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SEEDING

Social Economy Enterprises addressing Digitalisation, INdustrial relations and the European Pillar of Social Rights

CASE STUDY GERMANY

Raiffeisenbank Main-Spessart eG

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Name of the practice	Raiffeisenbank Main-Spessart eG
Responsible actor	• management (with the involvement of workers)
Type of practice	• business plan
Challenges addressed	• automation of work
Employment impact	• job retention • skills and training • health at work
Geographical coverage	The cooperative is active in the Main-Spessart Landkreis (district) of northwestern Bavaria.
Sectoral coverage	The cooperative belongs to the group of Volks- und Raiffeisenbanken in Germany. They are organised on a regional and cooperative basis. Since 2004, the number of employees has gradually been decreasing, in line with general trends in the sector towards digitalisation and online banking.
Company coverage	The cooperative bank was founded in 1911 and has existed in its current form since 2010. Raiffeisenbank Main-Spessart eG (hereinafter, Raiba MSP) is based in Lohr am Main.
Occupational coverage	Most customers are members of the bank. There are 45,265 members, which is one in three of the district's population. What is special is that all 307 employees are also members of the cooperative. This is part of the basic understanding of Raiba MSP and is not self-evident in the cooperative banking world.

Workforce addressed	There are 307 employees, 25 of whom are trainees. Half the employees (142) work part-time. Most of them are skilled workers, and some have a university, technical college or other further education. Most of the employees are trained bank clerks, while some specialise in areas such as IT. At 23 years, the average length of service expresses employees' high level of identification with the cooperative. The generational change in the cooperative has begun: training and further education in the digital sector plays a central and increasingly important role. 96% of employees live in the Main-Spessart district and are involved in local social life in a variety of ways, for instance by assuming voluntary positions. 76% of the current staff were trained in the cooperative bank itself.
ACTORS INVOLVED IN THE ACTION	
Company management	Yes
Worker members of the cooperative at large	Yes
Works councils	No
Trade unions	Yes, Union of German Bank Employees (DBV) and the sectorial Christian trade union (DHV).
Employers' organisations	Yes, Federal Association of German Cooperative Banks (BVR), Bavarian Cooperative Association e.V., Employers' Association of the Volks- and Raiffeisenbanken.
NGO	No
Public authority	No
DESCRIPTION	
Rationale for the adoption of the practice	Raiba MSP is a member of the Bavarian Cooperative Association and makes extensive use of training and advanced training offered by the Academy of Bavarian Cooperatives (ABG). The bank is also a member of BVR, the central association of cooperative banks in Germany, which represents its members' interests, develops the joint strategy of the cooperative financial group and operates a guarantee system for all cooperative banks. In mid-June 2018, BVR and DZBank (the central bank of the cooperative banks) launched a digitalisation offensive which involves investments of €500 million. A new multi-channel sales platform is being developed for this purpose, which follows a modular IT architecture. This will enable the individual banks to choose their preferred channel flexibly and to change it at any time. Services, cooperative consulting and conclusions of contracts are to be offered on all channels without media discontinuity. By using interfaces (APIs), existing solutions can be connected more easily and innovations in digital banking can be implemented faster. In addition, a new training framework for bank clerks is being introduced, driven by the fundamental upheavals in the banking industry. Progressive digitisation is changing the demands placed on employees and is creating a large number of new fields of activity for all sales channels in the banking business in addition to the traditional work in the bank branch. The cooperative bank association is supporting its members in the implementation of this framework.

Process of the adoption of the practice	The cooperative is affiliated to the Employers' Association of the Volks- und Raiffeisenbanken (AVR). The AVR takes account of the key role played by employees in the cooperative banks' business model, which is geared towards membership development and sustainability. The cooperative model offers working conditions which can attract and retain value-oriented, motivated and responsible employees. This includes employability and job security in cooperative banks. The collective agreements set a binding framework for the cooperative banks; they allow for adjustments to the operational and regional situation and create options for shaping work at the operational level. The collective agreements are concluded with the trade unions DHV (DHV - Die Berufsgewerkschaft e.V. is in the tradition of the Christian employee trade union movement) and DBV (Gewerkschaft deutscher Bankangestellter). The following collective agreements exist: collective agreement on collective bargaining and remuneration (as of July 2019), collective agreement on benefits under the Capital Formation Act (as of August 2019), collective agreement to safeguard jobs and income in the event of rationalisation measures (as of August 2019), collective agreement on part-time work for older employees (as of August 2019), collective agreement on demography (as of August 2019) and collective agreement on long-term accounts (as of August 2019). These agreements explicitly include measures to reconcile family and career and make it easier to reach retirement age. They protect employees against dismissal and loss of income; in addition, there is the declaration of the collective bargaining parties on training and employment.
Description of the practice	First of all, Raiba MSP has faced the challenges of the digitisation process earlier than other banks, including those within the cooperative sector: the management has made itself aware that the speed of change must lead to more up-to-date digital offers while ensuring high quality, including data security. Digital and mobile working must support good and appreciative communication, exchange and team experience and not slow it down. Digital accessibility must not lead to personal isolation. Raiba MSP attaches great importance to the digital fitness both of its employees (the ABG e-learning platform plays an important role here) and of its customers. At the same time, the costs in relation to the benefits had to be weighed up in each case and the right choice of focus of the topics at the right time was and is important. Nowadays, Raiba MSP offers a far wider range of digital services than comparable banks. This concerns the usual online banking services of current accounts, debit and credit cards as well as numerous information services and applications for membership of Raiba MSP. All financial investments such as call deposit accounts, savings accounts, savings bonds, bank and fund savings plans can be opened and managed digitally. The bank also uses social media including Facebook, Instagram, Twitter, YouTube and especially WhatsApp. Communication with customers through online consultation and a chat service (there is a separate team for the chat service) are not the exception but the rule. In addition, the banks' extensive branch network in the Main-Spessart region ensures that it is also present locally, has the opportunity to speak to bank employees directly at the branch, and can also handle 'analogue' banking transactions.

	Furthermore, Raiba MSP has set up a crowdfunding platform for its members/customers. This is mainly used to support non-profit and charitable associations from the region in advertising for donations for socially important projects. The high degree of digitisation achieved by Raiba MSP in the context of a high level of training and further education and good working conditions has not led to economic difficulties, job losses or income losses for some employees, but rather to the stabilisation of the cooperative (this is also shown in the further comments on working conditions and qualification).
Dismissed alternatives	None
ASSESSMENT	
IMPACT OF THE PRACTICE ON:	
Job stability and secure employment	There is a high level of job security for the employees. Dismissals and loss of income are avoided, including by implementing provisions set in collective agreements. However, it is not only about job and income security. Above all, the employees should be employed as befits their strengths, possibilities and ideas for the future in the various phases of life and work, and continually coached and supported. The various measures taken provide a decisive motivation. They lead to an increase in performance potential and are thus the success factor for a modern digital bank. Raiba MSP attaches great importance to the empowerment of individual employees and teams. Indicators for this are e.g. the well accepted company suggestion system, the regular target agreements with each employee, various team development measures and coaching. There is a separate PC program for employees (intranet), where they regularly exchange information – which at the same time is an essential element of further (internal) training. New positions are always advertised internally within the bank first. Preparation for a move to a different post within the bank works as follows: Employees who do not meet, no longer meet or do not yet meet the work requirements at their workplace can transfer to a so-called transfer team. An extract from the transfer team works agreement reads: “Employees can express an interest in the transfer team themselves or the bank can offer a transfer to an employee on its own initiative. The transfer team can have up to 5 employees. Once the Board of Management has approved the transfer, he/she is entitled to training, e.g. in the IT sector (internal or external), he/she can sit in on various specialist departments of the bank and receive support from psychosocial counselling services.”
Skill needs and training	In Raiba MSP, qualification and training have a key position throughout employees’ entire working lives. In the context of the ongoing generational change, it is particularly important to attract young people who have an affinity for IT and are interested in cooperatives. They should be closely connected with their region. Not only in the past, but also in the present and the future, the required specialists should be trained within the bank. At present, Raiba MSP has 25 trainees. Raiba MSP puts a lot of commitment and attention into the training and further education of all employees within the framework of an exemplary life phase-oriented personnel policy with individual personnel development plans.

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Working conditions	Company agreements and working time organisation: There are different working time models in the individual areas. For example, the shift model and counter opening hours are more of a fixed framework. However, many employees can work flexibly between the limits of 7 a.m. to 8 p.m., choosing their hours freely in coordination with their divisional manager and team. They can also work from home. There are more female employees than male employees, and they greatly appreciate this ability to combine family and career. 142 employees (half the workforce) take advantage of the opportunity to work part-time. Internally, Raiba MSP uses the term "trusted working hours". Individual employees use the possibilities of a mobile workplace. The Board of Management, other managers and advisory groups are equipped with bank cell phones and can thus be reached beyond "normal" working hours. Company agreement on lifetime working time account (Lebensarbeitszeitkonto): The lifetime working time account is also a very suitable instrument for reconciling family and career. Here, employees waive the payment of regular pay and special payments, thus building up a tax- and social contribution relieved credit balance to be paid later. Such a provision has been incorporated into a collective bargaining agreement applying from January 2020. It is noteworthy that the company regulations of Raiba MSP, for example on flexibility of working hours, work-life balance or health management, often preceded or exceeded the relevant regulations in the collective agreements. A number of company measures directly serve to promote the health of the workforce. These include supervision by the company physician, implementation of the VR-Aktiv-Fit project and assistance with the ergonomic design of the workplace. In addition, there is external psychological employee counselling by experts. Examples include cooking courses, yoga classes, health lectures and health days. The bank offers help in cases of drug abuse or addiction. Managers can undergo a health check every 2 years, at the bank's expense. Jobrad: Employees can lease a bicycle through the bank. In agreement with the branch manager and the team, unpaid (sabbatical) leave can also be granted for a few weeks. For the teams, the so-called "feedback walks", regular employee events, celebrations and awards also have a collective and health-promoting effect. There is a company pension scheme, about which employees are informed in detail. Vacant positions are first advertised within the bank, i.e. offered to employees. In the job description, it is pointed out that the current EDP programs are to be used to ensure an effective workflow.
Company performance	Raiba MSP presents itself as economically very stable. The bank is excellently positioned in terms of its member/customer business and product range. This can be seen not only in its sales and profits, but above all in its exemplary risk management, as is required for banks. Profit has risen slightly in recent years. The balance sheet equity capital has not only risen slightly but is overall well above the requirements of BASEL III.

	Initially, high investments were made in hardware and software in order to equip the bank's IT department. Staff capacity no longer required in the area of payment transactions will be gradually reduced through natural wastage – the positions of employees who retire will not be refilled. In addition, a number of branches were closed in 2017. As a result of these adjustments and the outsourcing of pension obligations, the total wage bill will fall very slightly in 2018 compared with 2017 (by 2.9%), while budgeting for the higher salaries set in the collective bargaining agreement.
Overall strengths and weaknesses	In addition to the targeted qualification of employees in all phases of work and life, the intelligent, motivating, life phase-oriented personnel policy and the underlying management style, particular strengths lie in the appreciative communication with all employees, the trust placed in them and the bundle of measures for health maintenance and work-life balance. In terms of digital services for customers, Raiba MSP offers a truly exemplary broad spectrum. Particularly noteworthy strengths are its leadership, the lived cooperative idea and the successful efforts in training as well as in the further education of employees.
Overall opportunities and threats	Raiba MSP’s future opportunities lie in the totality of the measures implemented, and in the business concept of Raiba MSP in which the employees play a central role. At the same time, personnel policy and development will remain one of the central challenges for the next few years, as several experienced employees and managers will retire over the next 10 years. It is important that trainees are taken on to complement the bank’s well-qualified employees.
Potential for social partners and collective bargaining to upscale/transfer the practice	There is a high potential for transfer: some of the measures for reconciling family and career, for organising working life, for health care, for the operational deployment of employees according to their strengths and experience, and for flexible retirement have been gradually incorporated into collective agreements.
Potential for public authorities to support upscaling/ transferring the practice	All the structures, contracts and measures taken at all levels ensure a high level of job security. The cooperative model and the training and further education in the field of digitisation are high and exemplary for other companies in the banking sector.
List of annexes, sources	• current collective agreements • overview of life phase-oriented personnel work • balance sheets • company statutes • website
Company website	https://www.raiba-msp.de

This case study was prepared by innova eG (Germany).