

VADEMECUM TO PROMOTE RESTRUCTURING IN ESF ACTIONS
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1. INTRODUCTION OR THE EU POLICY BACKGROUND

The [European Social Fund](#) (ESF) is one of the Structural Funds of the European Union (EU), created to reduce differences in prosperity and living standards across the EU Member States and regions. The Structural Funds therefore promote both economic and social cohesion. The specific role of the ESF is to promote full employment, improve work equality and productivity, reduce social exclusion and regional employment disparities across the EU. The fund helps Member States to make Europe’s work force and enterprises better equipped to face new, global challenges such as increasing international competition and an ageing population. Over the period 2007 – 2013, around €75 billion euro has been allocated to the EU Member States to achieve its goals.

Proactive and socially responsible [restructuring](#) measures are at the heart of the [European Employment Strategy](#) (EES). As seen in the EES [Guidelines](#) for the employment policies of the Member States, restructuring plays a key role in the EU’s ambitions for long-term economic prosperity and social cohesion. In particular, the EES Guideline 21 calls inter alia calls for “better anticipation and positive management of change, including economic restructuring, notably changes linked to trade opening, so as to minimise their social costs and facilitate adaptation.”¹

Against this policy background, the ESF [EQUAL](#) Community Initiative can offer national and regional governments ideas and insights into how to implement restructuring measures in the framework of their OPs. Between 2002 and 2008, this initiative has invested €3.274 billion in pilot projects across the EU, many of which have focused on restructuring issues – with a particular focus on discriminated and disadvantaged groups in the labour market. Moreover, these projects share particular features that make them an ideal source of information and inspiration for the

¹ Council Decision of 12 July 2005 on Guidelines for the employment policies of the Member States, (2005/600/EC),

ESF, namely: partnership-working, innovation and transnational cooperation (all of which are mentioned explicitly in the ESF 2007-2013 Regulation).

1.1. WHAT CAN YOU DO WITH THIS VADEMECUM?

The purpose of this Vademecum is to identify and disseminate good practice from the EQUAL Community Initiative in relation to restructuring issues and proactive and reactive solutions to management of change. It is particularly aimed at helping readers to build on the experience and take forward the lessons of EQUAL without having to 'reinvent the wheel.'

The specific objective of the Vademecum is to formulate and present clear and targeted policy and practice messages based on the experience of EQUAL and in relation to the implementation of restructuring within the ESF.

This Vademecum draws together the experience from across the EU, facilitating the sharing of learning from one country to another.

Finally, it includes information on other programmes, initiatives and actors at EU level, in order to facilitate synergies and avoid overlaps with other funding streams that support restructuring.

1.2. WHO IS THIS VADEMECUM FOR?

This Vademecum is aimed at:

National or regional authorities managing the ESF - it can assist them in **preparing calls for proposals** in terms of providing explicit guidance on how restructuring challenges can be tackled, what specific types of projects should be funded and who they should involve in order to be effective. It can also assist them when **appraising and selecting proposals**. In other words, it can be used to determine whether the applicants have addressed the key aspects of restructuring and have built on existing learning, innovation and good practice, as demonstrated by the EQUAL (and other) programmes.

Organisations interested in putting forward and implementing ESF actions - it can help to inspire and inform them when **preparing their applications for ESF funding** on restructuring-related issues. In particular, the background information on what has been done under EQUAL with regard to restructuring theme as well as the good practice examples presented herein may help to elaborate the approaches and methods to be detailed in an application.

2. WHAT IS EQUAL?

The [EQUAL](#) Community Initiative was financed by the ESF and co-funded by the EU Member States. In the programming period 2000-2006 the initiative focused on supporting innovative, transnational projects aimed at tackling discrimination and disadvantage in the labour market. These projects were created to generate and test new ideas with the aim of finding new ways of tackling discrimination and inequality within and beyond the labour market. The principles underpinning EQUAL projects were:

- Partnership-working – involving different actors (private, public and non-governmental organisations) to find integrated solutions to common labour market challenges. An EQUAL project was known as an *EQUAL Development Partnership*, DP² for short.
- Innovation – developing, testing and learning from new ideas and approaches;
- Empowerment – prioritising the 'bottom-up' approach by involving and engaging the beneficiaries and partners (government, employers and trade union representatives) in the DP activities from the very outset;
- Transnational cooperation – establishing a transnational partnership with at least one other EQUAL DP in another Member State, with the view to finding solutions that adding value across national boundaries; and

² EQUAL projects are specifically called 'Development Partnerships' or DPs as they may unite a number of different local, regional or national level partners. Each DP is required to participate also in international cooperation, called Transnational Partnership.

- Mainstreaming at the local, regional, national and international levels – making sure that the activities and ideas have an impact beyond the lifetime of EQUAL and help to inform the development and improvement of labour market policy.

In many ways, EQUAL was a unique funding stream within the ESF 2000-2006: it provided a ‘test bed’ to explore and test out new ways of addressing the employment difficulties faced by vulnerable groups, using partnership-based approaches involving enterprises, public authorities, non-governmental organisations (NGOs) and social partners, amongst others. What emerged from these activities over the years was a wide range of lessons, insights and good practices, which have since been disseminated to practitioners and policy-makers working in the employment and social fields – at regional, national and European levels.

EQUAL was structured according to [thematic fields](#) defined within the four pillars of the EES: Employability, Entrepreneurship, Adaptability and Equal opportunities. In addition to these pillars, the programme supported a further theme of activities to help the integration of asylum seekers.

A significant number of the EQUAL DPs focused on the subject of Adaptability, in other words, addressing the challenges faced by enterprises and workers in adapting to change – change that is driven by modern-day trends such as globalisation, demographic ageing and technological innovation. More specifically, across the two application rounds, EQUAL co-financed 866 Adaptability-related projects, across 21 Member States, amounting to €736 million.

The Adaptability pillar was broadly split into two thematic priorities: Theme E, addressing Lifelong Learning, workplace flexibility and the development of inclusive work practices, and Theme F, involving support to firms and employees in adapting to structural change, for example, in relation to Information and Communication Technologies (ICTs) and new forms of work organisation. Thematically, restructuring appeared to be more related to Adaptability Theme F, however most EQUAL DPs being multifaceted, they also at times covered various aspects of lifelong learning.

Out of the total of 866 Adaptability DPs financed under EQUAL around 200 focused on various aspects of anticipating, preparing, or managing change. From these 48 had specific and explicit focus on restructuring activities, 70 focused on modernisation, and 89 on other similar themes such as change management, reorganisation and structural change. Whilst there is some degree of overlap between the DPs cited in these figures, there is nevertheless a significant number of DPs that addressing different aspects of restructuring under the EQUAL thematic field of Adaptability.

For each EQUAL pillar, a European Thematic Group (ETG) was established to enhance learning between actors at the operational level and to encourage the dissemination and mainstreaming of good practice across the EU. A European Thematic Group was also established for the Adaptability pillar (ETG3).

The work of the ETG3 was underpinned by the following two priorities selected on the basis of an analysis of activities of EQUAL DPs and Transnational Partnerships, EU policy connections and national priorities:

- Working at the interface of lifelong learning (between supply and demand) and developing inclusive policies and practices.
- Challenging discrimination throughout working life and focusing on age management policies.

And two transversal issues underpinning the two above priorities were the:

- Promotion of ICT literacy and access to ICTs.
- Development and accreditation of qualifications, including the accreditation of prior and experiential learning.

Examples of EU-level mainstreaming initiatives undertaken in relation to the sub-theme of restructuring included:

- An overview article on [“Restructuring: curse or remedy?”](#) (November 2005) that explored the definition of restructuring, the European policy context for the theme and illustrates how the issue was addressed by EQUAL DPs

- [“EQUAL and ESF Article 6: Innovative and Social Responsible Restructuring”](#) (November 2006) Background paper for the 3rd [‘Restructuring Forum’](#) session, entitled: “How dynamic regions face restructuring: The role of the European Social Fund and of the other Structural Funds”, which took place on 4/5 December 2006. The Background paper offers a description of the new and effective restructuring solutions developed by ESF initiatives and ‘translates’ these solutions and the associated experiences into a series of policy messages, that may serve as recommendations for policy makers (at all levels). It also contains a number of case studies and interviews with EQUAL and Article 6 projects.
- Background paper [“Emerging lessons and insights on Restructuring”](#) (March 2007) provides an analysis of the restructuring sub-theme as covered by Adaptability DPs.
- Participation in t the CEDEFOP conference on [Guidance for Workforce Development](#), held in Thessaloniki on 25/26 June 2007. Adaptability experts³ had the opportunity to [present the experience of the EQUAL programme](#) in socially responsible restructuring, addressing the needs of individuals as well as regions and localities.
- The Policy Brief [“Human Capital and Restructuring: a focus on SME investment”](#) (November 2007) focuses on the ways in which SMEs can be supported and encouraged to invest in the human capital of their workforce – particularly in sectors and regions dealing with the questions posed by industrial restructuring based on experiences like EQUAL.
- The article [“EQUAL Lessons in Rural and Urban Restructuring”](#) (November 2007) for the Regional Policy Directorate General (DG REGIO) Open Days. This event included a workshop, entitled “Regional strategies for innovative and social inclusive restructuring”, co-organised by DG EMPL that featured solutions in proactive restructuring of rural and urban regions developed by EQUAL projects.
- Overview article [“Restructuring - the Role of Dynamic Regions!”](#) (January 2007) reports on the 4 and 5 December 2006 the Restructuring Forum meeting in Brussels. The meeting focused on from a territorial perspective and the crucial role played by the ESF and European Regional Development Fund (ERDF) in supporting these developments.

These and many other documents prepared by GHK Consulting Ltd⁴ (the contracted thematic experts for the Adaptability pillar of the EQUAL programme) on the theme of restructuring can be accessed on the [Adaptability section](#) of the EQUAL website.

³ GHK Consulting Ltd has been contracted to provide thematic expertise and assistance to the Commission for the Adaptability pillar of the EQUAL programme

⁴ GHK Consulting Ltd were the appointed European thematic experts for the Adaptability pillar of the EQUAL programme. The role of the thematic experts was to identify, thematically organised and gather good practice and disseminate those practices through the preparation of articles, case studies, policy briefings and conferences.

3. A DEFINITION OF RESTRUCTURING

One single, all-encompassing definition of restructuring is hard, if not impossible to present. The term has a range of interpretations and nuances depending on the context and scope of analysis. This can range from “restructuring” employed to designate particular events of business organisation to a broader meaning encompassing economic change in general. Three contexts in which the term restructuring is often used are:

1. restructuring of the economies of the Central and Eastern European Countries, which encompasses issues of privatisation, structural and management change, and re-orientation from centralised to free-market based economies;
2. restructuring due to the predominantly Western shift from industrial to service-oriented societies, entailing potential “side-effects” such as declining industrial regions, unemployment, growing criminality, and social disparity; and
3. restructuring of an enterprise to either preserve or boost its competitiveness via changes in its structure, improvement of its management and employee skills, as well as modifications in its working and communication methods.

The distinction between these three dimensions of restructuring is poorly illustrative as in reality the processes and causes for change are irrevocably linked. All three “forms” of restructuring may be triggered by the pressures of the developing the European single market and the opening-up of economies to international competition (factors such as globalisation, including delocalisation of labour intensive industries or outsourcing of services to countries with lower labour costs).

The EU-level debate, communication and analysis often revolve around and may be structured according to the three ‘stages’ of dealing with restructuring. These are as follows: **anticipation** of restructuring, **planning and preparation** stage and **social support measures** stage.

The restructuring stages form a part of the European Commission’s conceptual model of restructuring and have been used as a structure communication, analysis of the restructuring phenomenon and organising the work on the restructuring theme (e.g. in previous Restructuring Fora and in various European Commission publications). A similar distinction (into four stages) of restructuring was also established in Bernard Brunhes International’s thematic report “Evaluation of European Social Fund Support to the Anticipation and Management of Economic Change and Restructuring.”⁵

It is important to note that the stages should not be viewed as cyclical or sequential in nature. Rather, they should be seen as parallel efforts to address multi-faceted and ongoing transformations - ideally in a more proactive or efficient way than simply responding to an immediate ‘crisis situation.’ Put another way, they are constructs that help to encompass a variety of possible measures and solutions, many of which are overlapping and connected. In the case of EQUAL Adaptability DPs, these partnerships developed measures covering one, two or all three of the stages.

4. RESTRUCTURING IN THE EU CONTEXT

The Commission has recognised the impact and value of restructuring through the establishment of the ‘[Restructuring Forum](#)’ and the [European Restructuring Monitor](#)⁶. A key document that underpins these developments and sets out the EU’s position on restructuring is the Communication on “[“Restructuring and employment – Anticipating and accompanying restructuring in order to develop employment: the role of the European Union”](#)”. The

⁵ Bernard Brunhes International – BPI Group for the European Commission, DG Employment, Social Affairs and Equal Opportunities. “Evaluation of European Social Fund Support to the Anticipation and Management of Economic Change and Restructuring”. July 2007, pages 26, 27 and 57,

http://ec.europa.eu/employment_social/evaluation/docs/manuscrit_restructuration_for_public_final_en.pdf

⁶ The European Monitoring Centre on Change (EMCC) and the European Restructuring Monitor (ERM) are projects of the European Foundation for the Improvement of Living and Working Conditions.

Communication presents restructuring as being at the heart of the re-launched [Lisbon Strategy](#) for Growth and Jobs, calling on the EU and Member States to tackle the negative consequences of restructuring by active labour market policies, lifelong learning and the anticipation of change in industrial sectors. To achieve this, the Communication emphasises the importance of mobilising all national and Community resources, and enhancing partnership between the EU and Member States, as well as the social partners and civil society, all with the view to ensuring that the negative effects of restructuring on employment and working conditions are as short-lived and limited as possible⁷. Aside the need for socially responsible, inclusive and timely management of restructuring practice this Communication also invites the Member States to actively start transformation processes by an argument that delaying change by freezing economic structures will only serve to aggravate the problems of competitiveness in the future. The Communication also points out that restructuring is nothing new; while previously restructuring efforts were mostly focused on industries and whole regions, it is now the enterprise that has become the primary focus of reorganisation.

This shift is also clearly visible in the thematic focus of EQUAL Adaptability DPs that during the first round of financing predominantly (but not exclusively) focused on restructuring at the industrial level, while in the second period on restructuring from the business perspective⁸, particularly that of small and medium-sized enterprises (SMEs). Similarly most of the priorities identified by the Communication in the context of restructuring were already addressed by the EQUAL partnerships, such as for example, improving the conditions of disadvantaged and discriminated groups, working to raise the qualifications of low-skilled workers, training and counselling to promote flexibility, adaptability, and match the growing education requirements.

Enterprises and SMEs in particular are major focus of the European agenda on restructuring. As outlined by the [“Restructuring” Forum](#) on Adaptation of SMEs to change⁹, SMEs are a major component of the European economy. The EU’s 23 million SMEs constitute 99% of all businesses and account for up to 80% of jobs in some sectors, such as textiles, construction and furniture. Although their base is local or regional, SMEs, just like large companies, must adapt to factors such as increasing international competition, movements of capital and its globalisation, the speed of technological change and the rapid cyclical shifts which characterise modern economies.

However, in dealing with these transformations, SMEs do not have the same support structures, in terms of either financial or human resources, as large companies. What is more, the changes affecting them are largely unknown. This insufficient level of awareness can be seen as the corollary to the media coverage given to major restructurings in high-profile companies. While SMEs may not be under the media spotlight, they have a critical role to play in dealing with restructuring and the wider issues of structural and economic change. An important part of this role is investment in human resources – in other words, ensuring that the skills and knowledge capital of the SME workforce is maximised, both for the benefit of the employee and the company concerned during periods of economic pressure and change.

The challenges faced by SMEs have been addressed by many of the EQUAL Adaptability DPs through often innovative and holistic sets of measures. SMEs has been a particular focus of the EQUAL DPs that have helped to adopt whole regions, cities or (at time several) industries to economic and social change. Aside the development of mechanisms to anticipate change (such as sectoral and regional observatories, or change management systems in companies as well as SMEs), elaboration of measures to prepare for it (e.g. research on skills and knowledge capital needed in certain regions, sectors or companies as well as validation and training to provides these skills and competences), these partnerships have often supported SMEs in acute restructuring situations. As such, this EQUAL experience is highly diverse, suited to both the current European policy agenda and therein, needs of SMEs in particular.

⁷ Commission Communication “Restructuring and employment”. Pg. 4.

⁸ This is one of the points always mentioned by the Commission representatives during “Restructuring” Forum meetings, also mentioned in “Restructuring and employment”. Pg. 3.

⁹ This Forum took place on 26/27 November 2007 and GHK participated and reported on the event in the Framework of the Technical assistance contract with DG EMPL.

4.1. EUROPEAN EMPLOYMENT STRATEGY

The EES is the main vehicle for implementing the employment objectives of the Lisbon Strategy on Growth and Jobs. Since 2003, the EES has been presented in the form of Integrated Guidelines¹⁰ for Member States' employment policies – guidelines that were especially reviewed and revised to facilitate the refocusing of the Lisbon Strategy in 2005.

The three strategic priorities of ESS are to attract and retain more people in employment, increase labour supply and modernise social protection systems; to improve the adaptability of workers and enterprises; and to increase investment in human capital through better education and skills.

The EES Guideline 21 calls inter alia calls for “better anticipation and positive management of change, including economic restructuring, notably changes linked to trade opening, so as to minimise their social costs and facilitate adaptation.” This Guideline illustrates that restructuring is perceived as playing a key role in the EU's ambitions for long-term economic prosperity and social cohesion.

4.2. RESTRUCTURING AND THE ESF-SPECIFIC REGULATION

The main task of the ESF is to “*contribute to the priorities of the Community as regards strengthening economic and social cohesion by improving employment and job opportunities, encouraging a high level of employment and more and better jobs*” (Article 2(1)).

For the current programming period, the links between ESF and the policy framework have been reinforced, focussing resources more effectively on the objectives and targets of the Lisbon Strategy. Anticipation and positive management of change have been as clear priorities for ESF (2007-2013).

The [ESF-specific Regulation](#) for the 2007-2013 programming period outlines the need for assistance in “*increasing the adaptability of workers, enterprises and entrepreneurs with a view to improving the anticipation and positive management of economic change.*”¹¹ In particular, it aims to anticipate and manage economic and structural changes to ensure more and better jobs for Europe: creating the conditions for flexibility and security, which will support human capital and employment protection.

Article 3, 1 (a) specifically states that the ESF shall support actions in Member States under the priority of “*increasing adaptability of workers, enterprises and entrepreneurs with a view to improving the anticipation and positive management of economic change.*”¹² with specific reference to restructuring. Specifically under the sub-point (ii) of this Article, ESF-specific Regulation previews support for:

- the design and dissemination of innovative and more productive forms of work organisation, including better health and safety at work,
- the identification of future occupational and skills requirements, and
- the development of specific employment, training and support services, including outplacement, for workers in the context of company and sector restructuring.

¹⁰ Council Decision of 12 July 2005 on Guidelines for the employment policies of the Member States, (2005/600/EC)

¹¹ Article 3 1. (a) of the Regulation (EC) No 1081/2006 of the European Parliament and of the Council of 5 July 2006 on the European Social Fund and repealing Regulation (EC) No 1784/1999. *Official Journal of the European Union*. 31.7.2006

¹² European Council Regulation EC No 1081/2006 on the European Social Fund and repealing Regulation (EC) No 1784/1999

4.3. PRACTICAL SOLUTIONS AND POLICY MESSAGES

Since 2002, EQUAL supported partnerships that fostered anticipation and management of restructuring on regional, sectoral and enterprise levels. It has also helped individuals and a wide range of excluded groups in particular to become more ready to embrace and keep up with change. Aside from people in rural areas, these partnerships have targeted and included older workers, women, people with child and dependent care responsibilities, the low skilled and the disabled. Increasing the adaptability of these individuals is fundamental to the EU's priority of promoting employment and capitalising on the rich potential of all European citizens for growth and jobs.

Within the current framework, the implementation of the OPs could be significantly enhanced by taking forward the lessons and good practice from the EQUAL programme as a high number of EQUAL initiatives have particularly focused on addressing the challenges of proactive change management and "emergency" restructuring situations, with a special regard to the needs of discriminated and disadvantaged groups.

This section discusses the main lessons that emerged from the EQUAL Adaptability pillar regarding restructuring. These lessons have been grouped into three sub-themes (restructuring stages). Each sub-theme summarises firstly the key **practical solutions** developed by the DPs, that is the new tools, decisions and approaches that have proved particularly successful and demonstrated good practice; and secondly, these solutions and the associated experiences are 'translated' into a series of **policy messages**, that is recommendations for policy makers (at all levels) drawn directly from the experiences of the projects on the ground.

The three '**restructuring stages**' identified are as follows:

- **Anticipation of Change** – as its name indicates, this stage covers projects that promote a proactive and forward-looking approach to the management of restructuring in order to prepare for the changes ahead and minimise any negative social and economic consequences. The typical activities that fit within this stage revolve around those that focus on the observation, research and analysis of the restructuring phenomenon.
- **Planning and Preparation for Change** – this stage is characterised by more 'hands-on' measures, primarily focusing on the development and institutionalisation of initiatives that help to deal with restructuring. It may include the provision of training, human resource planning and support in the field of finances, technology and innovation - in other words, effective and practical measures to manage change.
- **Social Support Measures** – this is the restructuring stage that covers more 'reactive' or 'remedial' approaches with the aim of eliminating or mitigating the social consequences of restructuring. This stage can be executed via reclassification measures, reconversion units, regional redevelopment and mobility groups, active labour market measures and other similar interventions.

4.4. ANTICIPATING RESTRUCTURING STAGE

PRACTICAL SOLUTIONS

Use inclusive and diverse partnership-working to anticipate restructuring

Institutionalised and inclusive partnerships are crucial for successfully anticipating change. EQUAL experience has shown that the anticipation of change on a sectoral or regional level is best achieved through coordinated actions of various major and minor regional actors. Partnership work can also serve as a basis for anticipating, revitalising and managing change in a number of companies or SMEs, united in clusters or occupying particular sectors. To engage and manage such partnerships, it is important to put **clear and shared objectives** in place **from the very outset of the project**. Typical partnership working structures set up by the EQUAL projects included **steering groups** focused on overall management and decision making, **executive or working groups** charged with designing and delivering aspects of the project, and **fora** to promote consultation, sound out opinion and ‘test out’ new ideas.

A good illustration of partnership working was the *Always Tourism* project (Greece). This partnership had a strong sectoral focus; it was supported by and involved key actors within the Greek tourism sector. The project was led by the Hellenic Association of Travel and Tourist Agencies working in collaboration with the Agency of Tourism Promotion and Culture Development Prefecture, the Greek Organism of Tourism, as well as other academic bodies such as the Hellenic Open University, the National Centre for Social Research and the University of the Aegean, Department of Business Administration. All of these partners helped to raise the awareness of relevant stakeholders towards the current restructuring problems faced by the tourism sector, as well as to engage them in the development of longer term, remedial strategies and policies.

Engage public authorities and business representatives

Certain organisations have proved to be ‘essential ingredients’ to the partnership. **Public authorities** (particularly at the regional level) and **chambers of commerce** were seen as essential in securing the engagement, interest and commitment of local employers in the partnership; without such organisations, firms and entrepreneurs do not see the project as being relevant or ‘serious’ in dealing with their business problems.

For the *Lorraine, Territoire de Compétences* project (France), the fact that the leading organisation was the Regional Council **gave substantial weight and coherence to the project**, and helped to convince companies that their ‘validation of skills’ tool would create a win-win situation for all sides of the partnership. It also ensured that the key results of the project would be **mainstreamed** at the political level. Within the framework of the project, companies, training organisations and employment agencies worked together for the first time on finding efficient solutions for closing the skills gap and fighting unemployment in Lorraine. The involvement of the ANPE (National Employment Agency) was particularly helpful in this regard. One of the tools developed by this partnership was the ‘Passeport Compétences Emploi’ (Passport of Employment Competences). This and other partnership results helped to develop a more consistent and better coordinated approach to the management of restructuring in the region.

Involve academic actors to transfer knowledge

Universities also have an important role to play in anticipating as well as planning and preparing for change. Indeed, they are instrumental in transferring leading-edge knowledge to companies on the restructuring process. If involved in the partnership work from the very outset, they are also able to engage and foster trust of employers in the potential, benefits and seriousness of the partnership work. This is due to their perceived independence, established reputation and leading-edge as well as catalyst for change and knowledge image.

An example of this type of cooperation is provided by the *Professional Shipyard Worker in the Baltic Sea* project (Finland). This project worked to promote the adaptability of employees in the marine technology industry. A key success factor in this project was the optimal **use of the knowledge** of the five project partners in their own fields of expertise. For example, the Research Centre for Lifelong Learning and Education (CELE) at the University of Turku and Turku School of Economics worked on the research tasks.

Engage employers preferably from the very outset of the partnership or project

A key challenge when building partnerships for anticipation, planning and preparation of restructuring is to know how to involve businesses in this process. EQUAL shows the importance of involving employers from the very outset of the project. But Companies are not always willing to cooperate for a number of reasons, including other, seemingly more profitable priorities, and a lack of time and resources. EQUAL projects successfully involved companies in their partnership work by overcoming these problems in a number of ways:

- Using business-friendly language, avoiding the use of a **vocabulary and concepts that are not too abstract and far from the company's daily concerns**. The benefits of partnership-working have to be articulated in clear, commercial terms and meaningful way for the businesses.
- Taking into account the **'time factor'** –:company managers often have little time to listen to what the partnership representative has to say. Therefore, this narrow 'window of opportunity' has to be used efficiently by addressing only the key issues of **how the company can contribute – and benefit – from the partnership**.

Mobilise social partners

The EQUAL projects have developed a number of successful approaches for promoting, encouraging and sustaining social dialogue – within the context of partnership. The key characteristic of these approaches has been re revitalisation or even creation of social dialogue in a particular level, sector or region. This dialogue may be sustained through **establishment of a committee or forum for permanent dialogue between the social partners**.

The **transnational dimension of social dialogue** should not be neglected. Several EQUAL projects have commented on **the benefits to be gained from involving social partners in information-sharing and collaboration across national boundaries**.

Encourage in-depth research and analysis of the various restructuring aspects

A critical starting point for any regional response to restructuring has been a **thorough investigation and analysis of the 'situation in the region'**. This has proved essential in truly understanding the social and economic characteristics of the region, and identifying the essential drivers and consequences of change that need to be addressed. Aside from critical regional intelligence, another benefit of this work has been the chance to identify – and latterly consult and collaborate with - all of the regional stakeholders in restructuring. In turn, this research and analysis has **helped these stakeholders providing data and information that they may not previously have accessed, as well as a fresh and comparative picture of restructuring**.

The [GESSCANT](#) project (Spain) was an excellent example of this approach applied to the Cantabria region. The project partners commissioned research into the trends, risks, threats and recent changes within four critical sectors: textiles, metallurgy, automotive and retail. According to the project co-ordinator the goal of the research was to establish the extent to which employment policies are developed in Cantabria and to open debate about how to anticipate and alleviate the negative effects of the restructuring processes in these sectors. The research also helped to find new and alternative measures or policies to those commonly used, in the fields of training, redistribution of working time as well as social and family support.

Identify positive and inspiring examples in anticipation of restructuring

Nothing serves better than a good practical example in illustration of what are the best ways of anticipating and managing change as well as the dire consequences of not doing so. In devising the course for adaptation to change in a company, a sector or a region it is just as important to focus on potential challenges, problems and weaknesses as well as their **opportunities and potential**. Here, **examples of restructuring case studies** as well as **inspiring practices in anticipation and management of change** have proved very useful in developing approaches.

This is illustrated by *the Qualitative and Dimensional Growth of Venetian Companies* project (Italy), which worked within the relatively wealthy Venetian region affected by the delocalisation of production (especially on the textile and shoes sectors). The project developed **case studies** of companies undergoing restructuring. Some of these case studies were elaborated into 'success stories' of companies that had successfully executed changes to their organisation or production processes. These stories thereby **served as leading examples** for other SMEs in the region affected by restructuring.

Undertake forecasting and observatory activities

Activities to observe, forecast and analyse patterns of restructuring are crucial in anticipation and timely management of change. These activities go beyond on-the-spot research and analysis, and provide a **robust and regular source of information that can help to deal with restructuring in a far more proactive and pre-emptive way**. Moreover, they help to provide an **impetus and focus for developing coordinated approaches and strategies** across a range of different organisations such as public authorities, trade unions, employers and employment services. They also play an important role in fostering the idea that **restructuring is not an exceptional event, but more of a permanent phenomenon** that needs constant review and monitoring.

The Unemployment Prevention System in Underdeveloped Areas project (Poland), for example, developed an electronic tool called the 'e-barometer', especially conceived and designed to help and support SMEs in two disadvantaged regions. Through the portal, the project provided information on changes in macroeconomic and regional business trends so as to help entrepreneurs anticipate and adapt to restructuring. For example, SMEs had access to forecasts concerning the main macroeconomic development indicators (like GDP, CPI, exchange rates, import, export, main credit rates, incomes etc), as well as to information on the crucial risks affecting SMEs. Also, entrepreneurs had access to forecasts of the main indicators of regional development, as well as to results of economic research provided in both regions.

Support and encourage regional planning and strategy development

EQUAL DPs did a substantial work on regional planning and strategy development. Such plans and strategies have helped the region to **clearly define its restructuring agenda** - in other words, its goals, activities and commitments to proactively deal with the economic changes identified or forecast within the region. More often than not, the drafting of these documents has been directly informed by the research and analyses undertaken by the partnership as described above. The development processes of these plans and strategies have been also essential tools in **bringing together, engaging and focusing all the regional stakeholders** behind this regional agenda. They have been a way of consulting and 'making sense' of the differing views and interests of the stakeholders into one overall position. Moreover, they have provided **something 'concrete' to help promote the change**, and as a consequence may generate further interest and in some cases financial backing to the partnership cause.

Develop proactive and multi-dimensional company support

It was observed that companies lack awareness of – or in some cases, fail to admit – their problems. Their tendency is to press on with 'business as normal', regardless of changes to their commercial, regulatory and structural environment, and the impending difficulties and challenges that lie ahead. EQUAL projects worked to address this problem in three distinct ways.

Firstly, they have ensured that any **company support structure or system is proactive in nature**, in other words, they work to anticipate and prepare for the problems foreseen on the

horizon. This preventative approach is far more effective when done in direct collaboration and consultation with the company concerned, particularly with senior managers.

Secondly, the projects have clearly offered **solutions to the problem** – or at least parts of the solution. This constructive and solution-orientated approach helps to move companies away from ignoring the problem, to realising that restructuring can present opportunities, not just constraints. Another dimension to this approach is the offer of more than one solution: companies need to be presented with a **range of options and strategies** before the actual restructuring process takes place.

And thirdly, projects have seen the benefits in **combining consultancy services with training measures**. Human resource and skills development to deal with restructuring are far more effective if they form part of a wider advisory package that gives the company an opportunity to explore and discuss – with ‘external experts’ - the issues that they face.

Encourage the development of SME networks and clusters

A highly successful way of engaging SMEs and helping them to overcome the difficulties and fears associated with restructuring was the establishment of SME networks and clusters. By bringing SMEs together, often from the same sector or branch of business activity, it was possible to promote the exchange of knowledge and information, opportunities for collaboration and joint working, and above all, a feeling that one is ‘not alone’ in dealing with the acute challenges of economic change.

Networks and clusters proved most effective when they had a clearly defined aim, and been centred on a common problem and target group.

The aim of the networks set up under the [InoCoP](#) project (Portugal) was to enable automotive component suppliers to develop, test and bring to market new innovations in their industry. Through these networks – or ‘Communities of Practice’ as they were known – small businesses were able to pool their knowledge and resources, working directly with an external research and development laboratory, something that they would not have been able to achieve, had they worked in isolation.

Another benefit outlined by the EQUAL experience is the aspect of self-development and empowerment related to networking. The networks and clusters have clearly given SMEs the scope to determine their own agenda and learn from the bottom up. This approach has always been backed up by strong and well-resourced facilitation via the project partners, and in many cases supported by written tools and methodologies.

A fine illustration of this was the [Munich Competent](#) project (Germany), which developed a networking model for organic food retailers to support the process of ownership transfer and/or address the growing competition organic supermarkets. In the words of one network participant:

“With the recent supermarket phenomenon, we are in all the same boat...The reason I got involved was because previously I found it difficult to formulate the future of my business. The network has allowed me to think about this future and now I am exploring the prospect of a third store. It has been good for me and others!”

Disseminate and raise awareness about the benefits of anticipating restructuring

Dissemination of research and project results as well as awareness raising on the benefits of anticipated and timely management of restructuring as well as the threats of a reactive approach are the issues of keys importance to companies and SME in particular. The EQUAL partnerships have not only engaged SMEs in their project’s activities to anticipate change, but also built critical relations between local business and other key stakeholders, such as public authorities, employment services and NGOs. Typical examples of such measures included the organisation of regional events, a video illustrating the ‘situation in the region’, and case stories of ‘champion SMEs’ that successfully dealt with restructuring issues. Across these examples, particularly the latter, is the emphasis on engaging SMEs with a strong, and above all, positive message: adaptation to change is a critical, and potentially prosperous part of business life.

POLICY MESSAGES

Policies aimed at anticipation of restructuring should...

...focus on and promote the involvement of all stakeholders in anticipation and management of restructuring at the territorial, sectoral and corporate levels.

The only effective way of anticipating and addressing today's restructuring problems is by developing shared solutions. Restructuring concerns many different policy agendas, organisations and individuals and as such requires a multi-faceted approach, based on partnership. The stakeholders that should be engaged in any such partnership include public authorities, social partners, chambers of commerce, NGOs, etc.

...support the development of structures and tools to collect all stakeholders' opinions about the future of the region, sector or enterprise and get them involved in the subsequent development process.

It is essential to involve and consult all the stakeholders in all stages of the restructuring process, from the initial assessment of the situation, through the design of remedial steps and measures, right up to ongoing dialogue and review. Without such engagement, there is a risk of undermining the effectiveness, relevance and sustainability of regional, sectoral or enterprise responses to restructuring.

...make provision for longer-term forecasting and planning via the establishment of observatories, particularly at the regional and sectoral level.

Restructuring can be a painful process, but that does not mean it should be shied away from. On the contrary, there should be increased provision for anticipating and planning for the restructuring challenges that lie ahead for the region, not just one year ahead, but on a longer term, three to five year basis. Observatories form an essential part of the anticipatory/planning approach, and are currently lacking at the regional and sectoral level. Moreover, they need to cover a range of inter-related policy areas, including social affairs, education, employment, demography, regulatory frameworks etc.

...help to promote and disseminate the opportunities posed by restructuring as opposed to the threats and risks.

Real benefits have been observed in selling restructuring as a positive prospect. This can be achieved by researching and analysing the economic opportunities as much as the risks for the region or sector brought about by the expected transformations. Identifying success stories and good practice examples, both within the region or sector and outside is an effective way to assert such possible future developments and to avoid making mistakes. The above mentioned partnership working, stakeholder consultation and involvement are sure to make a positive contribution to regional or sectoral information-sharing and dissemination activities.

...support more regular and effective evaluation of restructuring measures.

There should be far more formal evaluation of cases of restructuring at the company, sectoral and regional level. The findings from such evaluations are essential for learning and improvement, rather than repeating 'old mistakes'.

...look at company support in a more creative and multi-dimensional way.

There is no one single solution for a company to effectively anticipate, plan for and deal with economic change. A firm needs to be given the change to explore and discuss a range of restructuring services and options, as part of a more holistic and multi-faceted package of support in anticipation and management of change. This package should go beyond the provision of training and skills development, and include an on-going monitoring and integrated advisory services.

...support structures that contribute to communication and relationship building between SMEs, as well as between SMEs and other intermediaries.

For many SMEs, the prospect of change can be a scary issue to be avoided. Therefore, a solution for anticipating change in SMEs should include an element of overcoming fear and

mistrust with regard to the subject of restructuring. This natural resistance can be overcome by investment of adequate resources to relationship-building and networking among SMEs, organisations representing them and other relevant actors. EQUAL experience has shown that face-to-face networks, on-site advisory services or one-to-one coaching of SME managers are all effective measures to support SME in timely management of change.

...be formulated and disseminated in a way that is clearer, simpler and far more user-friendly for SMEs.

Difficulties in gaining information on what is going on at policy level and the complexity of the language used by policy makers constitute two major barriers for SMEs in anticipating change and understanding the implications of restructuring-related developments and provisions. These barriers have been particularly observed for SMEs in rural and remote areas. European, national and regional policy makers should therefore use a far more accessible language and make increasing effort to disseminate information to all stakeholders.

4.5. PLANNING AND PREPARING FOR CHANGE STAGE

PRACTICAL SOLUTIONS

Promote inclusive and diverse partnership-working for preparation of restructuring

During the actual planning and preparation measures to bring about change multi-stakeholder partnerships are also absolutely essential – at the territorial, sectoral or corporate level. The provisions for restructuring have to be firmly institutionalised and are the most effective if conceived, designed, delivered and reviewed with the support of all of the agencies and individuals concerned, including: public authorities, local businesses, social partners (both trade unions and employer representative organisations), higher and further education providers, employment services and civil society groups. The active participation of all the relevant stakeholders in the restructuring provides new insights and perspectives resulted in a better and more representative overview of the various issues related to the restructuring process.

One example of a successful multi-stakeholder partnership was the *Volante XXI* project (Portugal). Following a change in the regulatory framework for the truck driving industry, this project brought together all interested parties to build - from scratch - a training programme for drivers so that they could up-skill and retain their jobs. The parties included: associations for goods and passenger transport, the transport administration agency, the two biggest transport companies in Portugal, training institutes, trade unions, universities and the public sector in the form of the Ministry of Transport.

Explore the added value of transnational cooperation in restructuring

The benefits of transnational cooperation in planning and preparation for change cannot be over-emphasised, particularly given the increasingly globalised nature of restructuring itself. The benefits of working transnationally, as cited by projects, included being able to share learning and experiences, compare and benchmark, identify and disseminate good practice - and not insignificantly, the transnational exchanges provided the comfort of knowing that separate actors and a partnership are not alone in dealing with specific challenges of change.

An interesting case of transnational cooperation is the one found in *the Future of the Oderland NadOdrze Border Region* project (Germany). This project engaged public authorities, business representatives and other stakeholders in east Brandenburg with their counterparts in the neighbouring Polish region to jointly identify and exploit cross-border market opportunities. The cooperation plan was set out over a three to five year timeframe, thereby giving a longer term perspective to this inter-regional collaboration. According to the project manager, this cross-border cooperation was fundamental to maximising commercial opportunities for both the German and Polish regions, and strengthening their ability to deal with the effects of globalisation and changing trade patterns.

Encourage the knowledge management and learning

Systems to share and manage knowledge play an important part in the restructuring picture. They help to **capitalise on and provide opportunities to learn** from the shared experiences and insights of those involved in dealing with restructuring. Moreover, by pooling this knowledge, they help to **identify gaps and overlaps in provision**, thereby making collaborative activities far more effective and efficient.

The systems can exist in several forms, involve a mix of individual/organisations and cover a range of knowledge areas. Within this range, the *NAVIGATOR* project (Greece) is an interesting example, as it specifically focused on management of the formal knowledge of the employing organisation, as well as tacit knowledge of the employees concerned, in this case shipyard workers. The starting observation of the project was that a large volume of knowledge was disappearing from shipbuilding industries along with the departure of older workers. This represented an undesirable loss of essential knowledge in work processes and safety in times when the international competition in the sector was becoming particularly fierce. The project therefore developed an Information Technology (IT)-based knowledge management system, which also supported the older workers themselves acting as mentors and facilitators to pass on this knowledge to younger staff.

Provide flexible and accessible training

Much of the planning and preparation for restructuring can be achieved through training. EQUAL experience showed that training provision has to be designed and delivered based on **principles of flexibility and accessibility** in order to truly benefit the individuals concerned. The principles cover not only the time, place and mode of delivery, but also the course content. The **training must clearly respond and take in account the needs of its beneficiaries**.

An excellent example to such approach is the [*Facilitation of Lifelong Education in Rural Conditions*](#) project offering training in the remote Semily district of the Czech Republic. It developed a training programme that included courses in foreign languages, ICTs and book-keeping (amongst others), all identified as being critical skills to facilitation of the region's transition from agriculture to tourism oriented industries. These courses were delivered in short modular format, offered outside of working hours, adjusted to seasonal work and family commitments, took place in local and familiar surroundings (such as schools and village halls), and were accompanied by support services in the form of childcare and loan of course materials.

Development of soft skills validation of personal capital

Soft skills have been identified as an area requiring particular attention, particularly for people employed in heavy and traditional industries. Such skills help individuals not only to move into service orientated sectors, but can also play a part in dealing with the psychological dimension of change and uncertainty, for example, communicating one's fears and concerns, collaborating with others to find personal employment (or indeed wider business) solutions, and being open to lifelong learning. The types of soft skills courses that have proved successful include **team-building, communication and inter-personal skills, and awareness-raising of other nationalities and cultures**.

A difficulty faced by a significant number of individuals is that they have years of experience, applied skills and knowledge, but this 'personal capital' has not been captured, recognised or applied in any meaningful way. Projects have especially observed this difficulty amongst older workers, long-standing employees of traditional companies or individuals working in businesses with no or limited human resource practices. Moreover, this lack of recognition is often associated with issues of low self-esteem and de-motivation, which can hinder individuals' outlook and ability to act constructively in situations of restructuring. These issues have been addressed by several projects through **initiatives to harness and build on an individual's potential**.

For example, the *ArtCraftMetal* project (Finland) aimed to develop the business skills of Finnish entrepreneurs, and boost their empowerment by increasing their general knowledge, as well as ITC competences. The project provided training and organised seminars and workshops on different themes: marketing, web design, export business, business start-up, business

management, as well as vocational training in certain arts and crafts. An interesting feature of the project was that it specifically targeted young people or women wishing to become entrepreneurs, who did not have the right tools to start up their own businesses.

Projects have insisted on the importance of formally validating skills, which goes beyond the more informal recognition of an individual's value and potential. This validation process needs to involve **identifying the necessary skills sets, preparing skills descriptions, and ultimately testing and accrediting these through an independent body**. By validating skills in this way, it is possible to determine the skills needs of workers on the job, those who will possibly be made redundant and those wishing to return to the labour market.

Build on empowerment and bottom-up approaches

A critical success factor in the design and delivery of initiatives to support individuals has been the emphasis on empowerment and bottom-up approaches. Any solution will be far more relevant, beneficial and sustainable if individuals have the opportunity to inform and shape that solution.

A wide range of other techniques have been developed and used by EQUAL partnerships to foster empowerment. These include written surveys, focus groups, consultation events and occasions for substantial, one-to-one dialogue. Across the board, the results of this type of work have directly informed – and in some cases helped to validate - the support tools and activities put in place by the project.

This can be seen in the *InCareNet* project (Germany) that sought to address the consequences of the German health care reform; in other words, Germany changed from the old, full cost system (where one place such as a hospital did all the work) to disease-related groups (based on various actors providing particular services). This new system was supposed to foster competition between different service providers, but resulted in the fragmentation of services. Faced with this problem, *InCareNet* created a bottom-up consultation process among the people working in the industry on ways to improve the system, simultaneously reducing their costs and preserving the quality of their services. This consultation resulted in the establishment of a one-shop system, in which patents are directed to the services they need, and the creation of a new profession – a mobile medical assistant that works on the basis of telemedicine.

Offer targeted support for older workers

When restructuring occurs and people lose their jobs, the **older workers are often the most vulnerable**, both in SMEs and in larger companies. On the one hand, these workers are the ones most prone to being dismissed in cases of downscaling, and on the other hand, they are the ones with the least chance of finding a new job. This precarious situation is particularly prevalent in traditional, manufacturing sectors where the staff have worked for the same company, often in the same job, for years, with little awareness or ability to deal with the competitive world of work. EQUAL projects were highly effective in recognising and responding to this particular situation of older workers. They did so by not only **being sensitive to the psychological, as well as skills needs** of this target group, but by also **recognising the demands and fighting engrained prejudices** placed on this group.

Managing training and support for SMEs is important

A wide range of initiatives have been undertaken to develop the managerial and strategic capacity of SMEs in relation to restructuring. These initiatives have been particularly effective insofar as they have helped SMEs to anticipate and prepare for change, as much as manage it. The training-centred interventions targeted at SME managers are a good example of this. Rather than simply offering a standard management course, the projects have delivered very practical and tailored training, involving a thorough analysis of the SMEs concerned and the development of tools that can be directly applied to the business.

The [*Making Change a Chance*](#) project (Finland), for instance, organised individual workshops for SME managers for design their own company development strategy based on the learning

gained by attending courses on proactive leadership, internal communication skills and other subjects.

This and other projects have also illustrated the value of consultation and advisory services, particularly when they are highly tailored to the needs of the individual SME, delivered on-site and involve a high degree of face-to-face contact between the advisor and SME staff. The most important outcome of these highly personalised services seems to have been the fostering of trust, a critical ingredient to getting SMEs to 'open up', share their concerns and start looking constructively at the business challenges that they face.

The *Relanz@* project (Spain) is worth highlighting as it was a good example of the 'advisor role', diagnostic services, and the support tailored to fit the specific needs of SME. This project tested new ways of developing lifelong training for businesses: in-company training, e-learning, visits to successful enterprises, tutorship on the workplace, coaching, etc. In order to overcome the problem of access to information and resources for SMEs located in remote and rural areas, the project also developed Shared Resource Centres, which were places housing equipment, technical resources and specialised human resources. Interestingly, these 'Shared Resource Centres' proposed two new roles to support enterprises: an enterprise tutor (a person in charge of the diagnosis of the enterprises, the detection of deficiencies and the design of enterprise improvement itineraries, both individualised and grouped) and a socio-corporate mediator (a person in charge of the fulfilment of social responsibility within companies).

POLICY MESSAGES

Policies aimed at planning of and preparation for change should...

...support the development of dynamic systems to capture and manage knowledge, as well as promote learning.

The restructuring process can be significantly enhanced if it fosters knowledge-sharing and learning. This applies to individuals in terms of capitalising and transferring experience to improve their and others' employment prospects. It also concerns organisations – businesses as well as other restructuring actors – in sharing their experience and working together to build on examples of best practice.

...support and promote more flexible, accessible and creative forms of training.

It is important to design and deliver training that is responsive to the restructuring situation and the needs of the individual. This means offering training in a variety of settings, at a variety of times and in a range of formats. It also means being creative in designing training that makes the subject matter more meaningful and relevant, as illustrated in simulation-based methods.

...support and promote the development of soft skills as a critical complement to more technical skills training

The development of soft skills is an often neglected, but nevertheless important part of the equation in supporting and preparing an individual faced with a restructuring situation. Soft skills not only can aid the individual in moving into new service-related sectors (if appropriate), but also in dealing effectively with new roles, encounters and surroundings as part of their general transition.

...establish processes and systems for the validation and certification of skills as a 'passport' to move between jobs and into employment during periods of change.

Many individuals preparing for a restructuring situation or already in it have skills and competencies that are not recognised, either by themselves, or by existing or future employers. This creates a real barrier to moving and capitalising on opportunities within the labour market. Validation processes and systems are therefore essential in overcoming this barrier.

...target support at the most vulnerable people in restructuring situations, especially older workers.

Special attention should be given to those most susceptible to a change situation, particularly older workers who are more prone to be made redundant, but equally, less likely to find a job.

Older workers are by no means a 'lost case'. They have clear potential to adapt to change and make a positive contribution to the labour market. But they need to be supported through this process.

...seek to modernise training services and foster more innovative and flexible training provision.

SMEs are increasingly expected to modernise their working organisation and practices in order to survive. In addition, they are expected to do this fast, flexibly and on an ongoing basis. The concern is that training services are not following suit and that great many SME managers are ageing or lacking up-to-date skills and management knowledge. Also the training offer is not being modernised at an adequate pace in order to respond to these SMEs demands and therefore risk undermining the restructuring capability of these enterprises.

4.6.

4.7. SOCIAL SUPPORTING MEASURES STAGE

PRACTICAL SOLUTIONS

Put in place reconversion and redeployment structures

The development of structures and systems to assist employees faced with the prospect of redundancy was a notable strength of EQUAL partnerships. These partnerships designed or adapted models for effectively reconverting and redeploying workers as part of a wider support package for the affected company and region at large; indeed, they were instrumental in developing and mainstreaming the '**reconversion unit**' as a unique approach to **restructuring social support measures** in Europe.

The *MEIRG*¹³ project (Great Britain) is one high-profile example. The project's innovation was that it transferred the redeployment unit model often used and set up by individual large corporations, to a wider group of companies across a whole region. This innovation was particularly beneficial to SMEs that, unlike their larger counterparts, lack the capacity and resources to offer services and options to their employees in restructuring situations: services such as careers guidance and new job training; and options such as relocation to another location or flexible working. A key success factor in *MEIRG*'s model was that it went beyond the usual package of support. It made the most of companies working together, such that a new set of reconversion options and services could be offered to employees; for example, particular SMEs could pool together vacancy information or collaborate in seconding their staff. Secondly, the redeployment unit itself was mobile - essentially a fully resourced and satellite-linked vehicle known as 'ERIC' - and therefore able to respond quickly and flexibly to need.

The time factor is crucial in the social support stage of restructuring. Based on project experience, if a proactive intervention is no longer possible, the **best time to intervene is when company restructuring is just occurring, or before as early as possible**.. The success of this response is highly dependent on there being **active strategies to anticipate collective redundancies**, long before they take place, as well as a **strong basis of communication and trust with the employers in SMEs or in a broader context – among social partners**. With these provisions, it is possible for social support measures to be used in a proactive way, even years before the actual redundancies are planned or executed.

Involve and give time to employees during the restructuring process

¹³ Case study available on "EQUAL and ESF Article 6: Innovative and socially responsible restructuring2 (http://ec.europa.eu/employment_social/equal/data/document/esf-isr-restructuring_en.pdf).

Another temporal issue is being able to dedicate **sufficient time to the employees concerned**. Workers can most benefit if they have plenty of opportunity to prepare, reflect on and deal with their personal situation, which means maximum support from a team of trainers and advisors.

Encourage direct involvement of companies, social partners and regional stakeholders

The **direct involvement and backing of companies, social partners and other regional stakeholders** in the reconversion model is absolutely critical.

The *DECRIRE* project (Walloon Belgium) involved the two major Belgian trade unions, several sector employee organisations, a university - and the public employment service, whose insufficient involvement in reconversion initiatives had been criticised in the past. By working with these organisations, the project was able to establish a very effective reconversion model, which has since been mainstreamed into national policy.

Another notable feature of the *DECRIRE* project was the emphasis placed on the **development of sound planning and management tools**, such that the reconversion model can be understood and replicated when and where needed. These tools included a reconversion unit guide, with information on the mandate and objectives of the unit, the roles of the partners, as well as practical checklists. The **involvement of the trade unions proved especially important** in developing the guide to ensure that the reconversion model took full account of social issues.

Put in place training as measure for social support

One of the ways in which EQUAL partnerships supported individuals affected by restructuring, employees under threat of redundancy or the unemployed seeking new job opportunities, was by developing and offering training. However, training in its self is not automatically a solution to developing the capacity of individuals to adapt to change as there may be a number of psychological concerns and anxieties barriers to be overcome in order for an individual to be prepared for new employment. In such cases soft skills can provide a bridge to new job opportunities or enable the individual to find a new position in the existing workplace. Such soft skills may also provide an individual in a restructuring situation with the crucial self-esteem simultaneously aiding the transition to more competitive and less labour-intensive professions. Furthermore, the training may provide solidarity and the comfort of familiar social milieu for an individual, if the reconversion units include the former colleagues, as well as the support from previously known social workers and trade union representatives.

The *Competencies for Labour Market* (Czech Republic) specifically targeted steel workers in their three months prior to redundancy. The partnership developed a new programme of 'soft competency training' (team work, communication, entrepreneurship, flexibility, etc.), which can be used either stand alone or in combination with new job training.

The partnership first assessed the training needs as perceived by the employers in the region and then developed training packages for the 14 most required competences. The partnership practice was innovative as the partnership promoted the idea that soft skills training is also crucial for workers with low and middle – level qualifications. It has to be noted that before most of the training offer in the region was focused on factual and professional skills, with the soft skills training available only in the large companies.

The partnership also developed the practical support (in the form of concrete programmes and training materials) for carrying out the soft skills training. This programme was so successful that it brought about a change in the educational content of local education and training providers (towards more soft skills), supported by a new initiative to survey local employers.

Finally, the partnership had a considerable impact on the policy making with regard to managing the consequences of restructuring. It promoted the integration of the 'soft competency training' in the new legislation framework concerning the Steel industry during the Czech Republic's access to the EU. It also influenced the development of the Regional Development Programme and Government's Operational Programme for Human Resources and Employment" promoting the importance allocated to soft competences development with regard to management of change in these documents.

POLICY MESSAGES

Policies promoting social support measures during and in the aftermath of restructuring should...

...help to resource more permanent reconversion and redeployment structures as part of a wider and longer-term restructuring strategy.

The establishment of a reconversion or redeployment structure should not be a one-off, reactive measure. It should form part of a longer-term strategy across a region or sector for the effective anticipation of and response to a restructuring situation. This strategy development should involve key stakeholders, especially the social partners and regional authorities.

...support the development of mobile and well-resourced provision for reconversion and redeployment of laid-off workers.

Companies and their workers can benefit most from reconversion and redeployment measures if they are flexible and well resourced, thereby providing a quick and effective response at the moment of most need.

...address the problems that many employers, particularly SMEs, face in accessing and making full use of reconversion and redeployment services.

SMEs have hitherto been neglected in the provision of support and resources to effectively reconvert and/or redeploy staff. They often lack the time, capacity and expertise to offer their workers the full range of options and services in a redundancy situation. If these constraints can be overcome – through more collective approaches, as illustrated by the *MEIRG* (GB) project – then it can significantly enhance the position of SMEs and their ability to adapt to change.

...foster the principle of empowerment within the design, delivery and evaluation of support measures.

Bottom-up approaches play an important role in the development of any support package or service for an individual. They help to ensure the effectiveness, relevance and ultimate sustainability of the provision in contrast to more top-down interventions. They also provide an opportunity for increased dialogue and understanding between the individual and other stakeholders such as training providers and policy makers, which forms part of effective partnership-based approaches to restructuring.

...promote and support the provision of combined SME services, tailored to the needs of individual SMEs, or groups of SMEs from particular sectors and/or localities.

Project experience under EQUAL clearly demonstrated that one single intervention, such as training or a company visit, cannot succeed alone. A holistic approach that integrates different SME services and tackles the multi-dimensional problems that SMEs faced have, by far, the best chance of success. Such an approach is dependent on collaboration between a range of stakeholders and providers.

5. KEY MESSAGES

Anticipation of restructuring stage
Practical messages
<ul style="list-style-type: none"> • <u>Use inclusive and diverse partnership-working to anticipate restructuring</u> • <u>Engage public authorities and business representatives</u> • <u>Involve academic actors to transfer knowledge</u> • <u>Promote, encourage and sustain social dialogue</u> • <u>Engage employers preferably from the very outset of the partnership or project</u> • <u>Mobilise social partners</u> • <u>Encourage in-depth research and analysis of the various restructuring aspects</u> • <u>Identify positive and inspiring examples in anticipation of restructuring</u> • <u>Undertake forecasting and observatory activities</u> • <u>Support and encourage regional planning and strategy development</u> • <u>Develop proactive and multi-dimensional company support</u> • <u>Encourage the development of SME networks and clusters</u> • <u>Disseminate and raise awareness about the benefits of anticipating restructuring</u>
Policy messages
<ul style="list-style-type: none"> • <u>Promote the involvement of all stakeholders in anticipation and management of restructuring at the territorial, sectoral and corporate levels.</u> • <u>Support the development of structures and tools to collect all stakeholders' opinions about the future of the region, sector or enterprise and get them involved in the subsequent development process.</u> • <u>Make provisions for longer-term forecasting and planning via the establishment of observatories, particularly at the regional and sectoral level.</u> • <u>Help to promote and disseminate the opportunities posed by restructuring as opposed to the threats and risks.</u> • <u>Support more regular and effective evaluation of restructuring measures.</u> • <u>Look at company support in a more creative and multi-dimensional way.</u> • <u>Support structures that contribute to communication and relationship building between SMEs, as well as between SMEs and other intermediaries.</u> • <u>Policy messages should be formulated and disseminated in a way that is clearer, simpler and far more user-friendly for SMEs.</u>
Planning and preparation for change stage
Practical messages
<ul style="list-style-type: none"> • <u>Promote inclusive and diverse partnership-working for preparation of restructuring</u>

<ul style="list-style-type: none"> • <u>Explore the added value of transnational cooperation</u> • <u>Encourage knowledge management and learning</u> • <u>Provide flexible and accessible training</u> • <u>Encourage the development of soft skills and validation of personal capital</u> • <u>Build on empowerment and bottom-up approaches</u> • <u>Offer targeted support for older workers</u> • <u>Management training and support in SMEs is important</u>
<p>Policy messages</p>
<ul style="list-style-type: none"> • <u>Develop dynamic systems to capture and manage knowledge, as well as promote learning.</u> • <u>Support and promote more flexible, accessible and creative forms of training, including the development of soft skills as a critical complement to more technical skills training</u> • <u>Target support at the most vulnerable people in restructuring situations, especially older workers.</u> • <u>Establish processes and systems for the validation and certification of skills as a 'passport' to move between jobs and into employment during periods of change.</u> • <u>Seek to modernise training services and foster more innovative and flexible training provision.</u>
<p style="text-align: center;">Social support measures stage</p>
<p>Practical messages</p>
<ul style="list-style-type: none"> • <u>Put in place reconversion and redeployment structures</u> • <u>Involve and give time to employees during the restructuring process</u> • <u>Encourage direct involvement of companies, social partners and regional stakeholders</u> • <u>Put in place training as a measure of social support</u>
<p>Policy messages</p>
<ul style="list-style-type: none"> • <u>Help to resource more permanent reconversion and redeployment structures as part of a wider and longer-term restructuring strategy.</u> • <u>Support the development of mobile and well-resourced provision for reconversion and redeployment of laid off workers.</u> • <u>Address the problems that many employers, particularly SMEs, face in accessing and making full use of reconversion and redeployment services.</u> • <u>Foster the principle of empowerment within the design, delivery and evaluation of support measures.</u> • <u>Promote and support the provision of combined SME services, tailored to the needs of individual SMEs, or groups of SMEs from particular sectors and/or localities.</u>

6. EQUAL SOURCE INFORMATION

A full list of the EQUAL DPs cited in this publication is presented below. It must be emphasised that these projects have not been the only source of information. This Vademecum has drawn on a much wider source of project and programme information, which can be found on the [EQUAL website](#).



Name of the DP and National Thematic Network	Member State	Contact person	E-mail of the contact	Telephone of the contact	Reference/Link to the case study
Midlands Engineering Industries Redeployment Group Ltd (MEIRG)	UK-GB	Derges Phil	phil.derges@rolls-royce.com	tel.: 00441332244058	Case Study on this project included in the " EQUAL and ESF Article 6: Innovative and Social Responsible Restructuring " Policy Paper, p. 36
System przeciwdziałania powstawaniu bezrobocia na terenach słabo zurbanizowanych (Unemployment Prevention System in Underdeveloped Areas)	Poland	Jerzy Kowalczyk	jerzykow@o2.pl	tel.: 0048846382639	Case Study on this project included in the " EQUAL and ESF Article 6: Innovative and Social Responsible Restructuring " Policy Paper, p. 42
The Route of the Professional Shipyard Worker in the Baltic Sea	Finland	Ismo Haapala	Ismo.Haapala@tuakk.fi	tel.: 0035824119 503	Case Study on this project included in the " EQUAL and ESF Article 6: Innovative and Social Responsible Restructuring " Policy Paper, p. 45
Volante XXI	Portugal	Francisco Costa Lopes	costa.lopes@antram.pt	tel.: 00351218544100	Case Study on this project included in the " EQUAL and ESF Article 6: Innovative and Social Responsible Restructuring " Policy Paper, p. 48
Equality Creates Enterprise (LICEA - la Igualdad Crea Empresas en Asturias)	Spain	Marta M. Rodríguez Díaz, Jose Manuel Pérez	igualdad2@princast.es ; valnalon@valnalon.com	tel.: 0034985692227	http://ec.europa.eu/employment_social/equal/practical-examples/entrep-06-es-valnalon_en.cfm
DECRIRE	Belgium Fr	Anny Poncin	anny.poncin@forem.be	tel.: 003271206111	http://ec.europa.eu/employment_social/equal/data/document/etg3-suc-decrite-tackling.pdf
Nueva economía de acceso a la información (EN@E)	Spain	Jaime Brull	jbrull@delibros.com	tel.: 0034915914256	http://ec.europa.eu/employment_social/equal/data/document/etg3-suc-enaef.pdf
GENERA - Die Jungen und die Alten: Belegschaftsintegration als Gemeinschaftsauf	Germany	Cordula Sczesny	sczesny@soziale-innovation.de	tel.: 004923188086480	http://ec.europa.eu/employment_social/equal/data/document/etg3-suc-genera.pdf
Facilitation of lifelong education in rural conditions	Czech Republic	Kateřina Baladová, Tomáš Hájek	hajek@krakonos.com baladova@krakonos.com	tel.: 00420481311698	http://ec.europa.eu/employment_social/equal/practical-examples/adapt-06-cz-facilit_en.cfm

Name of the DP and National Thematic Network	Member State	Contact person	E-mail of the contact	Telephone of the contact	Reference/Link to the case study
MünchenKompetent-Kompetenzentwicklung im Großraum München	Germany	Maria João Rauch	rauch@equal-muenchen.de	tel.: 00498923322007	http://ec.europa.eu/employment_social/equal/practical-examples/adapt-06-de-munch_en.cfm
"Adaptación y Gestión Social del Cambio en Cantabria", GESSCANT	Spain	Sonia Cobo	equal@orecla.com	tel.: 0034942364145	http://ec.europa.eu/employment_social/equal/practical-examples/adapt-06-es-gesscant_en.cfm
Muutos voimaksi - Making a change a chance	Finland	Anneli Sorkio	anneli.sorkio@uta.fi	tel. 00358335517796	http://ec.europa.eu/employment_social/equal/practical-examples/adapt-06-fi_en.cfm
Clare Life Long Learning Network	Ireland	Seamus Bane	admin@clarelearningnetwork.org	tel.: 00353656843490	http://ec.europa.eu/employment_social/equal/practical-examples/adapt-06-ie-clare_en.cfm
Sojusz dla pracy (Alliance for Work)	Poland	Kamila Jezowska	kamila.jezowska@undp.org.pl	tel.: 0048225768191	http://ec.europa.eu/employment_social/equal/practical-examples/adapt-06-pl-alliance_en.cfm
InoCoP - Inovação e Melhoria da Performance no Cluster Automóvel	Portugal	Pedro Miguel das Neves	pdasneves@globalchange.pt	tel.: 00351218521257	http://ec.europa.eu/employment_social/equal/practical-examples/adapt-06-pt-inocop_en.cfm
Always Tourism	Greece	Anna Anyfanth	hatta@hatta.gr	tel.: 00302109223522	No case study available
ArtCraftMetal	Finland	Katri Salonen	katri.salonen@turkuamk.fi	tel.: 00358105535678	No case study available
Capacity Building nel campo dell'Agriturismo - C.B.A.	Italy	Giovanna De Vita	ascescot@hotmail.com	tel.: 0039824314131	No case study available
Competencies for Labour Market	Czech Republic	Zdeněk Karásek	karasek@rpic-vip.cz	tel.: 00420596616795	No case study available
Crescita qualitativa e dimensionale delle imprese venete (Qualitative and Dimensional Growth of Venetian Companies)	Italy	Gabriella Bettiol	gabriella.bettiol@siav.net	tel.: 0039 0412917941	No case study available

Name of the DP and National Thematic Network	Member State	Contact person	E-mail of the contact	Telephone of the contact	Reference/Link to the case study
L3 CLUB lifelong Learning Club	Italy	Federico Malavasi	Federico.Malavasi@cittastudi.org	tel.: 0039 0138551016	No case study available
Lorraine, territoire de compétences	France	Doan Tran	doan.tran@cr-lorraine.fr	tel.: 0033387336444	No case study available
Netzwerk Pflege und Integrierte Versorgung (InCareNet)	Germany	Matthias Winter	mnwinter@isa-consult.de	tel.: 0049404320128	No case study available
Relanz@	Spain	Maria Martínez	AYTOPROVENCIO1@terra.es	tel.: 0034967165023	No case study available
Zukunft Grenzregion Oderland – Neumark (<i>Future of the Oderland NadOdrze Border Region</i>)	Germany	Heike-Doreen Ehling	finanzen@depore.de	tel.: 00493345249388	No case study available
ΠΛΩ-ηγός (NAVIGATOR) “Management of Change in the Shipbuilding sector through the Development of the Workforce”	Greece	Gregory Andronikos	neorkek@otenet.gr	tel.: 00302281082555	No case study available

7. OTHER INITIATIVES FOR ANTICIPATING AND MANAGING RESTRUCTURING

Measures to anticipate and manage change

Various strategies, financial and consultation instruments as well as specific measures have been elaborated and put in place at the European level to anticipate and manage restructuring. In line with the principle of [subsidiarity](#) these initiatives relate to the EU competences in policy making and strategic objectives, social and cohesion instruments as well as the coordination of the relevant EU-level actors.

Through the cross-cutting **policies and integrated financial instruments**, the EU pursues, coordinates or promotes and helps to create the conditions for long-term economic and technological development, social cohesion and the anticipation of change. The EU policy frameworks and financial instruments relating to restructuring are:

- [European Employment Strategy](#)
- [European Social Agenda](#)
- [European Social Fund](#)
- [European Regional Development Fund \(ERDF\)](#)
- [European Globalisation Adjustment Fund \(EGF\)](#).

By endowing itself with adequate capacity to identify sectoral developments and instruments for reacting to unforeseen events with a concentrated impact in certain sectors or regions, the EU promotes effective coordination among all stakeholders. The EU has developed a number of **specific tools and initiatives** in recent years to respond to current restructuring issues and challenges. The most notable of these include:

- [Task Force “Restructuring”](#)
- [Forum “Restructuring”](#)
- [European Monitoring Centre on Change \(EMCC\)](#)
- [European Restructuring Monitor \(ERM\)](#)
- [Article 6 innovative measures](#)

By recognising the role which the social partners can play in anticipating and managing change, the EU gives them the opportunity to play a positive part in bringing about and dealing with the consequences of restructuring.

- [Social partners](#)

Finally, there are various organisations that deal directly with restructuring or with various issues that may be seen as crucial to anticipation and management of change on the EU level and beyond.

- [Agencies and organisations](#)
- [International organisations](#)

The [European Employment Strategy](#) (EES) is a multi-annual integrated process for employment in Europe by which each year:

- the Commission proposes, for adoption by the Council, Employment Guidelines on labour market issues; these currently cover four “pillars”: employability, entrepreneurship, adaptability and equal opportunities between women and men;
- the Member States submit National Action Plans for employment which set out how their policies and initiatives implement these Guidelines; and
- the Commission and the Council agree on an assessment of these Action Plans (the Joint Employment Report) as the basis for specific Recommendations to Member States on their employment policies, as well as revisions to the common Employment Guidelines for the following year.

One of the main objectives of the Employment Strategy is to facilitate the exchange of ideas, information and good practice in relation to the Employment policy. The [Mutual Learning Programme](#) (MLP) is an important tool in this respect. The MLP was launched at the beginning of 2005 and incorporates the former Peer Review Programme (launched in 1999). Its main objectives are to encourage mutual learning at all levels and to enhance the transferability of the most effective policies within key areas of the EES. A further aim is to encourage stakeholders to promote a wider and more effective dissemination of information about the EES and its implementation. Restructuring has been the central focus of several MLP thematic activities, such as the review seminar “[Flexicurity in a context of restructuring](#)” in September 2006 and “[Increasing Adaptability of Workers and Enterprises](#)” in September 2004.

The [European Social Agenda](#) is a strategic response to the need to modernise the European Social Model and to translate into reality the political commitments made at the Lisbon summit in March 2000. The aim of the Agenda is to promote quality and to maximise the mutual reinforcement of economic, employment and social policies in our changing environment. The Agenda recognises the potential of lifelong learning in this “virtuous circle”. At the Lisbon summit, as part of the Social Agenda, Member States launched the [open method of coordination](#) (OMC) in order to make a dramatic impact on the eradication of poverty and social exclusion. In this context, the OMC consists of common objectives, biannual National Action Plans, common indicators and a Community action programme on poverty and social exclusion. An ambitious [Renewed Social Agenda](#) designed to ensure that European Union policies respond effectively to today's economic and social challenges was adopted by the European Commission on 2 July 2008. The Commission [Communication](#) on this new Agenda states: “A key role for the EU in the face of globalisation and rapid technological change is to help Member States to modernise labour markets and to anticipate change and restructuring.” The document also foresees the creation of a Directive to improve the functioning of European Works Councils to ensure effective social dialogue on restructuring operations.

The [European Social Fund](#) (ESF) is one of the four structural Funds. It is the financial instrument of the European Union to invest in human resources. It transfers substantial sums to the Member States through several programmes to support the creation of more and better jobs.

The [European Regional Development Fund](#) (ERDF) plays a major role in anticipation and management of change, as it supports investment in research and development, dissemination of innovation and the creation of infrastructures.

The establishment of the [European Globalisation Adjustment Fund](#) (EGF) marks a major financial investment and commitment from the European Commission in support of measures aimed at addressing the negative impacts of restructuring. The fund started to operate in January 2007 and provides of up to €500 million a year to help reintegrate into the labour market workers made redundant due to changing patterns in global trade. The fund is quite specific on its criteria for intervention: it will respond to cases “where major structural changes in world trade patterns lead to serious economic disruption, such as an economic delocalisation to third countries, or to a massive increase of imports, or to a progressive decline of the EU market share in a given sector.” The fund is used to finance a co-ordinated package of services designed and delivered by the applicant Member State to meet the needs of the workers affected by the redundancies. The services include the combination of active employment measures such as job-search assistance and in-work temporary allowances, with the view to striking a balance between

employment security on the one hand, and the increasing demand for a flexible labour force on the other.

[Task Force "Restructuring"](#) has been created to ensure more convergence and synergies between the various EU internal objectives, policies and actions related to management of change. It is composed of the Commission staff from the various departments concerned and working with this theme. The Restructuring Task Force led by DG EMPL coordinates the policies on restructuring, and the analyses made by the different services on the phenomenon of restructuring (causes of restructuring, as well as the best ways of anticipating change). It also prepares and organises the different sessions of the Forum "Restructuring".

The [Forum "Restructuring"](#) was launched in June 2005 by the Commission Communication¹⁴ as a high-level group of actors and stakeholders working in the relevant areas of change anticipation and management, ranging from European and national institutions, through to local authorities and social partners. The Forum's overall mission was to provide an EU-wide gathering to frame, support and ultimately build upon initiatives and policy measures that existed at the time in response to the challenges posed by restructuring.¹⁵ The Forum's audience typically includes representatives of the European Institutions (such as Commission Directorate Generals and European agencies) as well as key stakeholders at European level, in particular social partners ([ETUC](#), [BUSINESSEUROPE](#), [CEEP](#) and [UEAMPE](#)), governments of the Member States, regional and local authorities (in particular those involved in the management and implementation of the new ESF), sectoral representatives and social partners at national level.

The establishment of [European Monitoring Centre on Change](#) (EMCC) formed one of the key measures, as recommended by a high-level group of experts, to underpin collaborative efforts across Europe in this area. Since its inauguration in October 2001, the EMCC has been a place for exchanging practice, information and ideas on the management and anticipation of change. As such, it has provided a 'focal point' for companies, social partners, national and regional authorities, and European agencies alike to monitor and keep abreast of critical developments and their likely impact at company, sectoral and territorial levels, whether they be due to, for example, changes in legislation, emerging new technologies, or the introduction of new business practices.

The [European Restructuring Monitor](#) (ERM) has existed since 2003, under the auspices of the EMCC, to provide up-to-date news and analysis on company restructuring, sectoral developments and their employment consequences in 27 EU Member States, as well as Norway. The Commission's Communication on Restructuring and Employment called for a step up of the role of the EMCC, with even greater emphasis on the monitoring of restructuring. This has clearly and directly heightened the pivotal role played by the ERM in the accurate quantitative and qualitative analysis and monitoring of restructuring trends.

Since 1994, ESF Article 6 innovative measures allowed the Commission to finance operations of an innovative nature in Member States or at Community level.¹⁶ Specifically, Article 6 supported innovative measures to assist the development of future policy and programmes by exploring new approaches to the content and/or organisation of employment, including vocational training, and industrial adaptation. The types of projects supported under this allocation include pilot projects, studies, exchange of experience and information activities. The pilot actions supported are then ready to be transferred and integrated as laid down in Article 6 of the former ESF Regulation.¹⁷ In the funding period 2004-2006, inter alia Article 6 financed projects under an overarching theme of "Innovative Approaches to the Management of Change," which comprised the sub-theme of "Management of Restructuring." The results of the 43 projects funded under this sub-theme were recently presented in a "Restructuring Forum".

¹⁴ Commission Communication "Restructuring and employment". Pg. 11.

¹⁵ http://ec.europa.eu/employment_social/restructuring/forum_fr.htm

¹⁶ Report on Innovative Measures under Article 6 of the ESF Regulation (EEC) N° 2084/93 for the period 1994-1999
http://ec.europa.eu/employment_social/esf/docs/report_94_99_en.pdf

¹⁷ Regulation (EC) No 1784/1999 of the European Parliament and of the Council of 12 July 1999 on the European Social Fund, OJ L 213, 13.8.1999.

From this range of Article 6 projects, two could be of particular relevance here as they were dealing specifically with restructuring on the EU-level. [TRACE](#) was a large-scale project, aiming to build improved capacity within European trade unions to respond to situations of economic and industrial change and to defend the interests of working men and women facing this challenge. This project used a variety of innovative approaches, ranging from formal training activities to networking activities between communities of practice, to develop the knowledge, skills and understandings of trade union officers and representatives to anticipate, prepare for and accompany large-scale restructuring. The [MIRE](#) was another EU supported project, fostering the exchange experience in restructuring between companies, trade unions, workers, public and private outplacement agencies, territorial actors, and researchers across borders in five European countries. The aim of this project was to build upon existing practices initiated in Belgium, France, Germany, Sweden and the UK developed by the these various actors and to contribute to transnational cross fertilisation and innovative practices in restructuring. The exchange of experience was achieved through discussions between these various actors and based on case studies of restructuring processes produced by MIRE project researchers.

In July 2005 the [European social partners](#) provided a [common response](#) to the Commissions Communication on Restructuring and Employment and since have participated in several events on the theme of restructuring. The social partners engage regularly in the debate on various restructuring related [issues and initiatives](#). The European social partners are:

[The European Trade Union Confederation](#) (ETUC: The ETUC has a study and research centre (European Trade Union Institute) that works in the socio-economic field and for Industrial Relations.

[The Confederation of Business in Europe](#) (BUSINESSEUROPE): BUSINESSEUROPE has a Social Affairs Committee that looks at education and training issues

The [European Association of Craft, Small and Medium-Sized Enterprises](#) (UEAPME): The UEAPME is the employers' organisation representing the interests of European crafts, trades and SMEs at EU level.

The [European Centre of Enterprises with Public Participation and Enterprises of General Economic Interest](#) (CEEP): CEEP is a public employer's organisation. It has a permanent committee on Social Affairs, Employment, Vocational Training & Social Dialogue.

The social partners have recognising restructuring as an undeniable reality in our society and that it can be a painful process for the individuals involved, which makes it necessary to anticipate and manage change. Good information and consultation procedures for workers make an important contribution to reducing fear and resistance in the face of change. The social partners have also underlined the importance of fully understanding the challenges linked to restructuring in order to be able to anticipate and manage change.

The anticipation and management of restructuring requires a coordinated approach of the European, national and regional actors. Listed below are several **agencies and organisations** of the European and national importance undertaking research and undertaking restructuring related support activities:

[Eurofound](#) or the European Foundation for the Improvement of Living and Working Conditions is a European Union body, one of the first to be established to work in specialised areas of EU policy. The Foundation's core areas of work include living and work conditions, quality of work and quality of life, industrial relations and the management of industrial change. Eurofound [restructuring related](#) information is drawn from its observatory – EMCC, including ERM – as well as parallel in-depth thematic research or the subject and case studies.

Furthermore, there are number of national or regional agencies that have set up professional transition organisation mechanisms, which allow laid off workers and employees threatened by redundancy to manage the transition to new jobs. For example, such insurance-related mechanisms have been set up by the employment and training service [Le Forem](#) in Belgian Wallonia region taking the form of reclassification unit and acting at the request of the unions. Similarity in France, reclassification unit serves the same purpose, in Germany it is achieved

through “transfer companies”, while in Sweden by representation mechanisms on professional branches or “job security foundations”¹⁸.

There are also some **international organisations** that deal with restructuring:

The [Organisation for Economic Cooperation and Development \(OECD\)](#) actively promotes dialogue on various aspects of restructuring, such as [global industrial restructuring](#) and [business restructuring](#).

From its sectoral perspective and especially in relation to the social dialogue in public sector the restructuring theme is also addressed the [International Labour Organisation](#).

8. GLOSSARY

Development partnership (DP): Operational entity of the EQUAL initiative. The DP ([geographical](#) or [sectoral](#)) gathers several public, semi-public or private organisations, called national partners, with a view to implement experimental activities on the basis of a common project linked to a thematic field of EQUAL. The partners participate at the decision making process on an equal footing. One of the partners ensures the administrative and financial co-ordination.

Dissemination: Structured ways to raise awareness of other players, in the outcomes and lessons learnt.

Empowerment: *In the field of [social inclusion](#)* - the process of mobilising resources and developing skills with a view to partake actively in one's own future. In EQUAL this notion applies to all actors of the [DP](#) by encouraging a balanced share of the power and participation between all. [Empowerment](#) is one of the [key principles](#) of EQUAL.

ESF: The European Social Fund (ESF) is one of the four structural Funds. It is the financial instrument of the European Union to invest in human resources. It transfers substantial sums to the Member States through several programmes to support the creation of more and better jobs.

Networking: Collective work that brings together partnerships and projects, as well as other key actors. It contributes to the identification and validation of outcomes and good practices with a view to dissemination and mainstreaming.

Operational Programme: Each Member State or region, together with the European Commission agrees on an Operational Programme (OP) for the use of ESF funding in the programming period 2007-2013. OPs set up the priorities for ESF intervention and their objectives.

Partnership: In the context of EQUAL – a national or transnational entity bringing together different partners in order to develop and implement a common strategy and actions within a project.

Restructuring forum: The European Commission proposed the establishment of a Restructuring Forum in its [five-year social policy agenda](#), issued in February 2005. The Forum is a high-level body made up of representatives of all players and stakeholders in restructuring. It aims to meet regularly to discuss ways to manage restructuring so that it has as little detrimental impact as possible on the employees involved, the wider community and the environment.

Thematic fields: They were nine thematic priorities in EQUAL.

1. Access and return to the labour market
2. Combating racism and xenophobia in relation to the labour market
3. Setting up businesses
4. Strengthening the [social economy](#)
5. Promoting Lifelong learning
6. Adaptation to structural and economic change, especially ICT

¹⁸ <http://mire-restructuring.eu/>

7. Reconciling family and professional life
8. Reducing the gender gaps and supporting job desegregation
9. Socio-economic integration of [asylum seekers](#)