DIGITISATION & CO-DETERMINATION

... or how we can shape our future work through co-determination

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As digitisation progresses in the years ahead, we will need to deal with three major topic blocks:

PRODUCTS & SERVICES

What products will we sell in the future?

CUSTOMERS & DEALERS

How will we sell products in the future?

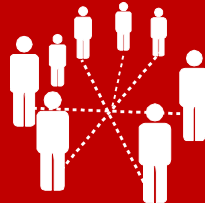**DIGITAL COMPANY**

How will we work in the future?

As digitisation progresses in the years ahead, we will need to deal with three major topic blocks:

PRODUCTS & SERVICES

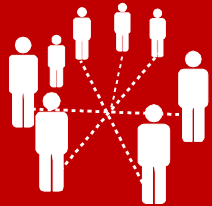**What products will we sell in the future?**

Mobility services

Real-time data

Software updates

Personalisation

As digitisation progresses in the years ahead, we will need to deal with three major topic blocks:

CUSTOMERS & DEALERS

How will we sell products in the future?

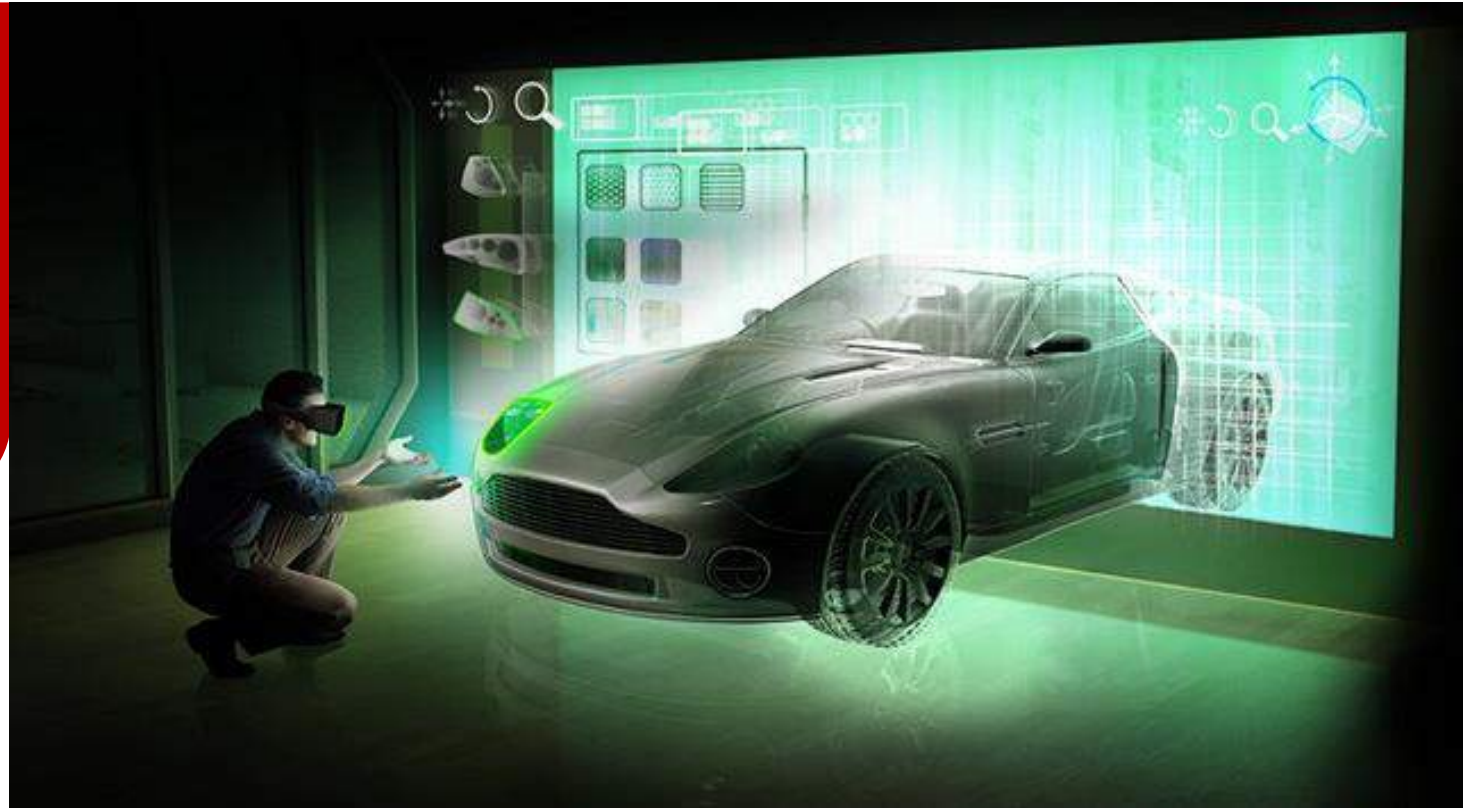| Customer data | Online sales | Virtual reality | Individualisation |

As digitisation progresses in the years ahead, we will need to deal with three major topic blocks:

DIGITAL COMPANY

How will we work in the future?

▶ **Shaping change together!**

How the Works Council is helping to change production work

Seize opportunities!

- Reducing the burden on people by using computers and robots to carry out dangerous, heavy and monotonous work
- Work geared to people's (increasing) age
- Connected factory allows greater personalisation in the eyes of the customer
- Allowing greater efficiency in production
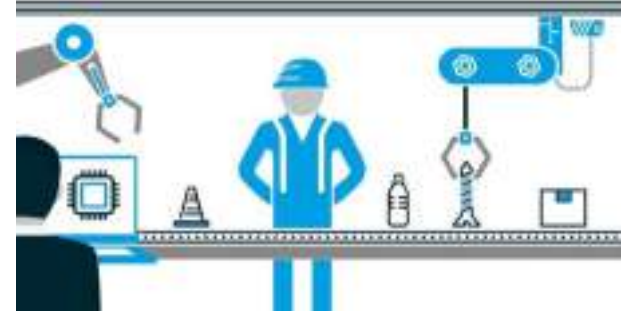
Get involved!

- No new dependency owing to permanent availability
- No permanent monitoring of staff
- Avoiding technological overload
- Developing existing skills to meet changing qualification requirements
- Establishing planning criteria for the use of robots and work structuring
- Creating new employment effects against rationalisation effects

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How the Works Council is helping to change knowledge work

Seize opportunities!

- Free choice of working times and location
- Better work-life balance
- Automating routine tasks through artificial intelligence
- Inclusion opportunities through greater work participation
- Greater individual responsibility in the workforce

Get involved!

- Establishing new business models and activities to secure jobs
- Finding a balance between protection and freedom
- Gearing work to individual time requirements in people's personal life phases
- Digital work safety for digital media without causing additional stress
- Opportunity for an off button

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Which Works Council projects are shaping the change?

Access requirements ▶ **Work organisation** ▶ **Work content** ▶ **Employment policy**

Techn. access

Training

Working times

Collaboration

Production 4.0

Knowledge work 4.0

Development

Organisation

Hardware

Life-long learning

Demographic change

Generations

Flexibility

Work-life balance

Social networks

Collaboration

Authority

Results culture

Industry 4.0

Human-robot collaboration

Assistance systems

Artificial intelligence

Automation

Personnel transformation

Agility

Networks

Flat structures

Digitisation & co-determination

Access requirements	**Work organisation**	**Work content**	**Employment policy**

Techn. access	Training	Working times	Collaboration	Production 4.0	Knowledge work 4.0	Development	Organisation

OUR AIM: INVOLVING EVERYONE

- Providing straightforward, user-friendly access to relevant Volkswagen content for all employees
- In addition to access to the e-mail inbox, this includes the Volkswagen intranet, company-related news, the internal social platform Group Connect and messenger functions to get in touch with colleagues

"IT ACCESS FOR EVERYONE" PROJECT

Group IT, group digitisation, Works Council, production, personnel

Establishing user requirements: With the help of the Design Thinking method, requirements are established in user workshops in order to plan from a "customer point of view". Which functions are really necessary, which ones are not practical? Is a second technical device preferred or rather the principle of

"Bring your own device"?

At the same time, IT security and data protection aspects must be considered, and sufficient numbers of free WIFI access points must be provided across the plant.

Digitisation & co-determination

Access requirements	Work organisation	Work content	Employment policy

Techn. access	Training	Working times	Collaboration	Production 4.0	Knowledge work 4.0	Development	Organisation
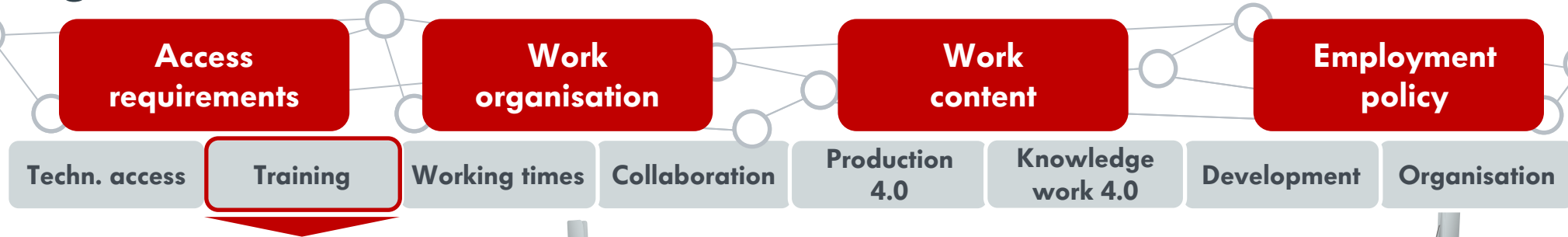
OUR AIM: INVOLVING EVERYONE

- Having knowledge and skills regarding the digitisation of work and society must be available to everyone.
- There must not be a "digital elite".
- We support qualification concepts which establish and develop people's knowledge of digitisation.

"KNOWLEDGE OFFENSIVE DIGITISATION" PROJECT

Wissensoffensive Digitalisierung

Volkswagen Group Academy, group IT and Works Council: knowledge offensive for all Volkswagen employees
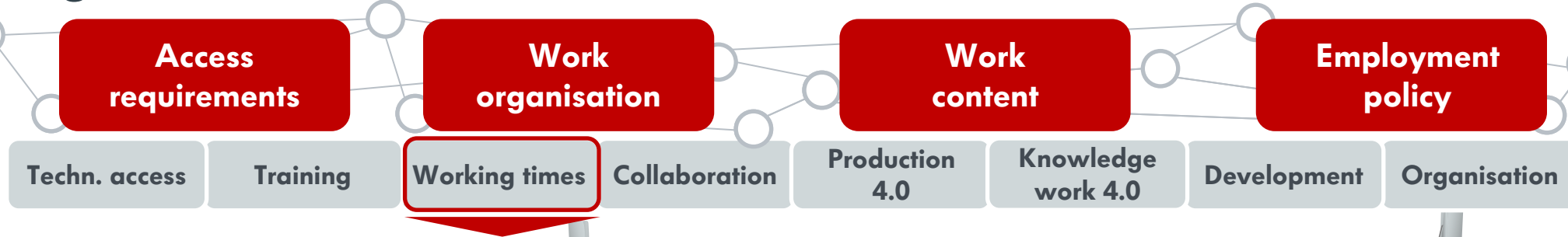
Stage 1: Conveying basic knowledge of important terms on the intranet, through a media library, presentations and quizzes

Stage 2: Understanding and getting to know new technologies (e.g. digital tour, topic team discussion)

Stage 3: Qualification in the job families.

Digitisation & co-determination

Access requirements	Work organisation	Work content	Employment policy

Techn. access	Training	Working times	Collaboration	Production 4.0	Knowledge work 4.0	Development	Organisation

OUR AIM: ALLOWING GREATER FLEXIBLITY

- Finding a balance between protection and freedom
- Gearing work to individual time requirements in people's personal life phases
- Finding an opportunity for an off button

"MOBILE WORKING" WORKS COUNCIL AGREEMENT

"Mobile Working" Works Council agreement: from 1 September 2016 (VW AG)

The most important rules:
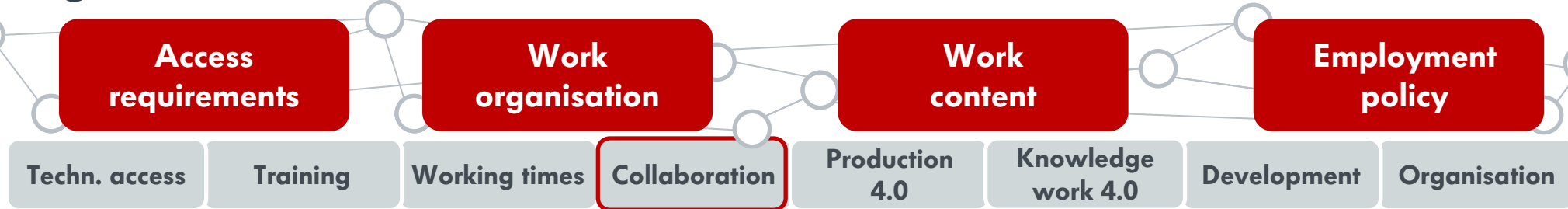- **Mutually agreed participation**: Participation is voluntary. The employee and their manager must both agree.
- **Suitable work task**: The work task must be suitable for mobile working.
- **Working time**: The individual weekly working time should not change, even as a result of mobile working. Staff have the right not to be available outside the agreed times.
- **Rights of the Works Council**: The Works Council's co-determination rights are unaffected. The rights of the Works Council are already taken into account in the application procedure.

In three areas, there is scientific supervision in order to be able to better analyse experiences of mobile working.

Digitisation & co-determination

Access requirements	Work organisation	Work content	Employment policy

Techn. access	Training	Working times	Collaboration	Production 4.0	Knowledge work 4.0	Development	Organisation

OUR AIM: IMPROVING COLLABORATION

- Focus on involvement in problem solution processes etc. Flexibility requirements and opportunities
- Digitisation as an ongoing process: "Learning while walking" (agility): Trial and error mentality

LIVE CHAT ON GROUP CONNECT

GR**O**UP C**O**NNECT

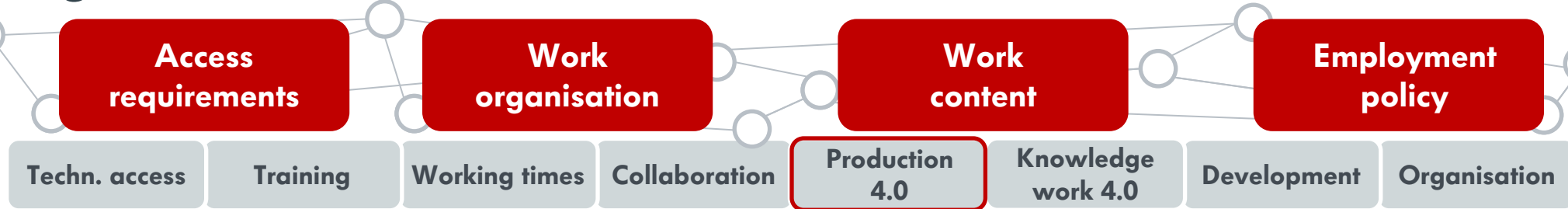3rd WORKS COUNCIL DIALOGUE ONLINE

9 August, 10 am:
Topic 1: "Works Council and Brand Board of Management negotiations regarding the pact for the future for the Volkswagen brand"
Topic 2: "Mobile working" Works Council agreement

- Around **90 contributions** per chat

    (questions, answers, comments)

- The contributions were viewed around **10,000 times** (multiple clicks possible)

Digitisation & co-determination

Access requirements	Work organisation	Work content	Employment policy

Techn. access	Training	Working times	Collaboration	**Production 4.0**	Knowledge work 4.0	Development	Organisation

OUR AIM:
Information and sharing ideas

- We find out about the current and future use of new technologies in the context of Industry 4.0.
- In light of the opportunities and effects, we discuss what protection and configuration activities are necessary across sites and from a strategic point of view.

GENERAL WORKS COUNCIL PRODUCTION COMMITTEE

Putting together a Works Council map for Production 4.0 topics:
What technologies are already in use at the sites, what are the experiences of the Works Council with these technologies?
Examples:
- Human-robot-collaboration and data glasses pilots
- Sample parts using 3D printing process
- Use of RFID in logistics
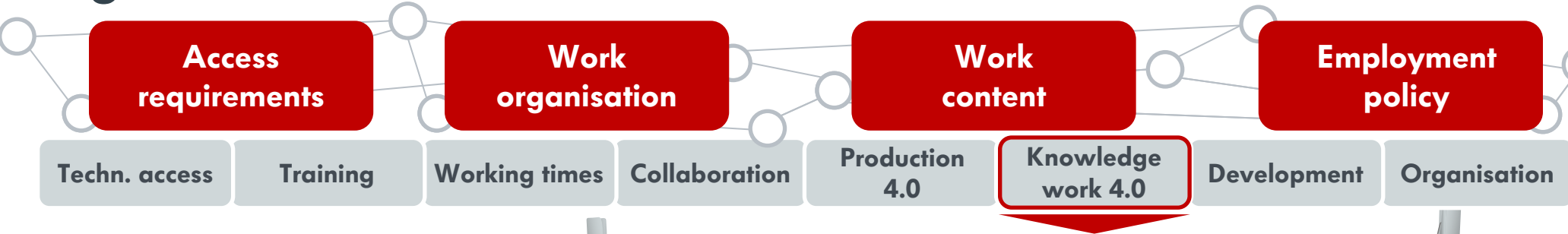- Wear or consumption diagnostics through connected intelligent systems

Procedure when piloting human-robot collaboration (HRC)
Common understanding: improved ergonomics as the objective of HRC applications
- Selecting and configuring suitable workstations at the site together with the Works Council, Occupational Safety department and employees
- Developing and trialling a workstation configuration procedure as well as information/qualification measures

Digitisation & co-determination

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OUR AIM: SHAPING CHANGE

- Employees need support in order to cope with change.
- They need qualifications in order to take on new tasks.
- At the same time, those for whom such qualifications are not an option need to be offered other opportunities.

STUDY: Effects of digitisation on knowledge work

Research project: Works Council, personnel, group IT, AutoUni:

The aim of this study is to analyse the links between automation, changing job profiles, job losses and job creation on the basis of pilot areas at Volkswagen AG.

The findings will be used to come up with specific measures for employees in non-production areas.

A further roll-out in other divisions would be conceivable.

Digitisation & co-determination

Access requirements | **Work organisation** | **Work content** | **Employment policy**

| Techn. access | Training | Working times | Collaboration | Production 4.0 | Knowledge work 4.0 | Development | Organisation |

OUR AIM: PERSONNEL TRANSFORMATION

- If possible, new business units should take on existing employees who already have the necessary qualifications or who can learn new skills quickly.
- A change of attitude towards personnel movements: Good employees with the qualifications needed must be freed up in order to take on responsibility in new, important fields ("pull" instead of "push"").

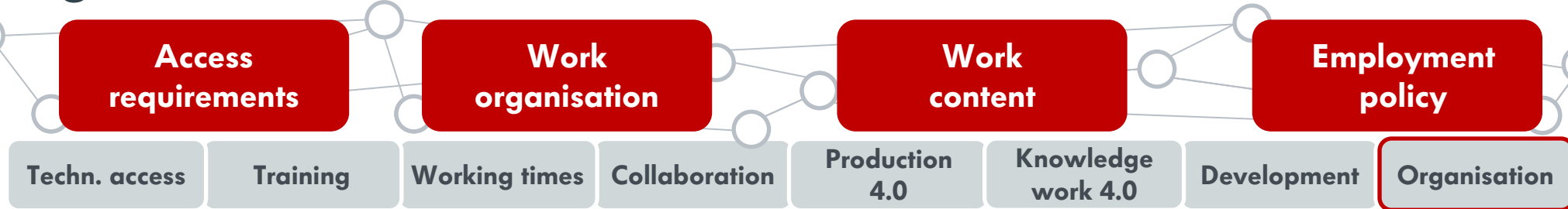## PROJECT: "IT talent program"

Group IT & Works Council aim to recruit "IT talents" via an internal job advertisement. In this particular case, it is the person's actual knowledge rather than their formal qualifications that matters.

In 2014, 15 production employees spent a year gaining IT qualifications within the company and were then taken on. At the time, there were 155 applications.

This year, there is no set number of vacancies. 180 applications were handed in.

IT-Nachwuchskräfte gesucht: Das Können zählt – auch ohne Zeugnis

Digitisation & co-determination

Access requirements		Work organisation		Work content		Employment policy	
Techn. access	Training	Working times	Collaboration	Production 4.0	Knowledge work 4.0	Development	Organisation

OUR AIM: PERSONNEL TRANSFORMATION

- New Business and Mobility Services
- Intelligent relationship between external and internal work
- Moving areas of activity (restructuring)
- Use of employees no longer able to do their original jobs

INNOVATION FUND II: Subsidizing labs through the Innovation Fund II

The Innovation Fund II (€20 million p.a.) was launched in 2011 at the initiative of the Works Council. It subsidises innovative projects and business fields which go beyond the company's traditional core business.

From a long-term perspective, Volkswagen's aim is to secure jobs and create new ones at its sites in Germany.

Various new labs have been subsidised through the Innovation Fund II:

DATA:LAB MUNICH

DIGITAL:LAB BERLIN

TAC-LAB

SMART.PRODUCTION:LAB WOLFSBURG

IDEATION:HUB

1. We should regard digitisation not only as a technological change but also as a **cultural change** in our working environment.

2. **Individual working (time) models and options** for individuals will increase and will become the norm. It will be our job to ensure that these are available to all employees and meet their needs in the best way possible.

3. Work will increasingly take place **across divisions and as part of projects.** We also need to think about how we can make provisions for co-determination and support teams in the best way possible.

4. The Works Council, too, needs **further training for digitisation**. Why can't we try out new ways? Design Thinking & User Experience seminars, discussions with start-ups or simply experiencing AirBnB, Uber and GETT.

5. We too must learn to **think and work more in terms of new business models.** Only then can we secure jobs and create new ones in the long-run.

Thank you very much!