

POLAND

TOMASZOW ENTERPRISE 'INCUBATOR' FOUNDATION

Information and training networks for local government agencies, training centres, employers, and the unemployed can effectively tackle the problem of long-term unemployment, a key problem in many transitional economies.

Following four decades of communist rule, Poland was one of the first of the East European Comecon countries to make the transition to a capitalist market system. Economic reform however was accompanied by major unemployment arising from mass redundancies from heavy industries. This was particularly severe in the town of Tomaszow Mazowiecki and its region where unemployment rates were well above the national average. The main reason was that vocational training programmes did not match the emerging needs of the local job market.

The Tomaszow Enterprise Incubator Foundation (TEIF) was established in December 1993 to reduce unemployment by improving co-operation and co-ordination between training organisations, employers and the unemployed. Initially, an Employment Forum was established to resolve the problem of unemployment in the local area. This was an informal network of training organisations, public officials from 10 counties, employers and unemployed people, who met on a regular basis to establish common priorities. A survey was undertaken to assess the training capacity of 16 institutions and the employment and training needs of 6000 local employers and trainee graduates. Subsequently, three integrated databases (training organisations, employers and unemployed individuals with skills) were formed. A 'Business Incubator' unit was also set up to facilitate small and medium enterprise start-ups. This provides support to new and emerging businesses ranging from preferential leasing of equipment and premises, financial aid, administrative and secretarial assistance to various forms of economic, legal and technical advisory services. This not only promotes local enterprise development but also generates employment in the long term.

The involvement of key stakeholders from the beginning contributed to the success of the initiative. As a result of the findings, which were later turned into a handbook, training organisations working together with local employers were able to formulate new

training programs tailor-made to the needs of labour markets. The use of information databases as a tool to match employment needs with demands has been increased, with significant growth of Internet use. The results have also been incorporated into the long-term municipal development strategy and regional economic development plans.

The unemployed participants were not only involved in the planning but also the implementation of the survey, formulation and updating of the database. This not only created opportunities for gainful employment and allowed them to build new jobs and skills but also empowered them to see that they can have an impact on their own situation and raised their awareness of the local job market. As a result, a majority of trainees have found employment, continued vocational or further education, or actively sought employment. Financial support from the local government, which provided 20% of total project costs, was also important. Over time, the Foundation was also able to increase its own income generating capacity by publishing training manuals and charging service fees to small businesses. This, combined with subsequent forms of international sponsorships and grants from other agencies, considerably lowers the level of reliance on any one donor and increases the financial sustainability of the Foundation.

The TIEF model is currently being implemented in other Polish cities experiencing high unemployment from the restructuring of local industry under the 'New Horizons' Programme. For example, about 800 redundant employees of 'Wistom' Chemical Fibres Manufacturers have participated in workshops, vocational re-training, business start-ups and job placements in a follow-up project. There is considerable potential for the programme to be applied not only nation-wide in Poland but also in other economies experiencing similar economic transformation.

The general lesson learnt is that better communication and information flows between vocational training organisations, local government, employers and the unemployed lead to the development of training courses and employment options that are more responsive to the needs and demands of the local labour market. Unemployment is a widespread problem that cannot be resolved by one organisation. When all sections of the affected community participate in formulating a solution, the objectives are easier to achieve. Furthermore, initial success can attract further funding and maintain sustainability, making replicability easier.



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