

Strategic employee sharing: Case examples

[Challenges and prospects in the EU: Labour market change – trends and policy approaches towards flexibilisation](#)

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France: Strategic employee sharing (Groupement d'employeurs)

To date, the highest incidence of employee sharing in Europe can be found in France. The concept of strategic employee sharing was born in the French region of Poitou-Charentes in the late 1970s/early 1980s. The Regional Secretary of one of the main French unions (the French Democratic Confederation of Labour), the Regional Secretary of the main regional employers' organisation in the agricultural sector (the Regional Federation of Unions of Agricultural Operators) and the President of the Regional Chamber of Young Farmers jointly asked the Regional Economic, Social and Environmental Council to support a law on employer groups. Among governments and representatives of employers and employees, there was a good level of awareness and understanding of the working method to promote and develop strategic employee sharing. As a result, public authorities (regional and state services) co-financed the launch of a regional resource centre in 2001 and, since then, regional organisations representing employers and employees have collaborated in promoting the concept and encouraging employer groups to become established in the region.

Different types of employer groups have been established in different sectors and pursue various goals. There are three types of such groups:

- agricultural employer groups
- single-sector or multisectoral employer groups (other than agriculture)
- employer groups for the integration of people into the workforce and the acquisition of qualifications (Groupements d'employeurs pour l'insertion et la qualification – GEIQ), which support those who have difficulty in accessing the labour market to find placements and gain qualifications

According to the latest data from the Economic, Social and Environmental Council in France, in 2018:

- 5,612 agricultural employer groups employed about 25,270 workers (around 20,000 full-time equivalents – FTEs)
- 711 other employer groups existed (outside the agriculture sector), employing 15,515 workers (around 12,600 FTEs)
- 162 GEIQ existed, providing opportunities for labour market integration for 12,098 workers (around 3,500 FTEs)

In November 2018, social partners representing employers and trade unions involved in employer groups in the Nouvelle-Aquitaine region signed the first collective agreement. The agreement, which remains voluntary, potentially covers around 6,000 workers, primarily in the agriculture sector. As well as reiterating some of the underlying principles of the employer group arrangement, it sets out provisions for mileage allowances (for travel between assignments). It states that workers' employment contracts must specify the conditions of employment and remuneration, conditions for travel reimbursement, place of execution of the work and parameters for the integration of any newly recruited employees. It also specifies that the employer group is responsible for ensuring and monitoring health and safety and providing training, and it sets out provisions for the acquisition of seniority-based entitlements resulting from employment in the group.

Outside the agriculture sector, the largest employer groups can be found in the hotel and restaurant sector. These are organised under the umbrella of RESO France, which brings together various regional employer groups. Today, it organises a total of 1,300 employers in the sector, offering employment to around 300 individuals in a sector characterised by different seasonal demands in different regions.

Particular expansion has also taken place in terms of the number of multisectoral employer groups and GEIQ.

The manager's role in an employer group is complex, combining general managerial tasks with human resources management and administration. Managers must also act as intermediaries between participating companies and workers. Consequently, the University of Nantes in France is offering a degree course to train employee sharing managers. With over 250 training hours and around 160 tutorial hours in one year, the course aims to provide (future) employer group managers with skills including:

- administration, financial management and control
- marketing
- legal issues
- communication
- human resources management
- risk management
- strategy
- project management

The resource centre in Languedoc-Roussillon set up a special training programme for its affiliated employer group managers in 2016. It offers training sessions in accounting, human resources management, communication and other commercial aspects. These training sessions address all kinds of skills useful to employer group managers to ensure they cover the group's full range of needs. The resource centre also organises meetings of employer group managers to exchange information on preselected topics (for 2016: hiring; training for employer group managers; how to manage vocational training within an employer group; and how to develop an employer group).

Sources: Eurofound (2016), [*New forms of employment: Developing the potential of strategic employee sharing*](#), Publications Office of the European Union, Luxembourg; Dalichoux, J. and Fadeheuilhe, P. (2015), *Les groupements des employeurs: 30 ans d'innovation au service de l'emploi*.

Germany: Strategic employee sharing (Arbeitgeberzusammenschluss)

In Germany, Arbeitgeberzusammenschluss (AGZ) are typically established by microbusiness and small and medium-sized enterprises or are the result of regional sectoral collective agreements concluded by the metalworkers' union IG Metall and several regional employers in the metal and machinery sector (labour pools). The establishment is often preceded by a feasibility study to investigate regional demand for an AGZ and the feasibility of combining different employers' needs for labour. The AGZ pool that is subsequently created is a separate legal entity; it employs the workers, who are then sent to work for the member companies. Workers are recruited on the basis of an assessment of the needs of each member company, taking into account the number of hours workers are needed. Member companies have to guarantee, and pay for, these hours. In general, each worker has between two and four jobs per year, either on a seasonal or continuous basis. Contractual relations with the employer remain intact, and wages (which are guaranteed to be of the same level as those of core staff) continue to be paid. In addition to providing workers, the AGZ might also aim at sharing other services between member companies, such as the financing and organising of further training measures, vocational training or the administration related to core staff.

The metalworkers union IG Metall has, in times of economic crisis, promoted the establishment of employer groups by settling collective agreements on the issue. In particular, this was the case in the Ruhr region and in the region of Siegen (North Rhine-Westfalia).

It is estimated that there are currently eight employer groups with 171 participating companies, employing just under 200 workers. The majority of companies and workers taking up this arrangement are in the agriculture sector, with some limited examples from tourism and other sectors, demonstrating that such arrangements are mainly used in areas where work is seasonal or intermittent and, therefore, does not provide workers with regular employment with a single employer. The following AGZ were operational between 2014 and 2018.

Name and region	Number of participating employers	Number of employees	Sectors of activity
AGZ Jena-Perfino eG in Thuringia	25	1	Creative media
AGZ Rügen eG in Mecklenburg-Vorpommern	12	8	Hotels and catering; communications
SaisonPLUS eG in Brandenburg	8	30	Agriculture

AGZ Soest-Ruhr-Lippe eG in North Rhine-Westphalia	49	8	Agriculture; gardening
AGZ Südbrandenburg GmbH & Co. KG in Brandenburg	6	45	Agriculture and forestry; food, hotels and catering; tourism; administration
AGZ Spreewald in Brandenburg	47	80	Agriculture; horticulture; food
AGZ Uckermark	12	20	Metalworking
AGZ Fachkräftenetzwerk Oberlausitz	12	3	Social care; education; commerce

Sources: Eurofound (2016), [New forms of employment: Developing the potential of strategic employee sharing](#), Publications Office of the European Union, Luxembourg; Bundesverband der Arbeitgeberzusammenschlüsse Deutschland e. V., undated, <http://arbeitgeberzusammenschluesse.de/wp-content/uploads/2019/02/AGZ-2004-2018.pdf>.

Austria: Strategic employee sharing (Arbeitgeberzusammenschluss)

In Austria, the first Arbeitgeberzusammenschluss (AGZ) was established in 2014, inspired by the experiences in France. Companies interested in the shared employment model must jointly set up a temporary work agency, which then acts as the employer group by formally hiring the shared workers and assigning them to the participating companies. The first such group involves nine companies, of which four were actively sharing four workers by June 2016. The participating employers are all tourism companies with between 5 and 40 core staff. The four shared workers are an assistant cook, a sous-chef, a qualified restaurant expert and a facility manager. This shows the diversity of skills and occupations to which strategic employee sharing can be applied, even within a single industry.

To assess whether strategic employee sharing is the most suitable employment model for the specific human resources demands of a company, the Mehrwert-Check (a rating of the potential value added) was developed in Austria. Using a standardised questionnaire, the employer group manager, together with the company owner/manager, explores whether strategic employee sharing would be better than other human resources solutions (such as overtime, part-time work or temporary agency work) in terms of:

- costs
- productivity
- cost reduction due to flexibility
- securing skilled labour in the business location
- employer branding

Each of these aspects is broken down into several components, which are individually rated, weighted and then compared for the various human resources solutions (for example, strategic employee sharing versus the existing application of overtime). The existing human resources solution is rated with an average value of five for all aspects, and the alternative model of strategic employee sharing is then rated against this. For example, if the employer group option scores a seven, the assessment is that this is the better way to proceed; a score of three would indicate that the existing practice is better. A simple comparison of the overall scores for the different employment models gives an indication of whether strategic employee sharing is an attractive employment model for the specific human resources need.

Source: Eurofound (2016), [*New forms of employment: Developing the potential of strategic employee sharing*](#), Publications Office of the European Union, Luxembourg.

Belgium: Strategic employee sharing (Groupement d'employeurs/Werkgeversgroeperingen)

The use of this model is slowly expanding in Belgium to meet the needs of both employers and employees. A few examples are provided below.

- JobArdent was created in 2008 by the Liège chamber of business and industry to share workers among its members. In 2016, JobArdent comprised 58 user companies. The employer group was sharing 11 workers among its user companies, and the workers included infographics specialists, a secretary and an information technology manager.
- Syndics Réunis GIE has brought together three building management companies since 2008. The employer group employs five workers to carry out the accountancy and secretarial work of its members. Three workers have full-time contracts, and two are employed part time.
- Basic+ was created in 2013 by several schools to share an accountant. In 2016, Basic+ comprised around 100 schools and shared two accountants and three accident prevention advisors.

One of the observed benefits of strategic employee sharing is the exchange of good practice among participating companies through shared workers who spread these practices from one company to the other. For instance, in the employer group Ferm'Emploi, the product diversification and local product distribution strategy of one participating company inspired another participating company to develop its activities in the same way. In addition, vocational training organised at the request of one participating company may have an unforeseen positive impact on the practices of another.

Source: Eurofound (2016), [New forms of employment: Developing the potential of strategic employee sharing](#), Publications Office of the European Union, Luxembourg.

Hungary: Strategic employee sharing (Több munkáltató által létesített munkaviszony)

The use of this model is still relatively niche in Hungary. Two examples are provided below.

- Two information technology firms began to work cooperatively to fulfil an EU-funded project. One of the firms won the tender but found it needed more people to do the work; thus, it approached the other firm for help. The two companies shared 21 highly trained and experienced information technology professionals for the implementation of the EU project (spanning nearly one and a half years).
- In 2015, the national structure of bus companies changed, with seven regional companies created from individual state-owned companies. In one region, the three predecessor companies decided to set up a common joint-stock company in 2014 to manage all preparatory tasks before the new regional-level operation began. The three companies delegated some of their executive employees and highly trained professionals to the joint company by means of employee sharing. Altogether, 20 employees were affected, including the chief executive officer of one of the companies.

Source: Eurofound (2016), [*New forms of employment: Developing the potential of strategic employee sharing*](#), Publications Office of the European Union, Luxembourg.

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