

Industrial relations for a green economy

Innovative bargaining processes for a sustainable growth and a quality employment



Project VS/2014/0405 co-founded

by

DGESAI - DG EMPLOYMENT, SOCIAL AFFAIRS and INCLUSION

CASE ITALY : Almaviva

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PRESENTATION (identity card of best practice)

▪ **Name of initiative/project/intervention/agreement**

The Almoviva Green Project - How joint participation by the trade union and the enterprise can lead to improved performance in terms of economic, environmental and market sustainability.

▪ **Short description**

The project is the result of an original trade union proposal made by the Almoviva Spa unitary union representative bodies (RSU) and presented to the management during a decentralised bargaining session in 2009. The project has three spheres of action.

1. Actions to reduce the company's consumption and environmental impact.
2. Actions to improve energy efficiency and optimise production standards.
3. Actions to innovate Almoviva's commercial offering with new 'green' products.

The project resulted in a corporate agreement which was signed in 2009 and confirmed in 2011. It also confirmed the awarding of a variable annual salary bonus linked to the achievement of energy saving and energy efficiency objectives.

▪ **Geographical, territorial and sectoral location**

Initially the project only involved the management headquarters of Almoviva in Rome. It is currently being expanded to the group's other Italian locations. Almoviva is one of Italy's leading Information & Communication technology groups.

▪ **Period of activity**

From 2009 to date. The project is ongoing.

▪ **Players/organisers**

The Project is jointly managed by the company RSUs and the management.

▪ **Players/partners involved and their main roles**

The main people involved in the project are the Almoviva Spa RSU delegates and the company's Human Resources department, who agreed the original project and set up the Green Team (see below).

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The RSU was also assisted by the provincial and national offices of the three trade unions involved (FIM Cisl, FIOM Cgil e UILM Uil), and consulted an economist with expertise in environmental matters (Alberto Castagnola) in the early stages of the project.

▪ **Types of beneficiaries (direct/indirect)**

The Almoviva Group employs a total of 18,144 people, including 1191 leased workers (2009 figures). Given the type of work carried out, most of the employees are office workers, while 10% of the labour force are executives and managers. Historically female workers outnumber male workers (63% in 2009).

The group has several operations in Italy (almost all the Italian regions) and abroad (Tunisia, China and Brazil: in all 6,363 people - 2009 figures), and comprises several divisions:

- IT Division General Management (Almoviva Spa)
- Finance Division (Almoviva Finance Spa)
- Transport Division (TSF Spa)
- CRM Division (Almoviva Contact Spa, Alicos Spa)
- Consulting Division (Almoviva Consulting Srl)

The Almoviva Green project does not involve everyone employed in the group, but only the IT Division General Management and TSF (more than 2000 employees). CRM is the division that employs the largest number of people. However, it deals with communication and call centres, and therefore applies a different national collective labour agreement (CCNL) specific to the Telecommunications Industry. The division is organised separately also from the point of view of its trade union, with its own separate RSU, and applies different, separately negotiated company-level agreements.

▪ **Human resources and their competencies**

The human resources directly involved in the project are the members of the Green Team: the Almoviva Spa RSU (Rome branch at Casal Boccone) comprising 15 delegates belonging to the FIOM-CGIL, FIM-CISL and UILM-UIL unions, and the managers responsible for various company functions (Human Resources, New Business Projects, Communication, General Services, Procurement and Quality). The project initially called on external experts for its energy audits and planning.

The Green Team has the task of coordinating the various project activities, and of organising all the additional activities that might help disseminate and develop its objectives within the company. The team immediately drew up a Road Map, i.e. a detailed plan of action, each step with specific timeframes and clearly allocated tasks and responsibilities.

▪ **Indicators for monitoring and evaluating activities**

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The project is monitored on a constant basis, mainly using the SGA environmental management system for compliance with ISO 14001 certification, as well as the general activity coordination ensured by the Green Team and the company intranet (MyAlmaviva), which includes a general discussion area on environmental issues called Almaviva Green: Like at Home (Almaviva Green: Come a Casa Tua), which supports a permanent awareness-raising campaign aiming to promote environmentally sustainable conduct by all the employees involved in the project.

Summary

- **Starting-point of the initiative/project/intervention as related to the local context (social, economic, political, etc.)**

During renewal of the complementary corporate agreement (complementary to the CCNL), negotiations stalled due to the company having insufficient economic means to meet the financial demands of the company RSU.

The RSU was aware of the effective financial difficulties the company was facing due to the international crisis, but had to continue to provide strong support to the workers as it had done since the end of the 1970s. The RSU therefore suggested that the resources to renew the salary component of the corporate agreement could be found by improving the energy efficiency of the company processes. The RSU's proposal was met favourably by the company management, which had already begun working on its own environmental sustainability strategy. The developments in the talks led to the signature of the trade-union/company agreement on 3 July 2009 and development of the Almaviva Green project. The project is still running.

- **Description of the socio-economic and territorial context in which the initiative is based**

The project was started at the Almaviva headquarters in Rome (Casal Boccone), and then gradually extended to other Italian factories belonging to the group. The company is one of Italy's leading Information & Communication Technology groups. The project was developed by the group's IT department. The socio-economic context is one of a company operating on the international markets at a time of general crisis in the markets in which it is active.

- **Is it possible to describe the 'philosophy' inspiring best practice?**

The case shows how the Green Economy can promote a new culture of industrial relations, greater collaboration and more focus on improving the environment, providing it also means awareness of new rights, new responsibilities and a new solidarity. Good trade union relations make the green economy credible and the creator of a better society, otherwise we would just be talking about the 'green business economy'.

- **What problems/general needs is the intervention trying to address? What specific needs?**

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The case resolves a crucial problem for any business – the need to generate new resources by identifying new areas of action, in particular that of the Green Economy. More specifically, the search for new resources is not based on exploiting the workforce, but on energy efficiency and better use of the materials and goods used in production.

▪ **What goals/objectives is the intervention aiming to achieve?**

In this case the formal objectives (to make savings by cutting energy costs) also produced a result not planned by the RSU and the company management: a clear improvement in industrial relations and greater mutual trust. This unexpected informal outcome was facilitated by the nature of the shared aim, which was objective, could be measured and did not put any pressure on employees in terms of performance. Based on the interviews, the informal result was especially appreciated by the company management.

Another important outcome was raising employees' awareness of environmental sustainability issues. The MyAlmaviva intranet discussion area, for example, has become a focal point for discussion and suggestions for other 'green' proposals.

▪ **What activities/tools make up the initiative?**

The project has developed three areas of action and shared commitment:

1. Almaviva Green Company (Almaviva azienda green): The implementation of individual and collective models of conduct, together with organisational, plant management and logistics actions to reduce the consumption and environmental impact of the company's activities. Achieving these objectives has also meant the payment of a variable annual salary bonus to all employees, thanks to the agreement reached with the trade union.
2. Almaviva for Environmentally Sustainable IT (Almaviva per l'informatica ecosostenibile): The design and production of IT systems and services according to energy efficiency principles in order to optimise production standards. This involved intensive cooperation between the trade union and the company in jointly organising the internal work.
3. Almaviva IT Solutions for the Environment (Almaviva soluzioni I.T. per l'ambiente): The capitalisation and further development of the company's experiences and competencies in order to innovate Almaviva's commercial offering with new products/services in the field of environmental technologies. The project in fact led to the development of a new product/service offered on the market by Almaviva called SEM (Smart Energy Management), an IT platform based on Business Intelligence solutions and accessible via the Internet, that monitors, analyses and rationalises the energy consumption of an entire building (the first of which was the Almaviva headquarters) or entire business park or building complex.

▪ **How can the actions implemented increase knowledge and problem-solving tools?**

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The case suggests the importance of cultural and political awareness among the trade union management, who have to know their way around the new Green Economy. Some companies have independently set up energy and environmental efficiency programmes, without any negotiations or discussion with their RSUs. The result is that the company management has ‘hi-jacked’ the financial outcome without sharing it with the employees and the trade unions, and therefore without developing a shared culture of environmental sustainability.

- **What are the most innovative aspects of the initiative in terms of its local context, and why?**

The most interesting aspect of this project is that it is an initiative that started from the grass roots, from an idea of a group of company representatives who realised that negotiations had reached an *impasse*, given the crisis on the market and consequent recourse to temporary lay-offs (CIGS), and decided to raise their game and commit themselves to designing solutions while looking to the future of the company, and not only to the short-term impact of the crisis on the employees involved.

The project is in fact the result of a true convergence of interests between the management and trade union representatives, who have succeeded in agreeing on common medium-term objectives, with environmental matters as the practical convergence issue.

As well as the indisputable results achieved, the setting up of the Green Team is extremely important for the purpose of our study. The team is a mixed trade union and company organisation that coordinates and develops the various areas of activity covered by the project. The project was considered one of the 20 best projects in Italy by environmental organisation Legambiente (2013 Environmentally Friendly Innovation Award - Premio Innovazione Amica 2013).

- **What are the ‘internal quality factors’ of the initiative (sustainability, internal effectiveness, efficiency)?**

The initiative was very popular with both management and employees.

The RSU recently produced a summary of the main results in the three main areas of action described above:

1. Almagora Green Company (individual and collective behaviour, organisational action, plant management, technology and logistics management): in three years (2010-2012) the actions implemented have allowed a 60% reduction in per capita energy consumptions (electricity and gas), with a reduction of 2,300 tons of CO₂ equivalent. Paper consumption has also been cut by half, and the recycling system has also been made operational (recycling paper, cardboard, plastic, batteries and printer toner cartridges). Thanks to the installation of drinking water treatment and supply systems, consumption of water in plastic bottles has been reduced by a million bottles a year. Finally, a car pooling system has been set up to cut down on the use of private cars.
2. Almagora for Environmentally Sustainable IT: The investments in Data Centres (their power and supply and cooling systems and data processing systems) made it possible to triple their processing power, while reducing consumption by 45% (figures for 2011-2013).

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3. Almoviva IT Solutions for the Environment: The commitment to product innovation led to the development of SEM, as described above. In addition to the excellent results on the market of this product, which allows the active monitoring of energy consumption, SEM has also been used in many of the Almoviva Group offices, delivering significant results also in economic terms.

Other results that can be attributed to the project include the important achievement of ISO 14001 certification (in May 2010), thanks to the Environmental Management System (SGA) that has been applied to all the company processes, in order to ensure the prevention and reduction of the environmental impact of the company's activities; the upgrading of the company Ethical Code to take into account the principles of environmental sustainability; the payment of a salary bonus to all employees involved which, regarding the part relating to environmental targets, considerably exceeded initial expectations. Furthermore, the overall reduction in consumption enabled Almoviva to acquire 38,000 energy certificates.

▪ Can the initiative be reproduced in similar contexts?

The first 'similar' context is undoubtedly the other divisions of Almoviva Spa, as well as other tertiary sector companies. In fact the cost savings that can be achieved, also in low-energy consumption sectors, simply through rationalisation processes may be considerable and play a large part in reducing the overall environmental impact of western countries, where there are large numbers of service industries.

The Almoviva SpA RSU does not intend to stop with the results achieved thus far. They are convinced that there are resources, competencies and technologies (as well as awareness) that can be used to build environmentally aware professional, production and commercial development programmes. The management (Mr. Capelli, New Business Project Manager) plans to develop the SEM platform to incorporate new forms of energy consumption.

The most recent proposals from the RSU include:

- 1) Organisation of a public event to present the project to public bodies and associations (industry and business association Unindustria, the Italian Ministry of the Environment, provincial and regional councils, Italian National Agency for New Technologies, Energy and Sustainable Economic Development ENEA, etc.).
- 2) Extension of the project to all the group locations.
- 3) Establishment of a 'Skills Centre' for the Environment and Sustainable Mobility, as a new business area that will bring together skills and experiences and develop new product/market lines.

▪ Can the initiative be reproduced in different contexts?

Due to its modular structure (behaviour, procedures, system and logistics management, organisation, production and market), the Almoviva experience is suitable for reproduction, in terms of both production and trade unions relations, also in different contexts. The RSU is therefore very active in the participation, planning and provision of training courses for trade union delegates

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(especially CISL and CGIL) and in participation in initiatives, conferences and meetings where the experience can be shared.

- **List the initiative output (e.g. website, documents, brochures, etc.)**

<http://www.almaviva.it/EN/AboutUs/AlmavivAGreen/Pagine/default.aspx>

<http://www.rsualmaviva.it/?cat=16>

- **Conclusions**

This project consists of many different aspects and activities. It has developed in various areas and led to many extremely interesting outcomes. For the purposes of our study, the most promising result is undoubtedly the ‘qualitative leap’ in Industrial Relations, which has been recognised in interviews with both company management and trade union representatives. The case shows that there has been a shift away from a demand-based approach towards authentic ‘participation’, which has resulted in procedures, places and permanent discussion opportunities based on shared objectives and responsibilities in order to improve employees’ quality of life, the company environment and company performance together.

If we look at the Almaviva Green experience from the point of view of Industrial Relations, the most interesting aspect is that the project, initially perceived by most employees as a way of restarting negotiations between the trade union and the company (and perhaps obtain a salary increase even at a time of crisis in the economy and the market), has consolidated and in time become a significant operation of raising awareness about environmental issues.

This transformation is also down to the strong ‘visibility’ that the RSU has managed to give the project, and the tangible results achieved in a short timeframe.

Another powerful contribution to the success of the initiative has been the solid unitary spirit that has developed in internal relations between the delegates of the three organisations FIM, FIOM and UILM, despite their political and strategic differences.

As Mr. Capelli (New Business Project Manager) has said, after a short period of getting up and running and getting to know the other team members, the Green Team has now developed a horizontal form of cooperation, without distinction between management and employee representatives. This too has helped to raise the ‘quality’ level of the entire Industrial Relations system. The environmental issue was therefore a useful tool that has allowed an interesting expansion of the issues being dealt with in the negotiations with the trade union: the objective of improving the energy efficiency of operations in fact also allowed a parallel analysis of how the internal work was organised, which has always been a crucial issue in better industrial relations within the company.