

# EBU

OPERATING EUROVISION AND EURORADIO

# Downsizing at NPO

by **Alie Horden**  
**HR manager**  
**NPO - The Netherlands**



# CONTENT

**1. THE CAUSE OF CHANGE**

**2. THE WAY WE DOWNSIZED**

**3. THE RESULTS AND LESSONS**



# CAUSE OF CHANGE



## WHY DOWNSIZING?

### CHANGE OF GOVERNMENT



# **CHANGE OF GOVERNMENT**

**Cabinet Rutte I  
decision to make major cuts in the  
cultural sector**

**Public Broadcasting minus € 200 million  
(budget was 800)**



# **CHANGE OF GOVERNMENT**

## **Cabinet Rutte II**

**Extra cuts for Public Broadcasting from  
100 million?**

**Budget cut down with a third**



# CONSEQUENCES FOR PERSONNEL



**Rutte I**  
**Total Public Broadcasting**  
**Minus 650 people**

**NPO (400 people) minus**  
**75 – 100**





## THE WAY WE DOWNSIZED

**Selection of people  
in a situation of reorganizing and  
reduction of staff**



## THE WAY WE DOWNSIZED

- 1. Finishing contracts for a fixed term**
- 2. Finishing contracts for an indefinite periode**





# Employment agreement for a fixed term



- **ends on the final date mentioned in the employment agreement**
- **convert into a contract for indefinite duration after a 4th contract or after exceeding the limit of 36 month.**



## **Employment agreement for an indefinite period**

**Three possibilities to end the contract:**

- 1. termination upon notice  
requires a permit from UWV (Dutch  
Social Security Office)**
- 2. termination by court decision**
- 3. termination by mutual consent**

# TERMINATION

## **NPO choice:**

- 1. termination by mutual consent  
based on a Social Plan  
a collective labour agreement**

**if mutual consent not possible than by:**

- 2. termination by court decision**

## **SOCIAL PLAN**

- **Redundancy payment**
  - **length of employment**
  - **age**
  - **month salary**
- **Age factor/service years:**
  - **till 40 year** **= 1**
  - **every service year from van 40 - 50** **= 1,5**
  - **every service year from 50** **= 2**

# SELECTION CRITERIA

## Exchangeable and non-exchangeable positions.

### 1. Possibility tot terminate:

- a **non-exchangeable** position on an activity the employer has chosen to end.
- an **entire division** of exchangeable positions.

### 2. Termination of exchangeable positions only based on the **reflection principle**.

## The reflection principle

- **after reorganisation the same division in age groups as before**
- **in the category of exchangeable positions five age-groups are distinguished.**





## Applying the reflection principle (example)



- The reduction of **18 out of 22** exchangeable positions
- **2** employment agreements for a **fixed term** will end on it's final date
- **16** employment agreements for an **indefinite period** will end according to the reflection principle



## Example reflection principle

### Age groups

<b>15-24</b>	<b>25-34</b>	<b>35-44</b>	<b>45-54</b>	<b>&gt;55</b>	<b><u>TOTAL</u></b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>10</b>	<b>20</b>
<b>5%</b>	<b>10%</b>	<b>15%</b>	<b>20%</b>	<b>50%</b>	<b><u>100%</u></b>

<b>(5%X16)</b>	<b>(10%X16)</b>	<b>(15%X16)</b>	<b>(20%X16)</b>	<b>(50%X16)</b>	
<b>0.80</b>	<b>1.60</b>	<b>2.40</b>	<b>3.20</b>	<b>8,00</b>	<b><u>16.00</u></b>

### Reduction

<b>1</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>8</b>	<b><u>16</u></b>
----------	----------	----------	----------	----------	------------------

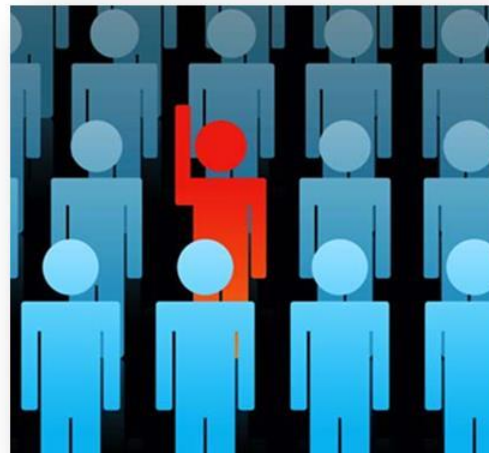
Per age category the employee hired first is to be dismissed last.

## Indispensability criterion

**How to keep an employee that is not easy replaceable?**

**Exclusion from the reflection principle is possible if:**

**employee has exceptional knowledge or skills**



## RESULTS

- **No cases to court**
- **No refused permissions by Social Security Office**
- **Organisation reduced to 310 people**
- **Management and employees cooperative**
- **Board contented**





**THANK YOU!**