



“In search of win-win arrangements in EU companies”

**ESRC Seminar “Regulation of Work & Employment
”Prato 15-16 September 2014**

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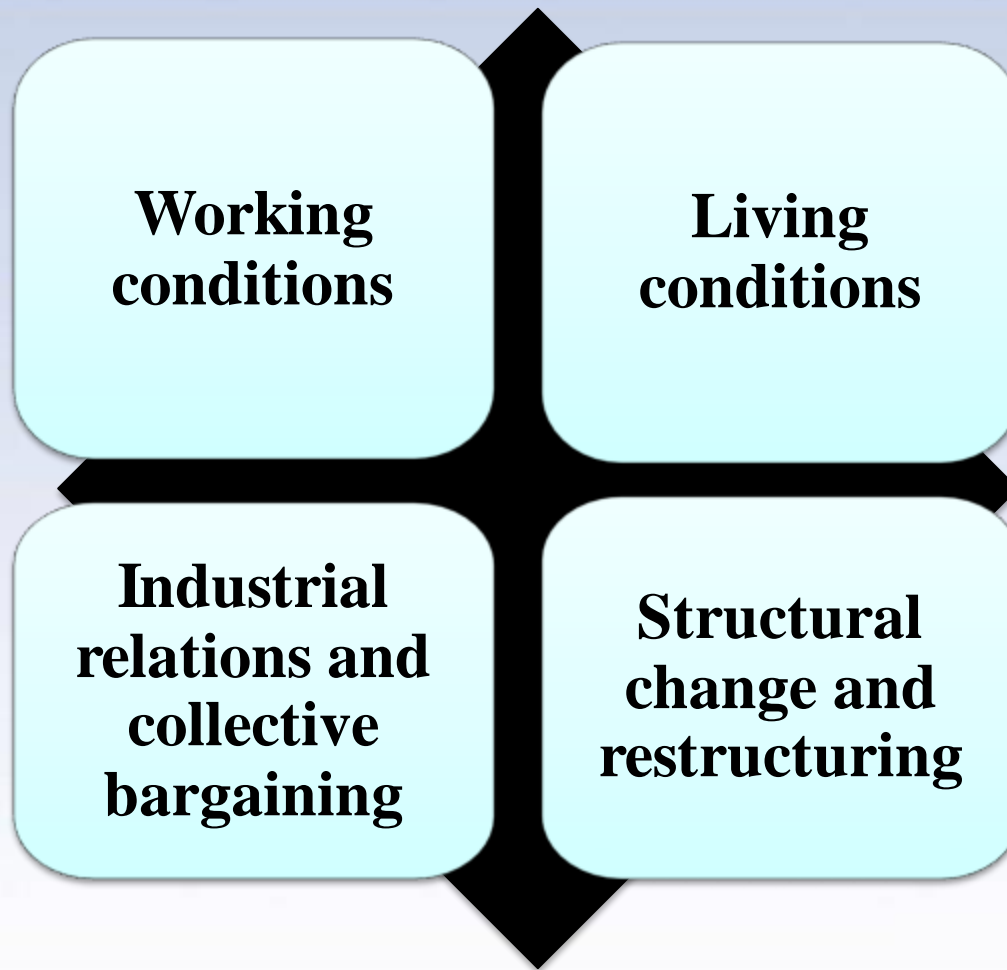


European Foundation for the Improvement of Living and Working Conditions

- A tripartite European agency
- Carrying out comparative socio-economic research
- Budget of EUR 20.5m
- 115 people in Dublin and in Brussels
- Established in 1975



Core areas of expertise



Main activities



**Communicating
knowledge and
organising
debate and
exchange with
target groups**

**Exploring and
assessing policies and
practices**

**Monitoring trends and
developments in the quality of
work and life, industrial
relations and structural
change**

Surveys:

- European Working Conditions Surveys (EWCS)
- European Quality of Life Surveys (EQLS)
- European Company Surveys (ECS)

Observatories:

One network for data collection and analysis for three observatories:

- EurWork (replacing EIRO & EWCO)
- European Restructuring Monitor (ERM)



Third European Company Survey: First findings

> résumé <

"The crisis has only confirmed the necessity for change in the way we approach our social and economic challenges... If we are prepared to adapt to our fast-changing world, if we address today's social and economic challenges in a smart way, it has the potential to unleash fresh waves of creativity and innovation and create new sources of sustainable growth and jobs. That's why innovation is a cornerstone of our Europe 2020 strategy for growth and jobs."

José Manuel Barroso, at the launch of the Social Innovation Europe initiative, March 2011



Introduction

European companies have a key role to play in helping the EU reach the Europe 2020 targets of smart, inclusive and sustainable growth. How companies organise their work is important in facilitating innovation, improving performance and ensuring good job quality. Workplace innovation is increasingly recognised as a key source of growth, contributing as it does to developing human capital and boosting both creativity and productivity. The flagship initiative 'Innovation Union' – part of the Europe 2020 Strategy – sees workplace innovation as complementary to technological innovation and a prerequisite for achieving smart growth. Industrial relations systems are crucial in shaping how companies meet these challenges. Countries with well-established social dialogue and industrial relations institutions tend to have better economic and social situations, and to be more competitive.¹

The third European Company Survey (ECS) maps practices in establishments with 10 or more employees across the EU28, and in the Former Yugoslav Republic of Macedonia, Iceland, Montenegro and Turkey. In all, over 30,000 establishments were surveyed by Gallup Europe, with a target sample size per country ranging from 300 to 1,650. Topics comprise work organisation, human resources (HR) practices, employee participation and social dialogue, and how these practices support 'smart growth'. Interviews were conducted in spring

Key findings

- Some countries have a high incidence of both innovative work practices and social dialogue structures
- Variable pay – in 63% of establishments
- Employees document good practice – in 62%
- Sick leave – 13% report high levels
- Innovation – 63% of companies reporting a good financial situation have innovated
- Skills – 39% of companies have difficulty finding staff with the required skills

2013 with HR managers, and with employee representatives (wherever possible). The third ECS provides new data on how organisations are organised – in particular, how employees and their representatives are involved in improving work organisation and work processes. In doing so, it aims to contribute to a better understanding of how to facilitate economic growth for Member States and better outcomes for employees. This résumé mainly describes the survey's first findings of practices in establishments dealing with market activities – mostly commercial, private-sector activities, excluding fisheries and agriculture. Practices in establishments managing specific public services (health, education and public administration) are described at the end of the résumé. Further analyses will examine whether and how specific bundles of establishment features combine and are associated with performance.

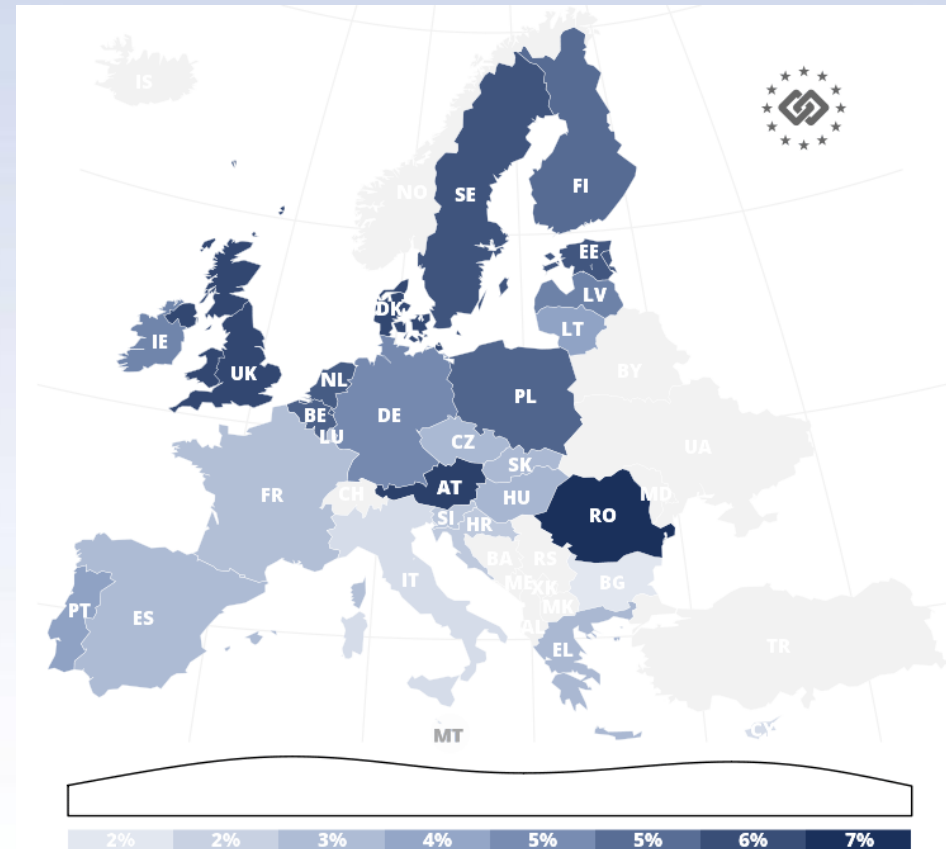
¹ Lisbeth Astor, European Commissioner responsible for Employment, Social Affairs and Inclusion, 'Social dialogue – vital component of European social model, not a luxury', speech, 10 April 2013.

<http://www.eurofound.europa.eu/publications/2013/86/en/1/EF1386EN.pdf>

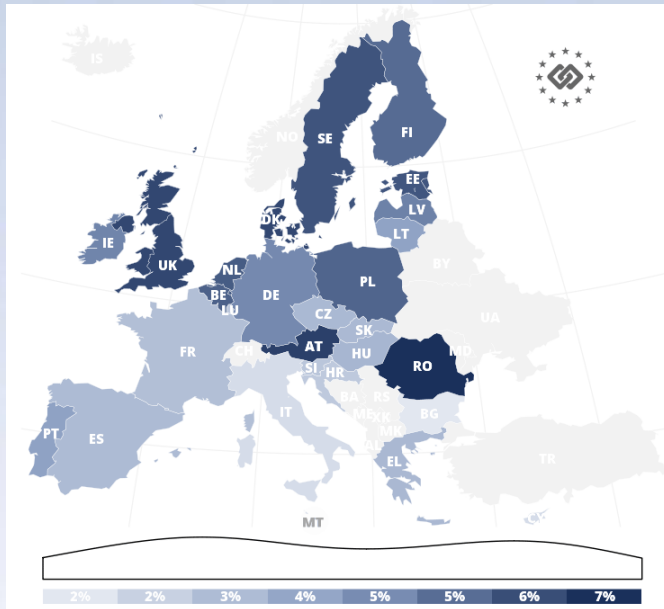
- Focus on Workplace Innovation
- A continuous reflexive process, grounded in learning and improvement and involving employees and managers at all levels
- Integrated approach to:
 - Innovation
 - Work organisation
 - HR management
 - Employee involvement (direct and indirect);
- benefiting both company performance and worker wellbeing

ECS surveys managers and official employee representatives

- establishments with 10+ employees
- 30,113 establishments/managers
- 9,094 employee representatives
- 32 countries: 300-1,650 establishments per country
- CATI (manager: 25 min, employee rep: 15 min)
- questionnaire translated in all languages
- Fieldwork in Spring 2013 by Gallup Europe



Data availability for researchers



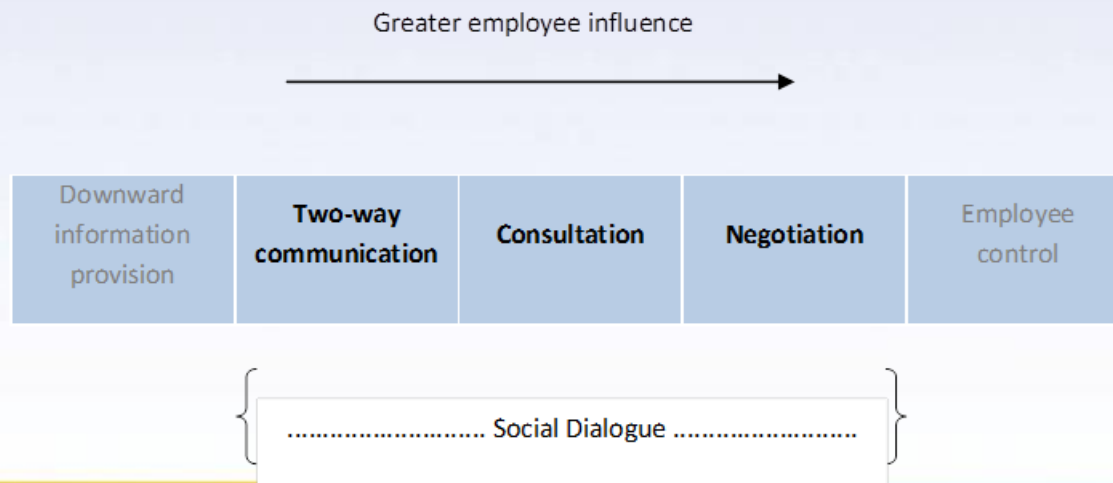
<http://www.eurofound.europa.eu/surveys/smt/index.htm>

- Survey mapping tool for online data access
- Questionnaire, Methodology, Background papers
- All Eurofound survey data is made available through the UK data archive

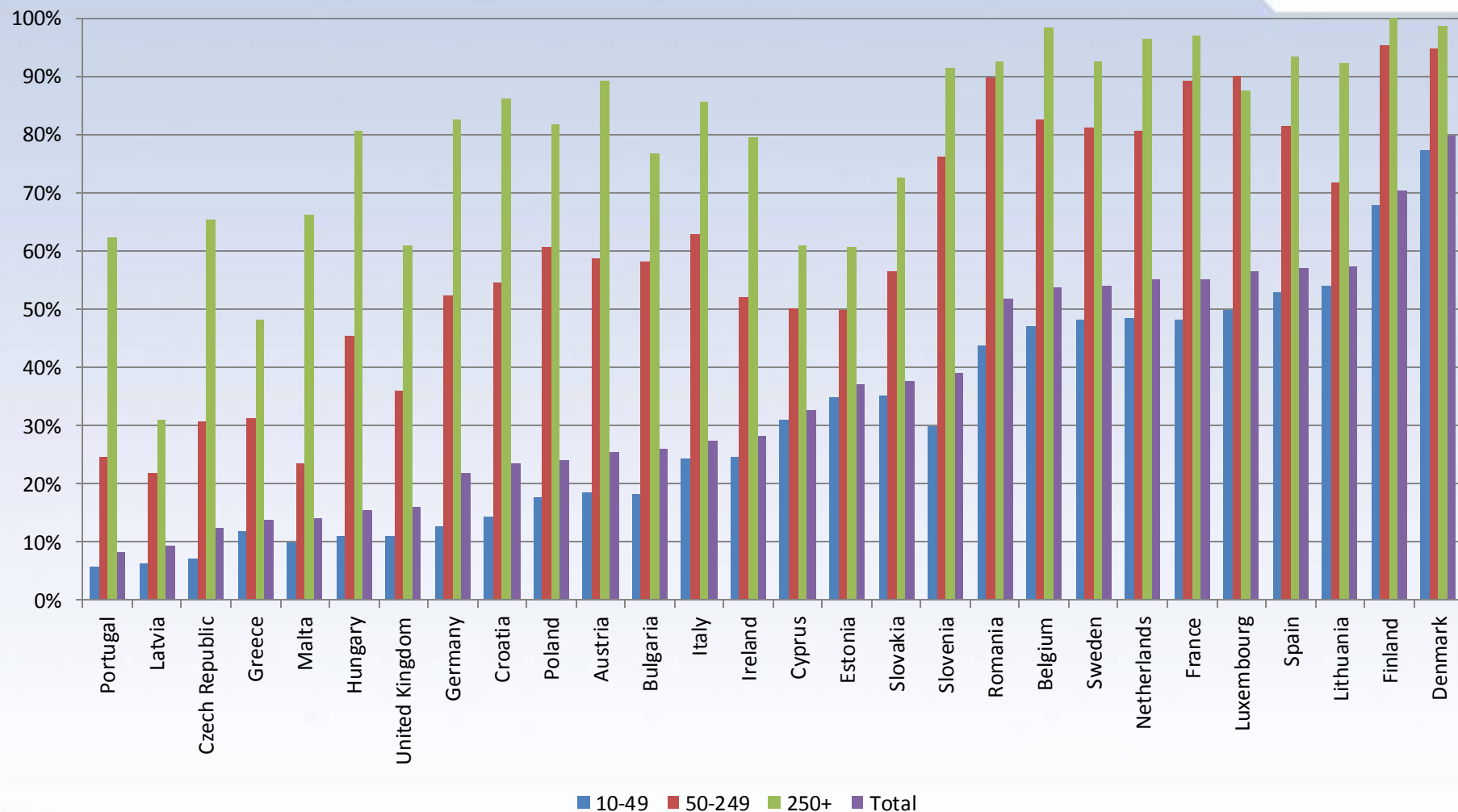
(<http://www.eurofound.europa.eu/surveys/availability/index.htm>)

Regulation of employment relationship through social dialogue

- Social dialogue: Discussions, consultations, negotiations and joint actions involving representatives of employers and workers
- A process by which parties can resolve uncertainties and differences arising from open-ended nature of the employment contract



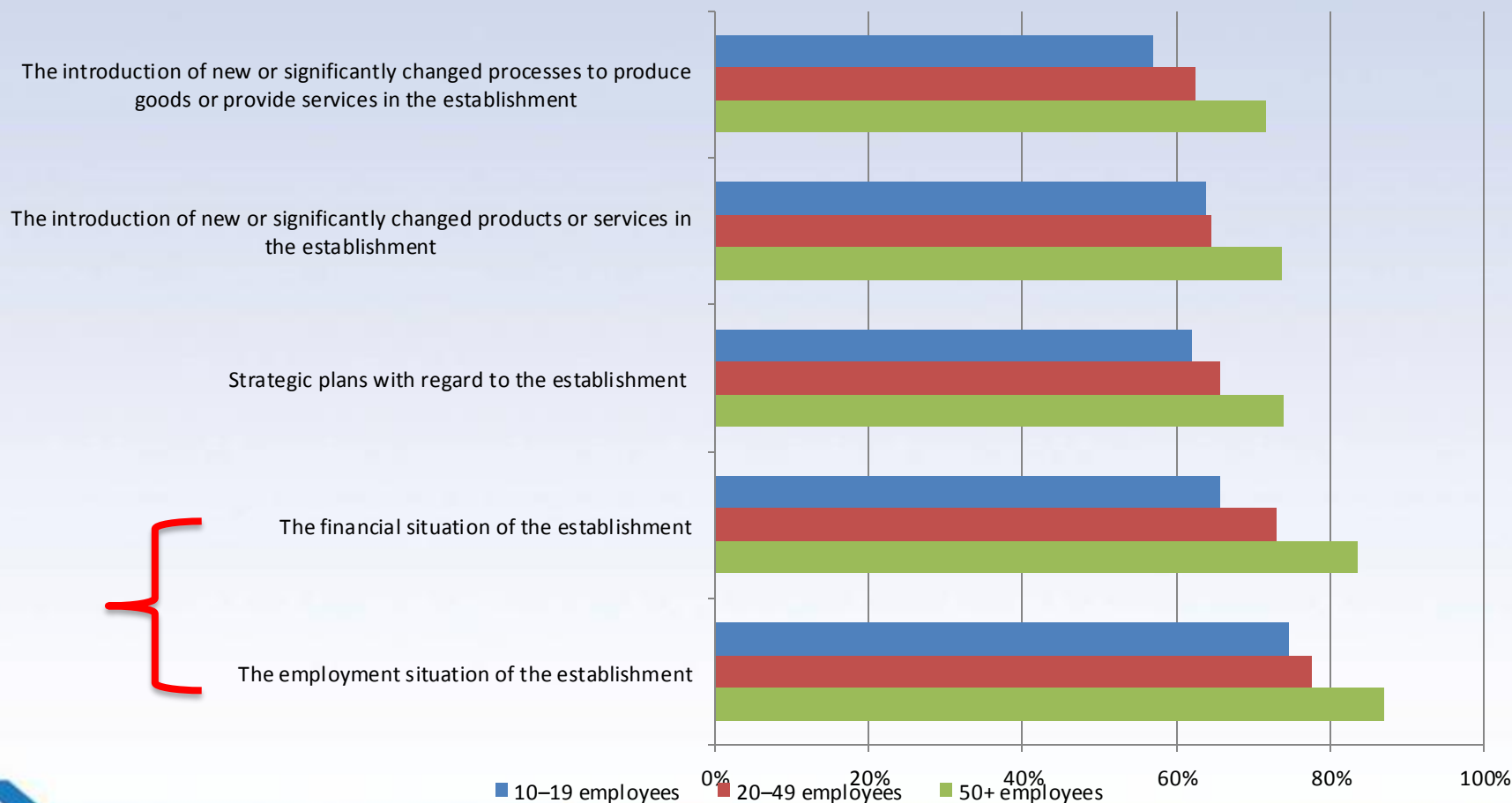
Key findings: Employee representative structures in European establishments





Eurofound

Information provided by management, according to employee representatives



Quality of information

- 78% of ER have received info in both good time & it was of good quality
- Size: the smaller the better!



Collective Bargaining

Managers' interviews:

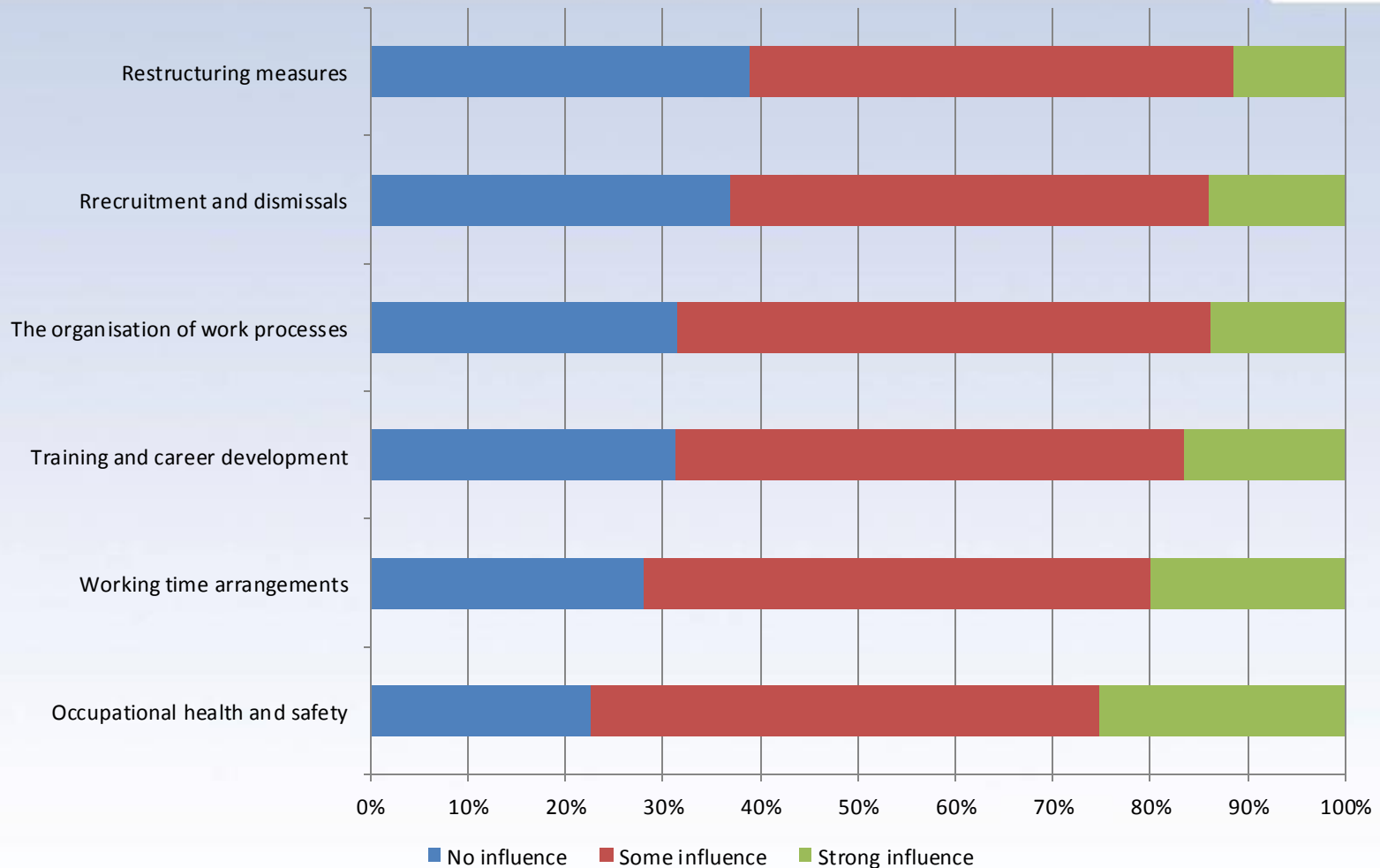
- 67% report that employees covered by one or more collective agreements
- 27% report that a CA on wages was negotiated at establishment or company level
- 29% report coverage by a sectoral/regional CA
- 21% report coverage by a cross-sector CA
- 20% report coverage by an occupation CA





Eurofound

Influence of the employee representation on major decisions on different topics



Outcomes

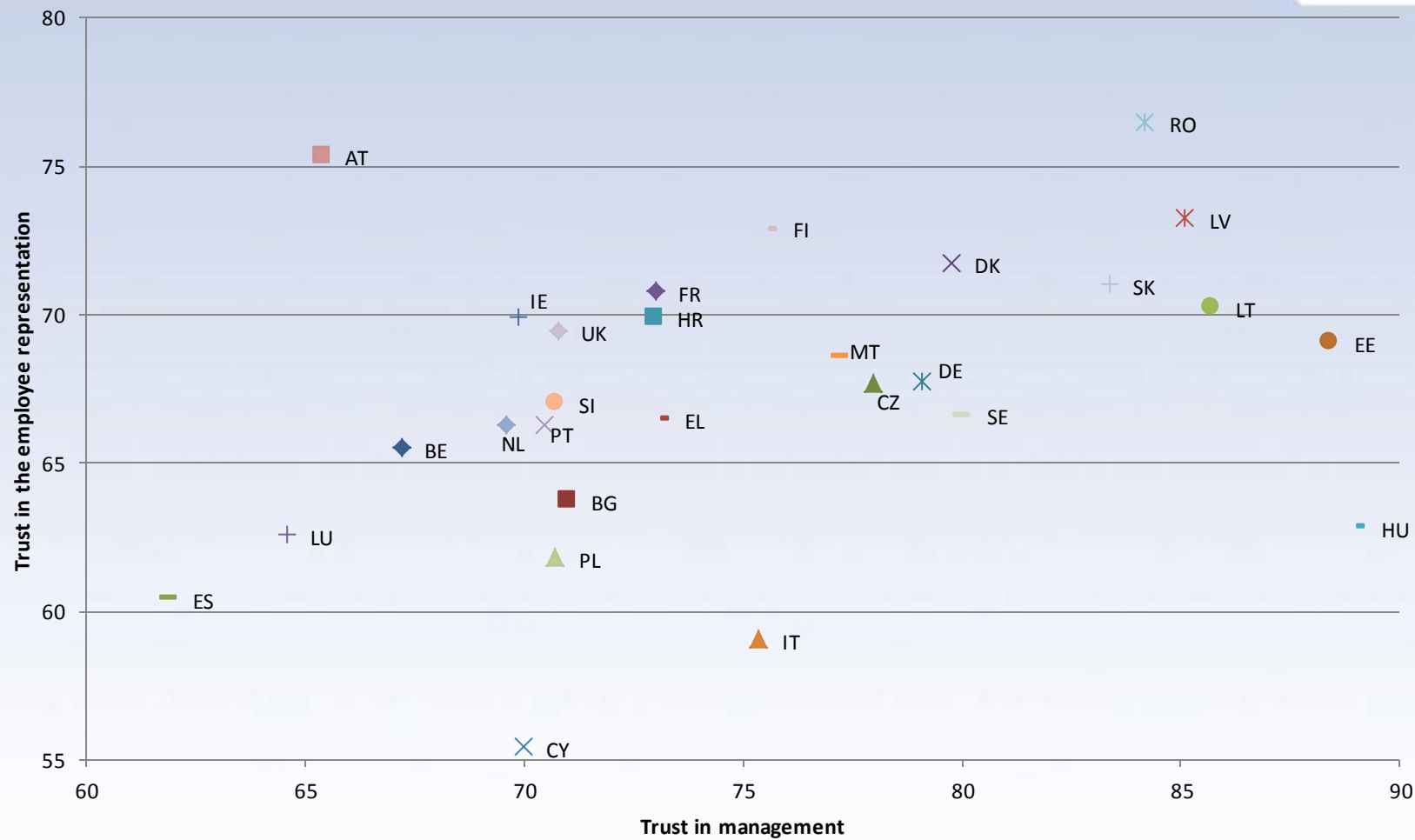
- Trust
- Work climate
- Industrial action



Eurofound



Trust



Key findings

Work climate

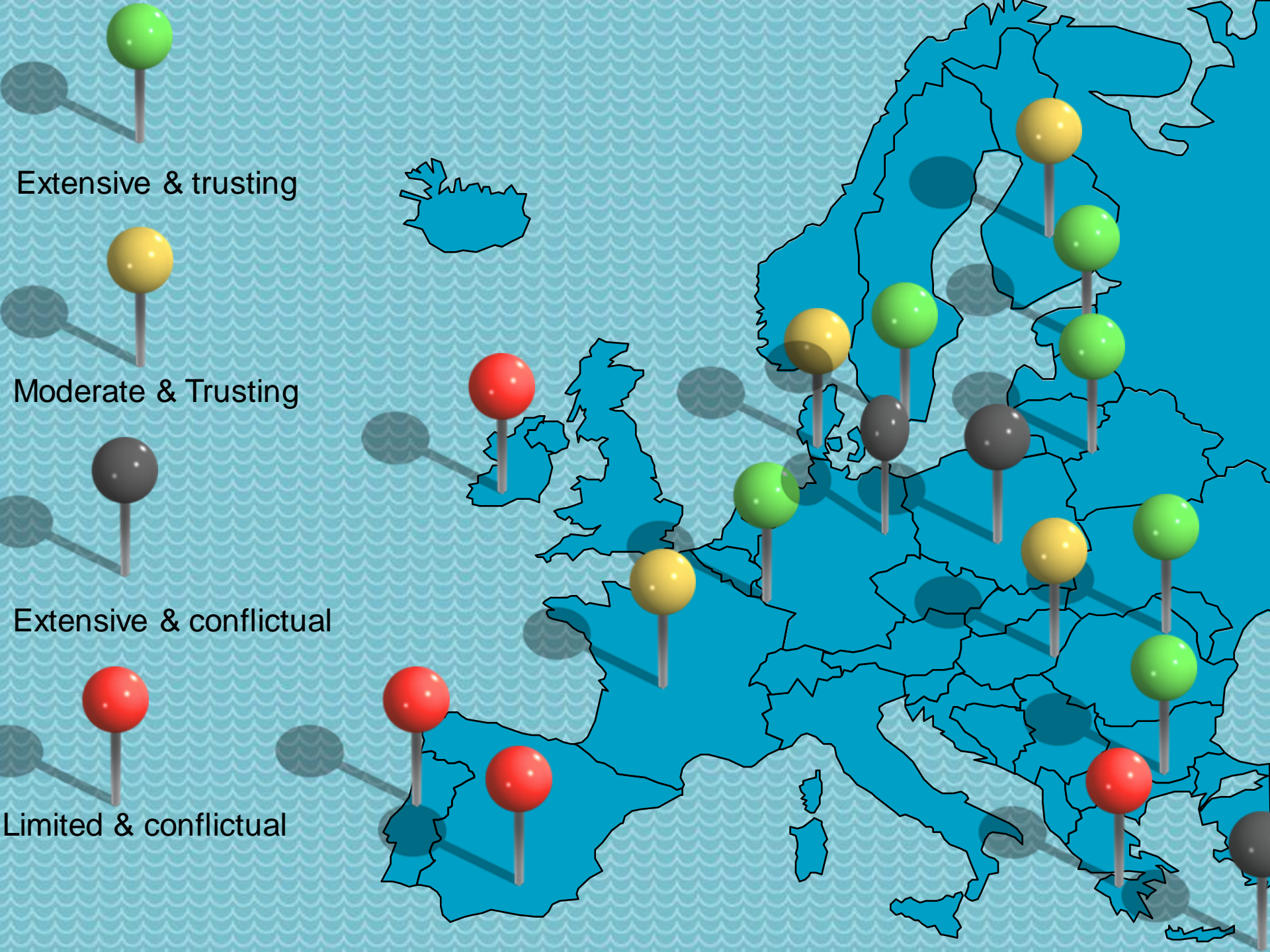
- Good or very good: 84% of managers, 67% ER
- Size matters: management & ER more likely to both report good climate in small establishments (62%) than in large and medium (both 50%)
- Country differences:
 - ▶ Good climate >80% establishments in BG, RO
 - ▶ Good climate <50% PT, FR, H, UK, ES
- Climate change in the last 3 years
 - ▶ Managers: 31% improved, 13% worsened
 - ▶ ER: 24% improved, 26% worsened
 - ▶ Crisis countries data show deterioration of climate

Key findings

Industrial action

- Industrial action is not a strong feature of our times
- 16% ER report some action
- Reasons? General industrial or social conflicts (and not establishment-specific)
- More prevalent in large (28%) rather than in medium (19%) or small establishments(13%) – Crisis countries..
- Most affected sector: Industry





Extensive & trusting

Moderate & Trusting

Extensive & conflictual

Limited & conflictual



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Surveys:

European Company Surveys (ECS)

[ECS Homepage](#)[ECS 2013](#)[ECS 2009](#)[ECS 2004](#)+ [European Quality of Life Surveys \(EQLS\)](#)+ [European Working Conditions Surveys](#)+ [Survey Mapping Tool](#)[International collaboration](#)[Methodology](#)[Quality assurance](#)[Data availability](#)[Schedule](#)

European Company Survey 2013

Available languages:

en	bg	cs	da	de	el	es	et	fi	fr	ga	hr	hu	it	lt	lv	mk	mt	nl
pl	pt	ro	sk	sl	sv	tr												



as well as how they are discussed and negotiated at workplace level as well as some of their outcomes.

European companies play a crucial role in getting out of the crisis and in reaching the goals of the European 2020 strategy for sustainable, inclusive and smart growth. The main focus of the third European Company Survey was on work organisation, HR practices, employee participation and social dialogue. The survey, carried out from in the spring of 2013, maps a number of practices used in European workplaces,

2013 survey

- [Download the résumé](#)
- [Press release, 26 November 2013](#)
- [Explore the data in the Survey Mapping Tool](#)
- [Learn more about the methodology](#)
- [Presentations at launch event](#)

Third European Company Survey (ECS) promotion v...



3rd ECS Fieldwork



www.eurofound.europa.eu



Case studies

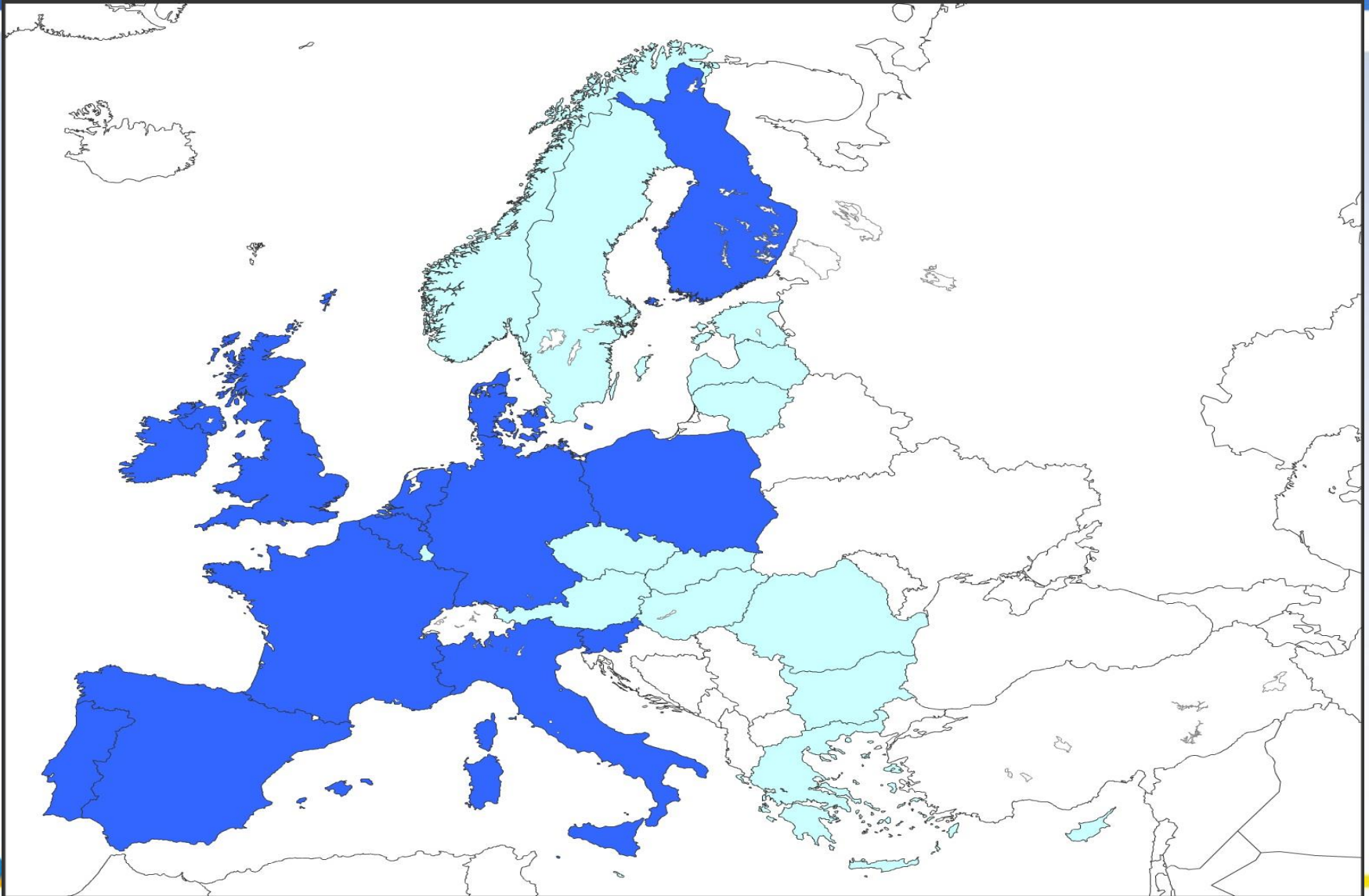
JOINT REGULATION OF WORK AT COMPANY LEVEL





Eurofound

16 case studies in different EU countries



Case studies: 16 organisations – 13 countries

Nottingham Hospital
UK

Care house
Finland

Radiometer
Denmark

Abbott, Kirchhoff,
Medtronics, Saica
Ireland

Rabobank
Netherlands

Bombardier
Belgium

Lufthansa
Germany

Favi
France

Elica
Italy

Kellogg's
Spain

ROFF
Portugal

Volkswagen
Poland

Retail group
Slovenia



- Product/service
- Production processes
- **New forms of organisation**
- New market strategy/alliances
- Social innovation



Workplace innovations



Introducing innovation in work organisation, which way?

Vision, strategy

Management team



Workplace innovation



**Mutual benefits
WIN - WIN**



Workforce

Experience,
practical knowledge
Ideas!



Voice, participation

- Changes in work organisation: Kirchhoff, Medtronic, Saica (IE), Lufthansa (PL), Bombardier (B)
- Issues in common: Serious performance issues around quality, price
- All MNCs, manufacturing sector
- Presence of active employee representation bodies



How are changes introduced?

- Joint working groups or works improvement committees
- Works councils or trade union involvement
- Parallel representation structures to those of CB
- Direct participation of employees (implementation stage)
- Collective bargaining had a primary role to play
- Solving individual grievances



- Increased job satisfaction and overall improved employee motivation
- Better working conditions and better quality of working life
- Pay
- Training & multiskilling
- *Some* evidence of increased job strain



Something for something or win-win?

- Method of implementation
- Management commitment
- Communication
- Work climate
- TRUST!