

Enterprise Restructuring, Health Effects and Health Promotion: Background and Recommendations of HIRES

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Antecedents of HIRES

- „Managing change“ (DG Employment 1998)
Gyllenhammer Report
- SOCOSE (DG Research, 2000-04)
- ILO – SSER (Socially Sensitive Enterprise Restructuring)
- DG Employment EU projects:
 - MIRE: Health recommendations (2006-07)
 - IRENE: Policy recommendation for social actors (2007-08)
 - > HIRES: Health in restructuring (2007-09)

Managing change (1998)

- The European Commission suggests that European companies (with more than 1.000 employees) should prepare reports on foreseen structural changes and their policies and programmes for the employees to maintain their employability and adaptability (...)
- We suggest that a main part of these efforts should focus on “health in a changing place of work”

SOCOSE: Social convoy in occupational transitions

Ten Policy Recommendations for a European Framework in the Context of Enterprise Restructuring (2004)

1. Normalisation of counselling
2. Early intervention
3. Company-based employability policies
4. CSR beyond actual employment: Active social plans & OP/RP
5. Networking among social actors
6. Improving the quality of counsellors and interventions
7. Successful elements of transition counselling
8. Information and communication strategies, etc.

**Main results of the empirical study of
SOCOSE:**

Kieselbach, Bagnara, De Witte, Lemkow,
Schaufeli (Eds.). (2009).

*Coping with Occupational Transitions. An
Empirical Study With Employees Facing
Job Loss in Five European Countries.*

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Thomas Kieselbach
Sebastiano Bagnara · Hans De Witte
Louis Lemkow · Wilmar Schaufeli (Eds.)

Coping with Occupational Transitions

An Empirical Study with
Employees Facing Job Loss
in Five European Countries



PSYCHOLOGIE SOZIALER UNGLEICHHEIT



VS VERLAG FÜR SOZIALWISSENSCHAFTEN



Restructuring as a health issue

1. Restructuring no longer a temporary crisis, but a recurrent and continuous process
different types: closure, downsizing, outsourcing, offshoring, sub-contracting, merging, delocalisation, internal job mobility

2. „Healthy organization“ as an economic term has to be extended (and brought back) to the health of the employees:
 - victims of layoffs
 - survivors of layoffs
 - collective health (social climate, positive relationships)

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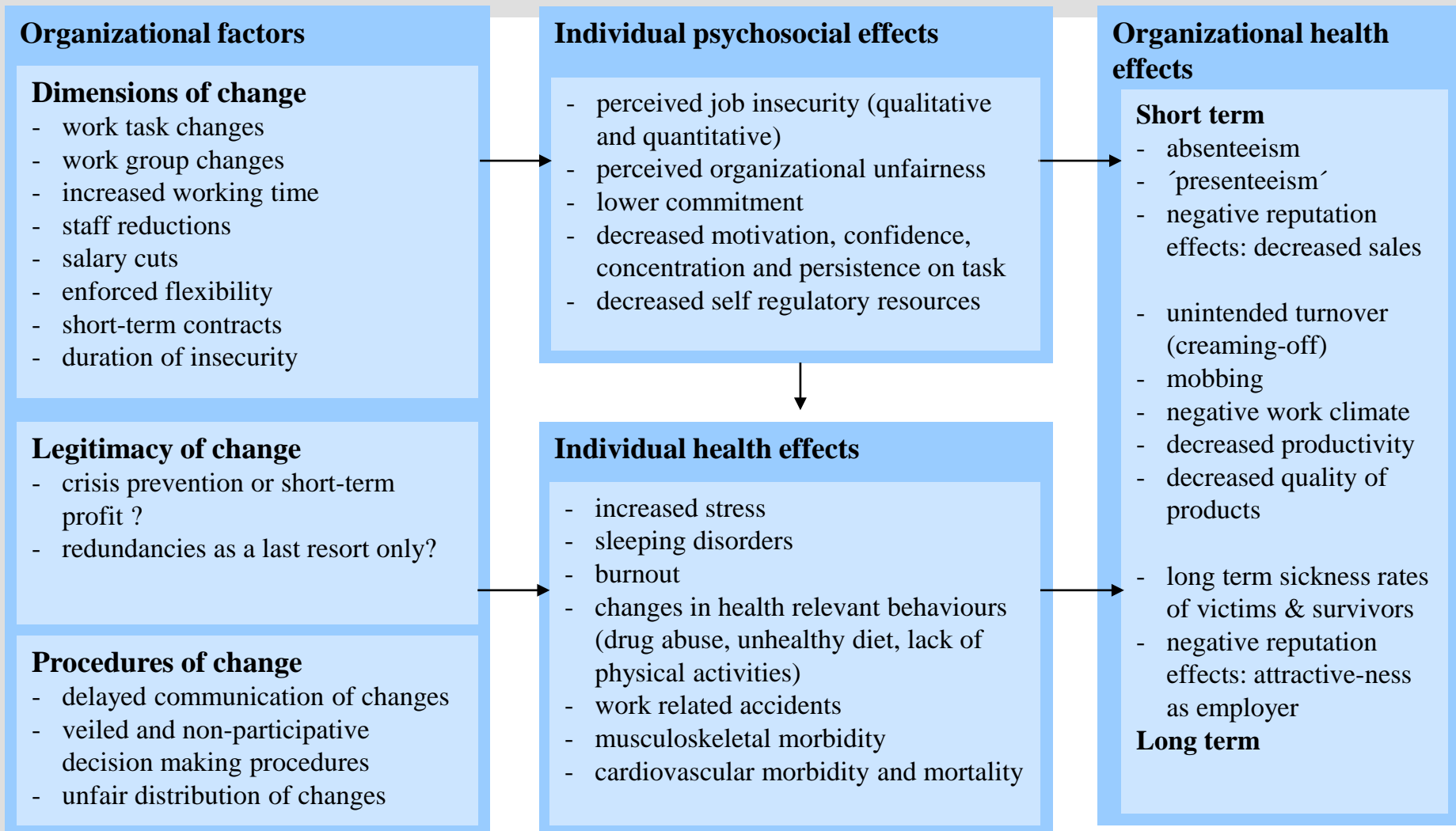
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Restructuring risks for individual and organizational health: The business case



HIRES Recommendations

1. Monitoring und evaluation

- Monitoring and evaluation on EU, national, regional and company level
- EU Restructuring Monitor
- European Survey on Enterprises and New and Emerging Risks – Psychosocial Risks (ESENER-PR) Bilbao Agency

HIRES Recommendations

2. Direct victims: redundant employees

- Inadequate personal resources to cope with change (job loss, unemployment)
- Necessity of a “social convoy” in occupational transitions:
Outplacement/Replacement counselling
- Improvement of employability
- Immediate offers of help as part of preventive plans for R (help-line)
- Labour market integrative health promotion

HIRES Recommendations

3. Survivors' reactions and organisational performance

- Increased job insecurity, work intensification, increased stress levels
- Decreased job satisfaction, lower commitment, loss of productivity

Need for

- transparent and consistent information
- Early integration of employees' representatives: Social dialogue

HIRES Recommendations

4. Role of managers responsible for restructuring

- Key role of middle managers in R: Sandwich position
- Interpreters of upper management decisions and potential victims
- Role models and drivers of change

Need for

- Integration into decision procedures of change
- Creation of awareness of health dimension of R

HIRES Recommendations

5. Organizational anticipation and preparation

- Training of employability: Flexibility, readiness for change
- Timely and adequate communication
- Strategic long-term approach: R as necessary and recurrent part of organizations
- Responsibility of sectoral and regional partners

HIRES Recommendations

6. Subjectively experienced justice and trust

- Legitimacy of organizational change: General goals of company
- *Distributive justice*: Sharing the pain and the burden (injustice of bonus & salary systems in the crisis when large dismissals are involved): Fair selection criteria
- *Procedural justice*: Transparent, fair procedures, social dialogue
- *Interactional justice*: Transparent, timely, honest communication

HIRES Recommendations

7. Change communication plan

- Clarification of channels of communication, time schedule, roles of different actors

Elements of good communication:

- Quality: Accessibility, accuracy, usefulness tailored to target groups
- Timing
- Direction: 2-way flow of communication

HIRES Recommendations

8. Protecting contingent and temporary workers

- Convenient buffers in R for employers and unions
- Those in need of specific health support receive less support
- Equal rights for health promotion in R
- Need for trade unions to be more actively involved

HIRES Recommendations

9. New directions for Labour Inspectorates

- Stimulate general prevention principles into wider risk assessment
- Include R alongside stress, harassment etc. in the focus of psychosocial stressors
- Prevent discrimination of temp workers
- Develop a more proactive work plan for organizational change

HIRES Recommendations

10. Strengthening of Occupational Health Services

- Promotion of prevention and workplace health promotion before, during and after R
- Multi-disciplinary teams (physician, nurse, psychologist, physiotherapist, occupational hygienist)
- Networking with local communities, service chains for dismissed employees
- Plan for capacity building, good practice guidelines, tools for OH services

HIRES Recommendations

11. Specific support for SMEs

- Creation of professional counselling agencies for SMEs
- Specific role of branch organizations and regional institutions
- Health promotion as competitive advantage for companies

HIRES Recommendations

12. New initiatives in Europe

- Open the CSR concept to health in restructuring
- Establish routine health promotion in R
- Normalize discourse on career change and employability

Why health awareness in restructuring?

Insensitive ways of restructuring can lead to

- counterproductive loss of productivity in general
- „creaming- off effect“ of the most productive parts of the staff
- high impact on „public health“ at a community level
- loss of innovativeness, commitment and productivity of the survivors
- reluctance of employees made redundant to return to work after the recovery of the business cycle
- deterioration of the corporate profile with lower attractiveness for future job applicants

Future perspectives: HIRES PLUS

Contextualisation of HIRES results:

- in 13 countries of the EU including more Eastern European countries
- increasing awareness in more member states for the issue of health in restructuring
- through national seminars covering relevant stakeholders, actors and institutions
- defining new roles of OSH and Labour Inspectorates
- comparing HIRES Recommendations with national practices
- take up innovative national approaches in order to enrich and modify the HIRES results

Health in Restructuring

Innovative Approaches and
Policy Recommendations (HIRES)

The HIRES report in English can be
downloaded:

www.ipg.uni-bremen.de/research/hires

or is available under

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