

## **Learning in Partnership: Responding to the Restructuring of the European Steel and Metal Sector**

This is a 2<sup>nd</sup> Interim Briefing Paper of the project that started in September 2001

### **Context of the Research**

The restructuring of key manufacturing sectors across Europe is continuing apace, as firms seek to respond to intense market imperatives. Nowhere is this more apparent than in the steel and metal sector, where merger activity between companies and the closure of plants has increased. Thousands of workers have lost their jobs and those remaining face an increasingly uncertain future. Faced with this context, the *employability* of workers - in terms of retaining employment within existing companies or finding new employment - represents an important economic and social issue. Employability is a recognised pillar of the *European Employment Strategy* and a key aspect of the advancement of a *European Area for Lifelong Learning*.

The development of coherent strategies for employability and learning, in the context of corporate restructuring, is however a complex task. The European Commission's Communication document, *Making a European Area of Lifelong Learning a Reality* (COM (2001), 678 final), identifies 'partnership working across the spectrum' (including employers, trade unions and other stakeholders) as a key 'building block' for the development and implementation of coherent and comprehensive lifelong learning strategies. Yet, currently there is an under developed understanding of the factors most likely to support and sustain such learning partnerships.

This project aims to assess how learning strategies and partnership-based approaches for learning can be utilised as a response to the on-going process of restructuring in the steel and metal sectors across Europe with a particular focus on Finland, Germany, Netherlands, Norway, Spain, Sweden and the United Kingdom.

### **Initial Conclusions**

The following conclusions have been identified relating to: -

#### **Lifelong Learning**

1. Although discussions concerning lifelong learning are well advanced, there are still widespread concerns over its definition and problems over methods of implementation.
2. Governmental reviews or committees on lifelong learning have been established in most cases. These have resulted in a number of initiatives aimed at addressing the 'key priorities' outlined in the Commission's Communication, such as: valuing informal learning; improving information, guidance and counselling; improving learning opportunities and increasing investments in learning.

3. At the level of implementation, however, less progress has been made. Coherent national systems of lifelong learning, with clear linkages between education, training and learning throughout life still need to be fully established.
4. Responsibility for developing lifelong learning strategies is often unclear.
5. Policy discussions concerning definitions of lifelong learning tend to emphasise the responsibility of the individual from an economic perspective.
6. It is not clear that increased individual demand for learning in itself, will stimulate high skill, knowledge intensive economies and societies.
7. Lifelong learning systems planned and developed from “above” are less likely to be effective, since they are unlikely to connect with the realities of working life and the dynamics of the “new” economy.
8. However, “bottom-up” approaches aimed at implementing demand for learning amongst individuals can be particularly effective. Trade unions have an important role to play in facilitating bottom-up initiatives.

#### Learning partnerships

9. Initial analysis has identified three distinct types of learning partnership, although in practice they can relate to, build upon and influence each other. The partnerships are often led by trade unions, in co-operation with employers and other relevant economic agencies: -
  - *Institutional* learning partnerships are based around strong traditions of national social dialogue and public policy consultation.
  - *Responsive* learning partnerships tend to evolve and be based around strong workplace mechanisms for social dialogue.
  - *Reactive* learning partnerships are multi-agency, ad-hoc arrangements typically geared towards rapid responses to crisis redundancy situations.
10. Trade unions engaged within learning partnerships have proved to be highly effective in engaging learners from non-traditional backgrounds that have had little experience of learning since the completion of formal schooling. However, such partnerships pose a series of challenges for trade unions, in terms of the skills capacities of local officials and their abilities to build-upon and sustain such initiatives.
11. The best examples of partnership-based approaches to learning in the steel and metal sector can help to inform the social partner response to the dynamics of restructuring that are likely to take place in the steel and metal sectors of Eastern Europe following enlargement.

## Restructuring of the European steel and metal sectors

12. As the restructuring of the European steel and metal sectors is still continuing this has implications for the future shaping of the skills and learning requirements of employers and workers. This needs to be considered in the context of the interrelationship between learning strategies, broader production strategy and politics.

## Building Learning Organisations in the Context of Organisational Change

13. Across the steel and metal sectors companies are introducing systems of teamworking to facilitate flexible and more efficient ways of working. Continuous learning is advocated as an important aspect of effective teamworking. Effective systems of teamworking are, however, difficult to implement. Extensive workforce reduction allows no 'space' for teams to act as 'learning systems' and innovation and flexibility is effectively 'crowded out'.
14. Social pacts on learning established at the organisational level again face implementation problems on the ground, and are often subject to the whims of individual line managers and specific business demands.
15. There is little evidence of 'integrated' human resource development strategies, whereby strategies for learning and the enhancement of individual employability are aligned with the needs of the business and the organisation of work.

## Job loss and individual biography

16. Institutional support for those displaced during restructuring typically occurs at the moment of displacement, yet this is not necessarily the best period to prepare people for new careers. Preparation should occur far sooner.
17. Support institutions do not typically place the individual centre stage in the process of responding to redundancy. Individuals are typically directed to opportunities determined by support agencies, rather than agencies tailoring their services to the employability needs and aspirations of individuals.
18. Whilst training and education are important factors in enhancing employability and the ability to cope post redundancy, they are not necessarily determining factors. Those most likely to cope successfully have a history of change both at and beyond work, suggesting a need to promote 'competence of change'.

## Initial Recommendations

1. There is a need to strengthen the institutions and mechanisms of social dialogue over lifelong learning as it may be an important determinant in the implementation of coherent strategies for lifelong learning.

2. Resources should be directed towards developing bottom-up, partnership-based approaches in order to raise demand for learning. The UK experiences with trade union learning representatives may represent an initial model that could be piloted through projects in other countries.
3. Coherent support structures need to be developed and sustained for those workers made redundant from the steel and metal sectors. These support structures need to take account of the biographical experiences of redundant workers and, as a result, should put the individual at the centre of any policy formulation.
4. Given the strong correlation between experience of change and the individual's ability to cope successfully with employment transition, 'change competence' and the ability to 'learn how to learn' should be promoted throughout working life within a context of ongoing economic restructuring. At a European level, this should be promoted as a key issue in sectoral social dialogue, and such competence development should be supported at workplace level and integrated into job rotation models that facilitate changing work routines.
5. More systematic systems for the accreditation of non-formal and informal learning need to be developed and, again, should be supported through the social dialogue process.
6. Adjustment funds should be available to help those displaced prepare for redundancy, and should be targeted at the immediate period before displacement so that individuals can enhance employability during their notice period.
7. Trade unions have an important role to play in formulating learning partnerships, both at and beyond the workplace, that assist individuals to prepare for and cope with change and displacement. Trade union innovation funds should be available under the social funds for the development of new union models that help foster learning partnerships and the promotion of individual employability and new working biographies.

### **Further Information**

The full title of the project is: "Learning in Partnership: Responding to the Restructuring of the European Steel and Metal Sector". The final report is due in March 2005.

The project web site at: <http://www.leeds.ac.uk/learning-in-partnership/>

#### Key Publications

##### Book

Greenwood, I and Stuart, M. *Restructuring, Partnership and the Learning Agenda: A Review*. Learnpartner Monograph: Leeds. 68pp ISBN 1-900840-19-7. 2002.

##### Articles in journals

Skule, S., Stuart, M. and Nyen, T., 'Training and development in Norway', *International Journal of Training and Development*, 6(4): 263-276, 2002

Wallis, E., 'Work-based project overcomes basic skills stigma', *Adults Learning*, 14(2); 24-28, 2002

Wallis, E. and Stuart, M. (2004) 'Partnership-based approaches to learning in the context of restructuring: case studies from the European steel and metal sectors', *Career Development International*. 9(1): 45-57

'The Industrial Relations of Training: The Case of the Steel and Metal Sectors', Special Issue of *European Journal of Industrial Relations*. Forthcoming

#### Chapters in books

Greenwood, I. And Stuart, M., 'Lifelong learning or lifelong flexibility? The case of the European Employment Strategy and the redefining of training', in Martinez Lucio, M. and Alonso, L.E. (eds) *Change and Conflict in a New Society: Discussing the Development of Post Fordism*. London: Routledge, (Forthcoming).

Greenwood, I. And Stuart, M. (2003) 'Employability or lifelong flexibility: unpicking the contradictions of the European Employment Strategy', in Jorgensen, C.H. and Warring, N. (eds) *Adult Education and the Labour Market VII: Volume A*. Roskilde: Roskilde University Press. 77-97. ISBN 87-7867-256-2.

Wallis, E. and Stuart, M., (2004) 'Trade Unions, Partnership and the Learning Agenda: Evidence from a 7 Country European Study', in Cooney, R. and Stuart, M. *Trade Unions and Training: Issues and International Perspectives*, Melbourne: Monash University. 116-141

Svensson, L., (2004) 'Lifelong learning: a clash between production and learning logic', in Garsten, C. and Jacobsson, K. (eds) *Learning to be Employable*. London: Palgrave,

Svensson, L & Randle, R. How to "bridge the gap" – Experiences in connecting the educational and work system. In Elkjaer, B (ed). *Living, Learning and Working*. (Forthcoming)

#### Research Institutions

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