to ten mentoring sessions. According to the project, 35% of the persons who received the mentor service improved their employment positions. The educational materials for mentors and mentees are still being used by the companies today.

Action:

- Collaborate between companies in order to share workers**

Success factors:

- Engage external actors, where possible, in order to establish a form of impartiality in the joint venture and to coordinate between the various companies.
- Establish the needs of the companies with regard to the seasonal workforce, part-time workers, required worker profiles, vacancies, etc.
- Promote the benefits of sharing certain types of workers to companies. These benefits can include flexicurity, workforce pooling opportunities, and avoiding the high costs of using temporary workers.
- Bring companies together according to complementary, rather than conflicting needs and requirements.
- If the collaboration is a new venture, consider the assistance of a competent public or professional organisation to address the legal issues, human resource implications

and other technical details.

- Allow for open-mindedness and pre-existing culture of innovation. These qualities are needed as worker sharing is not common place. For example, if companies in a certain (social) sector see the restructuring as a continuous process, this may allow them to collaborate or compete, while still sharing certain workers.

Project example(s):

The main strength of the worker-sharing approach is its benefits, not only in terms of preserving, but also creating employment. Worker sharing improves the efficiency of current workers, offers people full-time jobs (divided into fractions in different companies) and is also shown to create new jobs for hiring and managing these human resources.

The *FLEXICURITY* project helped SMEs with setting up an ‘employers’ group’ (GE<sup>16</sup>) in order to pool together workers on full-time permanent contracts threatened by redundancy. It also served as an agency hiring people to distribute them to companies in need of their skills. The GE was created by the companies themselves, while the project representatives offered legal advice, assistance in the development of internal rules and recruitment. SMEs from various sectors in the Liège region collaborated in the GIE with the aim to share workers carrying out qualified support roles (e.g. computer technician, quality manager, packaging and logistics specialist, internal communication manager, etc.) The people recruited by the GIE were able to work a couple of months within a company and then in another one, or could be allocated to several companies at once in the week days.

In order to introduce the GE, the project surveyed the regional SMEs concerning their needs with regard to flexibility and security, the frequency of using interim workforce, etc. The relevant companies were then informed about innovative practices on flexicurity proposed by the project. The interested companies were then grouped together on the basis of complementarities, and started the exchange of employees, according to their needs.

The GE responded to two types of SME needs:

1. The need for part-time workers (sharing secretaries, graphic designers, accountants, etc.); and
2. The need for occasional or recurring operational labour (sharing of production workers, sharing seasonal workers, etc.).

At the time that the group was created, it included five partner SMEs and one employee. Today the work of the group is facilitated by three employees and it unites 11 regional SMEs.

Action:

- Audit skills in companies to assess the available skills and develop or acquire those missing**

Success factors:

- Develop, introduce and use tools for skills auditing to make the process more formal

<sup>16</sup> The “Groupement d’employeurs” (GE), or Employers Group, is a company founded by other companies to share the work time of employees placed at their disposal. In Belgium, the legal form of this business is the “grouping of economic interest” (GIE) and the employees of the GIE are working full time and on permanent contracts.

and continuous.

- Relate the results of the skills audit to enterprise human resources management, training and hiring policies.
- Cooperate with PESs by sharing the skills audit approach, its results and the issuing human resources needs.
- Adopt a proactive approach to the development of human resources and skills in enterprises i.e. skills audits should help not only in asserting the current, but also the future human capital needs.

Project example(s):

The *PRO PERSONAL* project developed, tested and introduced an innovative skills audit tool for enterprises and public administrations that could be used in the process of restructuring. Firstly, the project undertook a critical review of the existing personal development methods and a study of the skills and development needs in cooperation with companies. Based on the results of this work, it created catalogues of measures for skills development and tested a tool for skills audit. Training was then organised for the multiplier audiences (i.e. human resource managers) in order to promote and institutionalise the tool. It targeted human resources managers at companies and PESs, among others, to develop a common language when talking about competences requirements for employees in the future. The skills audit tool helped companies and public administrations to anticipate and tackle the shortages of personnel and skills in the future.

Action:

- Develop a dialogue between company and employee representatives on the improved management of outsourcing, including the development of a tool to guide this process**

Success factors:

- Adopt a proactive and open attitude and approach to the management of outsourcing, instead of viewing outsourcing as a secretive and closed process. View outsourcing, and more broadly globalisation, as associated with an opportunity, rather than a burden.
- Use the information and communication technologies available and virtual communities to manage and share information on outsourcing.
- As outsourcing may be an international practice, there is a necessity for a combination of national and transnational information sharing.
- Use experience, lessons and good practices drawn from real-life cases to inform the company and employee communication and cooperation in the future.
- Involve all stakeholders in the (proactive) management of outsourcing. Drawing evidence from the stakeholders' experience may help in the development of company policy and practice.
- Translate observations, analysis and experience developed in the form of support measures, such as recommendations, handbooks, workshops, tools, etc. for the better

and timelier management of outsourcing.

Project example(s):

The *MOOS – Making Offshore Outsourcing Sustainable* project developed a proactive approach to management of offshore outsourcing. It focused on business services and IT-sector jobs moving from Europe to developing economies in Asia, South America and Africa. This project built a better informed and more effective partnership between companies and employee representatives, to enable them to assess and influence the offshore outsourcing practices. The project built a ‘virtual community’ consisting of the above-mentioned partners and academic actors, which in turn developed new procedural and methodological rules for offshore outsourcing projects. This project is presented in more detail in the sections on Social Partners (pg. 44) and Employee Representatives (pg. 49-50) below.

Action:

**Develop crisis intervention tools, including telephone-based support**

Success factors:

- Ensure that the tools (strategies, information, advice and guidance) provide a *real* benefit and added value for the user companies. Therefore, these must be tailored according to the needs of these companies and based on real experience and good practice examples.
- Ensure that the constraints of small companies are taken into account; they may have limited resources, especially during the busy and stressful time of crisis.
- Ensure that the tools are easy to use and accessible. This access can be best assured by making the assistance tools available online.
- Internal knowledge of the company is crucial in developing interventions as each restructuring case and company is different.
- Consider the use of face-to-face expert advice and direct assistance, as well as help over telephone. Each intervention must be chosen accordingly.

Project example(s):

The *CRISIS INTERVENTION TOOLS AND MANAGEMENT OF CHANGE IN MICRO-ENTERPRISES* project evaluated and refined instruments for crisis prevention in micro-enterprises. It developed a website, an online database, case studies with good practice examples and strategies aimed at mitigating a ‘crisis’ in these enterprises. These tools, combined with telephone-based support measures, information leaflets, and personal consultant services, were used to support small businesses and self-employed people in France, the Netherlands and Spain. The micro-enterprises that benefited from the crisis intervention tools developed by the project evaluated these as highly efficient, providing timely support through effective communication.

### 2.3 Article 6 project actions for companies in the stage after restructuring

Action:

- Share responsibility and get involved in actions facilitating worker job transitions or asserting the situation of the remaining workers (i.e. implement measures to anticipate restructuring, human resources needs and skills in the future)**

Success factors:

- Allocate time as early as possible for informing and consulting employees on the restructuring aims and underlying business rationale.
- Adopt an open approach to dialogue with employee representatives and territorial actors. Engage these actors as early as possible in providing assistance schemes for workers.
- Offer a sense of direction and empowerment through training to people undergoing a period of professional uncertainty.
- Respond to the emotional distress associated with redundancy and job search. This can be achieved by planning restructuring of a company and worker (re)skilling in advance.
- If possible, provide workers with a sense of unity, support and guidance during the period of transition between jobs within the company or towards new employment.
- Ensure (by structures or processes) that the experience gained through the analysis of different restructuring cases is validated and applied in practice i.e. in development of better services for people made or about to be made redundant.

Project example(s):

The Article 6 projects have encouraged companies in a number of ways to take their share of responsibility for workers that are about to be made redundant, those already laid off and those remaining in the company after restructuring. Companies can be inspired by and/or can get involved in tools like the 'reconversion unit' (described in pg. 36, 51 and 66) developed by the *REGIONAL KEY COMPETENCES (RKC)* project that assisted workers in the transition from one job to another. They can also use measures, such as workforce pooling (pg. 32) developed by the *FLEXICURITY* project to share their redundant workers. They can employ tools like Adaptex (pg. 49) made available by the *DIALOGUE* project to check employee attitudes before, during and after restructuring in order to fine-tune, position and develop communication and restructuring processes. Finally, they can contribute good practice (and perhaps bad practice) examples in management of restructuring and learn from restructuring case studies, such as those undertaken by the *MIRE* project.

Action:

**Use support structures and models for ensuring effective business succession i.e. transfer of a business to a new owner**

Success factors:

- Involve all the relevant local or regional stakeholders, including the benefiting companies, in the management of the succession as it is a large and important issue for the local economy and quality of life.
- Learn from international good practice in business transfer, as the challenges faced by the European companies in this area are very similar.
- Support the transfer process with easy to use tools and/or manuals that can be tailor-made for SMEs, as these are the most vulnerable to the lack of succession planning.
- Involve and unite other companies in networks to share the experience and know-how on succession issues, where possible.

Project example(s):

The *REINO* project created a lasting support structure for effectively carrying out the business transfer of micro companies. This support was based on a five-stage approach, with each stage supported by a range of new tools and methods. The five stages were as follows:

- Baseline Analysis;
- Anticipation System;
- Ideal Scenario (Process Flowchart);
- Tool Box; and
- Business Renewal Centres focusing on different aspects and activities of business transfer.

The implementation of each stage was based upon the experiences and results of the previous stages and involved all the relevant regional stakeholders and beneficiaries. As a result of the project, a compilation of manuals and handbooks related to the different stages of the business transfer process was assembled. These resources proved particularly valuable for business transfer experts and led to significant improvements in safeguarding profitable companies, jobs, services and know-how through the transfer process.

## 2.4 Temporary measures to mitigate the current economic crisis in companies

The Article 6 projects proposed a range of ideas and measures that could help companies during the current crisis. However, please note that they can be seen as very strategic in nature and therefore could be applied in a 'in business as usual' situation, as well as in a one-off crisis.

### Anticipation

The *MATRI* project identified anticipation as an underlying approach, also in times of recession. According to the project representative, it is very important to promote a culture of anticipation in companies and local/regional administrations. This process should focus on four core elements:

- 1- identification of sectors at risk and forecasting of changes to come, as well as their likely impacts on organisation;
- 2- coordination of actors involved to mitigate the negative effects expected, as well as to capitalise on the positive ones;
- 3- dissemination of good practices to the relevant actors or employees involved; and
- 4- development of a strategy of economic development at the company or regional level (focusing on those activities, which will be economically sustainable).

#### Importance of CSR

The *PRO CRISIS* project underlined the importance of CSR during economic recessions. An established and applied CSR policy can help a company in the management of its restructuring, putting an emphasis on the needs of its workers, regional partnerships and innovative measures for preserving employment (see pg. 17-18). Such an approach can help a company to turn crises into opportunities - using restructuring to establish more productive and efficient ways of operation in the future, train its workforce, improve networks and promote its image as a 'responsible' market actor. However, the project experience shows that while CSR ought to be one of the companies' top priorities during a recession, it is often neglected in the rush of the turmoil created by an economic downturn.

#### Pooling of workforce

According to the *FLEXICURITY* project, workforce pooling is an innovative measure that has a high potential for the development and better management of employment during crisis. The approach involves the creation of employers' groups or flex pools, companies that hire workers on permanent and full-time basis, but share them part-time among the companies participating in the scheme. This approach allows a company to improve its operations while providing stable employment to the pooled workers.<sup>17</sup>

The approach of workforce pooling is particularly well suited to companies with the need for two types of workers – part time (e.g. sharing secretaries, graphic designers, accountants, etc.) or occasional/seasonal workers (e.g. sharing of production workers, seasonal industries, etc.). The approach of workforce pooling preserves jobs because workers are shared and linked to several enterprises. The approach may also create jobs by developing enterprises that do the hiring and management of workers among the employer's group.

The pooling of the workforce constitutes a micro-economic solution that could be used in addition or combination with macro-economic measures promoted by a region or a country. This approach relies on effective partnership working between enterprises, and as such, is heavily dependent on their commitment. Other actors such as local authorities, chambers of commerce, research centres, consultants, etc. may be involved in the partnership work as coordinators as well as institutions providing structural, legal and regional support for the network undertaking.

#### Cost saving, research and development, and diversification

Based on the experience of the *I-CAR-O* project, plans to boost the competitiveness of manufacturing industries is one of the measures that could be proposed in order to revitalise and redirect the efforts of these industries in the current economic crisis. These plans should be developed by the industry representatives in collaboration with the relevant regional or national authorities, as well as competent consultants. They could include amongst others:

- Cost saving measures, reducing the costs of the sector by sharing storage space, joint electricity purchases, communication services, etc.

---

<sup>17</sup> <http://www.crgew.be/home.php?Nlg=fr>

- Research, development and innovation plans for the sector.
- Diversification plan, including the identification of intangibles and opportunities for diversification.

#### Flexible working

The *RE-FLEX* project examined work-time flexibility in companies in four sectors: childcare, trade, logistics and graphical arts. It developed two innovative human resource management tools – one to rationally organise flexible working hours and the other to offer recognition and motivation to flexible workers. Both factors are even more relevant during the restructuring process in a company as work-time flexibility can provide a temporary solution for reducing redundancies and therefore is beneficial to employees and enterprises alike.

## 3 RESTRUCTURING TOOLKIT FOR EMPLOYEES

### 3.1 Article 6 project actions for employees in the stage before restructuring

Action:

- Make active use of training opportunities within companies and other arrangements aimed at increasing employees' employability (e.g. career guidance, work-time flexibility, mentoring, etc.)**

Success factors:

- Involve companies in the delivery of job-related training to workers. Due to their proximity to workers, market intelligence and understanding of skills needs, companies are the best placed to lead the provision.
- Offer on-the-job training. This is one of the most effective forms of training as it is delivered on the spot and allows the immediate application of the learning to the workplace.
- Promote the benefits of lifelong learning in terms of increased employment opportunities, job satisfaction and potentially remuneration. Workers need to be open to training and the idea of lifelong learning in general. The need for continuous learning and training may become evident for a person only when it is too late and he or she is already threatened by redundancy or unemployed.
- Make training an anticipatory practice, rather than a reaction to an immediate restructuring situation. Anticipation is essential to training and preserving the adaptability of workers. Training and learning should be seen as a continuous effort to re-adjust a worker to labour market needs.
- Allocate time and resources for the development of the workforce. Naturally, for a worker to be able to take part in training, such a possibility has to be made available by the company.

Project example(s):

The *DELIVER*<sup>18</sup> project improved the cooperation between enterprises and training providers in order to provide workers with the skills and competences required by the local

<sup>18</sup> Full name of the project: *DEvelopment of Labour markets: Innovation, Vocational training, Employability and Renewal or the Deliver*

entrepreneurs. One example of such a case was in Östergötland (Sweden) where an apprenticeship programme was re-introduced for the local manufacturing workers.

The *IMPLEMENT* project could be mentioned as another example of improving workers' adaptability. This project introduced mentoring schemes for the workers of the Greek ICT and tourism sectors. Participation in such initiatives may help workers not only with undertaking their daily tasks, but also with their confidence, which can in turn boost the creativity and competitiveness of the company.

#### Action:

- Use the local, sectoral, regional or national offer to develop skills and competences, especially generic skills which allow for diversification and a move towards better jobs**

#### Success factors:

- Ensure that regional training offer is firmly established, known by potential beneficiaries and includes courses for the development of generic and soft skills (e.g. communication skills, language skills, IT skills, entrepreneurship, etc.). The offer must also be oriented to the differentiation of economic activities within the region, thereby enabling a move towards more competitive and better quality jobs, with higher value added.
- Draw on the experience of other counties in the design of training for workers in particular regions or sectors. This can help the organisation to deliver the training, underpinned by advice and examples of what works and what does not, saving time and effort otherwise spent on reinventing the wheel.

#### Project example(s):

The *SEREA (SEaside REorientation Activities)* project developed a training plan for entrepreneurs and workers in the fisheries sector in Galicia, Spain. The project mapped the training needs in the fields of inshore fisheries and shellfish gathering. It then diagnosed the training needs to diversify economic activities in these sectors. Undergoing such or similar training provided in the region helped workers to develop new, generic skills (e.g. computer literacy) and to find better and higher quality jobs in the future. These skills also allowed the diversification of their work activities, ensuring easier transitions between workplaces. As part of the project initiative, *SEREA* also developed a multimedia training tool to be used for the first stages of digital training.

The *Cooperative Management of the Structural Changes in Peripheral Regions*<sup>19</sup> project (or the *AREE* project) also worked on the development of human potential and skills with the use of Internet, online profiling and online learning. This project in particular developed tools to be used in peripheral and sparsely populated regions. These tools made training available anywhere and at any time. In terms of the human resources necessary for the delivery of such training, the tools were designed in such a way that they required minimal inputs from the delivering organisation, thereby optimising its performance. The experience of this project, implemented in Germany, showed that such tools are already available in a number of countries (Sweden and Denmark) and their experience can be transferred to other contexts.

<sup>19</sup> Original project name in German: *Kooperatives Management für den Strukturwandel Peripherer Regionen*

### 3.2 Article 6 project actions for employees in the stage during restructuring

Action:

- Make use of mentoring services as a way to update skills and gain guidance and support**

Success factors:

- Train the mentors as early as possible in order to allow time for a mentoring relationship to develop.
- Identify in advance the training needs of mentees and design an appropriate procedure. This procedure could include the following aspects:
  - a) clarification of the mentees' career goals;
  - b) means for achieving goals;
  - c) information, skills and networking needs; and
 drawing and following a realistic individual plan with career alternatives.
- Develop a procedure for the identification of mentor training needs. In the case of mentors, the procedure could focus on discussing:
  - a) mentor's role and duties;
  - b) personal commitment;
  - c) mentors' and mentees' expectations in a mentoring relationship; and
  - d) roles and limits of the mentoring relationship.
- Explore the mentors and mentees' expectations during the induction procedures described above.
- Identify the social and professional profiles of mentors and mentees before running the training.
- Ensure that the mentor training is delivered by competent vocational training centres in the country.

Project example(s):

The *IMPLEMENT* project put in place a mentoring system to improve and update the knowledge and skills in the ICT and tourism sectors in the Attica region of Greece. The project targeted low and medium-skilled women working in these sectors. As part of this mentoring system, both the women and their mentors benefitted from the training.

To start with, the project developed educational curricula for mentor and mentee training. These two groups benefited from 16-18 hours of short training seminars that addressed specific issues relevant for them, such as the establishment of a strong mentoring relationship, the identification of challenges and difficulties faced by mentees, overcoming barriers during the mentoring process, evaluation of mentoring results, building mentees' self-confidence and career management skills.

Further, the project developed educational materials for mentors and mentees. The training material for women receiving mentor assistance included the description of the aims of mentoring, skills to be developed through mentoring and the role that mentoring can play in their professional development. The educational materials for mentors covered subjects

such as the primary aims and processes of mentoring, the necessary characteristics of good mentors, communication and cooperation techniques, as well as self evaluation tools.

The mentor training included both theory and practice. The practical component encompassed simulation of the mentoring functions. The training was carried out by the vocational training centres that participated in the project. Three hundred selected mentees and 100 mentors benefitted from the training programme.

### 3.3 Article 6 project actions for employees in the stage after restructuring

Action:

- Make use of national or regional assistance to improve mobility and facilitate job transitions (e.g. subsidies for relocation, job search across regions, reconversion units, etc.)<sup>20</sup>**

Success factors:

- Engage in initiatives offering a sense of unity with other workers, support and guidance during the period of transition between jobs.
- Use, if available, counselling and support to cope with the emotional distress associated with redundancy and job search.
- Undergo training during the period of professional uncertainty, putting an emphasis on the development of professional and generic soft skills (in order to boost self confidence and develop employability).
- Participate in advice and guidance sessions on future career options and skills development with social councillors, if available.
- Seek advice on entrepreneurship opportunities and financing, as well as the assistance available for new business start ups.

Project example(s):

The tools that have been developed and introduced with the help of Article 6 to encourage and cushion worker mobility are described in the section for Regional Authorities later in this document (pg. 53). However, the workers in a particular region need to use the possibilities offered by the regional actors (or social partners) in facilitating their job transitions.

For example, the *RKC* project set up a 'reconversion unit' to assist the former workers of the company, Eurofoil, to find new jobs, update and create new competences, as well as to minimise the shock of the restructuring via social and solidarity measures. One year after the Unit was set up, 53 out of the 69 laid-off workers had found new jobs.

The *DELIVER* project on the other hand involved regional actors, including enterprises, in new forms of collaboration. The project created Business Sector Councils uniting employers, trade unions, employment offices, municipalities and regional development councils. This collaboration focused on the analysis of the market situation in terms of labour supply and demand, as well as the adjustments necessary to more rapidly adapt to

<sup>20</sup> Based on the experience of Article 6 projects, this action is mostly limited to the workers made redundant from large companies. Layoffs in SMEs tend to receive less attention due to their small scale and limited public resonance.

structural changes in the future. One such adjustment was the coordination of manufacturers and training providers in developing training modules for improving students' employability after finishing their training programme, as well as on the development of an apprenticeship programme.

Action:

**Make use of national or regional assistance to improve mobility and facilitate job transitions (e.g. subsidies for relocation, job search across regions, reconversion units, etc.)<sup>21</sup>**

Success factors:

Ensure that there is strong worker participation and employer interest in the establishment of such schemes. This can be achieved by information activities, involvement of professional organisations and state services the ensuring credibility and seriousness of the practice, as well as by success stories from other countries. Empowerment through the involvement of the target groups (farmers, employees and entrepreneurs in the involved sectors) is also strong motivational factor.

Assess the skills of the workers participating in the schemes so as to guarantee appropriate placements and the clear identification of education and training requirements. This could focus on, but is not limited to, practical skills for rural workers and soft skills for workers in urban settings

Identify the skills available and the skills shortages in the areas or sectors where the job rotation practice is to be introduced. These findings should inform the design of subsequent training.

Establish a database, allowing the identification of employers skills needs, guiding the training provision and enabling the partners participating in the job rotation scheme to match real people to employers' needs, as well as providing up-skilling and training as necessary

Job rotation will only be successful if it is based on real client (worker and company) needs. Therefore, direct involvement, consultation and participation of these groups are central to the success of the practice.

Ensure that there is an effective information exchange between the partners involved in the job rotation scheme; otherwise the approach cannot be effective.

Project example(s):

One of the *HARNESSING RURAL CAPITAL* project actions experimented with the introduction of job rotation for rural workers. This concept refers to a model for continuing education and training where the unemployed are systematically trained and educated to substitute for employed workers while they go into further training and education.

It was felt that the concept was particularly suitable in the context of restructuring in the agricultural sector as there are many people in the area who have been the victims of

<sup>21</sup> Based on the experience of Article 6 projects, this action is mostly limited to the workers made redundant from large companies. Layoffs in SMEs tend to receive less attention due to their small scale and limited public resonance.

closure and restructuring in the agriculture and agri-food sector and who have high levels of technical skills which are not easily transferred to other industries. This, alongside rationalisation of the Dairy Co-operative sector, has created a ready need for retraining and up- skilling.

The research from this pilot facilitated the development of the infrastructure and the partnerships which will facilitate the implementation of rural job rotation in the future together with identifying the following lessons:

- **Organisational Strategy & Restructuring:** The ideal commercial partner to engage in job rotation is a company, which has high staff turnover, good opportunities for progression across the organisation and a growth strategy where there is scope for movement across the organisation. The initial host company, due to restructuring, was deemed unsuitable to implement rural job rotation.
- **Partnership & Effective Communication:** All key stakeholders need to be involved in the action to ensure effective results, to achieve credibility and trust around the concept of Rural Job Rotation and to achieve win-win situations for all stakeholders. Each partner must see a clear benefit from participation in order to secure full engagement. Changes in key project personnel at critical times during the project will also impact on delivery.
- **Shared vision:** Rural job rotation requires joint development of a working model based on the real practicalities.

### 3.4 **Temporary measures to mitigate the current economic crisis in relation to employees**

The Article 6 projects focused less explicitly on employees as a target group. However, some actions developed and implemented by these projects in the company or regional setting may directly benefit employees. Representatives of the Article 6 projects also proposed a couple of measures that could benefit employees during the current recession.

#### Job rotation for employees

One of the practices proposed by the *HARNESSING RURAL CAPITAL* project revolved around employee participation in the practice of job rotation schemes. This approach encompasses the systematic training and education of the unemployed to substitute employed workers while they go into further training and education. Restructuring leaves many people with skills that are specific to their industry, which prevents them from applying skills for immediate employment in other industries. This mismatch can be addressed through job rotation schemes both in rural and urban areas.

#### Reconversion units

Another approach that could be very useful during the current recession is the 'reconversion unit' reengineered by the *RKC* project. The role of the unit was to assist the former workers of a company in finding a job, updating and creating new competences, as well as minimising the shock of the restructuring via social and solidarity measures (e.g. former workers meeting and maintaining contact with their peers and representatives of trade unions). Aside from the practical aspects of such initiatives in terms of helping people to return to the job market, the units also offered emotional and social support to workers who had been made redundant and were dealing with the stress and anxiety of their situation.

## 4 RESTRUCTURING TOOLKIT FOR SOCIAL PARTNERS

### 4.1 Article 6 project actions for social partners in the stage before restructuring

Action:

**Identify and forecast skills needs and shortages in a region and/or a sector**

Success factors:

- Ensure that the skills needs are examined and mapped at various relevant levels, principally at the company, sectoral or industry level.
- Undertake research to identify the skills profiles of relevance for a sector i.e. sending questionnaires to enterprises to gather information on skills necessary for future business development, mapping job roles within the sector, etc. Employer organisations may play a central role in researching company skills and personnel needs. As they are recognised, well established and trusted by companies, they can provide an access to companies and ensure their participation in research.
- Identify current skills gaps in the enterprises – situations when employer has a vacancy that is hard to fill because the applicants lack the necessary skills, qualification or experience.
- Engage researchers, training centres, and universities in forecasting sectoral development trends, skills needs and shortages.

Project example(s):

The *CHANGE-UP: Change Management in the Upholstered Furniture Industry* project worked on the identification of skills needs and their evolution in the upholstered furniture industry. The project involved trade unions, employer associations, and directly consulted businesses in the sector via a questionnaire. The outcome of this collaboration was the identification of the key skills and training gaps in the upholstered furniture industry, followed by the development and testing of the training curricula. The results of the project helped the sector to cope with the difficult pressures of globalisation and were mainstreamed through the participation of the social partners of the European upholstered furniture industry.

Action:

**Develop training programmes in line with the identified skills needs and shortages**

Success factors:

- Train employees in soft skills, such as communication, management, customer care as well as on new regulatory requirements, such as health and safety and environment, where appropriate.
- Create a system for the evaluation of skills needs and shortages. Revise the training programmes according to the results of this evaluation to ensure continuous professional development in a particular company, sector or industry.

- Involve employers in assessing and delivering the training, as well as preparing the training curricula so that their needs are fully reflected. This training should ideally cover companies working in supply chains, as well as large companies.
- Collaborate with training providers, educational institutions, universities and local public authorities to allow current and future employees to undertake professional qualifications and re-qualifications, re-skill accordingly to new technological requirements, and pursue periods of on-the-job training.
- Engage researchers, training centres, and universities in the delivery of the necessary skills training.
- Create e-learning tools in order to make the training more flexible and accessible.
- Implement a system for the continued professional education (i.e. lifelong learning), preparing people for new professional profiles with a certain sector or industry.

Project example(s):

The *PRO-CRISIS*<sup>22</sup> project dealt with the restructuring of the textile industry in Greece. One of the actions of the project promoted continuous development of training in this industry. The action included the design, implementation and evaluation of five pilot training programs, as well as the production of the relevant training materials for upgrading the skills of actual and future employees in the textile sector. Training courses were prepared in cooperation with business associations and training agencies. The main topics of the training provided were:

- New skills in the textile industry;
- New management skills of SMEs in clothing sector;
- Quality control in the textile industry;
- New technology in the textile industry; and

Product design and development.

Action:

- Collaborate in initiatives to identify scenarios and forecast socio-economic development trends across the region and/or sector - ideally involving the establishment of an observatory**

Success factors:

- Link the observatory to other regional initiatives for socio-economic development and ensure that synergies are created amongst all stakeholders.
- Cooperate with local policy-makers, universities, research centres and experts in order to make best use of forecasting models. Involve these actors in ascertaining the present and future developments in the areas crucial for a particular sector or industry.
- Link relevant social partner organisations into networks, thereby uniting related

<sup>22</sup> Full title of the project: *Economical crisis manipulations and reformation of clothing industry and development of crisis prevention model in local business structures*

sectors for the better anticipation of needs and developments.

- Use the observatory to create quantitative and qualitative information basis to inform the activities of social partners. Ensure that the observatory is based on meeting *real* social partner needs, creating useful labour market intelligence.
- Use EU funding and experience in other countries to develop a transnational approach to observing trends in a particular sector or region, and then transfer this to the local level.
- Benchmark the trends with other regions, sectors or countries in order to determine relative social partner strengths and weaknesses.
- Put the observatory on-line to enable a wider access and dissemination of information to the relevant stakeholders.

Project example(s):

One of the actions implemented by the *RKC* project consisted in monitoring and forecasting regional trends for industrial development. The social partners worked in close cooperation with companies, local governments and experts in models for forecasting regional industry development. Extensive consultations took place with regional stakeholders, including business associations and enterprises, as well as other regions and countries. Initial findings were validated through workshops and a further consultation exercise. At the end of the process, recommendations were made on how to prioritise activities and resources for managing changes. In addition, a user-friendly tool, in the form of a questionnaire, was developed to benchmark the business and regional capacity to deal with economic changes.

Action:

- Develop fora for social dialogue to foster intra-regional cooperation for the strategic development of a sector**

Success factors:

- Ensure that different stakeholders are involved in the fora with the view to creating synergies and encouraging mutual learning.
- Secure dedicated time and resources to manage fora – from amongst one or several members.
- Ensure the fora have clear goals and objectives, along with defined roles and responsibilities – without these elements, fora can become disorganised, lack focus and ultimately lose the commitment of members.
- Identify key elements for the relevant sector or industry to stay competitive (i.e. quality, product differentiation, marketing, R&D, lifelong training, demographic change, restructuring, new markets needs, etc.). Organise fora around these themes.
- Develop links with other networks of national or European social partners so as to increase mutual learning and exchange.

Project example(s):

One of the actions of the project *I-CAR-O* was to test and develop new models of social dialogue in order to foster inter-regional working relations and cooperation. This was achieved by setting up similar fora in various regions of Spain and Italy. More specifically, in Navarra the forum, called “Mesa para el Sector Automoción (Working Table for the Automotive Sector)”, brought together the social partners with the regional government, regional stakeholders, and employer and employee associations. In the forum, the different actors presented the situation of the automotive sector, discussed trends and measures for improvement. The fora discussions, among others, improved the coordination between the companies in the Automotive Cluster of Navarra and local governments. The fora also contributed to improved cooperation between the Automotive Cluster, other national clusters and European automotive clusters.

#### 4.2 Article 6 project actions for social partners in the stage during restructuring

Action:

- Undertake a shared diagnosis of the restructuring situation with company management and other actors from the territory**

Success factors:

- Establish an ongoing collaboration to create trust and a co-operative environment between company management and social partners. This helps to develop a common approach to the management of restructuring.
- Work in workshops, seminars or working groups. These types of fora contribute to the exchange of perspectives among all the actors involved in the management of restructuring and help to establish a consensus on the current situation and the actions to be taken.
- Set up a formalised structure (at the sectoral, industry or territorial level) to help manage change and undertake diagnosis activities for a sector or industry. Such institutionalised frameworks help a great deal in the facilitation of ongoing restructuring practices (formalising social partner negotiation procedures, forecasting regional development trends, determining workers skills needs, and facilitating cooperation with academic and training institutions, where appropriate<sup>23</sup>).

Project example(s):

One example of Article 6 projects that involved social partners, alongside other actors, in a common diagnosis of the actions necessary to manage restructuring was the *AGIRE-ANTICIPER POUR UNE GESTION INNOVANTE DES RESTRUCTURATIONS EN EUROPE*<sup>24</sup> project. As this project predominantly worked by involving works councils<sup>25</sup> and for strengthening the role of these councils (also on the European level), this project example is described in more detail in the section on Employee Representatives (pg. 47, 48).

<sup>23</sup> The above action can be seen as a framework for all the actions listed, valid per se.

<sup>24</sup> Anticipate for innovative management of restructuring in Europe

<sup>25</sup> A works council is an organisation representing workers, which functions on the local, firm-level and participates in labour negotiations.

Action:

**Assist companies in preparing a change management strategy**

Success factors:

- Identify good practices in managing restructuring, drawing on regional, national and international sources of information. These good practices can be housed in a database.
- Prepare a self-assessment tool for companies to assess their strengths and weaknesses in dealing with socio-economic changes.
- Provide training in the use of the self-assessment tool. This training can be provided online.
- Make expert advice available to the companies during the self-assessment process.
- Formulate recommendations on how to anticipate change in specific business activities, such as product development and innovation, supply chain management, industrial co-operation, management of change, market-oriented behaviour, human resources management.
- Make available guidance manuals and other support tools that can help enterprises to implement a restructuring management strategy, once drafted.

Project example(s):

The *FIRST – FURNITURE INDUSTRY IN RESTRUCTURING: SOLUTIONS & TOOLS* project was set up by the furniture industry's EU social partners to support SMEs in the process of restructuring. The aim of the project was to devise and propose a strategy for furniture manufacturers, which could be implemented through various tools, in order to enable them to easily reorganise their business activities in the face of restructuring without massive financial and social losses.

The project started by the identification of good practice examples among SMEs with successful restructuring strategies. It then set up a database with their details and other case studies. A set of tools was then developed and made available online, with associated e-training, to help SMEs in the identification of their strengths and weaknesses. The companies could assess themselves against different criteria relating to what the company could do in-house and what they could sub-contract in order to reduce their costs. The SMEs could then define a strategy based on empirical data with the assistance of advisors. Aside from the self assessment tool and advisor help, the companies were also offered guides and recommendations tailored to their specific situation.

Action:

**Increase awareness and understanding of sustainable outsourcing as a key aspect of restructuring**

Success factors:

- Adopt a positive rather than secretive view of outsourcing. View outsourcing, and more broadly globalisation, as associated with an opportunity, rather than a burden.

- Use the information and communication technologies available and virtual communities to obtain and share information on outsourcing.
- Combine national and transnational information sharing.
- Use the experience, lessons and good practices drawn from real life cases to build knowledge and advice capacity on outsourcing. Identify and collate together good practices in sustainable outsourcing.
- Draw information on outsourcing from the (involved) stakeholders' experience. This may help in the development on more fruitful social partners' interventions.
- Translate the observations, analysis and experience developed in the form of support measures, such as recommendations, handbooks, workshops, tools, etc. for better and timelier assistance in outsourcing cases.
- Develop a code of conduct for sustainable outsourcing and a guide to assist social partners with its implementation. The code should set out the principles that should be applied when planning and implementing outsourcing projects and should cover issues such as early involvement of employees, open communication, respect for minimum labour standards and application of professional standards with respect to personal integrity, corruption, environmental protection, etc.
- Prepare a plan to manage and mitigate the impact of outsourcing on employees. For example, the plan could include measures for re-skilling employees whose jobs are jeopardised by outsourcing and other assistance in finding new employment.
- Create an interactive website to track and record the outsourcing activities and to monitor trends on the relevant level, sector or industry.
- Take part in training on ways to manage outsourcing. Disseminate information on outsourcing issues and challenges through regular newsletters, seminars and workshops.

Project example(s):

The overall objective of the *MOOS- Making offshore outsourcing sustainable* project was to mitigate the negative social effects of restructuring by increasing the understanding of offshore outsourcing. The project also developed via a trade-union strategy for making offshoring processes economically and socially sustainable, and provided support and tools for employee representatives to handle offshoring processes at different levels. For example, one of the outcomes of the *MOOS* project was the publication of a handbook on offshore outsourcing. The handbook explained the complexity of offshore outsourcing in the information technology and business process sectors. It also described the different stages of an offshore outsourcing process and highlighted the risks and reasons for possible failures in the management of outsourcing. In addition, the handbook provided information about how to mitigate the potential negative impact of offshore outsourcing projects. The handbook was based on existing good practice developed by trade unions. A regular newsletter was produced to keep trade unions up-to-date with outsourcing trends and issues.

### 4.3 Article 6 project actions for social partners in the stage after restructuring

<p>Action:</p> <p><input type="checkbox"/> <b>Identify the ‘secondary skills’ of older workers or workers at risk of being made redundant for their redeployment within the same company or in another company of the same economic sector</b></p>
<p>Success factors:</p> <p><input type="checkbox"/> Provide workers with a sense of support and guidance during the period of transition between jobs.</p> <p><input type="checkbox"/> Respond to the emotional distress associated with redundancy and job search. This can be achieved by timely planning of worker (re)skilling.</p> <p><input type="checkbox"/> Use the services of social councillors to offer advice and guidance sessions on future career options and skills development.</p> <p><input type="checkbox"/> Appoint specialist career advisers to undertake a full assessment and mapping of the ‘secondary skills’ of workers at risk of redundancy.</p> <p><input type="checkbox"/> Cooperate with enterprises within the same economic sector or industry to identify potential job opportunities for people at risk of redundancy. Chambers of Commerce may assist with the promotion and coordination of this work.</p>
<p>Project example(s):</p> <p>The project <i>FLEXICURITY</i> offered flexible alternatives to social partners’ representatives in dealing with socio-economic changes after industrial restructuring. One of the project’s pilot actions helped employees at risk of being made redundant to find an alternative employment within the same company, sector or industry. For example, in 2008, about 70 workers close to pre-retirement in the metalwork sector were re-assessed in order to valorise on their secondary skills – in other words, skills not strictly connected to their previous professional role. As a result of this assessment, new job opportunities were identified for these workers within the same company in areas such as logistics, archiving, maintenance of green area, etc.</p>

### 4.4 Temporary measures for social partners to mitigate the current economic crisis

The Article 6 projects did not specifically highlight the development of measures for social partners that could be used during the current crisis. However, a number of Article 6 tools seem pertinent to the better management of restructuring during recession.

#### Diagnosis of a restructuring situation

The approach of the *AGIRE* project in involving social partners in a common diagnosis of the actions necessary to manage restructuring in companies may improve their ability to restructure and facilitate a faster recovery.

#### Development of restructuring strategy

The restructuring strategies involving social partners, such as those devised by the *FIRST* project, may help companies to be more effective in planning the allocation of their resources, and are therefore especially useful during times of recession.

#### Facilitating redundant workers transition to new employment

Helping the redundant workers in making the transition to new employment, as in the case of the *FLEXICURITY* project, is the key towards economic recovery.

## 5 **RESTRUCTURING TOOLKIT FOR EMPLOYEE REPRESENTATIVES**

### 5.1 **Article 6 project actions for employee representatives in the stage before restructuring**

Action:

- Embed a 'learning culture' and ensure training provision amongst employee representatives to manage change**

Success factors:

- Develop an appreciation among employee representatives of the need for ongoing capacity building and training.
- Promote the role of employee representatives as agents of change in the company's 'learning culture'. Develop the conditions allowing the organisational learning to take place (i.e. ensure support for the reforms promoted and implemented by employee representatives).
- Develop the culture of continuous learning among the employee representatives themselves. Promote this a continuous development, through education and training, also to the workers whose interests they represent.
- Involve the representatives of national or regional authorities, employer organisations and companies themselves in the training of employee representatives as an approach to building social dialogue, rather than opposing camps.
- Use the employee representatives as multipliers to pass on and/or train their colleagues in a particular country or sector.
- Actively participate in the design and development of the training tools and materials. Written materials, such as handbooks and manuals help to embed the training and to produce the cascading of learning to wider audiences.

Project example(s):

The Article 6 projects did not have specific actions for the employee representatives (representatives of workers within companies) in the before stage of restructuring. However, the *TRACE-Trade unions anticipating change in Europe* project developed a number of measures for trade union representatives (representatives of workers outside companies) that could also be relevant for employee representatives. These are described in the project example below.

The *TRACE* project organised targeted seminars, workshops, as well as training sessions for trade union representatives in several EU Member States. In total, 56 transnational training activities were delivered by the project. These training sessions were organised in a way that allowed their participants to directly feed in their daily experiences in the group work, and in this way, contributed to the exchange of knowledge. In particular, the participants were asked to brainstorm on the potential needs of employees and contribute

to the development of various tools for particular groups of beneficiaries.

The training and information exchange events organised by the *TRACE* project resulted, among others, in the development of a series of topic-oriented handbooks (e.g. on Closure, De or Re-centralisation, Merger and Acquisition, Privatisation, Relocation) that were also published on the project website. In addition, training methods and materials, research studies and reports were produced, all contributing to increasing the capacity of trade unions in different countries and sectors. The training activities of the project also targeted the representatives of the European Industry Federations and Confederations of various sectors (transport, chemicals, energy, metalworking, public services, education, communications, banking, textiles and graphical sectors, etc.), as well as the representatives from multi-national companies, SMEs and public authorities. In such a way, the approaches developed in the framework of the project were disseminated to the relevant stakeholders.

The *TRACE* project also found a solution to the problem of training difficult-to-reach target groups by intensively involving multipliers, i.e. organisations in close contact with the final beneficiaries, as well as disseminating information on the training possibilities available. In this end, the project trained 35 trade union representatives throughout the EU, who in turn trained other trade union officers and final beneficiaries – hence a cascade effect. This approach was very effective in bringing intermediaries and direct employees on board.

## 5.2 Article 6 project actions for employee representatives in the stage during restructuring

Action:

- Undertake a shared diagnosis of the restructuring situation with company management and other actors from the territory**

Success factors:

- Establish an ongoing collaboration to create trust and a co-operative environment between employee representatives, company management and local/regional/national partners. This helps to develop a common approach to the management of restructuring.
- Work in workshops, seminars or working groups. These types of fora contribute to the exchange of perspectives among all the actors involved in the management of restructuring and may result in a consensus on the current situation and the actions to be taken.
- Set up a formalised structure (at the company, sectoral or regional level) to help manage change and undertake the diagnosis. Such institutionalised help a great deal in the facilitation of ongoing restructuring practices.

Project example(s):

The *AGIRE* project developed an approach focusing on ensuring the diversity and integration of actors in the restructuring process. It achieved this by involving employee representatives, through the various bodies that represent workers (Works Councils, European Works Councils, etc.) as well as trade unions, company management and national authorities. Together, these actors took part in seminars that elaborated various policy recommendations aimed at European authorities responsible for restructuring-related

issues.

Given the multiple factors and forms of restructuring, the rationale of the project was that a coordinated response to change needs to involve multiple actors. Working together, these actors must be able to share a common diagnosis and agree on the actions necessary to manage a particular restructuring case. To address this need for a common approach, the project set up an institutional framework to:

- make improvements to the Directive dealing with European Works Councils;
- develop multi-partite institutions within companies, dealing with governance, transparency, and framework agreements;
- set up sectoral observatories for businesses and workers unions, subcontractors, and institution representatives;
- create territorial observatories, involving training centres, universities, and clusters; and
- improve the collection and transmission of quantitative data through the European Restructuring Monitor (collection of data by the national and European administrations and transmission to the social actors within the framework of observatories).

The outputs of the project were used and discussed in various academic, national and EU level events focusing on promotion of social dialogue.

Action:

**Develop mechanisms to consult workers before, during and after restructuring**

Success factors:

- Ensure workers' anonymity in the consultation in order to obtain detailed and honest feedback, as well as a good response rate. With this in mind, such consultations are best undertaken by an impartial external actor or consultant. The involvement of the company itself may not only disfigure the feedback provided, but also how the results of the consultation are viewed by the involved parties.
- Make available a clear overview of the company's structure (teams, departments, divisions, job grades, etc.) during the employee consultation. This allows the structuring of the data and meaningful comparisons between, for example, several company branches or different points among various employee groups.
- Allocate sufficient time to the consultation process so that all employees have a chance to be consulted. If consultation is undertaken in the form of an online survey, it is best to leave it open for at least three weeks as a minimum.
- Ensure that detailed information on the consultation is available, along with free access. A company may inform its staff internally about the consultation or this can be undertaken by an external actor, thereby encouraging employees to respond.
- Understand the limitations of the consultation process. Any such measure is unlikely to identify panacea restructuring solutions for the company, but will help to understand where good practice and potential opportunities exist in order to underpin a constructive action plan.

## Project example(s):

The *DIALOGUE* project developed the *Adaptability Index Tool* (later shortened to *Adaptex*) for measuring the adaptability of organisations, particularly useful where restructuring is planned, under way, or complete. *Adaptex* provided companies with valuable insights into their employees' views. The tool was developed in the form of an online survey that could be completed anonymously by employees. As restructuring may be a highly sensitive and controversial issue, employee representatives were often involved in the decision to use the tool. They were also the best placed to present the tool to employees as well as to guarantee the anonymity of staff who have completed the survey.

The *Adaptex* has been used by companies to review the positions of their employees on a range of issues, starting from their own readiness to embrace change and ending with their positions with regard to various company policies or practices. The tool allowed reviewing employee positions in detail by job grade, location, etc. This allowed comparisons, identification of problematic issues, employee positions on a particular issue, etc between various groups of employees in various locations. By running the tool repeatedly company could measure the progress achieved on a particular issue, highlight the areas which are lagging behind in their adaptability or doing particularly well. This enabled companies that used the tool to better focus their priorities for action and also pinpoint the areas where the investment of resources was the most required.

## Action:

- Develop a dialogue between employee and company representatives on the improved management of outsourcing, including the development of a tool to guide this process**

## Success factors:

- Adopt a proactive attitude and approach to the management of outsourcing, rather than management of outsourcing as a secretive and closed process. View outsourcing and more broadly globalisation as associated with an opportunity, rather than as a burden.
- Use information and communication technologies available and virtual communities to manage and share information on outsourcing.
- As outsourcing may be an international practice, there is a necessity for a combination of national and transnational information sharing.
- Use experience, lessons and good practices drawn from real life cases to inform future advice and practice.
- Involve all stakeholders in the (proactive) management of outsourcing. Drawing evidence from the stakeholders' experience may help in the development of company change management policy.
- Translate observations, analysis and experience developed in the form of support measures, such as recommendations, handbooks, workshops, tools, etc. for better and timelier management of outsourcing.

## Project example(s):

The *MOOS - Making offshore outsourcing sustainable* project built a proactive, rather than

defensive approach to the management of offshore outsourcing and to the sustainable management of restructuring. This approach was coordinated by UNI-Europa IBITS<sup>26</sup>, with a project team involving organisations from six European countries. The project encouraged transnational cooperation between employee representatives and academic partners based on an extensive use of communication technologies to establish a 'virtual community', which in turn developed new procedural and methodological rules for offshore outsourcing projects.

This highly collaborative approach helped to raise awareness and share information on offshore outsourcing among the principal stakeholders, including employee representatives. It led to the development of two reporting tools to monitor offshore outsourcing activities in Europe, undertook in-depth case studies to understand this phenomenon and produced an offshore management handbook for employee representatives. Finally, the project fostered constructive debates on the proactive management of industrial change and outsourcing within the trade union movement in Europe.

### 5.3 Article 6 project actions for employee representatives in the stage after restructuring

Action:

- Evaluate restructuring cases and identify how these could have been better managed from the employee representative point of view**

Success factors:

- Actively participate in initiatives that examine restructuring cases and processes alongside other (academic, business and political) actors.
- Adopt an open approach to dialogue with employer, employer organisations and regional actors.
- Involve people (experts and persons who directly participated in the restructuring) in the validation of the experience obtained.
- Set up or participate in structures that continuously review and update information on restructuring practices in the relevant sectors or companies.
- Ensure (by structures or processes) that the experience gained through the analysis of different restructuring cases is validated and applied in practice i.e. in development of better intra-company dialogue as well as services for employees, workers made or about to be made redundant.

Project example(s):

The *MIRE* project worked on creating rules and codes of practice to encourage a socially responsible approach to restructuring, leading to the formulation of recommendations for a European code of conduct. Both case studies of restructuring processes and multi-stakeholder workshops were organised to examine restructuring processes and to propose solutions that could reduce the negative effects in restructuring. This work was aimed at the identification of good practices and innovative restructuring approaches. Employee representatives alongside public agencies, territorial actors, employers and academic experts participated in this building and exchange of knowledge.

<sup>26</sup> The global union for industry, business services and information technology (IBITS).

## Action:

 **Introduce, support and/or participate in schemes that help (redundant) workers in their job transition**

## Success factors:

- Provide workers with a sense of support and guidance during the period of transition between jobs.
- Respond to the emotional distress associated with redundancy and job search. This can be achieved by planning restructuring, worker transitions and (re)skilling in advance.
- Offer a sense of direction and empowerment through training to people undergoing a period of professional uncertainty, including training on soft, generic skills as well as in entrepreneurship.
- Use the services of social councillors to offer advice and guidance sessions on future career options and skills development.
- Get involved as early as possible in a company restructuring about to happen in order to have more time to prepare workers for a transition.
- Engage in dialogue with the employer in order to take active part in managerial decisions affecting employees.
- Collaborate closely with regional or national actors to ensure reconversion structures are in place when workers need them. The necessary cooperation and institutional structure framework for the reconversion should be already developed, ready to be applied when necessary by the employee representatives or regional actors. The content of the reconversion scheme may be adapted to the specific needs of the workers.
- Develop an 'assistance package' for the workers. This package should not only cover employment-related areas (such as training, help with job search, commuting information, negotiations with new employers, etc.), but also measures to boost the confidence and address the psychological challenges of the redundant worker (consultations, presentations of social networks, emotional support, advice and guidance, etc.)

## Project example(s):

In setting up its 'reconversion unit' to assist the redundant workers the, *RKC* project paid special attention to the 'health factor' or the consequences of restructuring for the individual. The FOREM<sup>27</sup> vocational training counsellors helped their former workmates not only to prepare for finding a new job, but also provided social support and the possibility to meet in groups with their peers. The project highlighted the 'personal experience' perspective of redundant workers through the use of media, and through national, as well as EU restructuring-related events. The activities of the *RKC* project contributed to activities on an international scale aimed at improving regional development plans and reinforcing strategic dialogue between regional actors to literally reduce the emotional traumas of workers made

<sup>27</sup> FOREM is the Walloon public service for employment and training.

redundant in the future.

#### 5.4 Temporary measures to mitigate against the current economic crisis

The Article 6 project representatives did not identify any specific actions relating to employee representatives to be implemented during the current crisis. However, these projects have developed a number of tools and suggestions that could be of use for the employee representatives.

##### Introducing or supporting reconversion measures

As illustrated by the *RKC* project, 'reconversion units' (pg. 36, 51 and 66) can be set up by or with the help of employee representatives to assist redundant workers or workers threatened by restructuring in reinforcing their employability or finding new work places. This social accompanying measure is equally valid and needed in the present situation of increasing unemployment due to the economic crisis in some Member States.

##### Diagnosis of a restructuring situation

Considering the multiple factors that influence restructuring and the multiplicity of forms that it can take, a coordinated response is required to deal with these transformations, involving all the relevant actors. According to the *AGIRE* project (pg. 47, 48), these actors must share a common vision and understanding of a particular restructuring case in order to develop and implement the necessary actions to manage a particular restructuring. To make this common approach possible, an institutional framework needs to be created, involving employee and employer representatives in restructuring negotiations, decisions and actions to improve restructuring practices and facilitate a faster recovery. This cooperation may take the form of multi-partite institutions within companies, dealing with governance, transparency, and framework agreements. The framework offered by such institutions may help to manage restructuring, especially when the need for change accelerates during the times of crisis. Sectoral observatories for businesses, workers unions, subcontractors, and institution representatives can help in shaping a clear vision of what are the threats and opportunities (for a sector or a company) and what should be the common areas of action.

##### Use of the EU funds

The *AGIRE* project also advocated the idea of promoting the optimisation and consolidation of the use of the EU Structural Funds in supporting social dialogue during restructuring processed due to crisis. These funds could also be used to support the above-mentioned accompanying measures, including social and territorial impact assessments, training and re-qualification for vulnerable workers and revitalisation of job offer.

## 6 RESTRUCTURING TOOLKIT FOR REGIONAL AUTHORITIES

### 6.1 Article 6 project actions for regional authorities in the stage before restructuring

Action:

- Create a platform or forum for cross-regional learning on how to anticipate changes, ensure long-term improvements in competitiveness and economic sustainability**

Success factors:

- Involve a wide range of relevant stakeholders such as local institutions, businesses (including SMEs), local PESs and private as well as public actors providing funding. A kick-off conference may help to maximise participation in the initiative.
- Ensure fora have clear goals and objectives, along with defined roles and responsibilities. Identify the key elements of the regional competitiveness, as well as potential threats and opportunities for regional development. These could serve as meaningful themes for fora discussions.
- Secure dedicated time and resources to manage fora from amongst one or several members.
- Develop the role of 'forum facilitators'. These could be representatives of local governments leading the fora discussions and in charge of the subsequent actions.
- Develop local employment strategies and analyse case studies to examine the effectiveness of the strategies.
- Have focus groups and brainstorming sections with local business and regional stakeholders to identify policies that could contribute to regional competitiveness. Organise small workshops with companies to assess their competitive gaps.
- Develop links with similar initiatives in other regions to increase mutual learning. Set up reciprocal visits and exchanges for swapping experience and information.

Project example(s):

Project example(s):

The project *FILES-FUTURE-ORIENTED IMPLEMENTATION OF LOCAL EMPLOYMENT STRATEGIES (AND PRO-ACTIVE MANAGEMENT OF RESTRUCTURING)* brought together stakeholders from four European regions, all of which were facing different degrees of decline in traditional industries and sectors. These regions were undergoing major restructuring and needed to ensure long-term improvements in competitiveness and economic sustainability.

The project started off by the examining the local employment strategies (LESs) existing in the three participating countries. It organised exchange visits among regions, international conferences, undertook case studies and piloted projects to promote a better understanding of the restructuring circumstances in the participating regions, as well as knowledge transfer and capacity-building among regional actors. Based on this work, it then developed and piloted integrated future-oriented approaches to restructuring which could be used by the regions.

Another project that promoted cross-regional learning and regional development was the

**NE.MO. - NEW MODEL FOR TOURISM DEVELOPMENT IN VIBO VALENTIA** project. The project introduced the concept of 'sustainable tourism' to refocus and revitalise the tourism industry in Vibo Valentia municipality in Italy.

Despite an established infrastructure and a good number of tourists, the coastal areas of Vibo Valentia shared the same socio-economic challenges as other provinces: their development was both fragmentary and unsustainable. The municipality also lacked a shared vision and a coordinated approach to manage the transition towards more sustainable tourism. In response to this, the project developed and introduced a system of regional governance, focusing on building trust between regional, city and local community administrations, and drawing on the support of universities, associations, trade unions and company management. The guidelines provided by the project encouraged continuous communication between these actors, the development of clear and shared regional aims, as well as the study of sustainable solutions for the tourism industry in the region. The implementation of these guidelines subsequently led to regional cooperation under the auspices of a newly-founded Innovative Service Centre for Tourism. As such, the Centre provided an ongoing resource not only to anticipate, but also to manage the changing face of the tourism sector in Vibo Valentia via the provision of, for example, information, and assistance and advice on corporate innovation.

#### Action:

- Set up initiatives to identify scenarios and forecast socio-economic development trends across the region and/or sector - ideally involving the establishment of an observatory**

#### Success factors:

- Link the observatory to other regional initiatives for socio-economic development and ensure that synergies are created amongst all stakeholders.
- Cooperate with local policy-makers, universities, research centres, trade unions, business organisation representatives and experts in order to make best use of forecasting models.
- Use the observatory to create quantitative and qualitative information basis to inform the activities of regional planning and development.
- Use EU funding and experience in other countries to develop observatory structures and activities in a particular sector or region.
- Link relevant regions into networks, thereby improving the capacity to anticipate and address the needs of regional workers and companies.
- Involve experts, if possible, in ascertaining the present and future developments in the areas crucial for a particular region.
- Ensure that the observatory is based on meeting *real* needs within the region, thus creating concrete socio-economic intelligence.
- Benchmark the development trends and potential with other regions in order to determine relative strengths and weaknesses.

- Collect key data that are of high relevance for the regional development, such as demographic trends, economic growth, technological change, governance, socio-political values, social and educational developments, etc.
- Ensure the results of the monitoring and forecasting feed directly into regional strategy for development or managing change.
- Put the observatory on-line to enable a wider access and dissemination of information to the relevant regional stakeholders and partners.

Project example(s):

The project *I-CAR-O* established a socio-economic observatory to collect key information on the automotive sector. This observatory gathered information on key indicators in the automotive sector (quantitative information) and opinions of the sector's businesses, trade unions and experts (qualitative information). Examples of information provided by the observatory are:

- Overview of the situation of the automotive sector;
- Indicators in economic trends;
- Indicators in employment and training;
- Indicators in human resources and social dialogue;
- Indicators in the internationalisation;
- Indicators in research and development;
- Survey of the automotive enterprises; and
- Presentation of speeches and articles written by automotive experts, businesses and trade unions.

The observatory was updated every six months. The observatory was used as a tool by regional government, as well as enterprises to monitor and manage change in the automotive sector.

Another initiative addressing the challenges brought along by restructuring and population loss in rural municipalities was the *RURAL CHANGE* project. Aside from developing a programme for promoting change in rural areas and the empowerment of the female population affected by the down-scaling of the textile industry in Malaga, the project set up a *Socio-Economic Observatory for Rural Change Management*. The observatory was a database comprised of statistical and socio-economic information based on in-depth research and case studies undertaken in different regional sectors. It compiled information on structural changes and allowed the identification of sectors and resources that could be strategically important for the future development of rural territories. The work on the observatory was combined with the development of a *Local Activity and Employment Programme* and a transnational forum, as well as research on the entrepreneurial culture. Together, these activities formed the extensive package known as the *System of Anticipated Change Management (SIGAC)*, made available to the project partners.

## Action:

- Develop plans and policies for regional economic diversification, focusing on the economic potential of the region and new skills required by people living in the region.**

## Success factors:

- Foster cooperation between key stakeholders (business, subcontractors, public administrations, social partners) in developing the plans.
- Identify the economic sectors that have an economic diversification potential in the region. A SWOT analysis of the regional can be undertaken to assess this potential. Prepare a long-term strategy for each of these sectors.
- Create financial instruments to facilitate investments in new economic sectors.
- Prepare an education and training programme for developing new skills for the new economic sectors in cooperation with schools, universities and other institutions contributing to lifelong learning.
- Develop training initiatives and other business support measures (e.g. access to microcredit) for promoting business start-ups in new economic sectors.
- Learn from other regions that have undergone the process of economic diversification.
- Create a permanent body to encourage and monitor the progress of the diversification of a regional economy. This body should include the representatives from all the relevant regional organisations.

## Project example(s):

The *O2K - OPEN TO KNOWLEDGE*<sup>28</sup> project looked at the skills development and resources required to anticipate and manage the transition from a manufacturing to a knowledge-based economy in the Province of Biella (Italy). The project started by undertaking an assessment of the new skills required within the region to boost the knowledge economy. This was supplemented by consideration of the policies necessary to attract people with the right skills from outside. Based on this analysis, a number of pilot measures to support the regional growth as well as local creativity and innovation were introduced. To list just a few, the project introduced financial instruments for investing in the creative sector. It was raising awareness amongst local administrators on the importance of finding creative and innovative solutions to local development and established a 'creative quarter' where creative people can meet and work.

This way, the *O2K* project increased the economic potential and readiness of the Biella region to embrace change through the identification of new areas of employment and new job qualifications in the field of the creative industries and services. As a result of the project, a permanent council was established (in the form of a social dialogue) to permanently monitor the region's attractiveness and ability capitalise from the transition to the knowledge-based economy. The measures developed by the project thus increased the engagement of the social partners and extended their cooperation into new domains of action – identification of skills shortages, practices and policies to attract and reinforce the labour supply, as well as collaborative and innovative solutions to the development of skills

<sup>28</sup> Full name of the project: *Social Dialogue as an asset for Industrial clusters towards the knowledge economy*

in the province.

Action:

**Create a task-force for knowledge transfer between universities and business**

Success factors:

- Appoint specific actors (i.e. local administrators, representatives of business associations) to facilitate the knowledge transfer.
- Take a bottom-up approach, making sure that the knowledge provided clearly focuses on business needs.
- Disseminate information on new technological development amongst businesses and especially SMEs (i.e. creation of a database on research undertaken by universities, distributing newsletters to business associations and SMEs, preparation of informative workshops)
- Facilitate the cooperation between business R&D departments with universities and research centres (i.e. exchange of researchers, financial incentive for SMEs)

Project example(s):

The *INNOVATIVE REGIONS* project, among others, was seeking to improve knowledge transfer between universities and research centres in the metal industry, in order to help these companies in the situation of increasing globalisation and competition. The project adopted a bottom-up approach by undertaking an assessment of business needs in the beginning of the project through face-to-face interviews and consultations. According to the companies surveyed, knowledge was an essential element for boosting region competitiveness and innovation, as well as for making businesses able to face globalisation and associated changes. In particular, the business representatives consulted expressed the need to have more knowledge on automation processes and markets. As a result, the project created a system for facilitating the networking and clustering of key stakeholders such as universities, local governments and businesses to provide this information. It introduced 'knowledge-transfer facilitators' to coordinate business-universities cooperation and actions.

Action:

**Prepare 'anticipation strategy' based on scenario-building for the region**

Success factors:

- Develop materials to underpin the scenario-building process, such as a background paper and guide covering the scope, the objectives and the implementation phases.
- Organise an introductory workshop and an explanatory video on the scenario-building.
- Involve all the relevant regional stakeholders such as business organisations, trade unions, training agencies, education institutions, universities and national government.
- Identify strategic priorities for the region (i.e. governance, integration and cooperation,

human capital, innovation and logistic, etc.).

- Collect data and information on the economic sector(s) relevant to the region (e.g. through companies surveys, interviews with employers, collection of statistics on trends and forecasting).
- Introduce the concept of 'sustainable development' in the regional anticipation strategies for change and economic restructuring.
- Help SMEs to introduce sustainable practices (i.e. by creating a handbook on sustainable business and facilitating exchange of good practices).
- Ensure that the strategy supports sustainable entrepreneurship amongst young people (i.e. training initiatives, easing access to finance, etc.).
- Establish a specific budget for the implementing of the regional anticipation strategy.
- Undertake a regular assessment of the progress made in the implementing the strategy with the view to identify obstacles and ways to overcome them.

Project example(s):

The *RKC* project developed a methodology for developing regional anticipation strategy. The strategy included several activities as described in the following steps:

- Desk review;
- Consultations with stakeholders, such as business associations, training institutions, employment centres, regional development agencies;
- Preparation of a strategic paper in order to familiarise stakeholders with the concept of scenario-building; and
- Scenario-building workshop on how to prepare, structure and run a scenario building activities for regional forecasting and development.

Action:

- Develop a system for continuous improvement of local communities based on the principle of Total Quality Management (TQM)**

Success factors:

- Introduce the concept and approach of TQM to the representatives of the local community, business and voluntary sector through information events and communication activities.
- Make sure to emphasise and promote how TQM can help local civic initiatives, regional businesses and association in improving their activities, operations and services (i.e. illustrate a "business" case according to the type of actor).
- Help SMEs to introduce sustainable practices (i.e. by creating a handbook on sustainable business and facilitating exchange of good practices).
- Prepare a handbook or guide on TQM and make it available and easily accessible to the members of the local community.

- Increase and multiply knowledge on TQM by developing inter-regional cooperation through study trips, exchanges, seminars and conferences.
- Valorise and capitalise on the knowledge accumulated by applying it in the development of the regional strategies and networks.

Project example(s):

The *CIVIC* project introduced a system for continuous improvement of local communities based on the approach and tools of TQM and Community Development Monitor (CDM). The project united municipalities from Sweden and England.

As a first step, the project delivered training sessions on TQM to small business entrepreneurs and the representatives of associations. This programme had the duration of five and a half days and encompassed the following elements:

- Introduction to continuous improvement work;
- Creativity;
- TQM;
- Leadership for changes; and
- Self-assessment of an organisation.
- In addition to the training, the project prepared a handbook on TQM. It also gave the participants an opportunity to benefit from the transnational co-operation through study trips, exchanges, seminars and conferences.

Action:

- Create a task-force for attracting and retaining young talent in the region**

Success factors:

- Create a task-force from representatives of local administrations, young people and business associations in order to increase the attractiveness of the region to youth.
- Use the task-force to promote close cooperation between regional authorities, schools and universities.
- Engage young people in the discussion, thereby fostering empowerment. This can be achieved through workshops and panels.
- Promote entrepreneurship among young people through education, role models in young entrepreneurship and initiatives supporting competitive qualities (e.g. competitions, company awards, visits to local enterprises, etc.).
- Create specific programmes to facilitate the transition from school to employment (i.e. school and work alternation, job placements, partnerships and cooperation on projects between schools and companies, etc.)
- Engage in cooperation with regional companies in order to encourage initiatives that promote young people staying in the region and attracting youth to the region.

Project example(s):

The project *COOPERATIVE MANAGEMENT OF THE STRUCTURAL CHANGES IN PERIPHERAL REGIONS* aimed, amongst other things, at attracting and retaining young people in the region of Elbe-Elster. Young people, both young professionals and young workers, were seen as an important source of future regional development. Therefore, the project brought together all actors involved in the regional economic planning and development, including various regional schools and businesses, in order to create a number of initiatives to increase the attractiveness of the region for young people. The regional development agency organised discussion panels and workshops on the regional development together with the partner schools. The agency also set up a foundation together with 30 companies, a long-term and sustainable tool aiming at keeping and attracting young people to the region. The main activity of this foundation was the organisation of an annual competition. The agency also set up initiatives for the integration of young people in companies, schemes to promote entrepreneurship among young people and strengthened cooperation between schools and businesses.

Action:

- Use regional know-how and networks to promote competitiveness and encourage business development**

Success factors:

- Encourage proactive measures for building regional competitiveness and the skills available to local businesses to meet and handle the challenges of globalisation and thereby preserve and create new jobs.
- Bring the science community, the educational and business sectors together in creating innovative and adaptable SMEs and educational institutions
- Deliver a 'cascading' action, making use of existing business networks to develop new models for knowledge sharing between the science community, educational institutions and SME's.
- Get involved in regional enterprise clusters and offer new methods for ensuring and assisting their sustainability, innovation and adaptability.
- Develop an overview and guidance on how to anticipate future competence profiles in regional production and service SMEs.
- Undertake regional case studies and transnational seminars for exchange of knowledge and experiences.

Project example(s):

Among other issues, the *INNOVATIVE REGIONS* project provided companies and the public sector with alternatives to outsourcing and delocalisation – measures intended to encourage local potential and a more sustainable regional management of change. The approach involved developing a new model for knowledge transfer between the science community, educational institutions and companies to identify competence profiles that SMEs would need in the future to remain competitive. Around 60 SMEs were involved in this pilot project and the experience gained was used to provide guidelines to regional and local policy makers on which types of competences SMEs would need to remain innovative

and competitive in the future.

## 6.2 Article 6 project actions for regional authorities in the stage during restructuring

Action:

### Undertake a shared diagnosis of the restructuring situation with company management and social partners

#### Success factors:

Establish, lead or mediate an ongoing collaboration to create trust and a co-operative environment with company management and social partners. This helps to develop a common approach to the management of restructuring.

Work in workshops, seminars or working groups. These types of fora contribute to the exchange of perspectives among all the actors involved in the management of restructuring and may result in a consensus on the current situation and the actions to be taken.

Set up a formalised structure (at the company, sectoral or territorial level) to help manage change and undertake the diagnosis. Such institutionalised frameworks help a great deal in the facilitation of ongoing restructuring practices (forecasting regional development trends, determining workers skills needs, and facilitating cooperation with academic and training institutions where appropriate<sup>29</sup>).

Project example(s):

As restructuring takes a number of forms and occurs in one way or another inevitably influences the competitiveness and growth of a region, a coordinated response involving multiple actors is required to anticipate and manage this change in the economic fabric of a particular region. In order to have a coordinated response possible, all the actors involved in a particular restructuring case need to share a “common” understanding and strive for a consensus on the actions necessary to manage a restructuring case. The regional actors may play a mediating, reconciling and initiating role in creating such understanding and promoting the cooperation and communication between business and employees (representatives). One example of a project that had set up an institutional framework to create such a common approach was the *AGIRE* project (described on pg. 47, 48).

Action:

### Coordinate support for responding rapidly to individual restructuring cases

#### Success factors:

Build advice and assistance services on partnerships between regional authorities, social partners, and universities.

Establish a coordination structure to analyse and monitor changes, to produce recommendations on opportunities and challenges, as well as to provide concrete

<sup>29</sup> The above action can be seen as a framework for all the actions listed, valid per se.

assistance and solutions in dealing with restructuring.

- Create a single point of information presenting all the actions and support measures available at the regional level, thus improving the speed and the ease of access to assistance in cases of restructuring.

Project example(s):

The project *PRO-CHANGE*<sup>30</sup> enabled regional stakeholder to have a rapid and effective response to the challenges and opportunities associated with restructuring. For this, the project set up two Coordination and Support Structures in Thessaloniki (Greece) and Lucca (Italy). These structures formed part of the project's overall strategy to establish mechanisms to analyse and monitor change, identify good practices in restructuring and create synergies between the different measures to deal with restructuring. At the same time, they provided direct support measures to respond quickly to restructuring situations.

The structures were developed through the collaboration of a range of interested parties – local authorities, social partners and other actors – with academic support provided by the London School of Economics. This focal approach significantly improved access to information, improved the diffusion of good practices and the coordination of crisis management actions between the project partners and local actors, and created synergies between local authorities and other actors at local, national and transnational levels.

Action:

- Set-up advisory services on the professional requalification of people affected by restructuring**

- Success factors:

Use the assessment of qualifications and requalification as measures to ensure that the opportunities of economic diversification are fully explored.

- Create advisory services targeted to the specific needs of workers from a particular sector.
- Introduce a professional service for the requalification and diversification of workers skills profiles in the region.
- Explore the potential for individuals working in the sector/business area concerned to become mentors and advisors.

Project example(s):

The *SEREA* project developed a sustainable approach to restructuring in the fishery industry in Galicia. For this action, SEREA set up an Advisory Service for the professional requalification of people working in the fishery sector. The Advisory Service provided career orientation and advised on how to improve the level of employability in fishery industry, as well as in complementary activities. Furthermore, the Advisory Services provided information on possibilities for economy and skills diversification. People interested in upgrading their qualifications for the fishery industry received personal advice on their training needs. Some of the advisors were themselves from the fishing community. This ensured

<sup>30</sup> Full project name: *Innovative Pan-European Structures for Managing Economic Change and Restructuring at the Local Level*

that the advice and assistance were relevant to the workers in the sector.

Action:

**Organise specific training programmes to develop skills required in the region in order to create and sustain employment**

Success factors:

Bring together regional partnerships to assess the local training needs in companies, develop and deliver the necessary training.

Identify key areas for training, such as developing a business idea, soft skills, marketing, financial awareness, creation of a business plan and business start-up process.

Prepare short and practical training modules in order to facilitate beneficiary access to training.

Provide participants with formal accreditation on their up-skilling or certification for the new skills received in order to facilitate their further employability.

Where possible, create financial instruments and incentives to facilitate business creation, also among young entrepreneurs.

Project example(s):

The project *HARNESSING RURAL CAPITAL* provided training and mentoring support for entrepreneurs, farming families and rural communities in Ireland, Wales and Sweden. The project provided the relevant up-skilling and formal certification, where available, to ensure progression and employment opportunities outside the farm industry. In Wales, the outside the farm gate training programme provided by the project consisted of a series of short courses in new business ideas, personal skills development, marketing, finance and business start-up processes. These subjects were identified as the key areas where the skills enhancement is required in the regions and were designed to be short 'bite-size' to enable participants to undertake a traditional course by attending a series of these shorter courses. The project also provided the relevant up-skilling and formal certification to ensure progression and employment opportunities to outside the farm industry.

The *MAREFA - MANAGEMENT UND ANTIZIPATION DER REGIONALEN FACHKRÄFTEENTWICKLUNG*<sup>31</sup> project developed and implemented management models to empower young staff with SMEs with new skills and qualifications. The training offered reflected the changing regional context in terms of restructuring (and was based on a detailed analysis of the region's economic situation), the changing customer demand patterns and the needs of SMEs. By offering young people the opportunity to access the training they needed to upgrade their skills, the project sought to adapt both them and their employers to the effects of economic changes. This way, the project also sought to improve their employment position and adaptability in the context of on-going restructuring. To develop and deliver the training the project set up a regional partnership. This partnership encouraged cooperation between different regional stakeholders, including policy makers, regional authorities, chambers of commerce, training providers, schools and young workers.

<sup>31</sup> Translation from German: *Anticipation and management of regional staff development*

Action:

**Coordinate and support a socially responsible approach to restructuring trying to minimise negative impact on people**

Success factors:

Examine the regional, national and European legal frameworks for managing restructuring at the level of a particular territory.

Undertake case studies of how the restructuring process is actually implemented in companies, involving experts and people who took part in the particular restructuring as part of the validation of the information gathered.

Promote awareness of the benefits of socially responsible restructuring in professional lives and in the health of workers, as well as in terms of regional development and company performance.

Create an international platform for regional stakeholders, including trade unions, business, research centres, in order to promote mutual learning.

Prepare a code of conduct or a reference guide for more socially responsible management of restructuring in companies.

Project example(s):

The *MONITORING INNOVATIVE RESTRUCTURING IN EUROPE (MIRE)*, among other, promoted the exchange of experience between different European regions on cross-border restructuring and addressed some of the arising problems in the context of such restructuring. This project aimed to promote and coordinate socially responsible practices in restructuring by looking at the role of the main actors involved in terms of:

- Impact on the life and health of workers;
- Impact on the regional development; and
- Impact on business performance.

The project also undertook several case studies to identify good practices in socially responsible restructuring across Europe and set up a specific working group to identify initiatives for reducing the stress and health problems related to lay-offs.

Action:

**Develop tools, policies and measures to deal with delocalisation and its consequences on employees, companies and regional competitiveness**

Success factors:

Adopt a *proactive and open* approach to the discussion and management of delocalisation, as well as its consequences for the workers, companies and regions. View restructuring related to delocalisation, and more broadly globalisation, as associated with an opportunity, rather than a burden.

Use information and communication technologies available and virtual communities to

manage and share information on delocalisation.

- Use experience, lessons and good practices drawn from real-life cases to inform future support measures to workers affected by delocalisation.
- Consult all stakeholders directly involved in (the management of) delocalisation. Drawing evidence from the stakeholders' experience may help in the development of regional policy.
- Translate the observations, analysis and experience developed in the form of support measures, such as recommendations, handbooks, workshops, tools, etc. for the better and timelier management of delocalisation.

Project example(s):

Understanding the phenomenon of delocalisation is crucial for the capacity of territories and its stakeholders to anticipate and manage its consequences. Therefore, the *DELOC - DES TERRITOIRES CONFRONTES AUX DELOCALISATIONS: QUELLES REPONSES INNOVANTES POUR LES REGIONS EUROPEENNES?*<sup>32</sup> project sought to analyse this phenomenon and provide suitable tools for sectors at risk for managing the causes and consequences of delocalisation at the local, regional, national and international level.

The project started off by an analysis of the existing policies and measures for dealing with delocalisation and the consequent challenges faced by workers, companies and territories. It involved the BIC's (Business and Innovation Centres) of three European regions (in France, Italy and Portugal) in this work. This analysis identified similar patterns in all three regions as a consequence of the 'internationalisation of production'. These included various and long-term effects on employment levels.

Following the results of the study, the project developed concrete actions for the regions and sectors touched by delocalisation, in order for them to valorise their available resources. The project also confirmed the crucial need for the liaison with local actors in order to ensure that there was appropriate decision-making for the local economy and sufficient investment in resources to counter the effects of delocalisation and globalisation in general. Finally, the observations and analysis undertaken by the project resulted in a series of support measures in the form of recommendations, handbooks, workshops and other dissemination activities.

### 6.3 Article 6 project actions for regional authorities in the stage after restructuring

Action:

- Create a 'reconversion unit' to implement measures aimed at minimising the shock of restructuring**

Success factors:

Provide workers with a sense of support and guidance during the period of transition between jobs.

- Respond to the emotional distress associated with redundancy and job search. This can be achieved by planning worker (re)skilling in advance.

<sup>32</sup> Translation from French: *The territories facing delocalisation: What are the innovative responses for the European regions?*

- Offer a sense of direction and empowerment through training to people undergoing a period of professional uncertainty.
- Use the services of social councillors to offer advice and guidance sessions on future career options and skills development.
- Provide workers that have been made redundant with a wide range of support, including psychological support and opportunities for work placement.
- Provide financial help for undertaking training and requalification courses (i.e. paying for training fees).
- Have highly qualified and trained social councillors (i.e. advising employees on future career options and skills they have to develop).
- Support the creation of social enterprises (i.e. identify some social and environmental areas in which social enterprises could be created and advise people on these opportunities, providing microcredit, creating mentors in social enterprises as well as handbooks on how to establish social enterprises).

Project example(s):

The *RKC* project amongst other things, created a 'Reconversion Unit' for the purpose of providing a wide range of support to workers that have been laid off, including continuous psycho-sociological support, practical support to deal with administrative requirements, training and up-skilling, and provision of practical working experience for the professional reintegration and qualifications. The Reconversion Unit also cooperated with the placement agencies of the private sector for identifying employment opportunities for people made redundant.

Social and psychological support was provided by social counsellors. In addition professional career advisors provided help with writing a CV, job-interview training and with the identification of training opportunities. The Reconversion Unit also provided for financial help to cover travel expenses to participate to training, training fees and child care.

Action:

- Assess and raise awareness of the health implications of restructuring, as well as offer assistance to workers in dealing with lay-offs**

Success factors:

Cooperate with research institutions specialising in occupational health in assessing the implications of restructuring on workers' health.

- Employ a multi-stakeholder approach (i.e. cooperation between regional authorities, health institutions, social welfare agencies, businesses and trade unions) to mitigate the negative effect of restructuring on workers health.
- Identify good practices around Europe and disseminate these to the relevant actors through seminars, dedicated website and publications.
- Integrate health concerns in the future assistance measures for the regional restructuring cases.

## Project example(s):

The aim of the *MIRE* project was to identify innovative examples of restructuring in Europe and to organise an international exchange and knowledge transfer with regard to these innovations. One of the project's research areas focused on the identification of innovative approaches to better manage the impact of restructuring on health. The work of this research was undertaken in cooperation between the IPG (Institute for Psychology of Work, Unemployment and Health at the University Bremen). A desk review was undertaken on the health implications of restructuring and good practices were identified via available literature and through the exchange of information with other Member States.

As a result of the project, the following recommendations were produced:

- Full integration of health consideration in the management of restructuring;
- Involving the health services during the management of restructuring; and
- Training people affected by lay-offs on stress management.

The project produced a paper presenting an analysis of the problem and a collection of good practices in the field.

## Action:

 **Create integrated regional services for the re-employment of workers laid-off due to restructuring**
 Success factors:

Cooperate with PESs, training agencies and businesses to provide laid-off workers with up-to-date information on the labour market and employer needs.

 Offer individual counselling to people made redundant (i.e. writing a CV, preparation of a job interview, identification of job vacancies, etc.).

 Develop a personal plan for employment, including skills and training needs assessment.

## Project example(s):

The *PRO-CRISIS* project helped the textile sector in Greece in dealing with the changes of globalisation. Amongst other things, this project created services in Athens, Thessaloniki and Drama to help people that were made redundant to find another job. The services included:

- Provision of a highly personalised consulting service aiming at better define the working experience, skills and competences;
- Cooperation with PESs in provision of information on labour market demands, skills and competences needed;
- Development of a personal plan for individual's return to the labour market, including the inventory of the training needs;
- Individual support with CV writing and job interviews; and

Cooperation with business sector to identify labour market opportunities.

#### 6.4 Temporary measures for regional authorities in the current economic crisis

Article 6 project did not specifically highlight that could be used by regional representatives during the time of recession. However, a number of actions could serve as an inspiration for measures that could be especially pertinent during the crisis and/or aid the recovery process.

##### Regional strategies for boosting competitiveness

The *I-CAR-O* project proposed a number of the measures that can be implemented in collaboration with business representatives and national authorities to improve the competitiveness of a sector during the crisis. Such measures can be united under an overarching national strategy for competitiveness that includes cost-saving assessments (reduction of costs by sharing storage space, joint purchase of raw materials, supplies, and services, etc.), the development of research, development and innovation (R&D&I) plans for concrete sectors, as well as the identification of diversification possibilities for the particular sectors. All of these services are delivered by external consultants and experts, in cooperation with the relevant national, regional and business actors.

##### Skills assessment and training

The *HARNESSING RURAL CAPITAL* project underlined the importance of human capital development in a certain sectors particularly before, but also during and after restructuring. Unfortunately the work on assessing skills shortages and skills development through training in a particular sector often starts too late, only when the issues become an imminent threat or reality. Whether before or after the crisis, the delivery of skills assessment and training usually requires strong partnerships between community/voluntary, local government, social partners, companies and employees and supported by regional or national authorities. However, local or regional partners are often better placed to deliver projects targeting local issues as they are more flexible and have a better understanding of local circumstances including opportunities, needs and gaps. The Harnessing Rural Capital Project was evidence that individuals and communities are resourceful and have latent rural capital. However, external supports and facilitation, such as that provided by the Harnessing Rural Capital Project, as well as policy development and significant investment are required if individuals and communities are to deal with and overcome the challenges of restructuring.

##### Anticipation and market correcting measures

The lessons stemming from the analysis of restructuring processes and consequences undertaken by the *MIRE* project are equally emphasising the need for anticipation in the management of crisis. These can be summarised as follows:

- There is a need to focus not only on what should be done during the process of restructuring, but also before (e.g. develop the ability of actors to react on shocks). In view of restructuring or crisis, workers must be prepared to make the move towards new employment. They need to be adapted to other jobs within the company or on the job market. Frameworks have to be in place to facilitate such transitions and activated when necessary. It is with regard to this readiness to adaptability that there must be a forward-looking attitude, base on the flexicurity approach.
- The crisis has clearly illustrated that market does not deal correctly with restructuring situations. There is therefore a need to build a better system to set the rules and responsibilities of market actors in order to prevent the reoccurrence of such socio-economic disasters.
- The crisis will give acceleration to the development of job transition organisations and measures, as well as special devices to deal with restructuring. This is

illustrated by the regional, national and European activities in the mitigation of the crisis undertaken so far.

## 7 RESTRUCTURING TOOLKIT FOR NATIONAL AUTHORITIES

### 7.1 Article 6 project actions for national authorities in the stage before restructuring

Action:

#### Undertake research into the advantages and disadvantages of work-time flexibility

##### Success factors:

Examine and develop the legal framework for flexible work in the country concerned.

Review the existing tools available allowing or facilitating work time flexibility in the country and internationally.

Recognise the workers' needs with regard to flexible work hours. Develop a policy that does not discriminate against employees that are working flexible hours.

Valorise the positive side of flexibility that can improve dedication, motivation, satisfaction, fight routine, and instil a work-life balance and employment security.

Take into account the negative side of flexible working, such as unpredictability in work planning, when developing or updating policy.

Organise focus groups and consultations with employees, employers and trade unions to underpin the research on work time flexibility.

Negotiate elements of national policy promoting flexibility with employee representatives.

Ensure that there is a comprehensive analysis of work time flexibility in different geographical areas, regions and sectors.

Disseminate the results of the research to companies, trade unions and employees, regional authorities and other relevant parties.

Project example(s):

The project *RE-FLEX* undertook research at the national level to identify the impact and implications of flexible working practices. A number of focus groups were organised with employees, employers and trade unions, as well as workshops and seminars with labour market and human resources experts. The objectives of the research were to identify business as well as employee needs with regard to work-time flexibility and to discuss the positive and negative elements of flexible working practices. As part of the project, flexible working practices were tested in companies. The findings were disseminated amongst all the stakeholders with the view to improving the management of flexible working practices.

Action:

**Identify and forecast skills needs and shortages in certain regions/sectors or nationwide**

Success factors:

- Ensure that the skills needs are examined and mapped at various levels, principally local, regional, sectoral and national.
- Collaborate with companies, employer and employee organisations, as well as territorial authorities in skills anticipation and planning.
- Engage researchers, training centres, and universities in forecasting the national development trends, principal future skills needs and present shortages.
- Work closely with education and training institutes as they are recognised specialists in skills assessment and forecasting. In particular, the national PESs need to develop strong links and communication with these institutes.
- Undertake research to identify skills needs on the national level (through questionnaires to enterprises on their skills requirements in the future, policies required for business development, mapping of critical roles for competitiveness of a particular sector or industries, etc.).
- Identify current skills gaps in the regions, with the term skills gaps referring to a situation where an employer has a vacancy that is hard to fill because the applicants lack the necessary skills, qualification or experience.

Identify and monitor employees' soft skills, such as communication, management, customer care, etc.

- Create a system for the permanent and continuous evaluation of skills needs and shortages.

Project example(s):

The project *HARNESSING RURAL CAPITAL* developed innovative and integrated ways to assist rural communities and rural dwellers to deal with the challenges of restructuring in the agriculture and agri-food sector.

Within this project, the "Audit of Skill Needs" aimed to identify the skills needs of the employers (in the agri-food and agriculture sectors) in the short, medium and long term to provide useful information for developing training initiatives.

Each of the audits focussed on the skills needs of different target sectors; the Irish partners focussed on the skills needs of the employers, the Welsh partners undertook an audit of farmers, while the Swedish partner identified future business growth sectors and related skills needs.

In Sweden, the audit encompassed:

- Review of studies and policy documents at the regional and national level;
- Interviews with local and regional authorities as well as companies, local developments groups and organisations; and
- Two seminars with stakeholders from the public, private and social sectors involved

in the development of the rural economy to discuss future needs and skills.

This audit was used to ensure that training to farmers, farm families and former agri-food sector workers was targeted to meet the future skills requirements of the rural employers in Sweden. As a result of the project new competence areas for developing rural capital and new business areas for rural development were identified, such as artisan food, the green health sector; bio-energy sector and the tourism sector.

(Please, refer to the action below for more information on the training developed by this project).

Action:

**Develop training programmes addressing the skills needs and shortages identified**

Success factors (enterprises)

- Involve employers in the development of national curricula so that their skills needs are fully reflected in the education process and reflected in the promotion of the required professions.
- Engage researchers, training centres, and universities in delivering the necessary skills.
- Train employees in soft skills, such as communication, management, customer care as well as on new regulatory requirements, such as health and safety and environment.
- Collaborate with training, educational institutions, universities and local public authorities to allow current and future employees to undertake professional qualification and re-qualification, re-skilling accordingly to new technological requirements and on-the-job training periods.
- Implement a system for the continued professional education (i.e. lifelong learning), enabling people to make easier transitions among jobs.
- Create e-learning tools in order to make the national training offer more flexible and accessible.
- Revise the training programmes according to the results of evaluations to ensure continuous learning.

Project example(s):

On the basis of the skills assessment methods described above, the *HARNESSING RURAL CAPITAL* project also developed a programme to provide training and mentoring support for entrepreneurs, farming families and rural communities.

The programme in Wales consisted of the following broad components:

- training programmes focusing on sustainability and diversification opportunities (courses in Finance Farming & the future, People skills, New business ideas (visits), and Marketing);
- training programmes maximising the potential of the farm and support for farm

viability (courses on Animal Health, Nutrients and Finance Farming & the future);

- training programmes encouraging farming practices that protect and enhance bio diversity and cultural diversity (courses in Positive land Management, Energy and Restoration).

The programmes also helped in establishing sustainable agriculture networks and identifying agricultural sustainability potential. Through these programmes the project offered training and mentoring that supported rural communities, established sustainable and diverse economic opportunities for the farms and beyond.

Action:

**Make the anticipation and managing of restructuring a national policy priority**

Success factors:

- Involve a variety of stakeholders: sectoral experts, regional government, trade unions and business associations, and research centres in the development and implementation of the national policy.
- Outline possible change-scenarios depending on macroeconomic parameters, production changes, geographical redistribution of activities (research, production, assembly, etc.).
- Provide recommendations for companies on how to anticipate changes and assist them with individual consultancy support to identify areas in which they need to introduce changes.
- Set up regional or national monitoring centres, assisting in the development of the national policy for anticipation of change, developing future scenarios and providing assistance to companies in anticipation of restructuring.

Project example(s):

The project *AGIRE* recognised that restructuring is a multi-dimensional process that requires a multi-level stakeholders approach to anticipation and management. A high number of actors participated to this project: the European Foundation for the Improvement of Living and Working Conditions, six countries, trade unions, regional governments, business associations and companies.

The project started by investigating different dimensions of restructuring process and by establishing a typology of restructuring. Identifying these dimensions was the first step to identify concrete actions for change management to be reflected in public policies. Consequently, the project set up several monitoring centres for the management of restructuring in different sectors and territories. The monitoring centres involved local stakeholders and contributed to the development of possible scenarios for change based on macroeconomic parameters, production changes, research and development, etc. The monitoring centres also supported SMEs in the development of anticipation strategies, offered consultation and facilitated negotiation in restructuring cases.

## 7.2 Article 6 project actions for national authorities in the stage during restructuring

Action:

- Undertake a shared diagnosis of the restructuring situation with company management, regional partners and social partners**

Success factors:

- Establish, lead or mediate an ongoing collaboration to create trust and a co-operative environment with company management, regional authorities and social partners. This helps to develop a common approach to the management of restructuring.
- Work in workshops, seminars or working groups. These types of fora contribute to the exchange of perspectives among the actors involved in the management of restructuring and may result in a consensus on the current situation and the actions to be taken.
- Set up a formalised structure (at the company, sectoral or territorial level) to help manage change and undertake the diagnosis. Such institutionalised frameworks help a great deal in the facilitation of ongoing restructuring practices (formalising social partner negotiation procedures, forecasting regional development trends, determining workers skills needs, and facilitating cooperation with academic and training institutions where appropriate<sup>33</sup>).

Project example(s):

The *AGIRE* project developed an approach focusing on ensuring that the diversity and the interests of all the relevant stakeholders are considered during the restructuring process. It achieved this by involving social partners in the development of a better system for monitoring, reporting and management of restructuring. This project is described in more detail in the Toolkit for Employee Representatives (pg. 47, 48).

Action:

- Coordinate support for responding rapidly to individual restructuring cases**

Success factors:

- Build advice and assistance services on partnerships between national authorities, social partners, and universities.
- Establish a coordination structure to analyse and monitor changes, to produce recommendations on opportunities and challenges as well as to provide concrete assistance and solutions in dealing with restructuring.
- Create a single point of information presenting all the actions and support measures available at the national level, thus improving the speed and the ease of access to assistance in cases of restructuring.

Project example(s):

The project *PRO-CHANGE* created Coordination and Support Structures to establish

<sup>33</sup> The above action can be seen as a framework for all the actions listed, valid per se.

mechanisms to analyse and monitor change, identify good practices in restructuring and create synergies between the different measures to deal with restructuring. This project is described in more detail in the Toolkit for Regional Authorities (pg. 53).

### 7.3 Article 6 project actions for national authorities in the stage after restructuring

Action:

- Facilitate access to microcredit for micro, small and medium enterprises (MSMEs)**

Success factors:

- Undertake a comprehensive analysis of demand and supply of micro-credit for MSMEs (i.e. interviewing entrepreneurs and providers of finance, such as banks).
- Argue the case, mobilising the relevant stakeholders and encourage their communication through common events increase the allocation of resources to finance microcredit.
- Create an agency to help MSMEs with access to finance through information, guidance and advice.
- Disseminate information amongst MSMEs on new financial instruments available (e.g. invite small business organisations to informative seminars, issue newsletters, provide individual advise on entrepreneurs).

Project example(s):

The project *CHABAL.EU* facilitated access and developed more effective financial instruments for MSMEs to cope with restructuring process. The project started by taking stock of the demand and supply of micro-credit in Germany, France and Greece. This analysis included interviewing financial providers and entrepreneurs to assess their financial needs, analysing credit rules and regulation and mapping of financial instruments available.

This work revealed that there was a gap for micro and small enterprises that were requesting small amounts of credit (namely up to €25,000). As a result, a wide discussion took place at national and regional level, with governments, commercial banks and research institutions on how to support micro-credit during various restructuring phases. In Germany, the project resulted in the allocation of additional monetary resources for micro-credit as well as in the creation of a special agency for assessing micro and small enterprise's requests for micro-credit and facilitating access to credit by banks.

### 7.4 Temporary measures for national authorities in the current economic crisis

Article 6 project did not specifically work on the development of actions that could be used by national authorities during the time of recession. However, a number of actions could serve as an inspiration or examples that could be especially pertinent during the crisis. As a general piece of advice, the Article 6 project representatives underlined the importance of swift and timely intervention of governments in the management and alleviation of the negative effects of crisis, both in terms of the company operations and the workers' employment prospects.

## 8 CONCLUSIONS

Looking across the restructuring actions of the 43 Article 6 projects, a number of overall conclusions can be drawn. Firstly, the majority of actions (and associated success factors) have focused on the 'before' stage of restructuring. These actions have entailed a more proactive approach to anticipate changes and take appropriate measures – with the view to remaining 'ahead of the game' economically, but also minimising the negative social impacts. Typical examples have included a diagnosis of the situation, whether that be at the company, sectoral, regional or other levels. This diagnosis has sometimes been coupled with measures aimed at identifying and forecasting evolutions in the future; the establishment of socio-economic observatories, skills forecasting and even scenario-building have been particularly prominent in this respect. Another common area has been the development of strategies and action plans, based on prior research and diagnoses. These have particularly helped to focus common interests and efforts on an agreed 'way forward', and to set out clearly the steps and responsibilities required for managing change.

Despite being fewer in number, the actions presented under the 'during' and 'after' stages merit attention. In particular, the Article 6 projects have demonstrated the value of multi-actor dialogue and collaboration as a company goes through restructuring, very much from the point of view of coordinating support services. Within a number of projects, for instance, companies were encouraged to work together to pool and exchange their workers. In another case, interchange between the company management and employee representatives led to increased options in the field of outsourcing. Concerning the 'after' stage, the benefits of establishing 'reconversion units' and other schemes to help redundant workers with job transitions has come to the fore.

In terms of the six actors, most the actions have involved or targeted companies, social partners, employee representatives and regional authorities. However, this tendency should not undermine the value of engaging employees and national authorities in restructuring measures. On the contrary, the tendency is probably more a reflection on the thematic priorities of the funding offered under the Article 6 programme, which gave rise to many projects with a regional and/or company focus.<sup>34</sup>

Irrespective of the actor, an overall message from the Article 6 projects is clearly the importance of multi-actor collaboration through all the stages. Regional, national and sectoral partnership-working are essential ingredients to dealing with the many issues and concerns that restructuring entails, from the economic impact on a particular region or sector, through to the environmental considerations and effects on individual lives. Article 6 also has highlighted that the 'collaborative approach' does not stop at these six actors. Indeed, universities, centres of research/expertise, PESs and other agencies have also been cited.

Another area worth highlighting is the emphasis on training and other human capital measures, such as mentoring. Many of the projects have addressed the need for actors to develop their skills, knowledge and understanding of restructuring, either to deal with their own personal employment situation or to support their company, organisation or other people in handling change. These types of support service have come in the form of interactive training sessions, handbooks and manuals, and online support. An extension of this approach has been the emphasis on the exchange of learning and good practice. Again, several projects have actively developed and/or accessed case studies and other positive examples in order to avoid starting from scratch and learn from restructuring

---

<sup>34</sup> The thematic priorities of the Article 6 programme were: Development of anticipation mechanisms and systems at territorial level; Development of anticipation mechanisms and systems to improve the management of restructuring in a specific context; Development of integrated approaches in the light of the implications of restructuring; Development and testing of specific systems and tools to support restructuring in small and medium-sized enterprises (SMEs); and Development of the capabilities of the players concerned.

experiences in other contexts. Such measures have even gone beyond a local area and drawn on information sources from other regions and countries. These have also formed the basis for establishing working groups and networks to ensure that the learning and exchange is ongoing and evolving.

Beyond the general trends, it can be helpful to highlight the issues that have not come out as strongly in the Article 6 research, but are nevertheless significant in a restructuring scenario. The issues can be summarised as follows: responding to the health consequences of restructuring; and targeting support at older workers who are especially vulnerable to redundancy.

Concerning measures to specifically deal with the crisis, it is important to note that most Article 6 projects were finished before the troubles hit – most projects came to an end in 2008 at the very latest. Therefore, they have been less oriented towards dealing with the extreme and global impact of the recession, as opposed to the restructuring challenges posed in ‘normal economic times.’ That said, when surveyed, some Article 6 projects have come forward with observations in relation to the crisis, such as a firm diagnosis of the situation, rapid response measures and the promotion of work time flexibility. However, readers should not focus on these interventions solely. Indeed, an overwhelming message of the project representatives has been that most, if not all, of their activities would be suitable for times of crisis.

As a final message, the Article 6 programme has generated a wealth of useful experience and information on the challenges and opportunities in dealing with restructuring. It is therefore hoped that this toolkit will provide practical ideas and inspiration for readers, and above all, act as an impetus to find out more about the individual Article 6 projects. Contact details are provided in the Annex I that follows.

## ANNEX I

List of all 43 projects, with contact details and web site references when available

Project name	Contact person	E-mail
<b>AgirE - Anticiper pour une Gestion Innovante des restructurations en Europe</b> Anticipating for an innovative management of restructuring in Europe	Mireille Battut	<a href="mailto:m.battut@groupe-alpha.com">m.battut@groupe-alpha.com</a>
<b>Anticipating Change</b>	Ben Fletcher	<a href="mailto:bfletcher@humberep.co.uk">bfletcher@humberep.co.uk</a>
<b>AREE - Kooperatives Management für den Strukturwandel Peripherer Regionen</b>	Prof. Dr. Frank Berg	<a href="mailto:f.berg@eepl.de">f.berg@eepl.de</a>
<b>ChaBaLEU - Using the character based lending approach as a tool for the development of a market oriented MSME-financing system in the EU</b>	Carina Schulz	<a href="mailto:carina.schulz@gtz.de">carina.schulz@gtz.de</a>
<b>CHANCE - Developing Common Horizons and Active Strategies to New Economic Challenges Resulting from Enlargement and Structural Change</b>	Klaus Buchner	<a href="mailto:buchner@regionalmanagement.at">buchner@regionalmanagement.at</a> <a href="mailto:oststeiermark@regionalmanagement.at">oststeiermark@regionalmanagement.at</a>
<b>CHANGE-UP: Change Management in the Upholstered Furniture Industry</b>	Carlos Azorin Soriano	<a href="mailto:comercial@cetem.es">comercial@cetem.es</a>
<b>CIVIC - Cultural and Industrial Values In Change</b>	Annika Almqvist	<a href="mailto:annika@strukturum.se">annika@strukturum.se</a>
<b>Crisis Intervention Tools and Management of Change in Micro-Enterprises</b>	Dagmar Hayen	<a href="mailto:dagmar.hayen@eversjung.de">dagmar.hayen@eversjung.de</a>

<b>DELIVER - Development of Labour Markets: Innovation, Vocational Training, Employability and Renewal</b>	Mats Helander	<a href="mailto:mats.helander@ostsam.se">mats.helander@ostsam.se</a>
<b>DELOC - Des territoires confrontés aux délocalisations: quelles réponses innovantes pour les régions européennes?</b>	Pedro Felix	<a href="mailto:pedro.felix@nersant.pt">pedro.felix@nersant.pt</a>
<b>DIALOGUE - Developing Indicators of Adaptability which Lead to Organisational Growth and Underpin Employment</b>	Hilary Oakley	<a href="mailto:hilaryo@exemplas.com">hilaryo@exemplas.com</a>
<b>Erkennen - Erfassen - Handeln Im Internationalen Wandel</b>	Susanne Hohnen	<a href="mailto:hohnen@vpu.org">hohnen@vpu.org</a>
<b>FILES - Future-oriented Implementation of Local Employment Strategies (and Pro-active Management of Restructuring)</b>	Hartmut Schneider	<a href="mailto:hartmut.schneider@landkreis-doebeln.de">hartmut.schneider@landkreis-doebeln.de</a> <a href="mailto:manfred.graetz@landkreis-doebeln.de">manfred.graetz@landkreis-doebeln.de</a>
<b>FIRST - Furniture Industry in Restructuring: Solutions &amp; Tools</b>	Bart De Turck	<a href="mailto:secretariat@uea.be">secretariat@uea.be</a>
<b>FLEXICURITE - Expérimentation d'un dispositif de gestion et de reconversion de l'emploi</b>	Virginie Xhaufclair	<a href="mailto:v.xhaufclair@ulg.ac.be">v.xhaufclair@ulg.ac.be</a>
<b>Harnessing "Rural Capital" to Manage Restructuring</b>	Annette O'Regan	<a href="mailto:aoregan@ballyhoura.org">aoregan@ballyhoura.org</a>
<b>I-CAR-O: "Innovative Regional Strategies for Employment Sustainability in the European Automotive</b>	Cristina Urdanoz	<a href="mailto:cristina.urdanoz.ezcurra@cfnavarra.es">cristina.urdanoz.ezcurra@cfnavarra.es</a>

<b>Industry”</b>		
<b>IMPLEMENT – An integrated mentoring plan for the local effective management of employment</b>	Eleni Foti	<a href="mailto:helfoti@acci.gr">helfoti@acci.gr</a>
<b>Innovative Regions - Facing the Challenges of Globalisation</b>	Christina Folmand Knudsen	<a href="mailto:czf@aalborg.dk">czf@aalborg.dk</a>
<b>IRON TIME: Innovative Re - Organization &amp; Networking for Telecommunication Industry Medium Enterprises</b>	Lorenza Franzino Demetrio Labate Annarita Eva	<a href="mailto:lorenza.franzino@urmet.it">lorenza.franzino@urmet.it</a> <a href="mailto:demetrio.labate@urmet.it">demetrio.labate@urmet.it</a> <a href="mailto:annarita.eva@urmet.it">annarita.eva@urmet.it</a>
<b>LISP - Local initiatives and social partnership: the management of change in local productive systems</b>	Dr. Federico Callegari	<a href="mailto:studi@tv.camcom.it">studi@tv.camcom.it</a>
<b>MAREFA - Management und Antizipation der Regionalen Fachkräfteentwicklung</b>	Volker Braun	<a href="mailto:volker.braun@bze-aue.de">volker.braun@bze-aue.de</a>
<b>MATRI - Méthodologie d'Anticipation des Transformations Industrielles</b>	Bernard Chapelet	<a href="mailto:bernard.chapelet@grenoble-em.com">bernard.chapelet@grenoble-em.com</a>
<b>MIC - Micro-Inno-Change (Innovative approaches to the management of change in small and micro enterprises)</b>	Roland Smigerski	<a href="mailto:smigerski@lgh.de">smigerski@lgh.de</a>
<b>MiPro - Mitarbeiterbeteiligende Prozessgestaltung</b>	Sandy Steinert	<a href="mailto:steinert@stz-zwickau.de">steinert@stz-zwickau.de</a>
<b>MIRE - Monitoring Innovative Restructuring In Europe</b>	Frédéric Bruggeman	<a href="mailto:frederic.bruggeman@amnyos.com">frederic.bruggeman@amnyos.com</a>
<b>MOOS - Making offshore</b>	Sabrina De Marchi	<a href="mailto:sabrina.demarchi@union-">sabrina.demarchi@union-</a>

<b>outsourcing sustainable</b>		<a href="http://network.org">network.org</a> <a href="mailto:uni-europa@union-network.org">uni-europa@union-network.org</a>
<b>Ne.Mo. - New Model for tourism development in Vibo Valentia</b>	Antonello Meddis	<a href="mailto:programas@ucmta.es">programas@ucmta.es</a> <a href="mailto:ana.mohedano@ucmta.org">ana.mohedano@ucmta.org</a>
<b>O2K – OPEN TO KNOWLEDGE</b> Social Dialogue as an asset for Industrial clusters towards the knowledge economy	Maria Paola Cometti	<a href="mailto:promozione@bi.camcom.it">promozione@bi.camcom.it</a>
<b>PRO-CHANGE - Innovative Pan-European Structures for Managing Economic Change and Restructuring at the Local Level</b>	Dr. Takis Lybareas	<a href="mailto:tlybareas@gmail.com">tlybareas@gmail.com</a>
<b>PRO CRISIS - Value Chain Management for the Development of a Forecasting Crisis Model for the Regional Business in Clothing Industry</b>	Panagiotis Lybareas	<a href="mailto:tlybareas@gmail.com">tlybareas@gmail.com</a>
<b>PRO PERSONAL - Professionalisierung des Personalmanagements in Unternehmen und Verwaltungen mittels Kompetenzbilanz</b>	Timo Zimmer	<a href="mailto:tz@pscherer-online.de">tz@pscherer-online.de</a>
<b>"Re-flex" Réorganisation des entreprises: actions sur la flexibilité</b>	Reine Marcelis	<a href="mailto:rmarcelis@ccenfance.be">rmarcelis@ccenfance.be</a>
<b>Regards Croisés Sur La Gestion Des Restructurations De L'emploi Dans Les Territoires</b>	Gilbert Leonhardt Odile Plan Zohra Ajem	<a href="mailto:grep.direction@wanadoo.fr">grep.direction@wanadoo.fr</a> <a href="mailto:grep.gestion@wanadoo.fr">grep.gestion@wanadoo.fr</a>
<b>Regional Key Competencies - A way to manage structural</b>	Henriette Hansen	<a href="mailto:hha@southdenmark.be">hha@southdenmark.be</a>

<b>changes</b>		
<b>ReInnovA - Restructuring by Innovations in Achaia</b>	Valter Fissamber	<a href="mailto:Nea@nea.gr">Nea@nea.gr</a>
<b>REINO - Renewal and innovation to business transfers of micro companies</b>	Ari Peltoniemi	<a href="mailto:ari.peltoniemi@kosek.fi">ari.peltoniemi@kosek.fi</a>
<b>RURAL CHANGE</b>	Bernadette Sebrechts	<a href="mailto:bsebrechts@malaga.es">bsebrechts@malaga.es</a> <a href="mailto:sgarcia@malaga.es">sgarcia@malaga.es</a>
<b>S.E.C.T.O.R. (Shared Enhancement for Cooperation to Transform and Restructure)</b>	Dr. Chantal Lucchi	<a href="mailto:chantal.lucchi@provincia.bergamo.it">chantal.lucchi@provincia.bergamo.it</a>
<b>SEREA - SEaside REorientation Activities</b>	Lucia Fraga Lago	<a href="mailto:lfraga@cetmar.org">lfraga@cetmar.org</a>
<b>Social Economy XXI: An effective management of change</b>	Ana Mohedano Escobar	<a href="mailto:programas@ucmta.es">programas@ucmta.es</a> <a href="mailto:ana.mohedano@ucmta.org">ana.mohedano@ucmta.org</a>
<b>SPEKS - Creating Value Through Change: Anthropocentric Approach Bringing Together Social Partners, Enterprises and Knowledge Providers</b>	Nikos Tsotsolas	<a href="mailto:info@zenon.gr">info@zenon.gr</a> <a href="mailto:ntsotsolas@zenon.gr">ntsotsolas@zenon.gr</a>
<b>Trace - Trade unions anticipating change in Europe</b>	Jeff Bridgford	<a href="mailto:jbridgford@etui-rehs.org">jbridgford@etui-rehs.org</a> <a href="mailto:education@etui-rehs.org">education@etui-rehs.org</a>

## ANNEX II

### The method

This annex outlines the methodology used by GHK in preparing this document. The main stages of the research, and methods used to gather and analyse the information were as follows:

#### Elaboration of the draft actions – the desk research and analysis

In order to assess the feasibility of the assignment – dividing Article 6 project activities in to actions targeted at six principal actors involved in the restructuring processes and the three stages (before, during and after restructuring) – the GHK experts undertook the initial analysis of the [Background document](#) and the [Restructuring Forum Report](#) of the “Breaking new ground: insights from the European Social Fund Article 6 programme” Restructuring Forum that took place in Paris in November 2008. The activities of the 43 relevant Article 6 projects described in these documents were analysed and provisionally placed in the draft ‘Restructuring Toolkits’ document structure.

#### Project consultation – online survey and interviews

Along with the desk research, project consultation activities were undertaken seeking to identify Article 6 project actions as relating to the six principal restructuring actors. In order to gather this information GHK undertook:

- An online survey among all the 43 projects. 22 project representatives filled in the online survey, 19 of these agreed for further interviews.
- GHK experts undertook telephone interviews with all the 19 projects that have agreed to participate in this further consultation.

The purpose of the consultation was to explore in greater depth the activities of the Article 6 projects as relating to the six principal actors involved in the restructuring processes as well as the three restructuring stages. The telephone interviews allowed the gathering of additional information on the actors or stages, where the information was still missing or scarce.

#### Drafting of the ‘Restructuring Toolkits’ document

A first draft of the ‘Restructuring Toolkits’ document was prepared and discussed with the representatives of the *Working conditions and adaptation to change* Unit of DG Employment, Social Affairs and Equal Opportunities (DG EMPL) of the European Commission in the beginning of November 2009. Once comments on this document were received, GHK prepared summaries of this document in English, French and German. The ‘Restructuring Toolkits’ document was also presented by the GHK experts in the Restructuring Forum “Restructuring and the crisis - Building Partnerships for anticipating and managing restructuring in a socially responsible way”.