



The European Social  
Dialogue Committee  
FOR THE POSTAL SECTOR

Comité Européen du  
Dialogue Social  
POUR LE SECTEUR POSTAL

# **PSE PROJECT “MOBILISING SOCIAL PARTNERS IN A NEW CONTEXT”**

## **MAIN OUTCOMES**

### **Postal Sector Evolution working group**

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# 1. Main elements of the projects

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## 1. Main elements of the project

- An EU co-funded project of 18 months :
  - December 2014 to June 2016
- Project focusing on two topics:
  1. Social dialogue and CLAs to accompany the change process
    - Analyse of labour agreements signed within 16 postal operators
  2. E-commerce and new proximity services
    - Led to a MOOC on new services
- Support by an external consultant, Ecorys

## Topic 1: study on collective labour agreements (CLAs)

- Objectives: identify the key topics dealt with in social dialogue at national level and better understand the process of social dialogue
- A selection of 16 national postal operators:
  - Austria, Belgium, Denmark, Estonia, Germany, Finland, France, Ireland, Italy, Netherlands, Poland, Portugal, Romania, Spain, Sweden, UK
- Two main sources of information:
  - First-hand data
    - collected by means of questionnaires disseminated to all the 28 Member states
    - completed by phone interviews done with the respondents from the 16 selected countries to get complementary information
  - A desk research with an analysis of CLAs' content through a detailed grid of analysis for each of the 16 countries

## Topic 1: study on CLAs, final conference

- A successful conference organized on 24-25 May 2016 in Bucharest
- A good level of participation:
  - 52 participants from 18 countries
- A variety of presentations based on the study's outputs
  - Transversal presentation made by the consultant
  - Presentation of national case studies by companies' and union's representatives



## Topic 1: study on CLAs, final conference

- Organized around seven thematic sessions
  - Session 1: Employment
  - Session 2 : Wage policies
  - Session 3 : Work organisation
  - Session 4 : External and internal mobility
  - Session 5 : Career planning and training
  - Session 6 : Searching for a new social and economic equilibrium
  - Session 7: What role for social dialogue in the transformation and future trends?



## Topic 2 : E-commerce and new proximity services

- Objectives:
  - Provide social partners with a better understanding of these new markets thanks to the input from selected external experts
- Took the form of a two-day training on new services organized in Brussels on 17-18 November 2015
  - With 58 participants from 21 countries, it was particularly attractive to SDC members as it focused on growing activities for the postal sector.
  - An opportunity for interactive discussion and learning on initiatives being developed within the postal industry in the areas of new services, particularly the e-commerce, which are of importance to the sector.
  - A particular attention given to the new competences required and the role of training



## Training seminar on new services

- Content of the seminar:
  - Interventions from key representatives from the Commission (DG Growth), PostEurop and UNI Europa
  - Case studies presentations from Deutsche Post DHL, Poczta Polska, La Poste, PostNord, bpost, Postkom
  - Transversal presentation on developments in e-commerce and new services by the consultant





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## 2. Project's main findings

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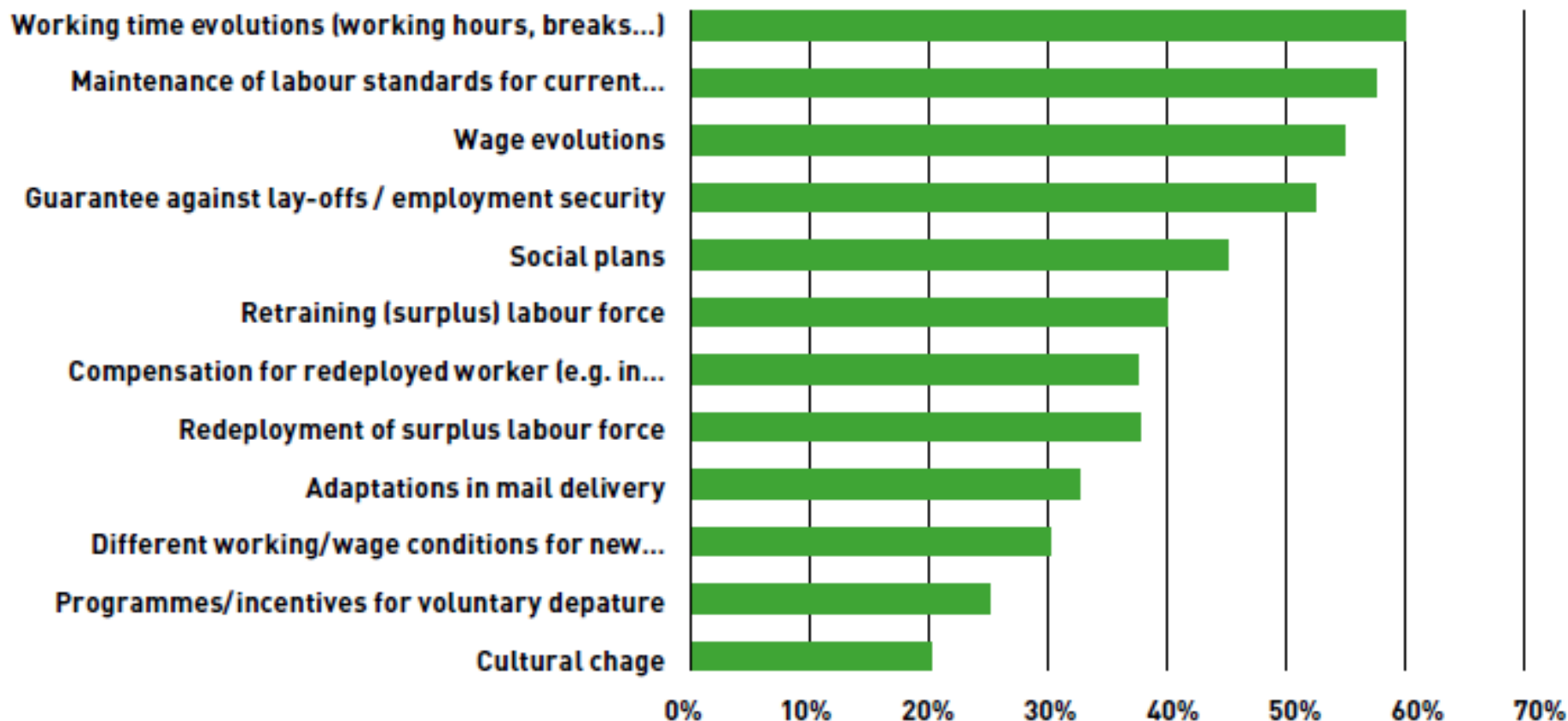
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## Topic 1: main findings on CLAs' analysis

- Collective labour agreements (CLAs) as a key tool to manage the change process:
  - NPOs face common challenges but at different stages of transformation
  - Social partners have managed to support well the transformation and mitigate its impacts, in particular through the signature of CLAs
- The content of the CLAs differs significantly between the EU Member States
  - Different national contexts, regulatory and industrial relations framework, companies at different stages of transformation



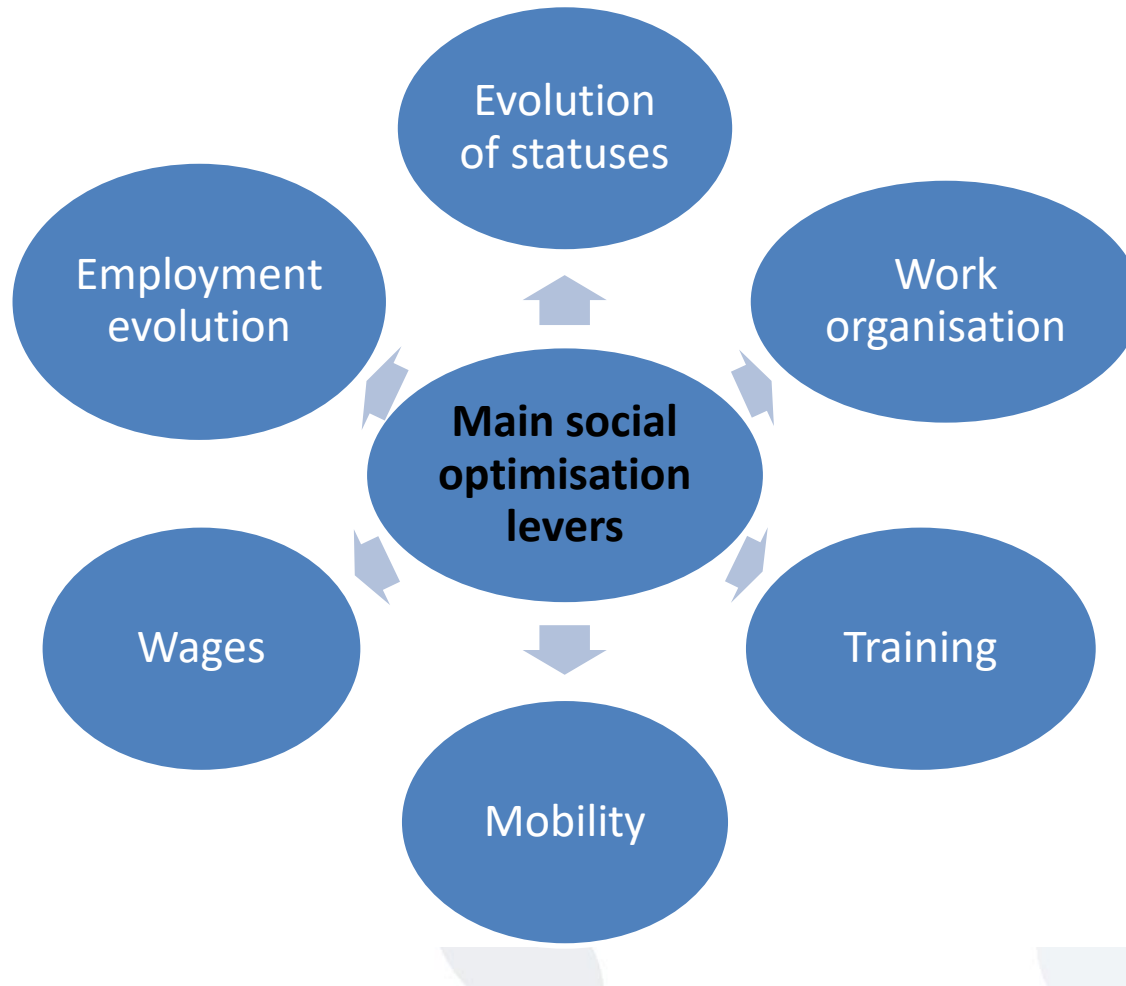
# Topics covered in postal operators' CLAs



## CLAs' analysis main findings

- Social partners try to find a balance between flexibility in working arrangements and employment security
- CLAs constitute central elements of the social change process in most NPOs
  - Measures in the CLAs do not only aim at limiting the impact of the transformation
  - Positive measures to enable employees to benefit from the transformation have also been put in place
    - Training has in particular become an increased priority in most operators.
- However CLAs do not contain all the measures implemented to support the change process

# Main identified factors shaping the operators' social transformation



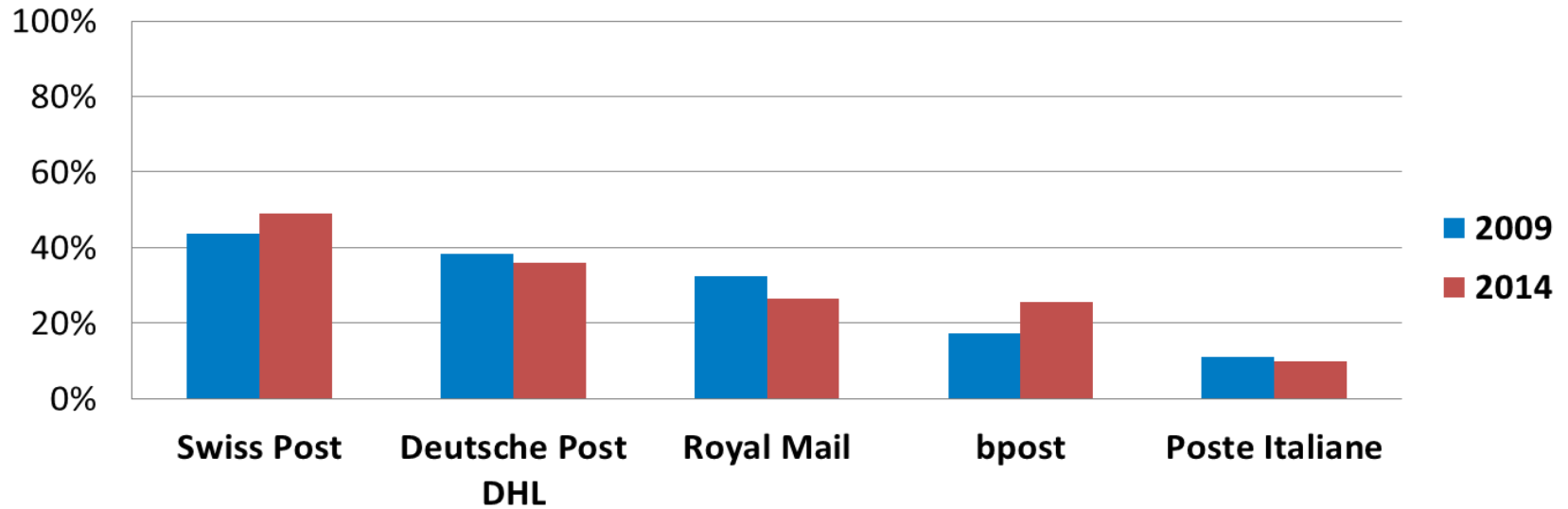
- These levers are non-exhaustive and have been used at different levels by postal companies and usually in combination

## Main conclusions

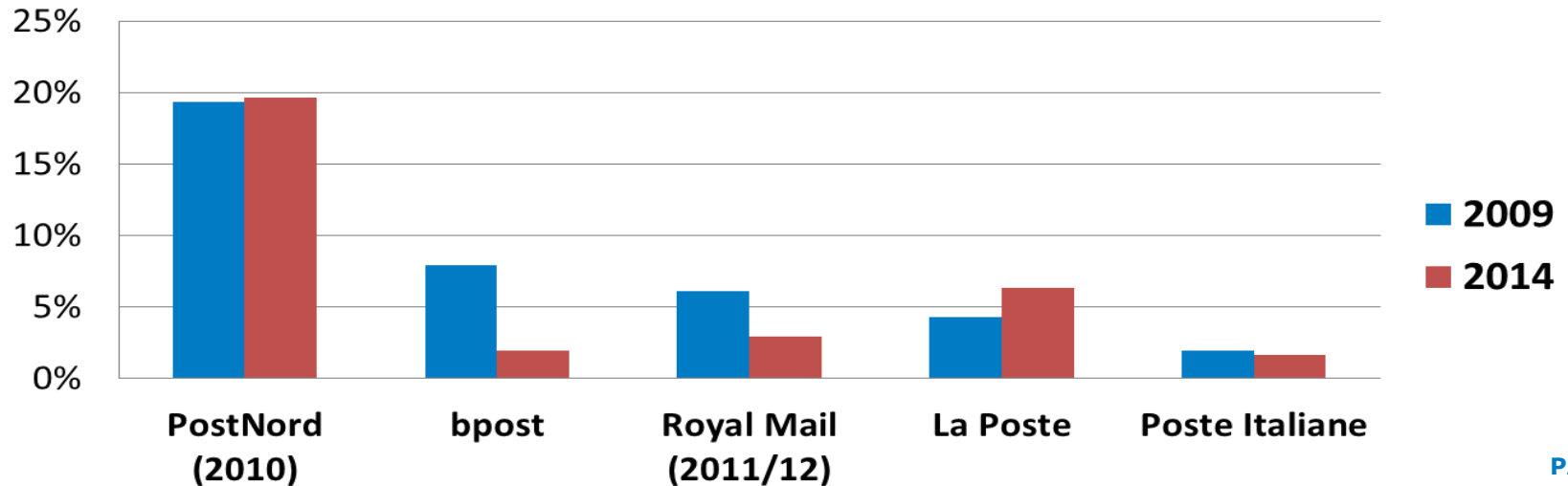
- **Employment:** important decrease in employment levels
  - Mainly via natural attrition supported in some case by voluntary leave
- **Wages:** simplification of salary packages
  - Less allowances, in some countries lower wages for new employees
- **Work organisation adaptation:**
  - Modulation of working time, adaptation of USO, increased combination of mail and parcels' delivery
- **Mobility:** internal and external one
  - Voluntary leave and early retirement programs to support natural attrition
  - Support to external mobility: financial incentives, career counselling
- **Training:**
  - few references in CLAs
  - Support to maintain employability

# Evolution of statuses

## Evolution of the part-time employment rate



## Evolution of the short term contracts rate





## Other measures in CLAs

- Different working conditions for current vs. future employees
  - Maintenance of statuses and wages for existing staff while offering different conditions for newly recruited employees with lower wages or more flexible statuses.
- Social partners have also put in place several positive measures to support the transformation
  - The development of new jobs together with the need for new skills has required the development of further training programmes to enable up-skilling and re-skilling of employees
  - Essential to develop staff employability and support its redeployment through internal and/or external mobility
  - In this fast developing environment at the digital age, postal operators also need to hire new competences and attract the younger generations.

## Main conclusions

### Key role of social dialogue:

- Social dialogue has enabled to mitigate the negative consequences of the transformation on employment and working conditions in the sector
  - Collective Labour Agreements constitute central elements of the social change process in all EU Member States

### Examples of trade-offs :

Employment security existing staff versus lower conditions new staff

Maintenance labour conditions existing staff versus forced redundancies

Wage freezes and decreases versus increase employment levels

## Draft typology of social transformation strategies

1. A strategy geared towards employment security with **no forced redundancies in exchange of negotiated wage freezes or moderation**
  2. A strategy geared towards the **maintenance of labour conditions** in terms of **wages and work organisation stability** which entails a **reduction in employment and in some cases externalisation** of operations (last-mile delivery).
  3. A strategy aimed at **preserving wages' and employment levels** whilst entailing **increased flexibility in work organisation** patterns.
- These social transformation strategies:
    - can vary over time or be combined according to the operators' or the national context,
    - are closely linked to the diversification strategies of postal operators



## Topic 2: Opportunities and challenges for postal operators in e-commerce

- A fast-growing but also highly-competitive market: opportunities of development for NPOs but at the same time a more competitive market.
- Besides delivery which is their core business, incumbents can develop other services on the e-commerce value chain through backward integration to stand as comprehensive partners along this chain:
  - Sales with the provision of online market places, facilitation of payment through online solutions, provision of fulfilment solutions with storage and pick & pack.
- The development of these services relies on the postal operators' know-how, their position as trusted companies and their customers' knowledge.
- The analysis of the actors on the e-commerce value chain shows that some companies whose core competences are at the beginning of the chain tend to develop a new offer of services with forward integration.
  - Market places are increasingly looking at offering delivery services so that they can also become comprehensive partners relying on their own services all along the value chain.

## Opportunities and challenges for postal operators in e-commerce

- On the e-commerce value chain, the last kilometre delivery is of key importance for the customer.
  - In this activity, an increased operational externalisation can be observed in some countries
  - Postal operators need to better answer customers' needs in terms of flexibility, rapidity and choice of delivery. For this purpose, it appears that there is a development of flexible working arrangements which impact work organisation.
    - Within several postal operators, there is thus an increased combination and complexity of mail and parcels delivery.
    - Moreover the evolutions of the work organisation show a tendency to extend delivery time across the day and at the week-end.
- The project has highlighted that competition on this activity occurs not only through cost-cutting but also via quality of service provision.

## New proximity services

- NPOs have been transforming their businesses into hybrid organizations, providing a range of business such as parcels and logistics but also non-mail services – called ‘proximity services’:
- These proximity services can be divided into five categories:
  - Extending the product range in delivery (e.g. groceries, pharmaceutical products)
  - Targeted solutions for a specific sector (e.g. welfare)
  - New services in postal offices (e.g. banking services)
  - Proximity to the public space (e.g. road quality)
  - In-house visits and services (e.g. towards elderly people, collection of contracts, reading meters, collection of electric appliances or PET bottles for recycling etc.)

## New proximity services

- There is a high diversity of new proximity services tested or implemented by postal operators.
  - These services are characterized by a personalisation of the relationship and are fully in accordance with emerging societal needs like silver economy, rapid delivery of fresh products, optimisation of public services
- The project highlights that there is potential for incumbents to develop new services to individuals based on their extended network and the relationship of trust with consumers.
  - National postal operators have a unique added-value in terms of proximity and physical link in the digital economy.
  - This development creates opportunities in terms of employment
  - There is a need to develop new competences through training and re-training of existing employees in a lifelong learning perspective and attract skilled labour



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# Project final report

- Content of the final report
  - Project's main findings, key messages from European social partners, consultant analysis and all material presented during the final conference and the training seminar
- A large dissemination:
  - Final report in English, French & German:
    - 150 ENG + 75 FR + 50 DE
  - Dissemination to internal and external stakeholders:
    - PostEurop members, UNI members
    - Institutions:
      - European Commission, Parliament, Eurofound, ILO
    - Cross-sectoral social partners
      - Bussinesseurope, CEEP, ETUC



# Joint Declaration ‘The role of social dialogue in the transformation’

- The project led to a Joint Declaration signed on 1 December 2016
- Enables to formalize some joint messages of the European social partners on social dialogue:
  - Sets the main principles on how an effective social dialogue at all levels can be an essential lever for anticipating and supporting the transformation process.
  - Social dialogue should find the balance between the modernization of their work structure, increased flexibility and good working conditions.
- Also underlines the need to enhance the awareness and competencies of all social partners on the developments and overall e-commerce strategy



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# Elaboration of an e-learning module : POST MY MOOC

- MOOC, on e-commerce and proximity services
  - Follow-up to November 2016 training seminar
  - 3 main parts:
    - Main challenges in the postal sector today
    - The e-commerce value chain
    - New proximity services
  - Enables an innovative, wider and long-lasting dissemination