REPUBLIC OF SLOVENIA MINISTRY OF LABOUR, FAMILY SOCIAL AFFAIRS AND EQUAL OPPORTUNITIES



JAVNI SKLAD REPUBLIKE SLOVENIJE ZA RAZVOJ KADROV IN ŠTIPENDIJE

LABOUR MARKET AND EMPLOYMENT DIRECTORATE



for Human Resource Development in Enterprises and Economic Sectors

Competence

Centers

Greenet Project Workshop in Slovenia, Maribor, 28 May 2015



CC objective

CC- an innovative initiative to support enterprises of the same sector to:

- cooperate in the field of HRD,
- invest in HR,
- develop missing competences,
- upgrade employees' knowledge
- increase companies' competitiveness
- <u>increase competitiveness</u> of respective economy sector

Increase employers' awarness of investment in employees' importance

Support structure

- European Social Fund co-financing
- Human Resource Development Operational Programme 2007-2013
- Ministry as Intermediate Body
- Public Fund for Human Resource Development and Scholarships as implementor
- two tenders 2010+2012 (ends August 2015)
- in total 7,75 mio EUR + financial input of companies for 19 CC (7+12)

CC tender requirements

- 5 to 20 companies of all sizes, including self-employed
- minimum 50 employed
- no public sector, as partners also education institutions and social partners
- 2 years of implementation
- half of funds for internal trainings
- project office to connect members, coordinate quality implementation, motivates employers to include employees in trainings

How do they do it?

- Identifying needs, development of competencies model (for the sector, enterprise, profile, working post...)
- Plan of trainings to develop competencies
- Execute trainings-internal trainings min 50 % of CC funds
- Promotion and informing among CC members and outside

CC characteristics

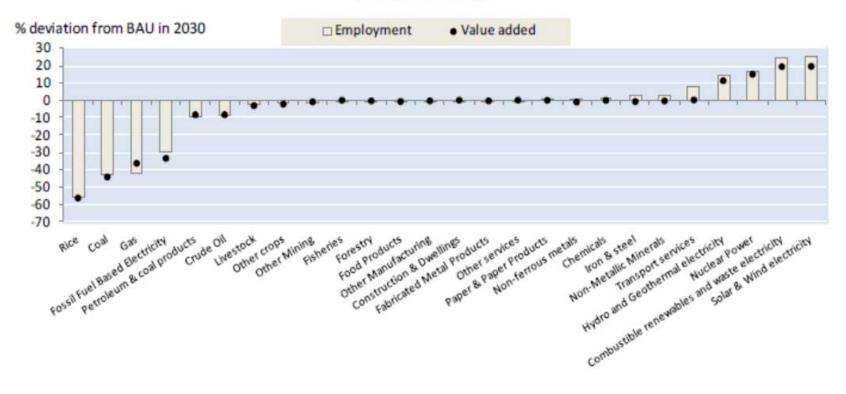
Selected:

- 15% of applications (out of 120 applications with approx. 1000 enterprises)
- 19 CC supported
- 300 members/enterprises of all sizes
- 11.600 employees
- each 200.000-450.000 EUR ESF co-financing
- economy sectors:
 - Glass, IT, telecomunications, toolmaking, accountancy, chemicals, robotics
 - Paper, design management, wood, logistics, trade, sustainable construction, waste management, security

CC sectors and green employment potential by 2030

Figure 3. Change in sectoral composition of employment

Panel A. Europe



Source: OECD, 2012

Re-establishment of systematic education after closure of formal education in paper industry:

- strategic goal to establish Paper Industry Academy (3 profiles, 91 graduates in 2015)
- Identification of appropriate knowledge within companies and education institutions,
- **mobilising retired** employees with specialised knowledge and ambitions to transfer knowledge
- **specialised training** and cooperation abroad

Transfer of knowledge by mentoring between companies and generations in glass and chemicals industry:

- Vocations in demand, in deficiency (lack of skilled young and insufficient competencies after completing education)
- Internal trainings for mentors
- also to mentor in other companies (small companies can help larger)

3. Improved business results on company and sector level

- 5% production increase in one of the programmes (glass)
- 67 % less cost for tool repair
- speedy tool change, less delays, 50% less overtime
- Less sick-leave absence (from 8 to 5,6%)
- 5 % less client complaints
- 13.000 EUR higher value added per employee+ 3x higher than average in same sector- EU top achiever (paper)
- Sustaining employment security regardless of crisis: 5,4% wage rise each year

Investing in employees as a restructuring model ("by a special, perhaps atypical method")

- reported to be used by 80% of companies in foreign or mixed ownership in Slovenia
- not so much by domestic capital
- a tool of bridging the crisis and supporting further growth:
 - Each EUR invested through CC brings 10 EUR in CC glass (on average each incluson in trainings cost is 152 EUR)
 - Intention to maintain level of investment after project closure