



EMPLOYEE FINANCIAL PARTICIPATION IN SMEs: A strategy for labour market policy and regional business development

Final event

4 December 2013, Europa-Universität Viadrina Frankfurt (O.)

Logenstraße 9-10, 15230 Frankfurt (Oder), 1st floor, Stephansaal

Dear Sir or Madam,

On **Wednesday, 4 December 2013, 11.00am - 1.15pm**, the Kelso Professorship organises the final event of the project “Employee Financial Participation in SMEs: A strategy for labour market policy and regional business development”. We kindly invite you to join this event.

The project began in October 2012 and emphasised the support and transnational exchange of knowledge and experience in shaping the future of labour policy of Brandenburg. In the framework of the project, players from Germany, Poland and Spain came to reciprocally learn about the different forms of employee financial participation. This knowledge and experience exchange reflected through European perspectives enriched the project of Employee Financial Participation in SMEs. The Kelso Professorship and its transnational project partners will present and conclude the results of this process on this final event. Possibilities of disseminating employee financial participation schemes in Brandenburg will be also discussed.

Kelso Professorship of Comparative
Law, East European Business Law
and European Legal Policy

Logenstraße 9-10, PG 201
15230 Frankfurt (Oder)

T +49 (0) 335 5534 2560
F +49 (0) 335 5534 725660

E kelso-professorship@europa-uni.de



LAND
BRANDENBURG

Ministerium für Arbeit, Soziales,
Frauen und Familie



EUROPÄISCHE UNION
Europäischer Sozialfonds

Programme

Wednesday, 4th December

11.00am	Opening speech	John Menke (CEO, Menke Group)
11.15am	Spółki Pracownicze – a concept for fostering labour policy in Brandenburg?	Mateusz Musiał (University Opole)
11.45am	Sociedades Laborales – a concept for fostering labour policy in Brandenburg?	Jone Nolte (ASLE)
12.15pm	Presentation of project summary and results	Prof. Dr iur. Jens Lowitzsch (EUV)
12.45pm	Open Discussion	
1.15pm	Coffee break	

An investment in your future

This project is supported by the Ministry of Labour, Social Affairs, Women and Family Affairs with funds from the European Social Fund and the land Brandenburg.

Please confirm your attendance at kelso.professorship@europa-uni.de.



BACKGROUND OF THE PROJECT

The concept of employee financial participation

With the German “Mitarbeiterkapitalbeteiligungsgesetz” (Employee Financial Participation Act) of 7 March 2009 and the Credit and Guaranty Programme to Promote the “Spółki Pracownicze” (employee companies) issued by the Polish Ministry of Economics at the end of 2009, the topic of employee financial participation appeared almost simultaneously on the political agenda in Germany and Poland. Both initiatives – although diverging in substance – aimed at small and medium enterprises, although with limited success.

Unlike Germany, Poland continued the initiative. The reform of the above mentioned support programme is currently in process. In this context it is important to highlight the stable number of employee owned companies, which have emerged from the privatisation process. These companies manage to exist and to keep up with their conventional competitors. In 2010 there have been 860 of such corporations with a total of 131,000 employees and an average size of 150 workers. In the reform of the support programme the subjects of examination have been the conditions of participation.

At the same time – mainly unnoticed by the European public – an innovative model of employee financial participation among small and micro enterprises, the Sociudades Laborales exists in Spain. This programme reactivates unemployed from redundancy by enabling them to become (co-)owners. They can capitalise their out-of-work benefits for the period of up to two years paid out as a lump sum to set up a Sociedad Laboral or buy into an existing company. At the end of 2011 there were 13,465 Sociudades Laborales in Spain employing 74,438 workers. The average size was 4,6 employees per corporation.

EXCHANGE OF EXPERIENCE

between Germany, Poland and Spain

The point was to design a concept that enables employees to become co-owners as shareholders of their company. This concept refers to the legal form of a German GmbH, a Spanish limitada or a Polish Sp.z o.o. Such entities of employee owned companies already exist in Poland and Spain, namely the mentioned Spółki Pracownicze and Sociudades Laborales.

Both types of employee (co-)owned enterprises are prevalent among SMEs but they take different approaches:

- The average Sociedad Laboral is a small/micro enterprise (average size of 4 employees) while the Spółki Pracownicze are mainly medium sized corporations (average size of 150 employees).
- Sociudades Laborales are referred to as part of the social economy and do thus relate to other actions regarding the promotion of employment.

In the context of the above mentioned initiatives (Germany and Poland) and practical experiences (especially Spain), the project aimed to further develop existing mechanisms of employee financial participation and to introduce an employee financial participation model for SMEs. The background study, the gathered information during the study tours to Spain and Poland, and the cooperation between the project partners resulted in creating recommendations for regional support programmes. They also contributed in make proposals that alter the reform of the Employee Financial Participation Act and offer solutions to deficits that have emerged in practice.