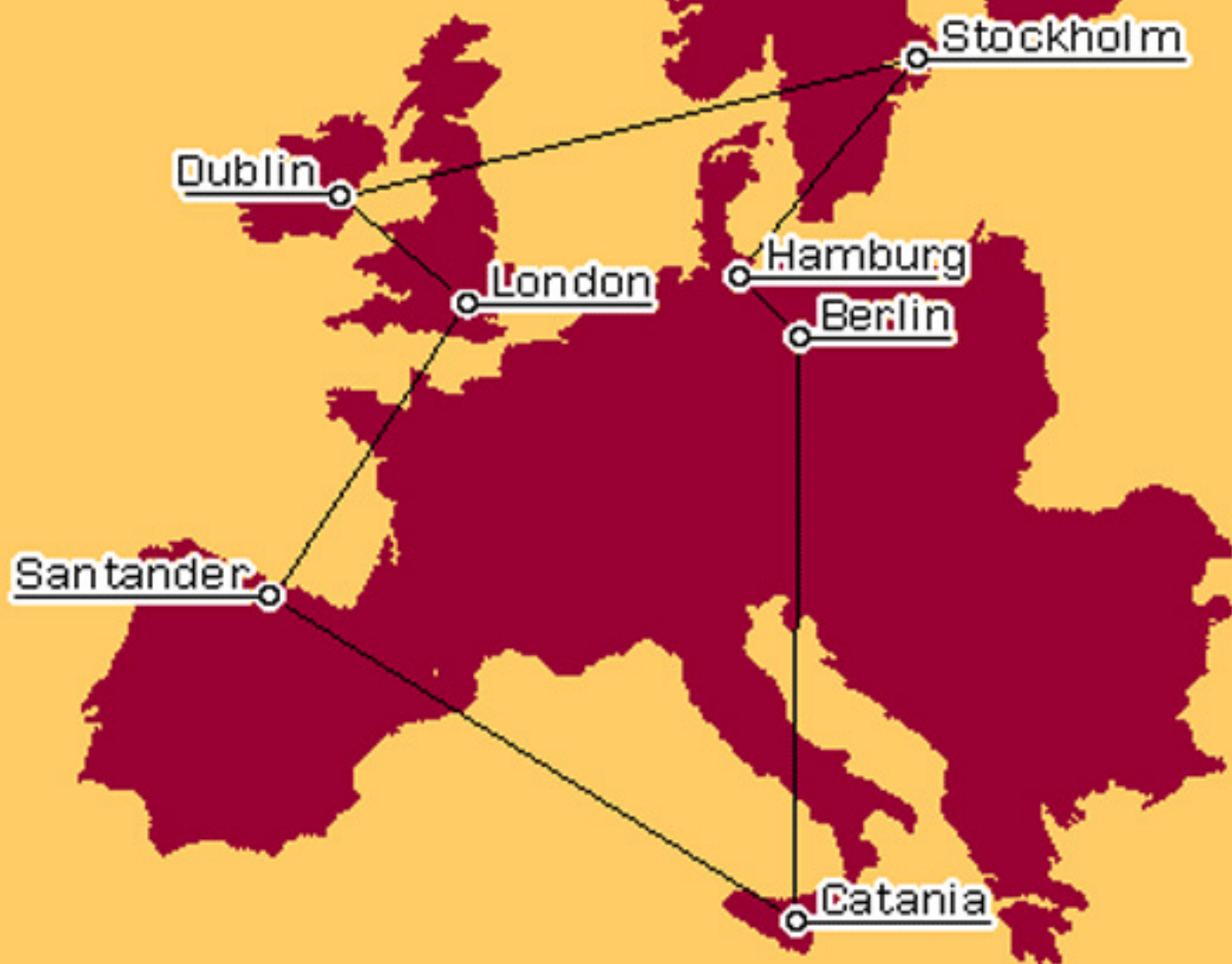


AVALON

ADDED
VALUE
OF
LOCAL
NETWORKING



a project of

final report

Gesellschaft für soziale
Unternehmensberatung mbH

gsub



in co-operation with



documenta
INSTITUTO EUROPEO
DE ESTUDIOS PARA LA
FEDERACION Y EL DESARROLLO



HARINGEY COUNCIL



english version



Final Report for the European Commission

AVALON-Added Value of Local Networking

Structure:

- Identification of the project
- Short Version

Contents:

1. Starting Point and Aims of the Project
2. Methodology of Auto-Evaluation
 - 2.1. Descriptive and Comparative Analysis
 - 2.2. Case Studies
 - 2.3. Benchmarking
 - 2.4. Exchange of Experts
3. The Transnational Partners and Their Territories
4. Good Practice Examples from 7 European Regions
5. Obtained results in comparison with the original aims
 - 5.1. Key factors of success for local partnerships
 - 5.2. Transnational Co-operation – Evaluations, Conclusions and Recommendations
 - 5.3. The results of the Benchmarking
 - 5.4. Dissemination

Title	AVALON - Added Value of Local Networking
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Agreement Reference Number	VS/2000/0774 – D 59
Launching date	01.01.01 (contractual), 01.02.01 (real)
Completion date	30.09.01 (contractual), 30.09.01 (real)
Name of Programme	Preparatory Measures for a Local Commitment for Employment
Measure No.	3
Geographical Coverage	This project will cover the following geographical areas: Berlin, Hamburg, London, Cantabria and Rome / Catania – Sicily.
Partner organisations:	D – Johann-Daniel-Lawaetz-Stiftung UK – Haringey Council and the College of North East London E – Documenta I – CIOFS-FP (Centro Italiano Opere Femminili Salesiane – Formazione Professionale)
Associated Partner:	IR – Dublin Territorial Employment Pact S – Europaforum Stockholm

Brief presentation of the lead organisation:

Since 1991 gsub has worked as a trust company and is a controlled body of the State of Berlin. Presently gsub supports app. 10.000 jobs. gsub develops and carries out European projects, e.g. within the Community initiatives ADAPT and ECOS OVERTURE. gsub has been the co-ordinator of the Neukölln Territorial employment pact since 1998. It is certified according to DIN ISO 9001 and IQNet.

Starting Point (Hypothesis) and Aims of the Project

At the beginning of this final report we would like to repeat some of the initial aims and hypotheses, as stated in the application form.

In the application we started with two AVALON hypothesis:

- A) Explore the role of the private sector in local employment pacts as well as support for micro enterprises in business start-up schemes
- B) Explore the question for employment prospects resulting from co-operation of different partners beyond their normal sphere of influence

The aim of the project was defined in terms of analysing, evaluating and further developing the experience gained by the applicant and its partners with regard to local development projects and or territorial employment pacts.

Methodology of Auto-Evaluation

We carried out the following steps as elements of the methodological approach of the AVALON-project, as planned in our application, additionally we implemented a benchmarking process:

- Opening workshop
- Newsletters
- Comparative analysis and synopsis
- First conference
- Transnational exchange of Experts
- Final Workshop
- Final (second) Conference
- Final report
- Different materials for Dissemination
- Benchmarking within the Avalon project (including: the involvement of entrepreneurs, the professional management through an intermediary action)

Overview of the results: key-factors of success – comparative analysis of the 15 “good-practise” projects

According to our comparative analysis, the following factors can be considered as the most important elements of a successful local employment strategy:

1. Build up complementary, horizontal networks and partnerships, on local level and on a trans-national level.
2. Activate local enterprises – not only the organisations, which represent them - to join the local development initiative or the pact. (Involve large and parent companies as well as small, medium-sized and micro-enterprises).
3. Foster and support business-start-up projects, but take care of existing enterprises too. In other words: improve the birth and survival rate of enterprises on local level.
4. Consider the interdependence between the competitiveness of a region and the competitiveness of the enterprises in the region.
5. Enhance corporate identity (CI) and the marketing of the region.
6. Take in account the needs of the residents – combine social and economic issues .
7. Improve the local and in-company skill base .
8. Take care of financial issues: combine different resources – including private means - to gain synergy.
9. Analyse local conditions before implementing the local development strategy (feasibility study), organise formative evaluation and focus your local development project from the beginning at qualitative and quantitative targets.
10. Choose a well-prepared, professional and committed intermediary (can be private or non-profit).
11. Develop an action plan devoted to increasing employment, transferability and innovation.

Dissemination

Opening Workshop	22./23.March in Berlin
First Conference	21./22.May in Rome
Final Workshop	05./06.July in London
Final International Conference	13./14.September in Berlin

The following material has been produced and will be transmitted by the transnational partners and their distributors and networks:

- 1) Printmedias: short version, EU-version, Final Report in D, UK, E, I
- 2) PDF-Presentation in D, UK, E, I
- 3) CD-Rom including all material in D, UK, E, I
- 4) Internet-Presentation including all material in D, UK, E, I

Content:

AVALON-Added Value of Local Networking

1. Starting Point and Aims of the Project

At the beginning of this final report we would like to repeat some of the initial aims and hypotheses, as stated in the application form. In the application we started with two AVALON hypothesis:

- A) Explore the role of the private sector in local employment pacts as well as support for micro enterprises in business start- up schemes
- B) Explore the question for employment prospects resulting from co-operation of different partners beyond their normal sphere of influence

The aim of the project was defined in terms of analysing, evaluating and further developing the experience gained by the applicant and it's partners with regard to local development projects and/ or territorial employment pacts. The AVALON project aimed to achieve a general and transferable strategy gained by comparing good practice examples in different regions. Furthermore, we intended to find out, how to encourage an entrepreneurial spirit in districts with a high unemployment rate and severe social problems ¹.

In order to deal with these issues in a manner, which could not only be understood by representatives of enterprises but also by a broader audience we defined the following questions in our first brochure:

- How can enterprises - small and medium-sized, retailers and craftsmen, start-ups and huge companies - be involved in local pacts and action plans?
- What added value can the enterprises expect and - vice versa - what do they offer to the pacts?
- Which support do the pacts offer especially for start-ups on the local level?
- What are - more generally - indicators of success of local employment pacts?

¹ See Application form of the gsub mbH, Project AVALON, « Detailed Discription of the project », 09-06-2000

2. Methodology of Auto-Evaluation

In our application form we planned the following steps as elements of the methodological approach of the AVALON-project:

- Opening workshop
- Newsletters
- Comparative analysis and synopsis
- First conference
- Transnational exchange of Experts
- Final Workshop
- Final (second) Conference
- Final Report
- Different materials for Dissemination

All the steps were carried out as planned with some limitations concerning the expert exchanges. Because of cost limitations we had to shorten the number and the duration of the stays of the experts in the different regions.

However, in the first conference in Rome we decided to introduce some further elements, such as 'Benchmarking' and 'Case studies' in order to achieve more valid and reliable results.

2.1. Descriptive and Comparative Analysis

In order to compare the regions we used statistical data, such as

- Total population
- Unemployment rates
- Employment rates
- Total amount of long-term unemployed
- GDP growth rates
- Main branches of the economy

In addition to that a qualitative description of each region contributed further information for the comparison of the regions and the specific areas in which the good practice projects were located.

After the opening workshop in Berlin a first draft of a comparative analysis was designed by the applicant which referred to the statements of the partners and other experts held in Berlin on March 22 and 23 enriched by the word-for-word minutes of this first meeting. The lecture of SEYFRIED (2001) served as a theoretical framework held at the same opening-workshop in Berlin and some aspects of the work of PUTNAM².

² Robert D. Putnam – Making Democracy work – Civic Traditions in Modern Italy, Princeton University Press 1993

By analysing the different material, the goal of this first comparison was to find out the key factors of success of local employment activities and especially those connected with the involvement of enterprises or the private sector. This first comparative analysis was developed during the process of the project based on additional and more elaborate papers sent by the partners to the applicant and through the inputs during the different meetings (workshops and conference). This method allowed us to identify key success factors, pathways to involve enterprises and transferable elements across very different European regions.

2.2. Case Studies

The good examples used as the basis of the data for the comparative analysis were classical 'case studies'. Each partner presented one or two examples which he regarded as examples of 'good practice' in his region concerning the involvement of enterprises or the support of start ups.

In addition, a description of the local networks, their institutions, different kinds and qualities of relations between partners etc were described in the different studies, based on experiences, limitations and recommendations on the transferability.

In order to arrive at recommendations, triangulating methods and key observations were needed. The main effort here was to summarise typical structures and findings. These were the conclusions on the clusters, and possibly indicators of success of local employment pacts would be detected independent of specific structural conditions. The aim was to summarise win-win-situations.

This action plan combined qualitative and quantitative methods to a multi-method-approach.

2.3. Benchmarking

During the Rome conference the AVALON – Team decided to implement a benchmarking process as an additional tool in order to assess the different territorial employment pacts which were involved in the project.

2.4. Exchange of Experts

The exchange of experts was planned in order to gain a deeper insight into the partners' work. An expert from one partner was to participate in the daily work of another partner, he or she visited. The visits allowed the experts to get to know the network structures of the partners, to compare them with structures 'at home' and to check whether or not the approach might be transferable to his own / her own region. After the exchange, the experts wrote a report, depicting their impressions and insights with regard to the AVALON objectives.

In order to ensure that the results were comparable, the AVALON team developed a questionnaire at the Rome conference which was compulsory for all experts.

3. The Transnational Partners and Their Territories

The partners who came together for the work on the AVALON project are organisations that operate in territories which are very different in a whole variety of respects, that is, e.g. in terms of unemployment rates, demography, degree of urbanisation, economic structure and political conditions.

3.1. London: Haringey Council and The College of North East London (CONEL)

The Haringey Regeneration Partnership recognises and values the diversity of cultures, and communities that make up the borough, and is committed to ensuring its regeneration activities are of benefit to all disadvantaged communities. The Partnership is concerned that initiatives benefit those groups of the population which are most likely to experience disadvantage, such as black and minority ethnic communities, young people, lone parents and their children, refugees and asylum seekers, disabled and elderly people.

The Pact has promoted, developed, established and supported an impressive range of employment projects within the framework of three of its key objectives:

- tackling the barriers causing exclusion from the labour market,
- creating pathways into work (sustainable employment),
- creating jobs locally, ensuring new sources of work experience and employment.

3.2. Hamburg: The Lawaetz Foundation

The Lawaetz-Foundation is – among other responsibilities - responsible for the technical assistance for the European Social Fund, objective 3 in Hamburg with the following tasks:

- Advice of the development of project ideas
- Advice of ESF-project-concepts
- Advice regarding costs and financing
- Support for the search of co-financiers
- Networking of different projects
- Organisation of exchange of experiences.

Another sphere of activity of the Lawaetz-Foundation is counselling unemployed people for business start up projects.

3.3. Cantabria: Documenta – Instituto Europeo de Estudios Para La Formación y El Desarrollo

DOCUMENTA, is a non-profit institution with the aim of promoting local development by supplying all types of services and advice to Autonomous Communities, Local Governments, Town Councils, Council Departments, Municipal Companies, Foundations, Private Companies, etc. DOCUMENTA espouses a sustainable development model which promotes a balance between wealth and employment growth and environmental preservation, all of this stemming from the organisation's commitment to endogenous development and invigoration of the local economy.

3.4. Sicily – Catania: CIOFS – FP - Centro Italiano Opere Femminili Salesiane – Formazione Professionale

CIOFS-FP is a non-profit-making association specialising in the field of vocational training. It was created in 1986 by the CIOFS (Italian Centre for Salesian Female Services), following long experience in this field starting with Mother Mazzarello, who in 1872 founded, with Don Bosco, the first Institute of the FMA (The Daughters of Mary Help of Christians). The Association operates in 15 Italian Regions through its Local Boards, with 100 Operative Centres. Its activities deal with vocational training, orienting and services to local enterprises. The beneficiaries are adolescents, young people, women, unemployed people, immigrants, prisoners, drop-outs and non-European people. The National Centre is located in Rome. In Sicily CIOFS-FP operates through its Local Board and 30 Operative Centres, which are located in all the 9 Provinces. In 2000 the National Centre and the Sicilian Local Board have obtained the Certificate of Quality Management System Standard UNI EN ISO 9001 by the Lloyd's Register Quality Assurance.

3.5. Berlin: gsub mbH – Gesellschaft für soziale Unternehmensberatung

Since 1991 the gsub mbH is a service provider, a controlled body and a trustee of the Regional Administration for Labour, Social Security and Women (Senatsverwaltung für Arbeit, Soziales und Frauen). Gsub mbH concentrates heavily on the involvement of enterprises, especially micro-enterprises, and runs several model projects which are targeted on the improvement of the birth, survival and growth rates of local companies. In addition gsub is involved in three European networks (MetroNet, IRES and GC Development Group). Gsub administers funds from bodies on all four European administrative levels. Gsub works at the European level, rationally, regionally and locally.

3.6. Dublin: Territorial Employment Pact

The Dublin Employment Pact was established in 1998 to examine labour market and development issues in the Dublin Region. Its Board comprises equal representation of the four key sectors concerned: the Dublin Regional and Local Authorities, the Local Development and Community Sector, the Social Partners, and the Government and Statutory Agencies. Initially developed through an EU programme, it is now supported as part of the National Development Plan. The DEP includes over eight Working Groups, overseeing work across a wide range of labour market issues in Dublin,

from research and dissemination work to pilot projects, conferences, a publications programme and participation in networks.

3.7. Stockholm: City Council – Europaforum

'Europaforum Stockholm' is a network in the municipality in the City of Stockholm. Its duty is to keep abreast of policies and strategic work of the EU and of different EU programmes. The network also investigates funding opportunities and extends city networks to other areas of Sweden and Europe.

3.8. Comparative analysis of the territories

The regions vary from being economically developed at one end of the scale to being deprived at the other. Between these two types are regions which although are quite well developed in terms of employment rates and economic growth they still face severe problems in the labour market, as far as special target groups or special local areas (neighbourhoods) are concerned.

In order to make the very different regions comparable, we decided on the following definitions, which show simultaneously the areas (as parts of the regions), which have been considered ³:

REGION or Huge City	CLUSTER	Arbeitslosenquote in % (März 2001)	Wachstumsraten in % (2001)	Beschäftigungsquoten (2001) in %
Stockholm	CLUSTER 1	2,1	-	73,5 (2000)
Dublin		2,6	7,0	63,2
London	CLUSTER 2	4,6	6,8 (1996)	70,8
London-Haringey		7,7	3,6 (1996)	66,6
Hamburg		9,5	3,25 (2000)	65,6
Berlin	CLUSTER 3	16,4	0,2 (2000)	52,3% (2000)
Berlin-Neukölln		22,1	-	38,55%
Cantabria		14,0 (2000)	1,26 (1999)	47,2 (2000)
Sizilien – Provinz von Catania		29,4 (1998)	1,5 (1998)	31,8 (1998)

³ The presented numbers per cent are only valued as purpose-statement, although every transnational partner used official sources. However they are only comparable conditional, since they are at the bottom of different definitions of employment and long-term unemployment (for example ILO-criterion to national census).

Stockholm and Dublin are amongst the foremost regions in Europe, concerning economic growth rates. The unemployment rates are between 2.1 % (Stockholm) and 2.9% (Dublin). The employment rate is highest in Stockholm at 73,5 %, in Dublin it's 63 %. Whilst Stockholm has also a high employment rate of women – roughly the same as for men – in Dublin only 47% of women are employed. Both cities have a huge amount of small businesses and micro-enterprises, predominantly in the service and IT-sector. Ireland, and especially Dublin, is an extraordinary success-story with economic growth rates of 10% since 1994. The key factors of Dublin's economic boom are inward investment (attraction of foreign investment, specially from the U.S.), the EU membership, the Social partnership and the political consensus as well as the fact that Ireland had a small old industrial sector so that little restructuring was required. 50% of the population is less than 30 years of age – an additional attractive factor for foreign investment. Despite this enormous boom of the last years, Dublin has a long way to reach standards of other cities (in terms of public transport, health services, childcare facilities for instance).

More than 150,000 companies are active in the region of Stockholm – by 744,000 inhabitants. Kista – the upcoming science city of Stockholm – is presently one of the world's leading IT regions. During the year 2000 a record number of jobs were reported to the national employment agencies.

In both cities the main problem is the lack of a highly skilled work force and simultaneously a relatively high amount of long-term unemployed people or social welfare recipients (Dublin: 36.000 long-term unemployed, in Stockholm during 1999 62,400 people received welfare benefits). The Dublin economy is highly dependant on the U.S. market and the high percentage of young work force is decreasing.

Hamburg 9,5% and London-Haringey 7,7% are cities or regions with unemployment rates of (Hamburg) and (London-Haringey, London: 4.6%) and a relatively successful development in the last years concerning the decrease of unemployment and the increase of economic growth. Whilst the key factors of both cities in terms of economy and employment rates present themselves as being in very good shape – both cities are the richest in Europe - there are big regional differences within both cities and also within the boroughs. For instance Haringey is much wealthier in the west (Hornsey) than in the poorer eastern district (Tottenham). In both cities a high proportion of ethnic minorities – Haringey includes the most ethnically diverse population in England – and disadvantaged groups are the main target groups of the labour market.

Cantabria and Sicily, the cities of Santander and Catania, as well as the region of Berlin-Brandenburg and the city of Berlin, specially the TEP-district Berlin-Neukölln, are regions with high unemployment rates (Cantabria 15,7%, Berlin-Neukölln 21%, Catania more than 20%) and huge economic problems.

The common main problem is the lack of jobs and the high rates of long-term unemployed and of other disadvantaged groups, like unskilled youngsters, disabled or elderly people. The service sector is less developed compared to the other regions above and economic development is, partly, still dominated by restructuring the old traditional industries, accompanied by mass redundancies. The single regions are obviously not homogeneous ones but very differentiated.

There are, for instance, huge differences between the coastal areas, offering a more developed and dynamic economy and the hinterland with poor and deprived areas (Catania/ Sicily and Cantabria).

In Berlin – Neukölln, the situation is similar to the one in London – Haringey: North - Neukölln with an unemployment rate of roughly 30% (156,000 inhabitants) contrasts with the other parts of Neukölln like Rudow, Britz and Buckow dominated by middle-class houses, better living conditions and lower unemployment rates.

The main problem of prosperous areas like Dublin and Stockholm, similar to London and Hamburg, is the lack of sufficient skilled workers and the skills deficit among the long-term unemployed. In addition, many youngsters start low-skilled jobs without completing qualifications (Dublin).

The central topic of these cities is the access problem:

- How can disadvantaged groups being integrated into the labour market, i.e. in market-oriented jobs?
- How can the gaps between the generally developed city and some deprived areas within the city be bridged?

The other regions face similar problems, too but their main topic is another one: it is job creation.

- How can additional job opportunities be created?
- What are the endogenous factors of job creation in those areas?

4. Good Practice Examples from 7 European Regions

The following examples of “good practise” were chosen by the regional partners and presented on the Final Conference. The Comparative Analysis, which is presented in the long version of the final report, was set up on these examples. From this comparative Analysis emerged the conclusions of the AVALON project (see point 5).

4.1. The North London Stansted Partnership(NLSP) – Runway to Work

Short description:

- Tackling the retail and catering skills shortage and large number of vacancies at Stansted Airport with long-term unemployed clients from Haringey

Role of the Enterprise BAA (British Airport Authority)

- Encouraging employers at the airport to participate in the scheme by using their position as the landlord of the airport

Innovation and Transferability

- Finding simple solutions to a range of barriers
- Well-designed customized training for poor inner city communities in conjunction with recruitment-needs of a large airport
- Local airport employment programme in other European major cities, for instance airport `Berlin-Brandenburg-International`

4.2. CREATE – Training and Employment Initiative

Short description:

- Recycling white goods and simultaneously offering a sustained training & employment support programme to disadvantaged Tottenham residents.
- Training environment with `real-life` working conditions.
- Improving Environment and Employment.

Role of the Enterprise DIXON

- A new social business, registered as a charity, in partnership with a large enterprise. Sales of goods are reinvested into CREATE, partnership of DIXON's and of the local authority were crucial for the project's success.

Innovation and Transferability

- Genuine Partnerships between an employer, employees, residents and training providers in the neighbourhood
- Tackling poverty, discrimination and long-term unemployment
- Giving recycled computers to charities, selling white goods with low prices to the residents
- Large enterprise as a parent company for a social business with mutual benefits = transferable idea

4.3. `Round Tables` - a project for enterprises in crisis in Hamburg

Short description:

- Several institutions contribute to save enterprises in crisis and its employees, including a public bank – DtA (Deutsche Ausgleichsbank).
- Expert analysis and meeting of all affected creditors and debtors.
- Free of charge for the enterprises.

Role of the Enterprises

- Managed by the Chamber of Commerce supported by a bank and by experts, the project can be characterised as a service from a public – private partnership for private enterprises.
- Main issue: job-saving instead of job-creation.

Innovation and Transferability

- Supporting enterprises can help supporting competition, job saving as well important as job-creation
- Management staff learns how to handle crises
- Chambers as intermediate actors with knowledge about business management; confidence at the side of the enterprises necessary; experts, creditors and debtors are changing dependant on the special case

4.4. 'hep' - The Hamburg programme for Business-Start ups

Short description:

- Initiative of universities, research institutes, economics and politics departments which support students setting up enterprises, concentrated on start-ups of innovative services and technology orientated enterprises.
- Advise through coaches and business mentors, facilities: rooms and offices; twinning of technical knowledge and knowledge about business management; setting up networks between the new enterprises.

Role of the Enterprises

- Type of cross-sector partnership between universities, administration and economics (Chambers, banks and venture capital provider involved).
- Main issue: job-creation and entrepreneurial spirit support in innovative, technology orientated branches.

Innovation and Transferability

- Bringing together scientific approach with business know-how
- 'hep' contributes to a knowledge-based economy in a direct and active way
- 'hep' can be transferred to regions with a high concentration of universities and research institutes.

4.5. 'service cheque' - Region of Cantabria

Short description:

- Invigorating the demand of services through the launch of a 'quality cheque'.

- Access of the users to many different services by decreasing the cost of the services (discount of 30%) without loss of quality.

Role of the Enterprises

- Type of public-private partnership with a bank (Caja Cantabria), which ensured the discount for the users and received as benefit a good marketing in the region.
- Small local enterprises and retailers offered the services.

Innovation and Transferability

- Invigoration of demand in the local service and retailer sector
- Introduction of a politic of quality in the services´ lending
- Helped to regularise the informal economy
- Contribution to employment, especially for women

4.6. Academic Spin – off - Region of Cantabria

Short description:

- Launch of a self-employment resources centre and Spin-offs´ creation which trained entrepreneurs, managers, trainers and students and tried to identify the latest economic trends. Toos: Studies, training and co-operation promoting, local economic policy workshops, managers forum, business incubator.
- Exploring new ideas for academic business start-ups.

Role of the Enterprises

- Type of Spin-off-process, including parent companies with a clear intention of supporting the process; products, techniques or ideas, which can develop into a enterprise; human resources which will create an enterprise.
- The latter came from university.

Innovation and Transferability

- Designing and developing start-ups from an analysis of the territory´s characteristics to the support of the new enterprise have become part of the business incubator
- Innovation in training, methodology and in the use of New Technologies
- Individualised and integral training and personalised advice accompanying the training

4.7. INTEGRA – Co-operation for the reinsertion of youths at risk of social exclusion – Region of Catania / Sicily

Short description:

- Youth running the risk of social exclusion find work through self-employment in the laundry and dry-cleaning sector.
- The project stemmed from an accurate analysis of local needs, which showed – amongst other things – that there was room for 20 additional companies in the laundry sector.

Role of the Enterprises

- Type of public-private partnership, the company `cabon service´ was interested in franchising.
- Through on-the-job-training, work experience and customer relations, industrial safety and waste disposal the company helped the beneficiaries of the project to set up their own businesses.

Innovation and Transferability

- Creation of a network between public institutions, social operators and a private company with clear defined responsibilities
- `Youth Agency´ of the Municipality offered important services for youngsters entering the job market; self employment as a crucial element of the development of the Sicilian economy, promoted by the Italian government (850 start – ups in Catania in three years).
- Research element of the project – identifying gaps on the market – and well-designed project feature and network can be transferred

4.8. The sector of Microelectronics in Catania: The ST Microelectronics Company

Short description:

- Activation of a local network that involves institutional local actors such as University, the Municipality of Catania and high-tech enterprises in order to develop the micro-electronic sector of the region.
- The successful network meanwhile attracted other companies to settle in the region, for instance NOKIA.

Role of the Enterprises

- The leading role in the network has ST Microelectronics – a company with 4.000 employees.
- Impact on foreign trade, on the labour market (1.022 people were hired in the year 2000) and upgrading skills (900 researchers) and on the relation between the company and other local actors, especially universities.

Innovation and Transferability

- Catania Model of 'Etna Valley', born on the successful co-operation between the large company, the University, local enterprises and institutions.
- Favourable conditions on the labour market/ highly qualified human resources available on the labour market
- Risk that the local economy could run in crisis through the dependence on one firm requires an integrated local strategy in order to achieve endogenous and sustainable development

4.9. Strategy "Berlin district Pacts"

Short description:

- In August 1999 the Department of Labour, Social Affairs and Women of the Land Berlin launched the support strategy for the new 12 Berlin districts.
- The Strategy combines the objectives of the European Union with the labour-market politics of the Berlin State.
- It enables access to pact management and financial resources through the European and Berlin mainstream programmes in order to design, to establish and to develop district partnerships and action plans.

Role of the Enterprises

- Most of the concrete projects in the different action plans are devoted to the involvement of enterprises and are orientated to the so-called 'first labour-market'.
- Employer organisations and individual companies are involved in the pact activities.

Innovation and Transferability

- First comprehensive step of a decentralised employment strategy in a big German city.
- Merging social and economic development, bringing together economics, labour and social affairs on district level
- Clear approach with well-defined elements transferable to every other European region, especially to major cities.

4.10. Start-up-your-own-business "Neue GründerZeit"

Short description:

- Discovering, developing and reinforcing local potential for founding enterprises in the district Neukölln within the 'Territorial Employment Pact Berlin-Neukölln' (Action 2).
- Lack of knowledge and lack of capital for young entrepreneurs as a starting point, set of combined elements as a support structure for local founders (award, training, permanent advise, fund etc.)

Role of the Enterprises

- Large local enterprises as well as former founders contributed through providing facilities or by cash for the start-up-your-own-business award or for the fund.
- The project resources were available for founders and for existing young enterprises.

Innovation and Transferability

- No new institution or office had to be created, only existing facilities, individual persons (consultants) and institutions worked together in a new way. Ethnic minorities and women were considered. It is more economic than any other comparable program.
- Target groups are not only academics but more generally local people with good ideas but less money. The follow-up project `Coaching for founders´ is mainstreamed Berlin-wide.
- The project is not tied to any national-government regulations or legislation and can be transferred to any other European region, currently to Opole Region in Poland.

4.11. Start-up-your-own-business “Neue GründerZeit”

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- Lack of knowledge and lack of capital for young entrepreneurs as a starting point, set of combined elements as a support structure for local founders (award, training, permanent advise, fund etc.)

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- Large local enterprises as well as former founders contributed through providing facilities or by cash for the start-up-your-own-business award or for the fund.
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Innovation and Transferability

- No new institution or office had to be created, only existing facilities, individual persons (consultants) and institutions worked together in a new way. Ethnic minorities and women were considered. It is more economic than any other comparable program.
- Target groups are not only academics but more generally local people with good ideas but less money. The follow-up project `Coaching for founders´ is mainstreamed Berlin-wide.
- The project is not tied to any national-government regulations or legislation and can be transferred to any other European region, currently to Opole Region in Poland.

4.12. Challenge – Supporting structural change on company level

Short description:

- Offering practical assistance for SME`s how to manage the challenges of structural change on individual company level.
- The approach: identifying the problem situation of the company, offering support according to the needs of the enterprise.
- Besides people threatened with redundancy were placed into new employment relationships.

Role of the Enterprises

- The evaluation showed, that 78% of the enterprises expressed their opinion that improvements had been made ranging from mere survival to services being concretely tailor-made for the company.
- Making jobs secure rather than job creation was the central topic of the project, which was free of charge for the companies.
- SME`s contributed by `time and energy spending`.

Innovation and Transferability

- Combining business management advise with employment, job saving and survival strategies. Pool of experts, including senior managers and students from universities carried out tailor-made projects on company level in order to improve competitiveness.
- The general approach is transferable to other European regions.

4.13. The Dublin Employment Pact

Short description:

- Following the end of the EU-funded period, the pact was established as a non-profit company, included in the National Development Plan as a strategic partnership body for the Dublin region.
- The aims: Tackling questions of exclusion from the labour market, examining future employment and skill needs as well as common issues in the long-term economic development.

Role of the Enterprises

- All local employment strategies in Dublin operate in collaboration with networks of local employers.
- While there is some third-sector involvement, the focus remains firmly on the private sector, and only secondly on the public sector and the social economy.

Innovation and Transferability

- Involving Employer organisations by developing a strategy for the development of the city economy and maximising the competitiveness factors of that economy.
- Improving local corporate identity through consensual social and area development (through 11 Area Partnership Companies).

4.13. Fastrack into Technology (FIT) - Dublin

Short description:

- Sectoral partnership involving over 60 leading players in the high-tech-sector (for instance Microsoft, Gateway, Intel etc.).
- Key partners are the government, individual firms, local partnerships, training institutions and social welfare authorities.

Role of the Enterprises

- The key employer interest was in developing a workforce geared exclusively to employment in the high-tech sector and the offer of public subsidised targeted training.
- Local employment strategies in Dublin operate in collaboration with networks of local employers.
- While there is some third-sector involvement, the focus remains firmly on the private sector, and only secondly on the public sector and the social economy.

Innovation and Transferability

- FIT trained in the first year (1998) 3.500 long-term unemployed people and absorbed them into the industry.
- Flexible design and local focus of the many small-scale training initiatives in order to place long-term unemployed into the high-tech-sector in close connection with the most important employers in this field.

4.14. Kista Matching - Stockholm

Short description:

- Kista – a suburb of Stockholm and Sweden's 'Silicon Valley' - is internationally placed among the five leading IT areas in the world.
- 30.000 people work there.
- On the east side of Kista refugees and immigrants live in hastily built apartment complexes. Kista matching placed the unemployed of the one side of the suburb in the expansive Kista IT-sector on the other side.

Role of the Enterprises

- The point of departure of the project is the needs of private enterprises to recruit employees. Public financed training courses are tailor-made to suit the needs of the company.
- Social service agencies and Business development offices co-operate in close and long-term contacts with the IT- enterprises.

Innovation and Transferability

- Mainstreaming: Kista Matching becomes Stockholm Matching
- Job guarantee for the unemployed before entering the training courses
- Cross-sector working between economic and social bodies or agencies

4.15. Handcraft 2000 - Stockholm

Short description:

- The background of the project is the acute need for new recruitment to the craft sector and the current lack of education in this field.
- The Stockholm Craft Association, the City of Stockholm and other actors developed and established an efficient training and educational model for the craft sector.

Role of the Enterprises

- One purpose of the project was convincing students to employment in a craft enterprise or to be able to start their own business in this sector.
- 45 Craft companies with different supervisors have trained 50 students.
- Knowledge about craft occupations was spread by an annual `craft guide` , a magazine `Craft` and a website.

Innovation and Transferability

- Mainstreaming: Kista Matching becomes Stockholm Matching
- Job guarantee for the unemployed before entering the training courses
- Cross-sector working between economic and social bodies or agencies

5. Obtained results in comparison with the original aims

The project was implemented as planned. All methods were applied. (Additionally a benchmarking process was carried out, which was not part of our application). All events were held (two workshops and two conferences, expert exchange) and we achieved – taking in account the short time of seven months⁴ more than we expected.

Two additional partners, apart from the four transnational partners mentioned in the application form – the TEP of Dublin and the Europaforum of the City of Stockholm – joined the AVALON project. They were so interested in this project, that they took part mainly at their own costs. We would like to thank our Dublin and Stockholm partners for this contribution.

5.1. Key factors of success for local partnerships

According to our comparative analysis, the following factors can be considered as the most important elements of a successful local employment strategy:

1. Build up complementary, horizontal networks and partnerships, on local level and on a trans-national level.
2. Activate local enterprises – not only the organisations, which represent them - to join the local development initiative or the pact. (Involve large and parent companies as well as small, medium-sized and micro-enterprises)
3. Foster and support business-start-up projects, but take care of existing enterprises too. In other words: improve the birth and survival rate of enterprises on local level.
4. Consider the interdependence between the competitiveness of a region and the competitiveness of the enterprises in the region.
5. Enhance corporate identity (CI) and the marketing of the region.
6. Take in account the needs of the residents – combine social and economic issues.
7. Improve the local and in-company skill base.
8. Take care of financial issues: combine different resources – including private means - to gain synergy.
9. Analyse local conditions before implementing the local development strategy (feasibility study), organise formative evaluation and focus your local development project from the beginning at qualitative and quantitative targets.

⁴ The official beginning was the December 30 in the year 2000. But we couldn't start before February when the initial conference in Brussel was held. The real effective working time dated from February to September 2001.

10. Choose a well-prepared, professional and committed intermediary (can be private or non-profit)
11. Develop an action plan devoted to increasing employment, transferability and innovation.

The key elements of a local start-up strategy are:

- Implementing a start-up-your-own-business award, in order to disseminate entrepreneurial spirit at a local level
- Setting-up a training scheme for basic issues (like financing, controlling, marketing, human resources development)
- Providing support for preparing a business-plan
- Establishing a local network of parent companies, training providers, consultants and banks (private and public), and, if available, universities or research institutes
- Adding an advanced and supporting training scheme after business set up (evening or weekend-courses, distant learning via Internet)
- Setting-up a local fund providing venture capital
- Giving online and telephonic advice (lawyer, tax consultant, insurance expert)
- Organising individual coaching (long-term)
- Creating networks of business founders

It is important to support new enterprises not only in the pre-start and the start-up phase, but also in the maintenance and growth phases.

5.2. Transnational Co-operation – Evaluations, Conclusions and Recommendations

The trans-national partnership was well prepared and organised from the start.

The following summary shows the contributions of all partners concerning the AVALON project:

**Lawaetz-Stiftung
Hamburg:**

- Presentation and 'thick description' of two good practice examples
- Development of the questionnaire for the expert exchange
- Expert report on the service-cheque project in

	<ul style="list-style-type: none"> ➤ Cantabria ➤ Participation in all conferences and workshops
<p>Haringey Council London (with associated partner CONEL)</p>	<ul style="list-style-type: none"> ➤ Presentation and 'thick description' of two good practice projects ➤ Development and evaluation of the benchmarking process ➤ Preparing and organising the second and final workshop ➤ Expert report on the INTEGRA – project in Sicily ➤ Participation in all workshops and conferences ➤ Editing the draft final report
<p>DOCUMENTA, Cantabria</p>	<ul style="list-style-type: none"> ➤ Presentation and 'thick description' of two good practice projects ➤ Expert report on the Berlin 'Neue GründerZeit' (start-up) project ➤ Participation in all workshops and conferences
<p>CIOFS-FP, Rome/Catania</p>	<ul style="list-style-type: none"> ➤ Presentation and thick description of two good practice projects ➤ Expert report on the 'hep' - project in Hamburg ➤ Preparing and organising the first conference in Rome ➤ Participation in all workshops and conferences

We would recommend the following points gained from our net-working to others:

- Transparency in the budget between all partners setting up and sharing a trans-national budget is complicated, because of different tax regulations, for instance). It causes a lot of additional work. But this approach leads to a deeper insight into the financial control and book-keeping systems of foreign companies – a small step towards adoption of common regulations and common understanding is by appreciating the differences that still exist.
- Clear responsibilities and rules for trans-national work-sharing are essential. Each partner contributes its own expertise. But the discipline of following deadlines needs to be improved. For example, partners need to be realistic about their ability to deliver outside the timeframe of the transnational events. This type of project is a kind of horizontal networking which requires a lot of communication and mutual understanding.
- Face-to-face communication is the most important 'tool' ; distant communication by simple e-mail, phone and newsletters is more effective than 'High-tech' methods (Video conference, web cam. Our web-cam trial failed).
- Including participants from enterprises, local authorities, universities or research institutes throughout the process is very useful and necessary.

- Expert exchange between the participating regions is valuable in order to get in touch with, to 'feel', and to assess the other partnerships and to understand the different cultural backgrounds.
- Organising small workshops is more effective than big conferences – the dissemination process should be implemented through other tools, not through conferences.
- Internal and formative evaluation should take place through the whole process. (This we missed out on, for although we were prepared for external evaluation by the Commission, this has so far failed to materialise, see above).
- It is worth devoting more time to planning the project methodology.
- More support from the Commission would be helpful. For instance, there should be a person available to provide information about all the programmes methodological and financial conditions.

5.3. The results of the Benchmarking

The benchmarking exercise was discussed at the Rome Conference and a number of principles were agreed regarding the process.

It was recognised that benchmarking was a useful tool which assists planning and helps set credible and easy to reach targets. It also supports continuous learning and quality improvement.

AVALON partners were in favour of a process of self-review, acknowledging that this was an important aspect of continuous improvement in the operation of employment partnerships and the delivering of employment projects.

A questionnaire was designed to enable Avalon partners to review their own progress and compare the results in each of the participating regimes. The benchmarking approach sought to address the concerns of Avalon partners with regard to the variation in priorities within each of the participating regions.

A benchmarking questionnaire was designed to address both issues of importance and performance for each of the employment partnerships. In order to accurately reflect the views of the organisations involved in each partnership, Avalon project co-ordinators were asked to administer the questionnaire with at least five different partners involved in the employment partnership. Each participant was asked to complete a questionnaire ranking each question relating to importance and repeating the exercise ranking each question with an assessment of performance.

The five organisations in each region to be involved in the benchmarking process were: private sector/SME, NGO, Local Authority Training Provider, Intermediary Agency and Employment Service/Agency.

The bench marking exercise was carried out in a relatively short period, which did not allow sufficient time for piloting the questionnaire. There were a number of minor problems associated with the translation of the question from English into German, Italian and Spanish. The project co-ordinators also experienced some difficulty in completing the exercise with the degree of rigor normally associated with a benchmarking exercise.

The results of the exercise are set out on the form of a grid which seeks to identify the main strengths, areas for improvement, opportunities to redirect resources and where no change is required.

The key themes identified for the benchmarking process for each partnership were

- An understanding of local conditions for employment
- Partnership working and involvement of the private sector
- Managing innovation and the role of the intermediary.

It is apparent from the results that all of the Avalon regions had clearly defined target groups for local action for employment; each of the target groups in each region had different rankings for importance. Haringey was the only region which ranking refugees as high in relation to a target group. However even though refugees had been identified as a target group, performance in delivering of employment programmes required improvement. In two regions Catania and Hamburg women were identified as target groups, but performance required improvement.

In the area of partnership working all regions were identified as having a clear strategy, however there were significant variations in the level of involvement of key partners in particular the private sector. All regions recognise that mechanisms for involving the private sector required a more detailed consideration to identify conditions for success.

All the questions relating to innovation were ranking high in each of the regions, with three regions recognised for the creativity of the staff involved. There were variations in each region with regard to who should perform the intermediary role with high ranking for a dedicated agency in Berlin and greater emphasis on intermediary action, being more to do with a partnership process in Haringey. Mainstreaming innovation was identified as a strength in Haringey and Santander whilst senior management commitment for innovation was identified as a strength in Haringey, Santander and Catania.

The employment partnership in each region agreed that the bench marking process was a useful exercise. There was also recognition that the process would require refinement and could be extended to include comparative analysis for regions.

5.4. Dissemination

The following meetings were held in order to sensibillize the public interest and to dessimanite the results of AVALON project.

Opening Workshop	22./23.March in Berlin
First Conference	21./22.May in Rome
Final Workshop	05./06.July in London
Final International Conference	13./14.September in Berlin

The following material has been produced and will be transmitted by the transnational partners and their distributors and networks:

- | | | |
|--|-----------|----------------|
| 5) Short Version | 4 pages | in D, UK, E, I |
| 6) EU-Version | 25 pages | in D, UK, E, I |
| 7) Final Report | 223 pages | in D, UK, E, I |
| 8) PDF-Presentation | | in D, UK, E, I |
| 9) CD-Rom including all material | | in D, UK, E, I |
| 10) Internet-Presentation including all material | | in D, UK, E, I |
- under: www.avalon-gsub.de