

### **CASE STUDY**

#### REPORT

Integrated development in action!

#### **PROJECT**

Cluj Future of Work

♥ Cluj-Napoca, Romania

### **TOPIC**

Jobs and skills in the local economy

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## Cluj-Napoca - Cluj Future of Work



### **About CFW**

Cluj Future of Work objective was to pilot a transdisciplinary Cultural and Creative Industries - Knowledge Intensive Business Services mix at the city level, where ideas from cultural industries are incubated with business and tech know-how, with the aim of creating higher added value jobs and to explore prototypes for local added value chains that enable the transition to work 4.0, by mixing together competencies from sectors threatened by technological unemployment with those from the transdisciplinary pilot and to enable underprivileged communities excluded from the labour market to use their collective knowledge in order to reshape the ways we imagine work. It was chosen as a case study

because of the complex cross-sectoral approach which involved strict sequencing.



Future of Work Labs – CGI & VFX lab (copyright city of Cluj-Napoca)

The nature of work is in flux because digitalisation is transforming the way that our economy and society are structured accelerated by two years of working from home during the pandemic. Cluj Future of Work was chosen for this study because it is a project working across a variety of industrial sectors subject to automation and linking to ERDF investments in the city which sought to combine economic growth with social innovation. To achieve this the project team brought together a wide partnership: the project was led through a unique collaboration between the Mayor's office in the city and an outside organisation, the Cluj Cultural Centre, which coordinated much of the work. Future of Work is a complex project with many moving parts - some operating across the whole city, others in specific locations. Some elements of the project, particularly the "Culturepreneurs", are likely to be copied by other cities.

### Context

Cluj was the <u>fastest growing</u> city economy in Europe between 2001 and 2019 its GDP grew by a factor of 4.5 with several expanding sectors and a housing market at risk of overheating. However, many of its leading industries are sub-contractors and research by Cluj Future of Work suggests that they are vulnerable to external shocks and to competition from cheaper locations.

The project Future of Work came about as a result of the city bidding to be European Capital of Culture, which brought together new partners and also helped the city form links with actors in Bucharest who were bidding at the same time. Although the Cluj bid failed, it led to a new dynamic which, when the opportunity arose in 2018 to respond to the UIA call on jobs and skills, meant that an embryonic partnership was ready to go into action.

The innovative aspect of the UIA project lies in its effort to apply future thinking to the local economy and to build new relations and new capacities to make the city more resilient in the future. As a result it is a project with multiple components which link together in time and place.

## **Description**

Cluj's Future of Work is a complex project with many actions. For the purposes of this article we have simplified it into four main components:

- Informal work and specifically the work readiness of the community at Pata Rat. This led to concrete actions for sanitation, transport, digitalisation and start-up in the poorest community of Cluj where approximately 1500 mostly Roma people live in poverty in informal housing without access to main services.
- The "Culturepreneurs" programme in which 60 cultural actors were selected to join an incubation programme that supported the development of businesses in film, design, music, crafts, publishing and other cultural sectors. It includes incubation, labs, training and consulting.
- Work 4.0 aims to train those in sectors at risk from automation and to form connections with the other actions
- Three labs at the Cluj regional centre for excellence in creative industries (CREIC) managed by Cluj Innovation Park focus on CGI/virtual/augmented reality, advanced robotics and furniture design

As well as these components there was support for capacity building of key organisations in the cultural sector and four fellowships.

The project design and implementation worked through a series of integrated steps so that the results of one activity would flow into the next. As a result activities did not exist in isolation but built on previous components and synergies contributed to the overall result of the project. An example of this approach was that 3 studies were commissioned on the future of labour markets, work relations and models and structures of organising work. The results were used in scenario planning and influenced selection for the Culturepreneurs programme. This required careful coordination across the timeline of the project. The arrival of the pandemic in early 2020 affected implementation but with some extensions the project was able to adapt to these and work around them. Some delays in procurement and the final fitting out of the three labs meant that these did not come on stream until late 2021.



Co-working space (copyright city of Cluj-Napoca)

Work on Pata Rat was semi-detached from the rest of the project. This was inevitable given the extreme conditions that exist in the four sites either on or adjacent to the waste dumps. Previous initiatives, especially those for rehousing funded by Norwegian Aid, had some success at building trust with the community and delivered a limited amount of rehousing. Through FoW three mediators recruited from the community could be paid and with the support of ZDI and other NGOs a participative budgeting exercise was planned and delivered.

The community prioritised three main actions. These were opening new sanitary units in two shipping containers, providing free wifi, and the rerouting of the bus service to pass nearby to the main site and free bus passes for residents. Some emergency food aid was organised during the first Covid lockdown as the nature of informal work meant that incomes dropped dramatically.

Residents of Pata Rat face the restructuring of some of their economic activities - especially that of sorting plastic on the waste dumps, which is now sorted before collection. The long term problems of the 1500 or so residents can only be solved by concerted action by public authorities over a lengthy period. They fall outside the scope and scale of the innovative action budget. Nevertheless, some significant changes were made and one key question is whether the three new services can be sustained. In November 2021 the bus provision reverted to a paying service and it is not clear whether people will use the buses to the same extent and whether the routing, which avoids a one kilometre walk, and is unpopular with drivers will continue. There are sporadic problems of vandalism to the sanitary units - usually in response to them being locked at night or to having no hot water left. The wifi is limited in bandwidth and some popular sites are not accessible (e.g. YouTube). But all in all these improvements helped people to access work.

# Nature of integration

Cluj Future of Work illustrates an integrated approach across sectors in two distinct ways. At the policy level it links to City strategies including for Article 7 and specifically to the investment through ERDF in the CREIC facility. The development and kitting out of the three labs have made a significant contribution to the facilities available at CREIC. Within the project there is a clear effort to work across industrial sectors that are at risk through being susceptible to automation with new design thinking from creative and cultural industries with the intention of making the value chain more resilient in the future. It is still too early to say whether these efforts will be successful at the level of the Cluj economy, but this integrated approach shows a high degree of sophistication in attempting it.



To achieve this level of cross-sectoral integration has required a high level of partnership working in a form of cross-sectoral governance. This started through an alliance at the co-creation stage between Cluj Cultural Centre and the city, and expanded to include a wide range of organisations in a quadruple helix structure. The role of the Innovation Unit at CCC is also notable as it has enabled the city to design new approaches that have made the project a success.

Although there was progress in cross sectoral integration the project struggled to integrate the actions in Pata Rat with the rest of the project. This was perhaps inevitable given the extreme deprivation at the four camps where even basic sanitation is lacking and housing conditions are lamentable. Nevertheless, the project succeeded in bringing tangible benefits with the opening of the sanitation units, the free wifi, and the bus service. Not all of these advances are secure for the future. The free bus passes ended in November 2021 and there are challenges to maintain the sanitary facilities in the face of sporadic vandalism but they remain open and the Wifi still works.

# **Takeaways**

- Complex project implementations especially across sectors requires a high level of partnership working and clear roles for each partner with a tight coordination from the lead partners
- For a city to develop a sector such as cultural and creative industries and link it to other sectors requires a trusted intermediary or interface organisation such as Cluj Cultural Centre
- Projects that seek to combat the exclusion of the Roma community have to build trust by bringing tangible benefits

# Further reading and selected key resources

Project website

See on UIA website