



Programme implementation in Poland: Job Rotation in the Łódzkie Region

Implementation of pilot projects in the Łódzkie region

The Łódzkie Voivodship, with a population of 2.6 Mio (7% of the Polish population) is located in the central part of Poland. The regional labour market has been affected by negative effects of economic restructuring, i.e. a dominant textile, clothing and leather industry in decline. This had led to high unemployment rates, especially among women and the youth. The Polish labour market in general is characterised by a very low employment rate (51.2 %) and a high employment rate (19.2 % for Poland, 17% in the Voivodship of Łódź).

As in Poland in general, the entrepreneurial structure of the Voivodship is characterised by the large share of SMEs (98.9% of all businesses). Administrative barriers, lack of capital and high non-wage labour costs are among the main difficulties which SMEs have to face¹.

The following consortium was awarded by the contracting authority, the Polish Agency for Enterprise Development (PARP) to carry out the project: SPI Consult (Berlin), in co-operation with WSHE and ZDZ in Łódź. The chamber of crafts in Łódź and CTC Warsaw supported the consortium as subcontracted partners. Lizzi Feiler of ÖSB Consulting was assigned team leader. The project management unit in charge was the Voivodship Labour Office Łódź, and the poviats labour offices of Łódź, Pabianice and Zgierz have co-operated in practical implementation of this pilot project.

The project was financed by the Phare 2001 Human Resource Development Programme and Polish national funds. The project phase was 12 months, from November 2003 to October 2004.

Job Rotation – the basic idea

Job Rotation combines training measures for employees with the placement of unemployed people.

Job Rotation has three goals: First, the empowerment of SMEs and their adaptability to change, second, vocational training for people in employment, and third, the integration of unemployed people. The link between the three is Job Rotation. While the employees are away on training, unemployed people are taken on as 'substitutes'.

The Voivodship of Łódź,
Poland:
national and regional
framework conditions

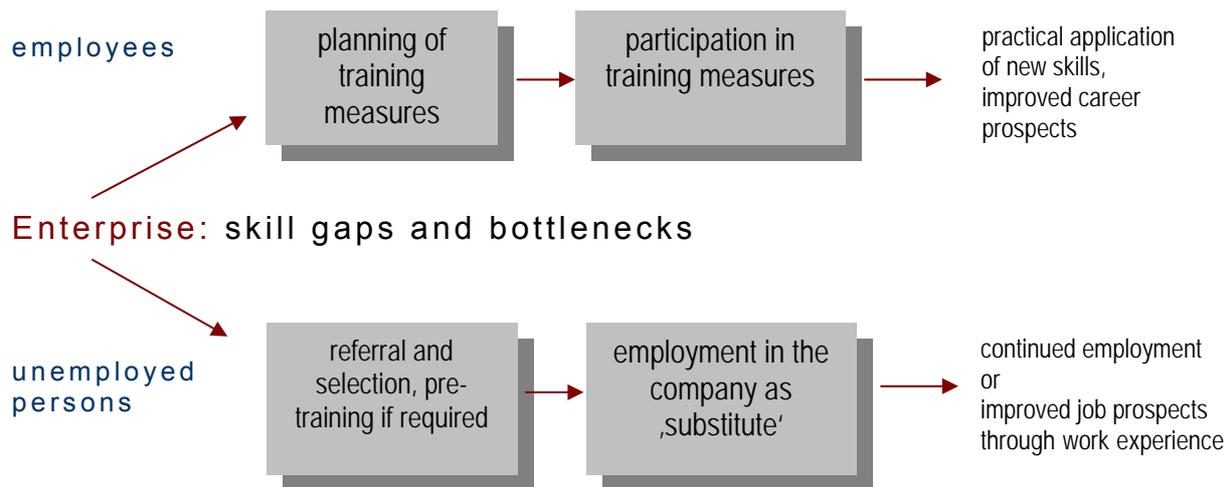
Project implementation
by a German-Polish
consortium, led by SPI
Consult (Berlin)
Team leader: Lizzi Feiler
(ÖSB Consulting)

Job Rotation:
training for employees
and jobs for unemployed
persons

¹ The Report on the conditions of the SME sector in Poland for the year 2001-2002. PARP, Warsaw 2003

Having completed their training, the employees return to their job and the substitutes will either remain in the company or will at least have raised their chances on the labour market. SMEs are able to offer further training to their employees at low costs and without staff shortages. Besides, increased skills and motivation of the staff will add to the company's success².

Job Rotation: the principle



'Job Rotation has been described as a win-win strategy where all concerned derive benefit from. The company's production does not suffer from absenteeism among the personnel, its competitive edge is enhanced and recruitment is facilitated. The employees' level of expertise and motivation increases. Unemployed people acquire work experience and training and thereby more self-esteem. Job rotation helps the unemployed to break out of the vicious circle of no job without work experience and no work experience without a job. The employment situation in society improves, flexibility on the labour markets is enhanced and the idea of lifelong learning becomes a reality.

The merits of Job Rotation

Job Rotation has been implemented in many other EU countries before, and the task was to test implementation of the Job Rotation approach in the region of Łódź. The wider objective of the Polish project was to promote **employability, adaptability and entrepreneurship**. Thus, administrative capacities to implement ESF programmes should be strengthened.

Wider objectives: promotion of employability, adaptability and entrepreneurship

Job Rotation was developed and first implemented in the Scandinavian countries, in the late 1980s and early 1990s. The EU general initiatives programmes – e.g. the ADAPT and the LEONARDO DA VINCI programme and, more recently the EQUAL programme opened the way for a wide

² SPI ServiceGesellschaft mbH (Hrsg.): Durch strategisches Personalmanagement zu mehr Wettbewerbsfähigkeit, Jobrotation als ein Instrument der Personalentwicklung und Konzepte zur Ermittlung des Qualifizierungsbedarfes, Berliner Materialien zu Jobrotation, Heft 2, Berlin, 2000.

dissemination of the approach all over Europe. This broad dissemination was initially promoted by the EU Job Rotation Secretariat in Denmark, and later on by the Job Rotation International Association which consists of the (non-governmental) Institutions who have been implementing Job Rotation projects in their regions since³.

The **immediate objectives** of the project in the Łódzkie Voivodship were:

Immediate objectives of the project

- Increased adaptability and competitiveness of the participating companies. A target group of 40 SMEs was planned.
- Higher qualification of participating employees. A target group of employees corresponding to 720 months of training was planned.
- Higher employability of participating unemployed persons. 120 unemployed persons were planned to take up temporary jobs as substitutes. The increase of employability should be measured as percentage of substitutes who found a permanent job; the target value for continued employment was defined with 30%.

The following **quantitative results** were achieved:

The results achieved surpassed the targets planned

- 48 SMEs participated in the project and carried out a supported assessment of qualification needs, 47 thereof started and completed project implementation. 120% of the planned target was achieved.
- A total number of training participants was 298. The total number of training months was 559, this is 78% of the targeted value.
- 150 unemployed persons gained work experience in these companies. With 150 substitutes, the planned target (120 substitutes) was exceeded by 25 %. While the period of temporary employment was shorter than planned (2.9 months in average, compared to 6 months planned), the percentage of substitutes who remained in the job after the substitution period is expected to result higher than planned: 57% compared to 30% planned.

Overall, the results of this pilot phase are very promising and a sustainable dissemination of the Job Rotation approach could have benefits to employers and the workforce on a larger scale in Poland in the near future.

The **companies who participated** had the following characteristics:

Participating companies and training contents: micro and small enterprises demand trainings in IT, languages and marketing

Following the requirements of the contracting authority, the regional scope of implementation was limited to the city of Łódź and the poviats of Pabianice and Zgierz.

The majority of participating companies were micro or small enterprises with a

³ The EU Jobrotation International Association numbers 34 actors from 14 EU member states. The Association and its Secretariat in Denmark serve to test, develop, disseminate and implement Jobrotation in all EU member and candidate countries and to promote international relations, also by arranging partner meetings, by holding information and discussion forums and the European School of Jobrotation on the internet, and by publishing material on the subject. (www.eu-jobrotation.org)

wide range of different economic activities: 19 micro enterprises (with less than 10 employees), 24 small enterprises (with 10 to 49 employees), and 5 medium enterprises (with 50-249 employees).

The training contents with the greatest demands were languages (English), information technology (basic and advanced computer skills, ranging from MS Office to SAP applications), and marketing.

The **main phases and tasks** of project implementation were:

- **System building:** formation of a steering group with regional stakeholder and decision makers.
- **Promotion and communication strategy** to reach the target groups. This included information of 3000 small and medium enterprises via internet, mass media, mailing and telephone campaign.
- **Assessment of qualification needs:** Providing advisory services to the companies and assisting the management in assessing qualification needs. In a second step, training courses were prepared. A team of company advisers was instructed and trained to be able to fulfil this task. Witold Szwebs from the EU Jobrotation Secretariat supported the implementation with a training course and a coaching session for the advisors.
- **Recruiting unemployed persons** to work as substitutes: this involved screening of hundreds of eligible persons and matching candidates with the demand profiles of jobs and requirements of the employers. A team of job advisers, in close coordination with the poviats labour offices successfully fulfilled this task of "job brokers".
- **Temporary employment** for the substitutes: 150 substitutes worked in temporary contracts with an average duration of 2.9 months. It is expected that as much as 80% of the substitutes will be employed even after termination of the substitution period.
- **Training of the employees:** training courses with a total of 559 training months were organised and conducted. The number of employees who participated in one or more training courses was 234.
- **Project coordination:** the project office in Łódź co-ordinated all administrative tasks of recruitment and training, this included the tasks of financial administration. Participating companies were obliged to co-finance the training courses; on the other hand, they received wage subsidies for the employment of the substitutes.
- **Monitoring:** finally, monthly monitoring and reporting to the contracting authority and the project management unit facilitated steering and controlling of the implementation process.

Main phases of project implementation

Communication strategy to convince the companies

Advisory service to assess qualification needs in SMEs

Recruitment and job placement

Temporary work for 150 unemployed persons

Higher qualification for employees

Project office in Łódź co-ordinates administration

A close monitoring procedure was implemented

The leading questions for the **evaluation** were:

Evaluation

- **Relevance** of the approach in relation to the regional and sectoral needs
- **Efficiency** in terms of cost-benefit ratio
- **Effectiveness:** achievement of immediate objectives

- **Impact:** to what extent did the project have a positive effect on the regional labour market and the competitiveness of the regional business sector?
- **Sustainability:** can further implementation of the Job Rotation method (on a larger scale) be expected?

The prospects of future implementation

The recent European Commission proposal for employment guidelines⁴ includes the following recommendations for Poland: 'Actions to enhance the creation of a more employment-friendly environment and measures to support entrepreneurship are of particular importance (...)'.
Recommendations for further implementation

In addition, it is recommended to 'invest more and more effectively in human capital and lifelong learning'.

Sustainability can be achieved in connection with the Polish ESF plan.

The Polish ESF plan provides the possibility and the necessary financial resources to perfectly meet these recommendations. Job Rotation might best fit into Priority 2 of the Sectoral Operational Programme HRD (Development of a Knowledge-based Society), 2.3. (Development of Staff for modern Economy), the implementing institution being the Polish Agency for Enterprise Development (PARP)⁵.
Use of ESF funds

Further information:

Lizzi.Feiler@oesb.at ÖSB Consulting GmbH

H.Siewert@spiconsult.de SPI Consult GmbH

⁴ 2004 proposal for Employment Guidelines. COM (2004) 239 final, p.30.

⁵ www.funduszezstrukturalne.gov.pl