



Pihlajalinna's cooperation negotiations have been completed

Pihlajalinna Plc

Insider information

24 April 2020 at 3.45 p.m.

Pihlajalinna's cooperation negotiations have been completed

The cooperation negotiations that Pihlajalinna Group commenced on 1 April 2020 have been completed also for the municipal joint-stock companies on 24 April 2020.

Originally, the cooperation negotiations concerned all business operations and employees within the Pihlajalinna Group except for personnel at oral health services and fitness centres. For these employees, the cooperation negotiations were organised earlier. In addition, doctors doing clinical nursing and most service functions in the municipal joint-stock companies were excluded from the negotiations. For other functions than the municipal joint-stock companies, the negotiations were completed already on 16 April 2020. Approximately 2,500 employees were concerned by the negotiations, and 600 of them work in the municipal joint-stock companies.

It is difficult to assess how the pandemic spreads and how it affects Pihlajalinna's business operations, as the company stated in its press release on 27 March 2020. In the negotiations concerning the municipal joint-stock companies, the primary solutions were mainly found through flexibility in employment relationships and temporary relocations. As the pandemic changes and intensifies, human resources might have to be rearranged, in which case full-time or part-time temporary lay-offs, most of them short, might have to be used as well. The temporary lay-offs would vary in their duration and take effect in phases.

According to Pihlajalinna's current estimate, if the worst pandemic scenarios are realised, the part-time or full-time temporary lay-offs would affect no more than 126 employees for 90 days at the most. Of these, the full-time temporary lay-offs apply to no more than 71 employees and part-time temporary lay-offs to no more than 15 employees. In addition, there may be full-time or part-time temporary lay-offs of no more than 40 employees. The number and duration of the temporary lay-offs can still be impacted by the possibility of temporarily relocating to another task and flexibility in employment relationships.

Further information

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Pihlajalinna in brief

Pihlajalinna is one of the leading private social and healthcare services providers in Finland. The company serves private individuals, businesses, insurance companies and public sector entities, such as municipalities and joint municipal authorities. Pihlajalinna provides general practitioner services, specialised care, emergency and on-call services, a wide range of surgical services, occupational healthcare, dental care and wellbeing services. In addition, the company offers innovative social and healthcare service provision models to public sector entities.