



## Minutes of the EWC meeting on AXA Assistance April 2011 at AXA Assistance Chatillon

For a long time, the EWC has been asking for a meeting between the European delegates from the Assistance network and Management. The meeting has finally taken place. .  
There are numerous problems that need discussing, the major concern being employment, because of bi-location and cost reduction issues.

After a visit to the call centres and a reminder of the EWC's historical role on behalf of the Assistance division, where the main concern remains employment because of business transfers (called bi-location by Management), each country was able to present its situation.

### Country reports

#### Germany: Philippe CLAUDE / Joerg PRIMKE



Our colleagues described the situation in Germany. Frankfurt on the Oder (in former East Germany) is the low-cost site for Munich, with standard wages of around €1200 gross when they are €2200 in Munich.

The level of stress involved in the work was also mentioned.

#### Spain: Eloy CASTILLON / Julian CARILLO / Patricia HERNANDEZ



Our Spanish colleagues have noted a decline in the number of new jobs offered since the setting up of the call centre in Argentina. A number of problems have arisen over the past 2 to 3 years:

- People who are not bilingual – for IPAS (home assistance)
- Less work, 10 people laid off in Barcelona and Madrid
- Service quality in Argentina

#### Belgium: Thierry DUFOUR



Following the setup of a new management in Belgium, the situation has significantly improved. It contrasts with the one experienced during the 2008 and 2009 crisis. Anyway there still is work to do but we are confident for the future because workers still have a sense of belonging to the AXA group, including the benefits granted to the AXA group employees.



**Italy: Alessandra TROLLINI / Denise LASTELLA / Angela SCHETTINI**



Our colleagues spoke of the impact of certain strategic choices on employment.

- The problem relating to the renewal of fixed term contracts has been dealt with thanks to an agreement on voluntary departures of a number of people on indefinite term contracts, but fixed term people with 5 years seniority were not allowed to replace them
- Demotivation
- No HRM since 2009
- Low wage levels
- A feeling of not belonging to the Group
- Intra-group mobility is only just starting

**Portugal**

- Customers are asking for lower prices
- No wage increases
- Less social benefits than other AXA employees

**France: Myriam GIMENEZ / Sylvain MARQUES**



TAI experienced strong growth last year. Employees are young, facilities are too small, social benefits and wages are low, high turnover. SCOPE results are catastrophic. There also fears relating to bi-location, particularly with Spain.

AXA Assistance France has seen an acceleration of bi-locations in the Auto division (Morocco, 150 jobs planned). Moroccan costs are higher than in some European countries, in addition to a loss of service quality. The staff are under constant pressure for profitability, with the fear of looming job losses because of a decline in the Auto sector and the possibility of future transfers to other facilities. A stress observatory has been set up.

**To summarise: 3 sets of questions**

Need to clarify the company's global strategy (cost reductions, bi-location and transnational division of employment)

What about the durability of jobs, work quality, and growing stress levels

Social benefits and wages

A need to stand together in solidarity – we need comprehensive answers and not case-by-case answers in each entity.



The network needs to be organised along simple lines in order to draw up employment demands and pass them on to the competent levels.

## AXA ASSISTANCE



Sales are close to 1 billion €, but profits are low (20 million €). The company is present in 31 countries, going from 17 in India to 1000 people in France. Contracts have been lost for lack of competitiveness and insufficient automation, with wage costs that are too high for our line of business. The strategy is to develop the business by becoming more competitive.

### Serge MORELLI

- 1) Strategic development plans are focusing on four business lines:
  - Auto
  - Travel
  - Home
  - Health
- 2) The project for transforming the business model bears on
  - a. transferring activities carried out by the end clients, e.g. to their smartphone
  - b. transferring activities carried out by our corporate clients, e.g. via extranet
  - c. internal transformation: this is the NAOMI programme which consists of reviewing all processes in order to automate them as much as possible (e.g. automatic missioning, automatic billing) and looking at inter country mutualisation, bi-location, outsourcing, etc. Adopting project examples launched in this context

The wager is that the more competitive we are, the more we will be able to develop.

### Consequences for employment:

- Jobs observatory
- Local redeployment to other Group entities (following the model of AXA France's GPEC [Employment and skills planning programme])
- Local contracts within AXA Assistance
- Possible voluntary departure plans
- Instating a central project manager to monitor the employment/resources balance

### Discussion with Management:

Employees are far from approving the strategy and can only see its negative aspects (bi-location, downsizing). Management is aware of the need to communicate earlier in the process.

The day's meeting was a first and greeted positively as such. Management would like to ensure these meetings become a yearly fixture, not necessarily in Chatillon; they could also take place in Redhill, Munich or Barcelona.



Lionel JULLIEN



### **European GPEC (Employment and Skills Planning):**

We are looking for a framework agreement similar to the one negotiated by AREVA. In the absence of such an agreement, inter-entity solidarity will be difficult to obtain.

If we take the example of Italy, downsizing at AXA Assistance was undertaken at the same time as AXA Assicurazioni's site in Genoa was closed down. This obviously was not favourable for internal mobility.

The Group Management does not envisage negotiating a framework agreement that would add further constraints on the way it manages employment.

It might however be willing to envisage an observatory of changes in the evolution of jobs and sharing of information, but it does not wish to go as far as having contractual European-wide employment guarantees.

Management might be willing to envisage the principle of inter-entity solidarity.



AXA Assistance could in this case be seen as a pilot scheme: Management's idea would be to contractualise an agreement on methodology at the European level, dealing with changes in skills requirements, employability, setting up an observatory, etc.).

**François KLITTING**

### **Social benefits (affinities):**

These benefits may concern differences in status (AXA, IPAS), reductions on AXA contracts, etc. Management is currently carrying out an inventory. Watch this space...

Concerning the European Company (SE) status, the priority for the time being is to simplify the legal structure which with 90 different legal entities is too complex.

Once this is done, it may be time to consider setting up a European Company (SE), but we would need to know the Group's position on this matter.

