



HELPING COMPANIES
TO SHARE QUALIFIED AND
RELIABLE PERSONNEL

Employers' Alliances

Information review: October 2015

GERMANY

Small and medium-sized businesses often do not have the capacity to keep growing without qualified personnel, and nor do they have the financial resources to employ the requisite qualified staff.

Employers' Alliances (EAs) addresses this issue aiming at the common employment of the workforce. It allows employers to share employees on a part-time or seasonal basis in order to cope with peaks of activity. Moreover, the practice promotes the transformation of precarious employment relations into regular employment.

EAs were introduced in the early 1980s in France. In Germany, the model was introduced in the Brandenburg Land in connection with the EU project 'Exchange of Views' on flexicurity (2001–2003).

Name of the PES

European Information and Resource Centre for the Employers' Alliances – CERGE
Federal Employment Agency, Stralsund

When was the practice implemented?

2003 – on-going

Which organisation was involved in its implementation?

EAs are subject to approval from the regional public employment service. The regional PES is also responsible for contacting potential shared employees and for dissemination activities targeted at potential jobseekers.

Which social groups were targeted by the practice?

- Jobseekers:**
- ▶ All unemployed
 - ▶ Employed (threatened by redundancy)
 - ▶ Other: Seasonal workers
- Employers:**
- ▶ All employers
 - ▶ SMEs
 - ▶ Others: Employers with seasonal work peaks

What were the practice's main objectives?

- The aim of EAs is to:
- ▶ Benefit the employer by providing the participating companies with qualified and reliable personnel, avoiding the use of uncertain recruitment procedures;
 - ▶ Benefit the employee by transforming precarious employment relationships into guaranteed full-time positions; and
 - ▶ Strengthen the economic development of a region through a range of career opportunities, and ideally to open up further employment opportunities.

What activities were carried out?

- The activities of an EA are complementary to those offered by temporary work agencies. The activities developed are the following:
- ▶ Shared employees within EAs are subject to a work contract. The employer is the employers' alliance, not the individual companies constituting the alliance. The contract is always full time and open ended. Other contracts bind the EAs with their members and determine the terms and conditions for the activities of shared employees.
 - ▶ As well as the coordination and distribution of specialised personnel and the further training of shared employees, leading to enhanced qualifications, an EA can provide additional services to its member companies, e.g. personnel administration and further training of the core workforce, initial training, and mediation between the employees and the individual companies.
 - ▶ In terms of training, EAs can:
 - Inform and advise members on general and vocational training
 - Organise group training
 - Manage third-party external training.

<p>What resources and other relevant organisational aspects were involved?</p>	<p>The management and operation of the practice is as follows:</p> <ul style="list-style-type: none"> ▶ EAs are subject to approval from the regional public employment service. The regional PES is also responsible for contacting potential shared employees and for dissemination activities targeted at potential jobseekers. ▶ EAs have a legal personality independent of the legal personalities of their members. They may take the form of a cooperative. As such, they are also responsible for the social security payments of the shared workers and for their insurance. However, shared employees are also subject to the terms and conditions of each company employing them. ▶ Member companies control and manage the EA through a general assembly and a board of directors. All members participate in the general assembly and have voting rights. ▶ The European Information and Resource Centre for the EAs provides resources, information and guidance to employers wishing to set up an EA. ▶ Chambers of commerce and entrepreneurs' associations are responsible for promoting the practice among potential participating enterprises.
<p>Source(s) of funding</p>	<p>European Social Fund (for start-up costs) Private source(s): enterprises – members of the alliance: wages for employees plus pro-rata fee for management costs</p>
<p>What were the outputs of the practice: people reached and products?</p>	<p>People reached: As of July 2012, there were seven EAs in Germany, incorporating 144 companies and four associations/clubs, and providing work to 92 shared employees. There are no planned results.</p> <p>Products: The main products of the practice are:</p> <ul style="list-style-type: none"> ▶ Implementation and feasibility study ▶ Guidelines and models for contracts ▶ Quality standards: EAs are not subject to continuous external monitoring, so they have developed internal quality standards ▶ Film (DVD) to explain the functioning of EAs; information brochures ▶ Website www.cerge.eu (in French, English and German)
<p>What outcomes have been identified?</p>	<p>This innovative labour market practice increases the employability of workers, raises their qualifications and helps maintain full capacity, while ensuring job security through a full-time open-ended contract that otherwise would not be available. The practice reduces the chances of an employee becoming long-term unemployed. Other activities carried out in the practice include: informing and advising members on general and vocational training; organising group training; and managing third-party external training.</p>
<p>What are the lessons learnt and success factors?</p>	<p>Due to the small numbers and the experimental stage of the practice, evaluations have focused mainly on qualitative methodologies – largely in-depth interviews with beneficiaries and employers. These evaluation show that the practice reduces the likelihood of employees becoming unemployed by fostering contacts with different enterprises, ensuring continuous training and securing uninterrupted periods of employment. Employers confirm reduced transaction costs, as recurring recruitment processes are avoided and reliable workers kept on.</p>
<p>More information on the practice</p>	<p>http://ec.europa.eu/employment_social/empl_portal/weesp/DE-12.pdf</p>



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