

POLAND

WORKFORCE DEVELOPMENT PROJECT

1998 – 2000

FINAL TECHNICAL REPORT

United States Department of Labor

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INTRODUCTION

The Poland Workforce Development Project (WDP) was an initiative sponsored by the U. S. Department of Labor (USDOL) and funded by the U. S. Agency for International Development (USAID) to facilitate restructuring in Poland's coal and steel sectors. The WDP was initially developed with the Ministry of Labor and Social Policy (MOLSP) and brought to Silesia through an agreement with Marek Kempski, then-President of the Regional Board of Solidarity Union and later appointed Governor of Silesia. The WDP was defined as a regional project focused in Silesia. As a result, although it was designed in 1997, the WDP did not start until October 1998. It was initially scheduled to close in June 2000 but was later extended to September 2000, and then given a final closing date of December 31, 2000, to allow Local Economic Development (LED) community projects to be implemented and money expended.

The Project faced several challenges:

1. Lack of time to fully implement the project, learn from pilot site experiences, and develop sustainability among government partners;
2. Administrative restructuring of participating local authorities obscured the identification of a primary project partner;
3. Lack of perceived need for project activities by local authorities due to delayed impact of economic restructuring;
4. Political histories and shifting alliances hampered not only cooperation between project partners but also project efforts to transfer ownership;
5. Although the Ministry of Labor and Social Policy was the WDP's official partner, the designation of Silesia as the primary area of activity created false expectations for funding control from the Regional Labor Office, Governor's Office, Mining Labor Agency, and Regional Development Agency.
6. Designation of Silesia as the focus of activity restricted development in other regions that were more receptive.

The experience of implementing this project led to several adaptations to Polish conditions. For example, when enterprise-based Labor Management Adjustment Teams (LMAT) could not be established, a Powiat (county) level team emerged that included several enterprises and local government. This LMAT ultimately absorbed the LED activities, an innovation described in a separate case study of Chrzanów.

Challenges to implementation created opportunities to develop contacts and initiate programs on a grassroots level. Ultimately, it was this approach and the commitment of communities that produced a very successful project. Much of the success of the project cannot be summarized statistically, including changing attitudes and the increased capacity to manage the change process that will continue long after the project. In addition, certain success in capacity building will be apparent only in the future.

BACKGROUND INFORMATION

Although comparatively small with less than 4% of Poland's territory, Silesia is densely populated with almost 5 million inhabitants, approximately 13% of the total population and more than four times the national average for population density. In 1989, this area hosted 520 state-owned enterprises, including 65 coal mines, 13 power plants and 19 steel works. The region accounted for 25% of Poland's gross national product and 20% of all exports.

Malopolska is an adjoining rural region to the south of Silesia with coal mining communities in the Silesian border area, and steel and manufacturing in the Krakow area. Administrative restructuring redefined several border areas and because the Regional Labor Office in Malopolska expressed great interest, these areas were later included in project activities.

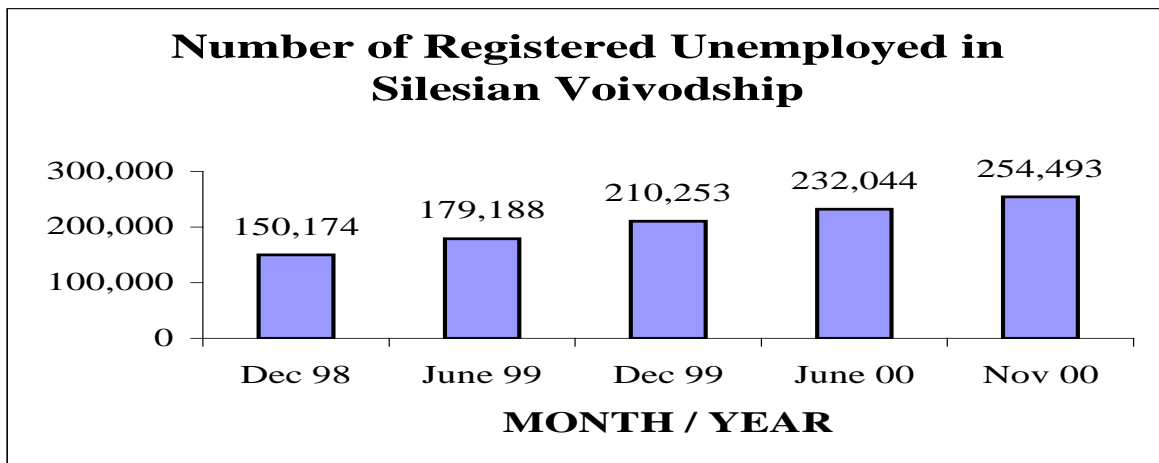
Impact of Job Loss in the Industrial Sector

Silesia was protected from enterprise restructuring in the early 1990's and as a result, was not prepared for the effects that began in 1998. Throughout the 1970's and 1980's, wages, coal production, and housing availability remained stable attracting many workers to Silesia. Over 400,000 people were employed in the mining sector and it has been projected that by 2002, almost 140,000 will be laid off. Because of the over-reliance on heavy industry employment, the region employed a large percentage of low-skilled workers. As a result, there was little demand for educational institutions to provide complex skills and thus, Silesia's educational level is ranked in the lowest 10% of the country. This educational deficit creates additional stress and difficulty to this worker dislocation and will require strong retraining program than presently exists to address the special needs of workers and employers in Silesia.

To worsen the social conditions further in the region, a special social benefits package was developed for miners and steel workers in the form of lump sum and early retirement payments. The full impact of the dislocation will be felt most directly within communities as these benefits run out and large numbers of these workers become chronically unemployed.

Impact of Job Loss in the Non-Industrial Sector

Non-industrial jobs in the mining sector, suppliers and small manufacturers, as well as health care workers were directly impacted by restructuring and did not receive special assistance. During the last three quarters of 2000, Local Labor Offices (LLO) were being notified of 1,305 workers threatened with dislocation and that a total of 16,000 workers would be laid off. At a time when services would be desperately needed, as indicated in the chart below, there is a reduced ability of the system to respond.



Women and youth have been greatly affected. Of the total group of registered unemployed persons reflected in the preceding chart, almost 60% were women, 32% were youth under the age of 24, and 38% were long term (over one year) unemployed. With the loss of the family income from the mine, many spouses are entering the labor market for the first time. The mines no longer offer a future of employment to the children of miners, increasing the rate of unemployment among this group.

Changes in Unemployment Services Delivery

During 1998-2000, Poland's governmental structure was decentralized to increase local control. The implementation of unemployment policies shifted to Voivodships (regions) and responsibility for service delivery delegated to Powiats. As a result, responsibility for LLOs transferred from Regional Labor Offices to Starosta (county administrator) offices.

Increased Need for Services

As a result of these administrative reforms, the Silesian Voivodship was enlarged to include vast areas of the former Katowice, Bielsko and Czostochowa Voivodships. Industrial areas remained inside the region and incorporated poorer rural, agricultural areas that were economically depressed and required greater resources to maintain. While rural areas have potential for developing a tourism industry, a critical factor will be whether resources are focused on economic development in these areas.

PROJECT ACTIVITY AND DEVELOPMENT - October 1998 to May 2000

Initial Training

After consulting with regional partners throughout the spring and summer of 1998 about the content of planned training, the Workforce Development Project (WDP) organized two workshops in October 1998 for regional and local partners. The first workshop (October 19-23 in Ustron) trained 22 people to serve as Industrial Adjustment Specialists (IAS). Participants included representatives from the Katowice Regional Labor Office (RLO), the Mining Labor Agency (GAP), the Upper Silesian Regional Development Agency (GARR), personnel directors from coal holding companies and representatives from on-site labor unions.

The WDP's workplan designated these IAS trainees as the primary cadre for implementing all three phases of the project. This role was modified over the course of discussions in late 1998 with regional partners (MOL, NLO, RLO, GAP, GARR and others), as it became clear that the staff of these organizations would not have the time or authority to utilize the new tools that were being introduced through the Project.

The second workshop was held in October 1998 and trained 21 people from GAP, the RLO and local labor offices to provide effective support services for dislocated workers through on-site Worker Adjustment Resource Centers (WARCs). Group exercises and simulations were used to teach trainees how to conduct triage (rapid delivery of initial assessment to profile a group of dislocated workers; followed by more in-depth counseling for those workers most in need); introduction to the concept of peer counseling (training other dislocated workers to support their peers); initiating and implementing Labor Management Adjustment Teams (LMATs); and organizing 'one stop service' techniques.

The WDP invited labor office staff to deliver this training with U.S. consultants, as they had significant experience with mass layoffs through previous restructuring. Presentations made by labor office staff during this workshop were well received by GAP, and plans were made for further exchanges of information and expertise between these two organizations. Although some of the material covered was repetitive for labor office staff, evaluations indicated that those who participated appreciated having an opportunity to establish contacts, develop closer collaboration between the agencies and work together in small groups.

Training Assessment

Follow-up discussions were held with regional partners in November 1998 to assess the first round of training and determine next steps for implementation. MOL officials advised the WDP to continue training GAP staff based on high training evaluations. MOL and RLO officials suggested that the WDP also continue training in Rapid Response techniques, concentrating on personnel directors of coal holding companies and GAP. It was also agreed that future training should emphasize Rapid Response processes, rather than the structure of an LMAT. The Katowice RLO suggested that the WDP work more closely with the coal holding companies and local authorities, as these entities would have more direct responsibility for employment restructuring in the coal sector.

It became evident that coordinating with multiple partners would complicate the process of one institution taking ownership for project activities. Although the labor office system was best positioned to initiate Rapid Response techniques, internal reorganization precluded it playing a more active role until early 2000.

LMAT Pilot Demonstration in Silesia

Because of the complications in introducing Rapid Response at an institutional level, U.S. and Polish partners jointly decided to start pilot projects at a local level in order to demonstrate how workers would benefit from them.

The Tychy powiat council approached the WDP in November 1998 and encouraged the creation of an LMAT at the Piast mine. Although Piast is one of the largest and most profitable mines in Poland, it will layoff thousands of workers over the next few years. This cooperation provided a solid basis for introducing the USDOL Adjustment Model and the Piast LMAT became one of the best examples of how the model works in practice. Most of the unions at Piast were involved in the LMAT and had excellent cooperation with their managers. Numerous community organizations were also actively involved in the LMAT. A separate case study provides a detailed explanation of the Piast mine's experience in using the Rapid Response program combined with other elements of the Adjustment Model.

The WDP initiated a second pilot at the Grodziec mine. GAP management encouraged the WDP to work with Grodziec as this was the first mine to be liquidated under the Polish Government's restructuring program. Extensive layoffs had already taken place by the time the WDP helped establish an LMAT in January 1999. GAP staff at this mine played a critical role in getting the LMAT underway and encouraging union members and local authorities to participate. The Grodziec LMAT provided re-employment services and helped finance training to all of the

workers who were leaving the mine. This LMAT encountered several obstacles that made it difficult to service workers from this mine. One of the major challenges was that Grodziec managers were unwilling to provide reliable information about layoffs throughout the period of liquidation. As a result, it was difficult to establish an environment of trust that would give LMAT members the credibility they needed with workers. Union members were understandably reluctant to participate with management under these circumstances. Local authorities in this community were reluctant to support an initiative they feared would be perceived as supporting the mine closing. Nevertheless, the GAP staff used the information and resources that were available from other LMAT members to provide as many opportunities as possible to help workers find new jobs and receive retraining. A separate case history discusses the experience of the Grodziec mine LMAT in more depth.

LMAT Demonstration in Malopolska

The pilot demonstrations at Piast and Grodziec began to attract interest from other communities that were struggling with mass layoffs. In March 1999, the Malopolska Regional Labor Office (WUP) invited the WDP to conduct a workshop for seven communities that were identified as undergoing the most severe restructuring in this voivodship. Oswiecim, Chrzanow, Olkusz, Tarnow, Gorlice, Bochnia and Krakow were affected either directly or indirectly by downsizing in the mining and steel industries. The selection process that Malopolska WUP used to invite participants to the training made an enormous difference in the results of the workshop. Each of the seven communities was invited to send a group of four to five people, representing the labor office, local government, unions and management. This targeted selection process ensured that the key decision makers from each community were represented in the training, and that a strategy for introducing a Rapid Response program in each community could be developed during the workshop itself.

Malopolska WUP was eager to develop expertise with Rapid Response techniques as they saw how this approach expanded on the foundation of basic mass layoff procedures that had been established through a previous World Bank project. Andrzej Martynuska, the director of Malopolska WUP, had been the lead Polish counterpart on this project and helped write many of the materials. He understood that using the Rapid Response techniques would give the local labor offices access to a much broader network of resources to serve dislocated workers, and would enable labor offices to participate more actively in local economic development initiatives. Existing mass layoff procedures required labor office staff to provide some basic on-site job counseling and placement services for a group of workers. The Rapid Response approach took this one step further by involving other community partners directly in the process of developing re-employment strategies for dislocated workers.

An article published by Malopolska WUP described their observations from working with the WDP and their recommendation on how to adapt and institutionalize this model for Polish conditions. In summary, the article pointed out that Rapid Response (as well as other components of the DOL Adjustment Model) can be applied universally to serve dislocated workers in any industry, not only in mining and steel.

Peer Support Program

In the first six months of 2000, LMAT activities developed to full potential. In order to ensure effective services to dislocated workers, a Peer Support Program was implemented through several LMATs. A Peer Support Program is introduced by training rank and file union members to serve as Peer Counselors. Peer Counselors represent a critical bridge between workers and service providers represented on the LMAT. Peer Counselors provide social support and communicate information to workers about opportunities available through the LMAT and ensure that the LMAT develops a clear understanding about the real needs and concerns of workers. The role of the union and Peers is to assure that workers receive information and support in a timely fashion and to increase the effectiveness of service providers.

The Peer Support program was welcomed by trade unions and embraced by a majority of unions on site, enabling workers to join forces regardless of their political differences. After a workshop for regional area trade union activists, the Board of Slasko - Dabrowski Region of Solidarity decided to create a regional network of peer counselors, whose tasks would be to introduce the idea of LMAT and Peer Support at enterprises and Solidarity Job Centers.

Solidarity trade union members took part in the training on establishing LMATs and implementing a Peer Support program in May 1999. As a result of a series of training in Silesia and Malopolska great demand was created for implementation of the LMAT process. Teams were established on the basis of individual and group initiatives and commitment, contributing greatly to the success of LMATs and adaptation to Polish reality.

By the beginning of 2000, the WDP had helped to establish a total of seventeen LMATs - eleven in Silesia, and six in Malopolska. Each team, in order to gain WDP financial support, was required to present the list of members, name of the chairman, liaison person, defined mission statement and detailed plans for future activities. Each team was also obligated to provide regular reports, maintain close contact with the WDP staff and participate in monthly LMATs members meetings. Only the first pilot teams (Piastr and Grodziec mines) received additional funding as an inducement, whereas all other LMATs received funds for operational expenses up to \$2,500. As the teams developed their activities, the WDP also funded specific LMAT activities (e.g.: a video film "What Next Miner?") up to \$5,000.

Local Economic Development Pilot Demonstrations in Silesia and Malopolska

Introduction of the Local Economic Development (LED) component was delayed because of complications in establishing a sustainable partnership with a regional institution that could take the lead in implementing this component. Although several organizations were involved in the Rapid Response component, they did not have the staff resources to commit to the LED component.

The WDP selected LED pilot sites by working directly with local communities that were already involved in the Rapid Response component. By definition, these communities were experiencing severe restructuring problems and had already started dislocated worker programs that could be linked with the LED initiative.

Working directly with local communities offered several advantages as well as some disadvantages. On the positive side, the communities had a demonstrated need for support; they were familiar with the WDP's partnership-based approach to solving local problems; and they had a realistic understanding of how the LED component could be used. The individuals who were selected to be the LED coordinators had direct knowledge of their own communities, and knew the key players that needed to be involved in economic development. They became some of the best advocates for the overall project, and developed a significant level of expertise in both the Rapid Response and the LED components.

A major disadvantage of working directly with the pilot communities was that capacity could not be developed in a Polish institution to replicate the LED component in other communities. Most of the LED coordinators worked for a powiat, and did not have the flexibility to work in other communities. A more in-depth discussion of sustainability for the overall project is provided in a separate section to this report.

In August 1999, the WDP prepared draft agreements for communities similar to those used in other USAID programs that outlined the responsibilities of each party. The WDP agreed to provide training materials, technical assistance and financial support to cover the cost of the workshop series (i.e., meeting expenses for four one-day workshops). The WDP also agreed to provide \$25,000 to each community as start-up funding to help implement an LED project. This funding was provided on the condition that each community fulfill its responsibilities in the agreement, which among other things included: a) assigning two people to serve as LED coordinators; and b) recruiting a task force of at least thirty local partners committed to participating in the full workshop series. The agreements were designed to ensure that the mayor or executive of each community would play a direct role in the LED initiative, thus lending more credibility and visibility to the effort.

Once the process of reviewing the draft agreements was underway, each community was invited to send their LED coordinators to participate in a train-the-trainer (TOT) program that was held in early September 1999. Coordinators from the following nine communities participated in the first LED/TOT program: Bedzin, Bytom, Dabrowa Gornicza, Jaworzno, Piekary Slaska, Ruda Slaska, Tychy, Wola and Oswiecim. Other representatives from Malopolska (Chrzanow and Gorlice) were also invited to participate in the first LED/TOT program, although their communities did not have commitments for any further training or technical assistance from the WDP at that time.

In addition to providing an overview of Workshops A-D, the TOT program offered training in facilitation skills that would enable the LED coordinators to recruit and motivate a cross section of local partners. The coordinators played a critical role not only in organizing the workshops, but in bringing together a diverse range of interests in the community and developing a consensus on how to approach local economic development. The majority of LED coordinators assigned by their communities already had some exposure to the WDP. They were familiar with the overall goals and objectives of the WDP, and understood the importance of the grassroots approach.

During the TOT program, LED coordinators prepared a schedule to conduct one workshop per month in each community. This timing enabled participants to meet informally between the

scheduled workshops to conduct more research into specific topics. Holding one workshop each month allowed communities to publicize a reliable schedule, thus ensuring a higher level of visibility and participation. The first five communities agreed to hold the four LED workshops from October 1999 through January 2000. The second round of communities agreed to start the workshop series in January 2000, and conclude in April 2000.

Once the first round of LED workshops began, several other communities became interested in this component and asked to be included in the two pilot rounds. Although the workplan assumed that this component would be introduced in a maximum of ten pilot sites, the WDP adjusted its budget to accommodate a total of thirteen communities by December 1999. In addition to the original nine towns, four more were added: Jastrzębie, Tarnowskie Góry, Chrzanów and Gorlice.

The LED component was designed to ensure that a community LED task force that completed all four workshops would conduct an in-depth analysis of local business conditions, consider a wide range of development strategies, and vote on several economic development project ideas to select one that could be realistically implemented and would produce tangible results. Some participants arrived at the first workshop with a preconceived idea for a project and began lobbying the group to support this idea. These individuals became frustrated with the workshop process. However, most participants were able to assess project ideas from a new perspective of the community's business environment. The process allowed them to see new opportunities and think of new strategies that could improve the local economy. The process enabled all project ideas to be weighed against objective criteria, thus building more support within the community.

At the end of the final workshop, a smaller Project Implementation Team was created from within the membership of the LED task force with responsibility for turning the project idea into a proposal that would be submitted to the WDP. The first five communities (Bytom, Miedzna Wola Piekary Slaska, Ruda Slaska, and ychy-Bierun completed the last workshop in January 2000 and started developing their proposals in February. Project Implementation Teams also participated in a training program in late February on advanced proposal writing, project management, and evaluation. Information on funding procedures and related administrative issues was also provided during this workshop.

Once the teams finalized their project proposals and submitted them in March 2000, WDP consultants and staff began reviewing them to ensure that they met an extensive set of pre-established criteria to help ensure their viability and success. The primary goal of the LED component was to allow each community to select and implement its own development project, as opposed to relying on an external consultant or organization. The LED materials were designed specifically with this goal in mind.

The first set of LED proposals were well prepared and outlined practical projects that would improve local business conditions. The project ideas ranged from different forms of business support centers to customized vocational training programs for employers. In general, the proposals were strong in presenting the need and justification for the project, as well as identifying the legal structure needed to implement the proposal. The WDP asked each community to prepare a detailed action plan by the following month.

By April 2000, the WDP had given final approval to the five proposals from the first round of LED communities, thus clearing the way for financing to begin. The project implementation team could request up to 40% of the total amount of \$25,000 at one time. Additional funds were not transferred to a community until it had exhausted the initial amount and provided documentation of how funds were used.

In April 2000, the second round of communities had completed their workshops and established project implementation teams that would take the lead in developing proposals for their project ideas.

In order to provide ongoing support to each community, the WDP began organizing monthly meetings for the project implementation teams. The meetings were designed as a forum for the community groups to network with each other and share ideas about project implementation. These monthly meetings also gave WDP staff and consultants the opportunity to monitor the progress that each community was making, and help solve any problems that arose.

Once projects were underway, the implementation teams became interested in identifying additional sources of funding to supplement the \$25,000 received from the WDP. Most had generated more than one project idea that was worth implementing. The WDP thus began inviting representatives from potential foreign and domestic funding sources to participate in the monthly team meetings.

Sustainability Activities

The final 6 months of the WDP focused on sustainability, consolidating activities in progress and developing the capacity of partners and staff to reproduce the methodology beyond the life of the project. This included the development of a long overdue Memorandum of Understanding (MOU) and new partners to expand the project's reach beyond Silesia and Malopolska.

The Project Director Alison Smith left in May 2000 and Lee Schore assumed leadership of the WDP. There was a period of uncertainty whether the actual closing date for the project was September 30 or December 31 and whether sufficient resources were available to cover an additional three months of operation. As a result, there were many requests for new activities that could not be decided on a timely basis. However, these requests reflected the success of WDP activities as word spread to new communities.

A closeout conference was held of over 130 participants that included all partners who presented examples of activities in all three components of the USDOL Adjustment Model in Poland. The theme of the conference was "Partnership and Cooperation: The American Model and The Polish Model". These activities and proceedings were compiled in a conference booklet.

SUMMARY OF RAPID RESPONSE COMPONENT

The last seven months of the WDP focused on maintaining ongoing activities of the Rapid Response component. During this period, eight LMATs finished their work as the liquidation of their enterprises was completed. The activities of other LMATs were expanded and a core of

trainers established to assure continuance for new teams. WDP staff provided assistance to sum up the experience of completed teams and ongoing support to assist the development of continuing teams. Following are some examples of LMAT activity and its impact.

Piast LMAT was the first team developed by the WDP. It has continued to use all the components of the USDOL Adjustment Model by participating in LED activities and utilizing Quick Start retraining methods to train workers. Although Piast mine will not lay off workers, they have decided to maintain the LMAT to address other issues in the community, especially the unemployment faced by youth. WDP supported ongoing activities, including the development of a video to instruct miners how to apply for self-employment and a video on starting an LMAT. Specific results include:

- Trained 32 workers using Quick Start methodology
- Introduced Quick Start methodology to the Regional Mining Training Center and the Mining Higher Authority resulting in 385 people trained and placed in jobs.
- Together with other LMATs from neighboring powiats and local authorities in the area, organized a Job Fair in Bieruń attended by 2,900 people (primarily youth) with 1,000 jobs offered.
- Instrumental in facilitating the merger with the neighboring Czczcott mine.

Czczcott LMAT was the first team to implement the Peer Support Program. This mine was scheduled to be liquidated, but instead merged with the Piast mine. The WDP provided training and support to combine the Piast and Czczcott LMATs and Peer Support Teams. The LMAT at Czczcott initiated several projects in coordination with the Local Labor office and developed a training center for wives of miners through the Wola LED team. Specific results include:

- 40 women trained and 15 placed in jobs
- 8 laid off female workers employed in new jobs
- 2,823 workers at Czczcott retained their jobs as a result of merger with Piast mine.

Jastrzebie LMAT was initiated by a group of nurses from the Solidarity Regional Board and developed into a Powiat level team that worked with several layoffs. This team worked closely with a incubation and training center to provide training to laid off health care workers. This partnership assisted in attracting new jobs to the area and training workers to be eligible for those jobs by obtaining and refurbishing property at the mine and negotiating with a Dutch firm to use this facility.

- 30 health care workers were trained and all received new jobs. (20 more are
- 80 workers were trained for new manufacturing jobs. Of these, 20 workers scheduled to start new employment). were hired and 60 more are scheduled to be hired.

Oswiecim Powiat LMAT initiated several on-site teams. This LMAT established a One Stop Job Center, funded by the WDP, in collaboration with the Local Labor Office, Mayor, and Starosta. In the first month of its operation:

- 1,430 workers and youth visited the center
- 143 persons started new employment.

Worker Assistance Resource Centers

In cooperation with the Local Labor Offices, the Solidarity Union created Job Centers in three cities to provide ongoing assistance in job referrals and job readiness. These centers supplement activities of the Local Labor Offices by providing off-site services to dislocated workers not ready to use labor office services. Off-site centers help relieve the strain on overburdened Local Labor Office staff by tracking workers and maintaining information for the labor offices. Specific results include:

- Creation of 4 Job Centers in Katowice, Czeladź, Zawiercie and Oswiecim
- Trained job center staff to initiate LMATs, to develop Peer Support programs, and to deliver Peer Support services to dislocated workers in these centers and on-site at impacted enterprises.

Worker Assistance Resource Centers (Data as of December 31, 2000)				
Location	Oswiecim	Katowice (Open 3 days per week)	Czeladź	Zawiercie
Date Opened or Expanded	October 2, 2000	August 28, 2000	August 21, 2000	September 11, 2000
Number of Clients since opening	1430	1000	240	114
Types of Services	<ul style="list-style-type: none"> - Obtaining job offers from the internet and other sources - Distribution of job offers - Providing information about training, loans and qualifications. 	<ul style="list-style-type: none"> - Job placement - Vocational counseling - Peer support elements - Resume writing - Job counseling in active job search - Legal advice 	<ul style="list-style-type: none"> - Job placement - Peer support elements - Resume writing - Job counseling in active job search - Legal advice 	<ul style="list-style-type: none"> - Job placement - Peer support elements - Resume writing - Job counseling in active job search - Legal advice
Number receiving jobs (estimation)	143	400	16	10
Number referred to other institutions (estimation)	220	50	24	54

Labor Management Adjustment Teams Activity Summary	
- Active LMATs	17
- People Serving on LMATs	241
- Employees Leaving Enterprises during LMATs Operation	14,772
- Workers with Stable Financial Subsistence Situation	8,517
- Active Job Seekers	2,978
- Estimated Number of Active Job Seekers Placed in New Employment	1,672
- Participants in Job Fairs organized by LMATs	13,220
- Workers Participating in Meetings held by LMATs	2,698
- Workers Receiving Vocational Training sponsored by LMATs	1,066
- Active Peer Counselors	108
- Estimated Number of Workers Served by Peers	5,249
Total Jobs Created/ Retained as a Result of LMAT Activities	564
- Jobs Created (including self-employment)	478
- Jobs Retained through retraining or otherwise	86
Worker Assistance Resource Centers (WARCs)	
- Centers Created	4
- Clients Served since Opening	2,784
- Estimated Number Placed in New Jobs	569
- Estimated Number Referred to Other Institutions	348

SUMMARY OF LOCAL ECONOMIC DEVELOPMENT COMPONENT

All 13 communities that participated in the LED component have developed proposals and are in various stages of implementation. Due to the limited time available for the WDP, LED activities were condensed from the average 18 months to nine months. In addition, the eight Round II teams were required to accelerate the proposal development and implementation process due to the uncertain project closing date and the need to have all monies expended before that time. At the close of the project, two communities had completed the implementation process and had ongoing projects in place. Eleven communities were in the process of implementation and a few were still in the developmental stage. Twelve communities, with the exception of Bierun, attracted other donors to supplement funding for their projects. (Note: Detailed project descriptions are available in the WDP close-out conference booklet and separate data reports.)

Round 1 Pilot Sites

- 1. Gmina Bytom - Business Incubator**
- 2. Gmina Miedzna Wola - Training Center Project**
- 3. Gmina Piekary Slaska - Business Support/Community Promotion**
- 4. Gmina Ruda Śląska – Business Support/Investors**
- 5. Powiat Tychy–Bierun - Business Support/Investors and Business Incubator**

Round II Sites

- 6. Gmina Miasto Jaworzno – Business Support/Investors**
- 7. Gmina Dabrowa Gornicza – Business Support/Investors**
- 8. Powiat Bedzin – Business Support/Community Promotion**
- 9. Gmina Jastrzebie – Enterprise Zone within liquidated JAS-MOS coal mine**
- 10. Powiat Tarnowskie Gory – Business Support/Community Promotion**
- 11. Powiat Chrzanow - Community Recycling Center & Ecological Education**
- 12. Powiat Gorlice – Business Support/Community Promotion**
- 13. Powiat Oswiecim – The World Center for Human Rights Protection**

Two Completed LED Projects:

- Chrzanow developed an education program to initiate a Recycling Center: 50 projected jobs up to the year 2005.
- Miedzna Wola developed a training center with 176 trained and 35 placed in jobs

Projects in Process:

- Bierun and Bytom joined together to maximize their efforts and have proposed business incubators, Bytom with 100 projected jobs, Bierun with 50 jobs projected up to the year 2005.
- Ruda Śląska, Bierun, Jaworzno, and Dabrowa Gornicza are developing business support centers to attract investors and provide services to them, with 180 projected jobs up to the year 2005.
- Piekary Slaska, Tarnowskie Gory, Bedzin, and Gorlice are developing Business Support Centers that focus on promoting these communities, with 430 projected jobs altogether.
- Jastrzebie is implementing a long-term project which includes reclaiming and developing brown fields around the liquidated JAS-MOS coal mine, with 200 jobs projected.
- Oswiecim, near Auschwitz, established a foundation for the protection of human rights with 100 projected jobs in the future.

Twenty people were trained as trainers in LED workshops representing regional, national and existing LED team members. The staff of the Institute of Local Partnership and Cooperation and the Consul General in Krakow will maintain ongoing oversight.

Local Economic Development Component Activity Summary					
LED SITE	PARTICIPANTS	PROJECTS	START UP FUNDS	MATCHING FUNDS (PLN Converted to USD)	PROJECTED JOBS 2000-2005
Bedzin	27	1	\$25,000	\$4,750	30
Bytom	25	1	\$25,000	\$25,000	100
Bierun	26	2	\$25,000	-	50
Chrzanow	65	1	\$25,000	\$37,145	50
Dabrowa	25	1	\$25,000	\$4,750	30
Gorlice	34	1	\$25,000	\$30,500	100
Jastrzebie	18	1	\$25,000	\$28,850	200
Jaworzno	34	1	\$25,000	\$3,450	30
M. Wola	32	1	\$25,000	\$3,750	100
Oswiecim	42	1	\$25,000	\$150,000	100
Piekary Slaska	25	1	\$25,000	\$36,400	200
Ruda Slaska	34	1	\$25,000	\$12,350	120
Tarnowskie Gory	26	1	\$25,000	\$12,350	100
TOTAL	413	14	\$325,000	\$349,295	1,210

SUMMARY OF ENTERPRISE COMPETITIVENESS COMPONENT

A customized vocational training program referred to as Quick Start was introduced in the mining sector. The program relies cooperation between labor, management, and vocational trainers to design curricula for specific jobs that are in demand, as requested by employers. This approach ensures that workers can perform essential tasks in as short a time as possible. It was introduced to help mining enterprises fill the jobs of older, more experienced workers who have left their jobs as a result of restructuring.

This component was developed in only one site, the Piast mine, again due to the uncertain project closing date. However, the impact of the Quick Start Retraining program methodology initiated at the Piast mine is broader than one mine. The Quick Start methodology was introduced to the Nadwislanski Mine Training Center and was ultimately adopted by the Higher Mining Authority as a standard for all training in the mining industry. Thus far:

- 32 miners in Piast mine have been trained and their jobs retained
- 385 students at the Mine Training Center were trained using the Quick Start approach resulting in faster job placement

A Train the Trainer program was conducted in September 2000 for 15 professional vocational trainers who will replicate this program in other industries.

Enterprise Competitiveness Activity Summary	
Number Trained using Quick Start Training Program Methodology	385
Jobs Retained (Layoff averted as a result Quick Start retraining)	32
Number Trained as Trainers	15

LESSONS LEARNED

- Plan more time for project start-up and implementation.
- Define local staffing requirements early on.
- Include the host government and local partners more actively in implementation decisions.
- Establish a steering committee at the beginning to minimize influence of partisan organizations.
- Use a more competitive process to select communities and enterprises.
- Focus on developing local expertise and rely on local staff and trainers as much as possible.
- Include facilitator-training or generic Train-the-Trainer skills development component for IAS.
- Focus more on developing an institutional basis for sustainability such as draft legislation, administrative guidelines, and domestic funding.
- Track impact indicators more closely.

Plan more time for project start-up and implementation.

Because the Workforce Development Project started so late in the USAID program for Poland, its implementation timetable was inevitably driven by this deadline throughout the life of the Project. The limited timeframe affected almost every aspect of the project. In addition, activities did not get underway until late 1998 because of delays in obtaining support and approval for a workplan. Expectations for the Poland project were unrealistic after the outstanding success of the Hungary Rapid Response Project, even though it was impractical to produce comparable results in such a limited timeframe, given that the Hungary project was implemented over a four-year period while the WDP had only eighteen months. This resulted in an overly ambitious number of pilot sites. Although training and technical assistance were able to be delivered in a compressed schedule, results were not possible until an institutional partner took ownership for the project, developed staff expertise using its techniques, and began to apply them at the local level.

Define local staffing requirements early on.

Because work demands increased rapidly, staff were added on an ad hoc basis. In addition, the number of project staff hinged on the development and availability of partner IAS. Because the identification of project partners was unclear, the first nine months of the project only two full time local staff were hired to assist the project director in fulfilling all administrative and technical responsibilities. Insufficient staffing, combined with a lack of IAS from partner organizations and a rapid project start-up, impeded the WDP's ability to establish a solid foundation for future project activities.

Include the host government and local partners more actively in implementation decisions.

Although the Polish Ministry of Labor and Social Policy and other counterparts were consulted in the design of the project, the MOL and the National Labor Office should have been more actively involved in deciding how the project and workplan would be implemented. Although the partners signed off on the workplan, a sense of ownership over the Project was missing from the very beginning. In addition, the urgency to start-up the project and the pressure to begin project activities led to some misperceptions the WDP staff was not responsive to local input, which could have been avoided with more time to establish mutual working relationships.

Establish a steering committee at the beginning to guide implementation decisions and minimize influence of partisan organizations.

The absence of a steering committee early on resulted in the initial training participants being selected in Warsaw and a lack of local support. In addition, the WDP's close association with the Solidarity Union, specifically with Marek Kempski, created a political environment that complicated efforts to establish an effective sustainability plan. A steering committee should have been created at the beginning of the Project and implementation delayed until a Memorandum of Understanding was signed between USDOL and a steering committee. This would have minimized the perception of partisanship while ensuring an informed commitment from Polish partners by clarifying roles of both parties and implementation requirements.

Use a more competitive process to select communities and enterprises.

Although the WDP devoted considerable effort to working with communities and enterprises that demonstrated both a need for technical assistance as well as the commitment to participate actively in the project, a more competitive selection process would have been increased commitment.

Focus on developing local expertise and rely on local staff and trainers as much as possible.

Because an institutional partnership did not exist at the beginning of the WDP, an enormous amount of time, effort and resources were absorbed by project staff to deliver technical assistance themselves rather than through a cadre of Industrial Adjustment Specialists (IAS) from established institutions.

Include facilitator-training or generic Train-the-Trainer skills development component for IAS.

Polish partners did not possess the prerequisite facilitation skills needed to participate in project activities and to replicate these activities in other communities. Including a facilitator-training or generic Train the Trainer skills component to the USDOL Adjustment Model would have eased the transference of knowledge to the IAS.

Focus more on developing an institutional basis for sustainability such as draft legislation, administrative guidelines, and domestic funding.

Identifying a national or regional partner and developing a consortium in lieu of an institutional partner was a process that lasted the life of the project. Sustainable partners emerged only in the final three months of the project, leaving no time for developing an institutional basis for sustainability.

Track impact indicators more closely.

The tight implementation schedule also meant that WDP staff had very little time to track data and to document and analyze the results of WDP activities as the work progressed. This required enormous effort during the final months of the project at a time when staff was pressured to conclude project activities. This lack of ongoing, concrete data also limited the WDP's ability to persuade skeptics of the benefits of the USDOL Adjustment Model at critical junctures.

SUSTAINABILITY STRATEGY

Developing a viable sustainability plan was a major focus throughout the life of the project and was resolved only in the final 3 months. A major challenge was the absence of any national or regional partner and the failure of a consortium of partners to materialize into a working group. This was in part due to the reorganization that shifted the authority over LLOs to the Starosta offices from the RLO. The RLO was identified as the most logical partner and after a year of negotiations agreed to develop and maintain a consortium of all the active partners working with the WDP. There were attempts to develop agreements but the RLO was unable to produce the necessary documents or to develop a working relationship with the WDP or these partners during the past year. The pressure to finalize an MOU necessitated going beyond the RLO directly to the Marshal's office. However, through the knowledge and experience gained from the Industrial Adjustment Specialists (IAS), LLOs have begun to incorporate WDP activities within their service delivery approach.

The Workforce Development Project leaves in place a multileveled structure to continue and replicate its activities in providing support and assistance during the further restructuring of Poland's economy. As the project ended, a new round of closures and layoffs was taking place and the number of unemployed workers growing rapidly. The economic renewal of Silesia will depend on its ability to keep human capital (youth) in the region and to develop training opportunities to upgrade the skills of the workforce. Companies and institutions will require restructuring to remain competitive. The region also requires technical training and financial resources to upgrade transportation and telecommunications infrastructure.

The USDOL Adjustment Model has been adapted to the conditions and culture of Poland under a new program called the Polish Workforce Adjustment Model. The successful demonstration of the effectiveness of this model has been recognized and is now in demand throughout Silesia as well as other regions of Poland. All WDP partners intend to promote, develop and enrich the Polish model by expanding its reach on a regional and national level beginning in 2001.

The following represents the capacity within Silesia and Malopolska to maintain existing projects and to expand the model within these regions:

- A core group of 86 trainers developed from a series of Training for Trainers in all components of the USDOL Adjustment Model. These trainers represent gminas, powiats, labor offices, trade unions and management staff.
- 35 IAS from new NGO's, the Mining Labor Agency (GAP), LLOs and Solidarity recruited and trained.

Following are the identified partners of the Workforce Development Project:

Silesia Marshall's Office and Board of the Silesian Voivodship are responsible for unemployment policies and practices in Silesia. The Marshall signed an Agreement to Cooperate at the end of September 2000 to coordinate the activities of all WDP partners engaged in services and policies for the unemployed in Silesia. Included in this agreement was the commitment to hold regular meetings, no less than semi-annually, with all parties to oversee, coordinate and develop activities and regional policies based on the Polish Workforce Adjustment Model. The first meeting was held on February 7, 2001, confirmation that regional authorities recognize that rising unemployment will continue in the area.

National Labor Office signed a Letter of Intent to assume responsibility to replicate the Polish Workforce Adjustment Model throughout Poland. It will promote the model in other regions of Poland and approach Parliament for funds to include these activities in its budget. It will work closely with the Starosta offices and labor offices in cooperation with other project partners. In the final seven months of the project, WDP staff organized presentations in Radomsko (Lodz voivodship) and Radom (Mazowieckie voivodship). Starostas, Powiat board members and other local government representatives from Lowicz, Rawa Mazowiecka (Lodz voivodship), Police (Pomorskie voivodship), and Tuchola (Kujawsko-Pomorskie voivodship) participated in training and various meetings related to the sustainability plan being developed jointly with the Polish Powiat Association. NLO staff also participated in the Training for Trainers series on all components of the USDOL Adjustment Model and WDP staff were invited to present its achievements at the National Conference of Local Labor Office Directors. These contacts are first steps in introducing the Rapid Response approach nationally.

In addition to the Mining Labor Agency, four additional partners are engaged in day-to-day activities of the WDP and hold the knowledge and skills to maintain and continue the development of new activities. Together with WDP staff, these partners adapted the USDOL Adjustment Model to the conditions and culture of Poland. The Polish version of the model will continue to be promoted, developed and enriched through new experience on the regional and national level. These partners are:

1. The Institute for Local Partnership and Cooperation is a new NGO that includes former WDP staff members and a core of trainers who have worked with all WDP components. This group is engaged in seeking ongoing funding through foundations and regional proposal bids and is ready to provide training and promote the Polish Adjustment Model throughout the country. The institute, in cooperation with the Ministry of Labor and Social Policy, will produce and distribute the materials developed by the WDP.

2. The Workforce Development Association is another NGO built upon membership of 124 participants in most of WDP activities. This NGO is based in Bierun, a rural mining community, and will continue to focus on miners and mining families.

3. The Polish Powiat Association comprises 295 Powiats or 95% of all Starostas in Poland. Each Powiat designated an employee to receive training to function as an IAS. One Starosta in Chrzanow has created within the Powiat an IAS position. Two other Powiats, Tarnowskie Góry

and Oswiecim are in the process of institutionalizing this activity. This will establish the replication of the model within the LLO structure and is a first step toward the development of legislation to create the basis for establishing a Polish model of Rapid Response activity within the unemployment policies and powiat structures of Poland. This organization influences policy development and is committed to introducing legislation to institutionalize aspects of the Polish model. It also promotes the activities of the Institute for Local Partnership and Cooperation. For example, former WDP staff of the ILPC were invited to present project achievements at a February 2000 conference organized by the President’s Office and Polish Powiats Association: “Powiat Labor Office 2000+”.

4. The Regional Board of Solidarity Union is a primary partner in institutionalizing the early intervention aspect of the USDOL Adjustment Model and was critical in ensuring the correct use of LMATs and Peers in providing Rapid Response activities within enterprises facing restructuring. It has incorporated the Peer Support Program into the regional structure of the union with regularly scheduled trainings through the Solidarity Training Center. Ten such trainings are scheduled during 2001. The board also created a new position to coordinate all Rapid Response activities within the union. The WDP trained staff at three off-site job centers and 12 additional Solidarity members as trainers to initiate LMATs, to develop Peer Support programs, and to deliver Peer Support services to dislocated workers in the job centers and on-site at impacted enterprises.

SUMMARY RESULTS

- 17 Labor Management Adjustment Teams formed
- 13 Local Economic Development projects developed
- 86 people trained to replicate the model
- 1,914 community participants trained
- 2,327 placed in new jobs as a result of project activities

Total Number of Participants in WDP Training:	1,914
I. Component – Rapid Response	1,171
II. Component – Local Economic Development	686
III. Component – Quick Start Training	57

Jobs Created or Retained as a result of LMAT, LED and QS Activities	4,337
Jobs Created: (New jobs developed through the efforts of an LMAT or LED activity)	720
Jobs Retained (Layoff averted as a result of LMAT activity or Quick Start retraining) *Includes 2,832 from LMAT-initiated merger of two mines.	3,617*

PROJECT MILESTONES

October 1998	Industrial Adjustment Specialist Training in Ustron
October 1998	Occupational Counselors Training in Wisla
January 1999	Official Opening of the Project <u>Administrative Reforms:</u> - Reduction in number of voivodships from 49 to 16 Introduction of new administrative units, powiats
February 1999	First Meeting of Piast Mine LMAT First Meeting of Grodziec Mine LMAT LMAT Training in Malopolska
March 1999	First Meeting of LMAT in Oswiecim
April 1999	First Meeting of Bytom LMAT LMAT Training in Jaworzno Training for Solidarity Regional Board
May 1999	First Meeting of Jaworzno LMAT First Meeting of Katowice-Kleofas LMAT
June 1999	First Meeting of Chrzanów LMAT First Meeting of Gorlice LMAT
July 1999	First Meeting of Zabrze LMAT
September 1999	First Meeting of Cieczott LMAT First Meeting of Chorzów LMAT First Meeting of Jastrzebie LMAT First Meeting of Chamber of Nurses and Midwives LMAT First Meeting of HPR LMAT
October 99 - January 00	LED Workshops in Bytom, Piekary, Ruda Slaska, Bierun, Wola
November 1999	First Meeting of Tarnowskie Góry LMAT
January 2000	<u>Labor Office System Reforms:</u> -Responsibility for service delivery shifted from Regional Labor Office to powiats First Meeting of Huta Sendzimira LMAT First Meeting of Emalia LMAT
January - April 2000	LED Workshops in Bedzin, Oswiecim, Tarnowskie Góry, Gorlice, Chrzanów, Dabrowa Górnicza, Jastrzebie, Jaworzno
February 00 - March 00	Quick Start Training of Trainers at Piast Mine Peer Counselor Training at Cieczott Mine
June 2000	Project extension to September 2000 Peer Counselor Training at Piast Mine
June 00 - July 00	Quick Start Combine Operators training at Piast Mine Peer Counselor Training for Solidarity
September 2000	Project extension to December 2000 Letter of Intent signed by National Labor Office
October 2000	Agreement to Cooperate signed by USDOL, WDP and Board of Silesian Voivodship
December 2000	Final Conference

PROJECT TERMINOLOGY/ACRONYMS

GAP	Mining Labor Agency (operating on-site)
GARR	Upper Silesian Regional Development Agency
Gmina	Smallest administrative area in Poland
IAS	Industrial Adjustment Specialist
LED	Local Economic Development
LLO	Local Labor Office
LMAT	Labor Management Adjustment Team
MOL	Ministry of Labor and Social Policy
NLO	National Labor Office
Peer	Peer Counselor - Member of Peer Support Team
Powiat	County (Group of Gminas)
PPA	Polish Powiat Association
QS	Quick Start Training Program
RLO	Regional Labor Office (one per Voivodship)
Starosta	County Administrator (Head of Powiat)
Voivodship	Province (Group of Powiats)
WDP	Workforce Development Project