



# **RESTRUCTURING - EC ACTIONS**

## **Employment week**

**25 June 2009**





# CHANGES

Changes are permanent & inevitable



Structural - climate change, demography, NTI, demand...



Conjectural – moments of crisis have particular severe negative effects on employment due to the rising number of restructuring



We must facilitate changes



It is vital for enterprises to adapt to changes  
It is vital for workers to develop new competences  
It is a guarantee of future growth



**Actors must work together**





# WE NEED TO MANAGE SOCIAL COSTS

- ❖ Minimise social costs
- ❖ Promote search for alternative job and income sources
- ❖ Preserve social cohesion

→ **Laying off workers is costly and reduces any gains a company may make by cutting back on its work force**







# PREPARATION

- ❖ Economic development & sustainable jobs → Investment
- ❖ Right skills & competences → Ongoing mapping of employment and skills needs → Education & Training
- ❖ Geographical mobility → Infrastructure, support

...



More time – more possibilities

**Analysis**

**Decision**

**Implementation**

Proactive

Negotiated

Reactive





# ANTICIPATION

Develop proactive actions: Anticipation



Anticipation can change the future



Different levels of anticipation:  
company, sector, region, national, European



**Anticipation** =

Trust, dialogue, transparency, partnership, time,  
space, knowledge, commitment,...

**PERMANENT PROCESS**





# ANTICIPATION - EC ACTIONS

**Sectoral studies: “Comprehensive sectoral analysis of emerging competences and economic activities in the EU”**

## Objectives

- ❖ Identify emerging competences and future skills needs at sectoral level based on foresight methodology
- ❖ Provide recommendations to stakeholders
- ❖ Basis for future actions by other actors
- ❖ Collaborate with a maximum of partners

## Stages





## Sectoral studies – follow-up

- ❖ Publication of results - May 2009
- ❖ High level conference organised in December 2009 together with EP, EESC and CoR
- ❖ Transversal analysis of skills needs across 16 sectors
- ❖ Feasibility of study on the setup of sectoral councils on employment and skills
  - review existing « councils » in OECD countries
  - develop options for the format of councils
  - Minimum objective: collect information at EU level existing information and disseminate to MS
  - Results expected by October 2009 to be presented in forum organised by the end 2009





# ANTICIPATION - EC ACTIONS

## Feasibility study on the setup of Sectoral Councils on Employment and Skills at the European level

### Objectives

- ✓ Provide stakeholders with information on initiatives in EU Member States
- ✓ Have discussions between sectors' stakeholders and designers of trainings/ education programs
- ✓ Integrate role of existing European tools
- ✓ Provide recommendations to stakeholders across MS
- ✓ Promote the setting-up of effective partnerships for the anticipation of change

### Method

- ✓ Collect info available in EU Member States
- ✓ Synthesis of the information collected
- ✓ Process of validation and recommendations with stakeholders
- ✓ Dissemination across EU Member States

### Output

- ✓ Reduce skills mismatches in labour market
- ✓ Reduce unemployment
- ✓ Improve business performance
- ✓ Improve skills level of EU workforce.
- ✓ Improve coordination between industry and training/education actors





# ANTICIPATION - EC ACTIONS

## European partnership for the anticipation of change in the automotive sector

- ❖ Document subscribed by the COM and all the European organisations of the sector (ACEA, CLEPA and EMF).
- ❖ Innovative document that refers to the roles and responsibilities of each actor (EU, Governments, companies, trade unions and regions) and commits the partners to a series of actions in a 2-year period
- ❖ State of play: Work programme is being implemented by the European organisations of the sector with the financial support of the Commission. Several analytical actions as well as dissemination, mobilisation, exchanges involving all the major actors are foreseen
- ❖ Excellent example of trust, dialogue, partnership, commitment – elements essential for a true and real anticipation
- ❖ Excellent opportunity to reflect on social responsible restructuring
- ❖ Medium-long term overview based on an anticipative approach towards a sustainable industry focussing on restructuring, skills and regions





# ANTICIPATION - EC ACTIONS

## ANTECIPEDIA

- ❖ **A LIBRARY** of documents related to anticipation and management of change. The added-value would reside in having one single place to find all documents, studies related to anticipation to change (the stakeholders will have the opportunity to comment the documents) + Ranking systems
- ❖ **A FORUM** of discussion (similar to a blog) on different items (people could share their knowledge on a specific topic: e.g. textile) or exchange their view on a specific document
- ❖ **A WIKI** in the sense that all the stakeholders will built something together (e.g. they could create all together a report with contribution from all)





# PREPARATION - EC ACTIONS

## Guide for training in SME

### Objective

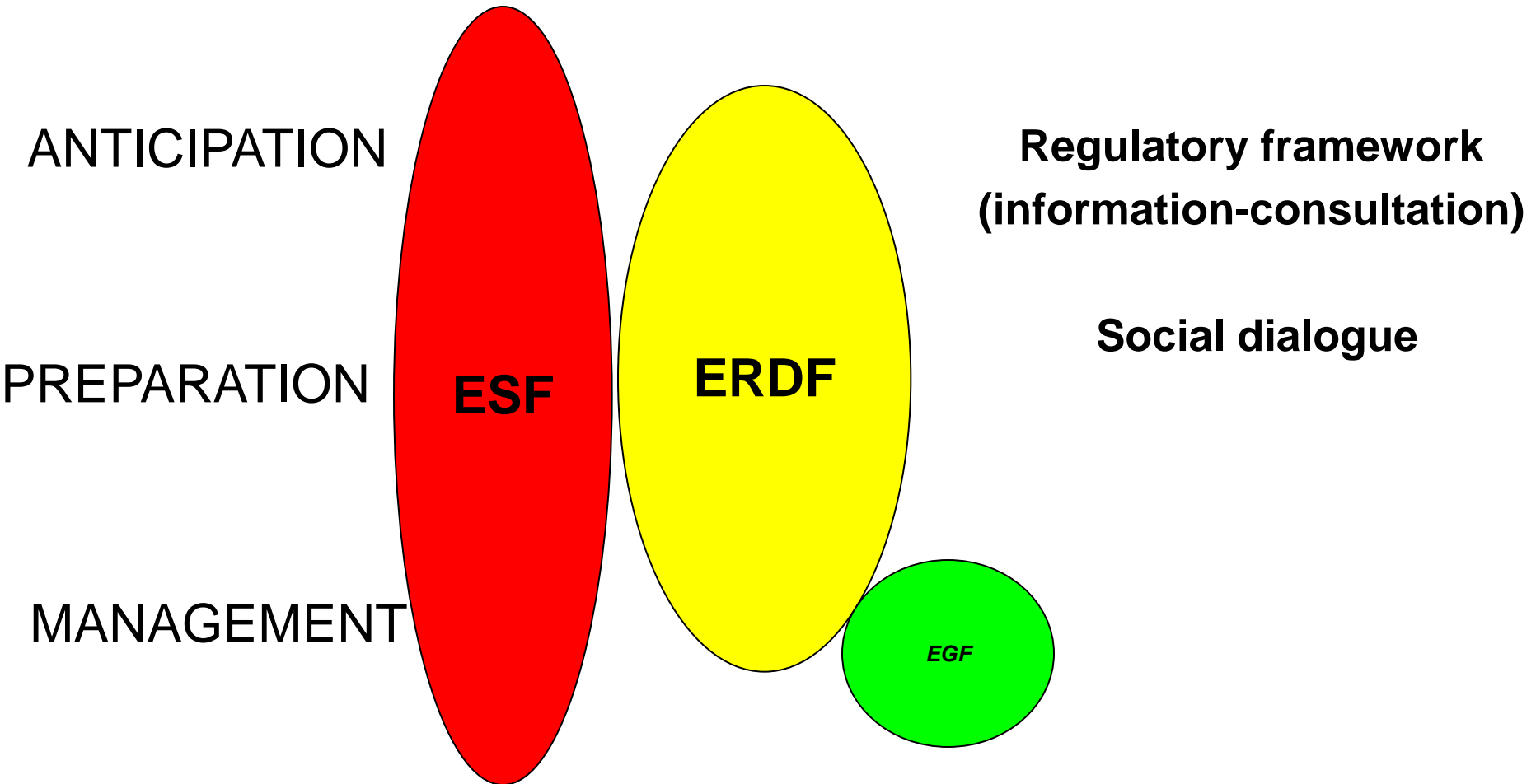
- ❖ Give a comprehensive and systematic overview of practical solutions and key elements within different areas where SMEs typically face problems and obstacles with regard to preparing, implementing and managing training appropriately

### Content

- ❖ Part 1: 13 thematic topics providing information on main challenges and focusing on experience of good practices and innovative solutions – 3 main sections: SME internal barriers and obstacles for training; methods and techniques of training; current and structural challenges of competence development
- ❖ Part 2: evaluation of 50 cases of good practices in training and skills adaptation for SME employees and managerial staff. Each case is documented and described by individual “practise sheet”



# PREPARATION - OTHER EC INSTRUMENTS





# MANAGEMENT - EC ACTIONS

## Checklist on Restructuring Processes

- ❖ Comprehensive list of concrete actions (based on practical examples of good practices within different national frameworks, industrial relations systems and economic and social contexts) aimed at anticipating, managing and reacting to restructuring
- ❖ Organised as a set of fiches addressed to each of the main actors involved (companies; employees' representatives; social partners; regional authorities; national authorities; and employees themselves)
- ❖ The actions are divided according to the timing to be undertaken (actions and instruments to be developed on a permanent basis; actions to be undertaken during the restructuring process; and actions to be developed afterwards)





# Examples

## Permanent

- ❖ Permanent bodies to monitor change - Regional Task Forces; “Change Managers”; Partnerships
- ❖ On-going mapping of employment and skills needs – early warning systems; observatories; forward-looking employment and skills planning within companies with active involvement of workers’ representatives
- ❖ Training; career development; flexibility measures
- ❖ Measures to promote internal and external mobility

## During

- ❖ Shared diagnosis
- ❖ Explore alternatives - negotiation
- ❖ Individual support to employees – “redeployment units”; “reconversion cells”; “transfer companies”; support to short-time workers

## After

- ❖ Evaluation mechanisms
- ❖ Follow-up of redundant workers





# CHECKLIST → TOOLKIT

The Commission has established a practical 'Checklist for restructuring'. On this basis, an exchange of experiences between all stakeholders could lead to the development of a set of best practices to facilitate anticipation and management of business restructuring (toolkit, common orientations, recommendations,...).





# OTHER EC ACTIVITIES

- ❖ **27 National seminars on restructuring**
  
- ❖ **Restructuring report**
  - Aim: Dissemination of information
  - 2008 European policies
  - 2009 Sectoral analysis
  - 2010 Outcomes of national seminars
  
- ❖ **Restructuring Task-Force**
  - Improve coordination of the various Community policies with an impact on the processes of change and restructuring
  - Better evaluation of the social impact of Community policies in accordance with the new 'horizontal' clause in the Lisbon Treaty could be an additional factor in anticipating the effects of Community interventions





# OTHER EC ACTIVITIES

## Restructuring Forum

- ❖ Inaugural session June 2005; 9 sessions so far
- ❖ Themes: sectoral actions in industry; how dynamic regions face restructuring; anticipation of change; the challenges of the automotive sector; adaptation of SMEs to change; transnational agreements; innovative actions of the ESF (art. 6); defence industry
- ❖ 2009: climate change; sectoral analysis and sectoral councils; Restructuring management and toolkit
- ❖ 2010: Private equity, hedge and sovereign funds; Health and restructuring; conclusions of the 27 national seminars





*Thank you for your attention!*

<http://ec.europa.eu/restructuringandjobs>

