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# **Productivity Together -**

**Productivity Program of  
Technology Industries of Finland  
and The Finnish Industrial Union**

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# The Technology Industry – the Largest Export Sector in Finland



- **50 %** of total Finnish exports.
- Companies invest about **EUR 5.0 billion** annually in Finland.
- **70 %** of private-sector R&D investment.
- **320,000** employed directly in the sector, **675,000** employed in total.
- Technology Industries of Finland has over **1,600** member companies.



# The Technology Industries of Finland



The Finnish Technology Industries is the lobbying organization for technology industry companies. It promotes competitiveness and operational preconditions of this largest and most important export sector in Finland.



## **ELEKTRONICS AND ELECTROTECHNICAL INDUSTRY**

- Data communications equipment, electrical machinery, medical technology
- Turnover (2018): 15.3 billion euros
- Personnel (2018): 38,600



## **METALS INDUSTRY**

- Steel products, non-ferrous metals, castings, metallic minerals
- Turnover (2018): 10.8 billion euros
- Personnel (2018): 16,400



## **MECHANICAL ENGINEERING**

- Machinery, metal products, vehicles
- Turnover (2018): 31.7 billion euros
- Personnel (2018): 133,000



## **INFORMATION TECHNOLOGY**

- IT services, applications and programming
- Turnover (2018): 13.0 billion euros
- Personnel (2018): 68,900



## **CONSULTING ENGINEERING**

- Expertise for construction industry and infrastructure
- Turnover (2018): 6.3 billion euros
- Personnel (2018): 54,300

# The largest industrial trade union in Finland

MORE THAN **200,000** MEMBERS,  
**6,000** STUDENT MEMBERS

**34** COLLECTIVE  
AGREEMENTS

**11**  
REGIONAL  
OFFICES

MEMBERSHIP  
FEE  
**1.45 %**

**14,800**  
SHOP  
STEWARDS

AVERAGE  
AGE OF  
WORKING  
MEMBERS  
**44 YEARS**

**320**  
EXPERTS IN  
THE UNION,  
UNEMPLOYMENT  
FUND AND THE  
MURIKKA INSTITUTE

**581** LOCAL  
BRANCHES

**76 % MEN**  
**24 % WOMEN**

**Industrial  
union** 

# Productivity Together Program - Background and Targets

- Technology Industries of Finland and Industrial Union agreed on two year productivity program in the collective agreement negotiations in 2017
- Productivity improvement is a basis for competitiveness
- New approaches are necessary to be competitive on the global market
- Open dialogue is a necessity for a long term development
- Involvement and inclusion of personnel motivate and lead to good results
- Company networks enable co-operation between companies
- Real Lean Management improves well being and productivity



# Productivity Together Program: Structure

- Joint venture program of
  - Technology Industries of Finland
  - Industrial Union
  - Finnish Institute of Occupational Health
- The Program consists of two main areas:
  - Lean Management
  - Co-operation and Local Bargaining
- Several modules that companies can choose from (according to their needs and the survey at the beginning of the program)
- The Program starts with a co-operation survey)
  - Digital survey answered by three groups of people: managers, blue collar workers and shop stewards
  - Both unions and an organizational psychologist prepare a preliminary development plan for company based on the results of the survey

# Co-operation Survey

Based on the survey it is possible to to evaluate the level of co-operation in the company and find out the key stones and challenges of co-operation and local agreement

## **Co-operation survey consists of the following parts:**

1. Commercial Targets
2. Productivity Development in Co-operation
3. Achieving the Goals
4. Trust and Mutuality
5. Management and Organizational Practices
6. Local Agreement



# Lean Management

## 1. Module of Lean Managemet

- 1.1 Current State Analysis and Goal Setting
- 1.2 Principles of Lean Thinking and Lean Management
- 1.3 Coaching – Managerial and Employee Skills

## 2. Module of Lean Tools

- 2.1 6S Method
- 2.2 Continuous Improvement
- 2.3 Value Stream Mapping (VSM)
- 2.4 Creative Problem Solving
- 2.5 Development of Working Methods and Standardized Work
- 2.6 Lean Principles in Practice
- 2.7 Layout Planning and Ergonomy
- 2.8 Lean Safety





# Co-operation and Local Bargaining

## 3. Module of Co-operation Development

### 3.1 Co-operation Survey

- a) Evaluation of the survey results and goal setting
- b) Training course on basis of the survey

## 4. Module of Local Bargaining Development

### 4.1 Improving the negotiation system based on collective agreement

- \* Negotiation system performance analysis
- \* Target setting and action plans for improvement

### 4.2 Tips for local bargaining

- \* Main parts for local agreement: what can be locally bargained and what is not advisable to bargain
- \* Training for communication and bargaining skills
- \* Organizing and managing the local bargaining: roles, targets, action plans and follow-ups



# Co-operation and Local Bargaining

## 5. Module of Rewarding

- 5.1 Current state analysis and objective setting
- 5.2 Wage structure
- 5.3 Incentive systems
- 5.4 Competence-based remuneration system
- 5.5 Local agreements of revision of wages

## 6. Module of Flexible Working Time Arrangements

- 6.1 Current state analysis and objective setting
- 6.2 Working time arrangement: planning, weight of work, company cases
- 6.3 Local agreement of working time arrangements
  - a) Average working time
  - b) Flexitime
  - c) Working time bank
  - d) Increase and decrease of working time
  - e) Harmonizing work and time off

## 7. Module of Flexible Travelling Practices

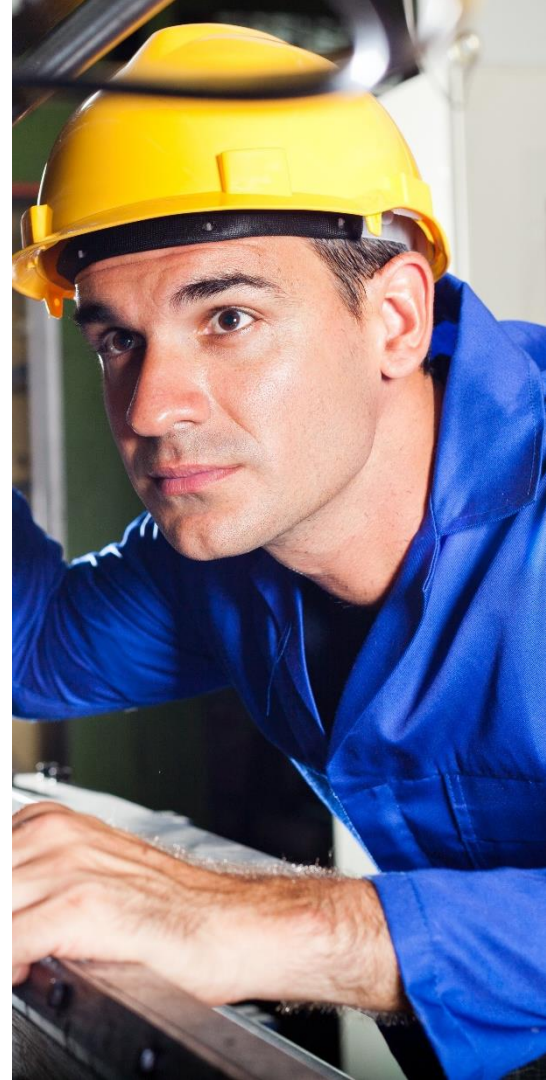
- 7.1 Current state analysis and objective setting
- 7.2 Collective agreement of travelling regulations
  - Local agreement of travelling expenses



## The Main Cornerstones of the Program

- Support and know how of both unions and partners
- Alternative modules for different needs
- Coordinated development projects – from theory to practice
- Systematic follow up, documentation and reporting
- Broad company networks
- Theme days of the program
- Consultancy, training and project assistance partly sponsored by both unions

The main resources of the program are the experts of both unions, organizational psychologists and a comprehensive network of consultants.



## The Role of Digitalisation in the Productivity Together Program

- Co-operation between people and utilization of all the resources of organizations are the focal points of the program
- However, benefits of digitalisation are utilized on many areas like
  - Digital solutions in lean development : logistic solutions, production planning, data collection, automation
  - Intranet based solutions for building company networks
  - Real time digital facilitation platforms
  - Internet based survey tools to measure the level of co-operation



## How to Succeed in this Program ?

- To succeed in productivity and competitiveness improvement, the whole organization needs to be ready for change and committed to the program.
- The program provides guidelines and tools for development but the potentiality will be turned into results only when the organization starts taking actions.
- The companies participating in the program need to invest time and also money for the development process in order to get good results. The coaching and training arranged by the unions is free of charge and include four days of lean consulting.



## Experiences and thoughts

- The companies and their employees have been very interested in the program
- 40 companies are participating in the program
- Lean is TEAM WORK and improvement of problem solving skills of employees
- Lean means to go shorter not to go faster
- Local bargaining needs management
- Experimentation culture is essential in both local bargaining and lean management
- There is a huge potential to improve competitiveness just by better people involvement and co-operation

