



Eurofound



EUROPE AT WORK

Better life and opportunities for all

FOUR-YEAR WORK PROGRAMME
2009–2012

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FOREWORD

Eurofound provides knowledge and expertise to support policies on improving living and working conditions in Europe. It primarily serves trade unions, employers' confederations, national governments and European institutions in their efforts to promote quality of work and life. It supports these important actors in their anticipation and management of change and in the development of sustainable competitiveness, social inclusion, social dialogue and partnership.

The four-year work programme 2009–2012 is designed to produce comparative analyses and forward-looking studies on the impact of the key drivers of change – globalisation, technological innovation, demographic trends and climate change – on living and working conditions in Europe. The programme aims to identify practical approaches and best practices to directing change successfully as Europe moves towards the post-Lisbon era.

The results of the EU-wide comparative surveys, the work of the observatories, systematic research and qualitative studies will be communicated in a responsive and effective way to our key information users: the employers' organisations and trade unions at EU and national levels, Member State governments and European institutions – particularly the European Commission and the European Parliament.

EXECUTIVE SUMMARY

Eurofound's research and communication activities during the period 2009–2012 will be closely linked to

European policy responses to the major drivers of change, analysing and anticipating their impact on living and working conditions.

Eurofound will use its expertise in working conditions, industrial relations, living conditions and anticipation and management of change, and will continue research in these areas. The 2009–2012 research and communication activities are grouped into three broad focus areas:

1. employment growth and demand and supply of labour in changing labour markets
2. more and better jobs and higher productivity through partnership
3. promotion of social inclusion and sustainable social protection

Eurofound employs a wide range of methods to deliver research findings to support the policy debate. The results of Eurofound's EU-wide comparative surveys, statistical analyses and qualitative studies will continue to be communicated in a timely manner to the social policy actors. Through its tailored communication initiatives, Eurofound aims to meet the specific information needs of its key information users, introducing more ad hoc and customised research in response to emerging issues. Greater internal efficiency and added-value generation will be developed during this period, built on activity-based planning, performance monitoring and work process development.

MAIN AREAS OF EXPERTISE	RESEARCH FOCUS AREAS
Anticipation and management of change (EMCC) (around 80%)	Employment growth and demand and supply of labour in changing labour markets
Transversal (20%)	
Industrial relations and working conditions (around 80%)	More and better jobs and higher productivity through partnership
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Living conditions (around 80%)	Promotion of social inclusion and sustainable social protection
Transversal (20%)	

ROLE AND CONTRIBUTION OF EUROFOUND

EUROFOUND'S MISSION AND ROLE

Mission

Eurofound's overall mission is to conduct research to provide independent, relevant and timely information for users of its knowledge, aimed at improving living and working conditions in Europe, in the best spirit of its tripartite and independent nature.¹ Its outputs are directed towards supporting the work of the main actors involved in shaping better living and working conditions (Figure 1). Eurofound operates across the 27 EU Member States and beyond, using a wide range of research and communication methods. This strengthens its capacity

to deliver comparative data and analysis to decision-makers at European and national levels.

Eurofound's information resources include a network of correspondents in all EU Member States. This network provides up-to-date knowledge for the observatories, which identify trends and developments in the areas of quality of work, industrial relations and change management in Europe. The surveys provide unique datasets for comparative analysis of the quality of living and working conditions across all Member States and over time. The knowledge generated by the observatories and surveys is complemented by research studies, focussing on specific aspects of living and working conditions, industrial relations

and structural changes. The research looks at solutions to problems and at good practices. This evidence-based research and the effective communication of its results are the core of Eurofound's added value.

Adapting to a changing Europe

The four-year programme is likely to be implemented in a time of profound social, institutional and economic change, when a post-Lisbon strategy is being formulated. Eurofound will need to adapt to these changes and meet new information needs in a flexible and responsive way. Its work is characterised by a uniquely multi-dimensional perspective: workers and employers; providers and users; local authorities and civil society. Eurofound must increasingly play a role in providing examples of good practice and experience relevant to those promoting better quality of work and life in companies and local communities, at local and regional as well as at Member State and EU level.

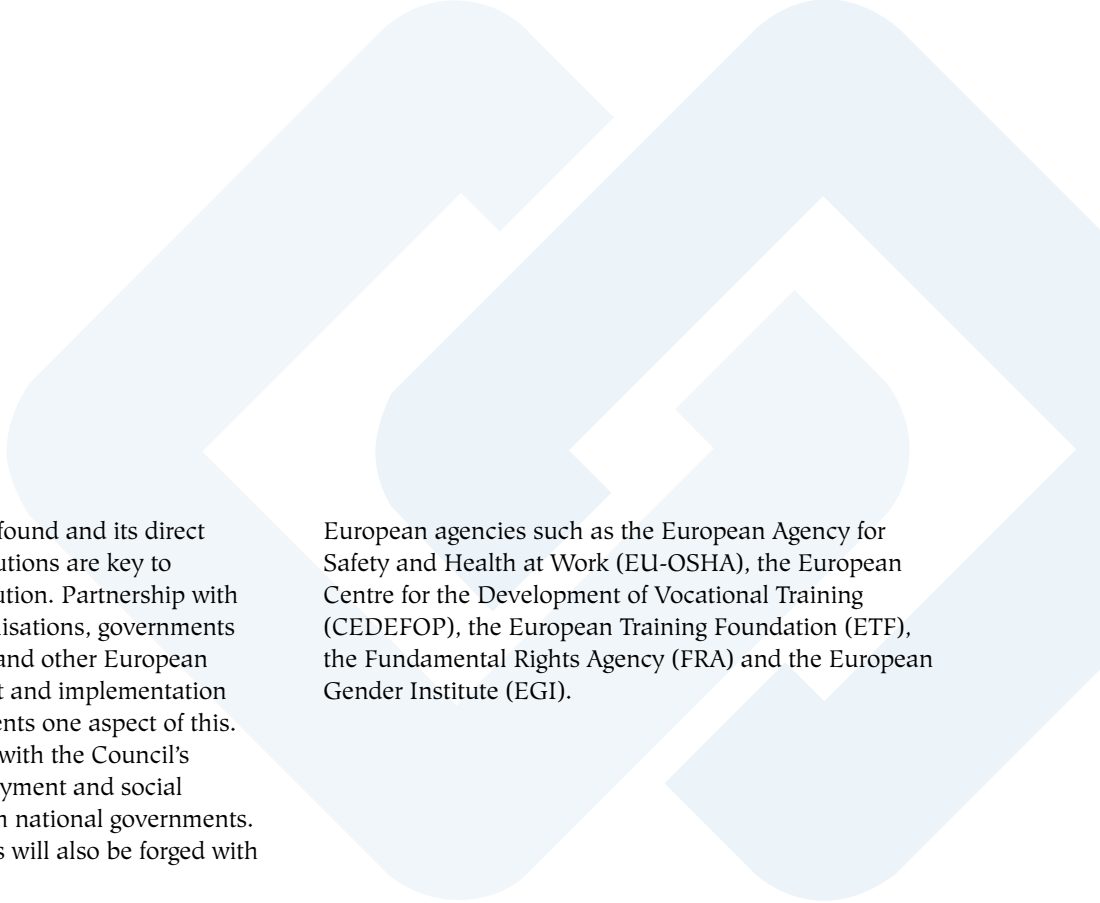
Partnerships and cooperation

Eurofound will build on its existing cooperation network with other European institutions such as Eurostat and international organisations like OECD, ILO, and IMF to make use of their specific expertise. Eurofound will avoid duplicating the research, reports and activities of other organisations but will work together in both research and communication activities.

Figure 1: Users of Eurofound's information



¹ Eurofound Governing Board, *Work programme 2007*, GB76/4, adopted on 13/10/2006 (pp. 2–3)



The tripartite structure of Eurofound and its direct relationship with the EU institutions are key to Eurofound's particular contribution. Partnership with trade unions, employers' organisations, governments and the European Parliament and other European institutions in the development and implementation of the work programme represents one aspect of this. Cooperation will be expanded with the Council's standing committees for employment and social protection, in co-operation with national governments. Further collaborative initiatives will also be forged with

European agencies such as the European Agency for Safety and Health at Work (EU-OSHA), the European Centre for the Development of Vocational Training (CEDEFOP), the European Training Foundation (ETF), the Fundamental Rights Agency (FRA) and the European Gender Institute (EGI).

OBJECTIVES 2009–2012

Specific objectives for 2009–2012, based on its mandate and derived from the longer-term strategic goals, will shape Eurofound's work. The achievement of these objectives will be monitored on the basis of a set of performance indicators.

- **Be a reliable source of high-quality information and identify emerging issues for research and debate**

Eurofound will continue to improve its independent, authoritative, unbiased, high-quality scientific research results through continuously seeking improvement based on professional quality standards, applied to its methodology, processes and outputs. Looking forward, anticipating and taking up emerging topics and developing new concepts and innovative methodologies will form an integral part of this process.

- **Strengthen the tripartite character and stakeholder relationships of Eurofound's activities**

A unique characteristic of Eurofound is its multi-stakeholder Governing Board and Advisory Committees, whose potential will be used in various ways. Eurofound will continue to respond in a timely, innovative and relevant way to the needs of social partners, governments, the Commission. Eurofound will also improve the stakeholders' input by covering each major activity by a specific Advisory Committee whose task is to give its opinion on issues for research including comparative analytical reports (CARs); to evaluate all major research reports before publication, to give advice on follow-up activities, and on the work of the related observatories. The impact of Eurofound's research results and activities lies in supporting the policy debate at European and national levels.

EUROPEAN AND GLOBAL CONTEXT

Eurofound's 2009–2012 programme is framed by many global and European issues, not least the interplay of current demographic developments, new technologies, the dynamics of a global market and the goal of a European low-emissions economy. These are the main drivers of change in Europe as highlighted in the renewed social agenda of the European Commission² and the joint analysis of labour markets by the social partners.³ After several years of economic growth the business cycle has turned and is accompanied this time by an unusually strong financial crisis, which is likely to have an impact on the life and work of Europeans in the coming years. The main policy challenge for the improvement of living and working conditions, and for the sustainability of the European social model, is to harness the benefits of the main drivers and to mitigate their negative consequences.

The four main drivers of change are outlined below.

GLOBALISATION

Europe, in general, benefits from the liberalisation of world markets as the world's largest exporter. Therefore, responding to the challenges of globalisation remains at the heart of the EU's policy agenda: enhancing the role of a new sustainable industrial policy supported by sector-specific strategies; building on the EU's comprehensive agenda for external competitiveness; looking at opening markets around the world; and tackling new barriers to trade and investment. At the same time, Eurofound will remain alert to negative consequences of globalisation.

Flexicurity will continue to be an important strategy for labour market policies in general, and for the promotion of 'active inclusion' in particular, in order to address the issues around labour market adjustment. The focus of the Employment Guidelines on skills and lifelong learning, and matching labour markets needs is particularly relevant for reaping the benefits of structural change.

Structural change may also become more far reaching and faster and is likely to affect new groups of workers and a wider, less predictable range of sectors. There is a broad consensus that Europe's competitive advantage is no longer in labour-intensive manufactured products: the 2007 joint analysis of the social partners on labour markets emphasises productivity and innovation as the key elements in Europe's competitiveness.⁴

TECHNOLOGICAL INNOVATION

Technology-based innovation in products and in the organisation of work is increasingly seen as key to European competitiveness and employment. New enabling technologies, through their impact on work organisation, have wide-ranging effects on working conditions and industrial relations. Digitalisation brings many service tasks into the global trading arena for the first time. As the service sector accounts for roughly 70% of employment in the European Union,

the potential labour market adjustment to structural change in this sector could be enormous, with considerable consequences for skill requirements. New ICT-based services will potentially offer easier access and better quality of work and life for all, including disadvantaged groups; however, not all citizens live in a digitalised post-industrial society.

DEMOGRAPHIC DEVELOPMENTS

The major demographic trends in Europe are increased life expectancy and declining fertility, resulting in a larger share of older people in the population. Old age dependency may change, from the current ratio of one person aged 65 to more than four people of working age, to a new ratio of one older person to two people of working age. At present, EU Member States spend on average 27% of GDP on social protection; with the ageing of the population this is projected to increase to 31% by 2030, likely to be financed through tax increases.

² European Commission, *Renewed social agenda: Opportunities, access and solidarity in 21st century Europe*, COM (2008) 412 final, Brussels, 2008 (p. 5)

³ BusinessEurope, CEEP, ETUC and UEAPME, *Key challenges facing European labour markets: A joint analysis of European social partners*, 2007 (p. 6)

⁴ BusinessEurope, CEEP, ETUC and UEAPME, *Key challenges facing European labour markets: A joint analysis of European social partners*, 2007 (p. 6)



In principle, the policy response is obvious: increase the productivity of those in the labour force and increase the labour force participation of all groups, while promoting the health of the older population. Migration and mobility may ease the demographic problem in some economies but could create additional challenges for other Member States which may experience the effects of a sustained 'brain drain'.

CLIMATE CHANGE

In the context of climate change, Europe is committed to taking the lead in promoting a low-carbon economy. Related to this is the issue of securing access to energy resources, of which Europe needs to import more than half. This is expected to drive structural change towards more environment friendly and innovative activities, products and services by European companies. The development of 'green jobs' will require new competencies and qualifications. European environmental standards may become the reference

point, thus creating a sector that generates major growth and jobs. At the same time, climate change will increase the cost of energy and generate risks. The promotion of low-carbon activities will impact adversely on business resilience and employment in some sectors. Restrictive environmental targets could see European business lose out to global competitors, potentially leading to an outflow of production and jobs away from Europe. Moreover, the challenge of reducing transport-related CO₂ emissions may lead to an adaptation of work organisation and working conditions. At individual level, there is a risk that the already vulnerable, such as the poor and elderly, will be most adversely affected. Eurofound will focus its research on the role of social partners in this respect and on the consequences for employment, working and living conditions. Key attention will be given to collective agreements and initiatives of social partners related to climate change, how they are addressed on national, regional and company level.

RESEARCH FOCUS AND TOPICS

The changes in society and the economy described in the previous section present a wide range of challenges and implications for the quality of work and life in Europe.

Eurofound's work involves exploring, measuring and analysing the positive and negative impacts of the drivers of change on living and working conditions. Based on this, the role of policies and measures for improving daily life in the workplace and community will be considered, looking first at the role of social partners and governments.

The focus of Eurofound's work will be to identify knowledge gaps and information needs, which can be met through empirical research.

The 2009–2012 programme will continue research in Eurofound's core areas of expertise: working conditions, industrial relations, living conditions and anticipation and management of change. The research in these areas is grouped into three broad areas of focus:

1. **Employment growth and demand and supply of labour in changing labour markets**
2. **More and better jobs and higher productivity through partnership**
3. **Promotion of social inclusion and sustainable social protection**

The particular orientation to be adopted in the first research area is to examine how the EU labour market can withstand the new economic challenges, and to explore the implications on

living and working conditions. There are often trade-offs between economic efficiency and social equity, and Eurofound's research will focus on policies that aim to reconcile these tensions. Special attention will be devoted to the role of social partners as the key actors in the labour market. This research area responds to the specific mission of the European Monitoring Centre of Change⁵ and provides inputs on the impact of the drivers of change to the other research areas.

Quality of work and jobs is at the heart of the European employment and social policy agenda. The inequalities in working conditions between and inside Member States have been a research topic for Eurofound over a long period of time. Eurofound will continue its efforts to regularly provide a general picture of the positive and negative changes in working conditions, while addressing some emerging workplace innovations through its focused studies.

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⁵ Eurofound, *Understanding, anticipating and managing change: Identifying the drivers of change* (conference report), Luxembourg, Office for Official Publications of the European Communities, 2002 (p. 7)

Eurofound's focus will be on the role of social partners, social dialogue and industrial relations at all levels – European, cross-border, national inter-sectoral, sectoral, company – as well as on legislation to achieve sustainable economic growth with more and better jobs and social inclusion. This research area draws upon the longstanding expertise of Eurofound in the area of working conditions and industrial relations.

Employment, inclusion and social protection are cornerstones of the European social model and quality of life in Europe. The main focus of this research area is on promoting good living conditions in a context of social inclusion and intergenerational solidarity. The active involvement of citizens in both workplace and community can contribute to meeting the needs of the present without compromising the ability of future generations to fulfil their needs.

The three research areas facilitate a multi-dimensional approach in monitoring and analysing activities, ranging from a macro perspective to the organisational and individual level.

The following sections firstly identify the specific challenges and opportunities for each of the three areas. Secondly, they present Eurofound's orientation for research and communication activities in each area. Finally, they propose topics for further elaboration in Eurofound's annual work programmes. Proposals for projects will be presented in a balanced and selective way in the annual work programmes, exploring the topics over the course of the four-year period.

EMPLOYMENT GROWTH AND DEMAND AND SUPPLY OF LABOUR IN CHANGING LABOUR MARKETS

Challenges

The overarching challenge is to ensure that the labour market adjustment to the structural change associated with globalisation, new technologies, demographic developments and climate

change occurs in such a way that, on the one hand, it allows an efficient reallocation of labour to competitive activities and, on the other hand, that it leads to the improvement of working and living conditions.

In one vital respect, the challenges of globalisation and new technologies are similar. Both lead to an increased demand for labour with new and upgraded skills. Challenges to the economy and labour market from other countries (such as Brazil, Russia, India and China) are likely to appear in high-skill as well as low-skill sectors. The same forces that drive globalisation throughout the world also impact upon the flows of labour and capital within the enlarged European Union. This may pose some challenges to social cohesion in the short term but it is conceivable that it will also lead to some convergence in productivity and standards of living, as investment and jobs continue to move to the newer EU Member States and labour migrates to the older Member States.

The challenge brought about by demographic changes is how to maintain living standards as the proportion of people of working age declines. This can be met by increasing the productivity of the current labour force and by increasing labour supply. The three means of increasing labour supply are: raising the participation rates of underrepresented groups (ageing workers, women, people with disabilities and migrants); prolonging working life; and immigration (for some period of time but maybe not in the long run). As no single option will suffice, this poses many challenges, particularly in the field of active labour market policy and social security.

While both globalisation and new technologies can create new jobs, it must be emphasised that changing demographics and climate change can also provide the opportunity for job creation. The challenge is to harness this potential.

Orientation and topics

With the ever-increasing pace of structural change, it is important that policymakers and the social partners are

able to act quickly. This requires a good understanding of current developments, with a view to proactively facing the challenges of the future.

The key instrument for collecting information about labour market developments is the European Monitoring Centre on Change (EMCC). The European Employment Trends (EET) monitor, as developed in 2007 and 2008, will be used to analyse changes in the quantity and quality of jobs throughout Europe. The following topics will be the focus of Eurofound's work over the four-year period. The research will provide data and analysis, making use of national public and business information sources.

Labour market adjustment to structural change

The central issue of this research area is the chief labour market goal of the Lisbon Agenda, namely 'more and better jobs'. Analysis of the impact of the drivers of change on the quantity and quality of jobs will be conducted. To fulfil the mission of the European Monitoring Centre on Change, the analysis of sectors to anticipate the labour market impact of structural change will be continued and a cross-sectional dimension will be included.

Flexicurity

Flexicurity is envisaged by the European Commission and the Council as a means to adjust the European labour markets to the challenges of globalisation; they have invited the Member States and social partners to implement it at national level.⁶

Eurofound has already conducted much research on flexicurity, including comparisons of flexicurity approaches in European countries, with special emphasis on the life-course perspective and the involvement of the social partners. It is intended in Eurofound's 2009–2012 programme to build upon this earlier work. The primary focus of flexicurity is on employment security, as opposed to job security, and to enhance the opportunities for workers to make successful labour market transitions with social protection systems that minimise the hardship often associated with such adjustment processes.

⁶ European Commission, *Towards common principles of flexicurity: More and better jobs through flexibility and security*, COM (2007) 359 final, Brussels, 2007

Among the many topics included in flexicurity are flexible employment, employment security, active labour market policy, labour law and social security. Flexicurity research will be concerned with the interaction of these policies with a view to promoting positive transitions in the labour market. It will also look at different aspects of flexibility and security at workplace level to identify and understand practices. Research will also investigate how EU Member States have implemented the common principles of flexicurity, adopted in 2007, with a view to giving a comprehensive evaluation of this new policy instrument.

Addressing labour shortages

To tackle labour and skills shortages is one of the key elements of the European Employment Strategy. In this context, Eurofound will look at specific topics, including measures to increase the labour force participation of all groups in which participation is currently low, such as the long-term unemployed, older workers, women, young people, foreign-born residents, Roma, low-skilled workers and people with disabilities. The critical question with regards to the skills spectrum of the labour force is to match existing and future skills with new demands. The potential of migration from outside of the EU to address skill shortages as well as the ageing problem, and policies to promote the labour market integration of foreign-born residents, will be a priority.

New services and prospects for employment

The single market for services is expected to provide many new job opportunities and improve the competitiveness of European enterprises, and could have some implications for employment and working conditions. Eurofound will carry out research on the impact of the extension of the single market for services on pay, employment, working conditions and the quality of both public and private services in many Member States. The Services Directive has raised issues in respect of working conditions and industrial relations, as well as practical

issues of hindrance, that may need further research. However, this research topic should also include sectors of possible employment growth such as health and care in the light of the ageing of the population.

Mobility of workers

The mobility of workers over national borders in the context of the free movement of workers and free movement of services raises issues that have implications for employment prospects in different labour markets, and the need for supply of labour through immigration. It also may have implications for pay, working conditions, and social security. Eurofound will carry out substantial research on these implications, both from the angle of labour market aspects, as well as for pay, working conditions and social security systems.

MORE AND BETTER JOBS AND HIGHER PRODUCTIVITY THROUGH PARTNERSHIP

Challenges

Quality of work and employment is at the heart of the European social policy agenda. The creation and maintenance of a good working environment is of great importance for workers and for society as a whole, as well as being a key factor in the productivity of workers and a contributor to high levels of competitiveness for companies. Therefore, quality of work is also at the centre of social dialogue, especially at workplace level. Enterprises have to adjust to globalisation and other drivers of change in order to secure their longer-term sustainability, while also improving working conditions and considering workers' needs such as work-life balance and stress management.

The policy response to the demographic challenges emphasises greater labour force participation, a longer working life as well as an increase in productivity. The key messages from the *Employment*

in Europe 2007 report by the European Commission⁷ confirm this analysis and call for a new comprehensive active ageing strategy focusing on facilitating transitions over the life-course, a longer working life and increasing the labour market integration of all age groups. This has increasing relevance for reconciling work with family and care commitments as well as for lifelong learning and health promotion. The mobility and migration of workers also calls for rethinking human resources policies, and addressing diversity and cultural challenges.

Information and communication technologies increase networking across borders and underpin globalised production and value-adding chains with complex divisions of labour and work phases. Theory suggests that productivity increases with technological innovation.

Greater focus on sustainable 'low-carbon workplaces' and the proposed carbon trading schemes could lead to companies relocating their operations to different countries and continents, with subsequent implications for employment levels and organisation of work in Europe. Equally, it is expected that green industries as well as greening of industries will become an important source of employment creation in the coming years.

All the above challenges, along with the changes in the nature and organisation of work, will have an impact on industrial relations systems and working conditions. A coherent European and national legislative framework and strong social dialogue at all levels are vital instruments in addressing the challenges. These instruments will be studied to identify options for improvement of their effectiveness and impact.

Orientation and topics

Changes in the workforce and in the way people work have altered the ways in which individual and collective interests are likely to be pursued or to be lined up in future labour market and employment relationships. Today, a wide diversity of employment relationships and work practices and institutions exist. A central

⁷ European Commission, *Employment in Europe 2007*, 2007

task of Eurofound's research in this area is to identify, analyse and understand these diverse elements. It is important also to be forward-looking and make projections of implications and benefits.

The inequalities in working conditions between and inside Member States have been a research topic for Eurofound over a long period of time. Similarly, Eurofound has collected valuable information on developments in industrial relations both in the EU Member States and in a wider, global comparative context. Based on this information resource, the main dimensions of this research area will be the evolving working conditions, and social dialogue and industrial relations. The approach is to look primarily at the workplace level and different organisational levels that have an impact on these phenomena. Eurofound's focus will be on the role of social partners and dialogue at all levels – European, cross-border, national intersectoral, sectoral, company – as well as on legislation. It will specifically look into the following: institutions and organisations shaping the employment relationship; successful practices creating a work environment conducive to innovation and high productivity; investing in people and knowledge; worker participation; social dialogue; and working conditions and work-life balance.

Eurofound will make use of the capacity of its existing tools, such as the European Industrial Relations Observatory (EIRO), the European Working Conditions Observatory (EWCO), the European Monitoring Centre of Change (EMCC), and the working conditions and company surveys as well as research on the following topics.

Working conditions

Constituting one of the pillars of Eurofound's work, working conditions will continue to be a major research topic. Eurofound will explore working conditions issues that are high on the agenda of its stakeholders, such as: working conditions and sustainable productivity; precarious groups; working conditions and older workers; work-life



balance; work organisation; absenteeism; violence and harassment; stress at work, working time and the consequences for working conditions. Developments in the new Member States will be analysed.

● Exploring measures in addressing inequalities in working conditions

Eurofound will identify those measures that have contributed to an improvement of working conditions, while responding successfully to economic, technological and social challenges.

Eurofound will also continue to undertake research on the group of workers who have major problems with different aspects of working conditions. Research will be aimed not only at assessing and describing the volume of these phenomena, but also at trying to identify effective practices, such as patterns, reasons for successes, and explanations for failures, which may be useful for

informed decisions at various levels. Research will maintain a comparative perspective and look at practices in various Member States.

● Social dialogue and working conditions

Another aspect that needs further research is that of the relationship between working conditions and social dialogue, i.e. the influence of social partners and their collective bargaining. The links between social dialogue and certain aspects of working conditions (i.e. health and safety, work organisation, workers' participation, wages, stress, violence and harassment etc.) will be analysed with a view to identifying good practices and factors of success. Results from the European working conditions and company surveys will be of importance in this research.

● Gender, work and employment conditions

The research on gender differences in pay and working conditions, different career choices of men and women and managing work-life balance will be continued. Particular attention will be paid to solutions agreed by the social partners at company, sectoral, national and European levels. Policies and social agreements that work effectively will be identified.

Industrial relations and organisation of work

● Social dialogue and developments in European and national industrial relations systems

Social dialogue is an important element of the European social model. Social partners have a key role in connecting the European and national level, by transposing European policies and legislation into the national context, and particularly, into their collective bargaining. The contribution of the social partners is considered an important element for the achievement of the Lisbon objectives. The developments in national industrial relations and in European social dialogue therefore are of keen interest for Eurofound.

Eurofound's research focus will be on the role of social partners and dialogue at all levels. Among the issues to be studied are: cross-border cooperation, developments in collective bargaining at different levels, European works councils, the European Company Statute, information and consultation following the European directive 89/391; 94/95/EC and 2002/14/EC, evolution of the inter-professional and sectoral social dialogue, European and international framework agreements and representativeness studies of Social Partner organisations. Eurofound will look at practices at company level in various Member States, which may be useful for trade unions, employer organisations and governments when making informed decisions regarding policies to be adopted at various levels.

The European Industrial Relations Observatory (EIRO) will continue to gather information about national developments in order to regularly provide a general overview of industrial relations in the EU.

● Organisation of work, productivity and social innovations

Organisational innovations and social innovations play a crucial role in maintaining and improving competitiveness and growth. The research will seek to answer questions such as the following:

- What kind of organisational innovations are required in companies in response to the challenges of globalisation and what is their impact on the quality and productivity of work?
- What are the emerging types of organisation of work (for example, mobile work, call centres, telework and home work) and what are the views of workers and employers on these?
- What kind of industrial relations or participation will contribute effectively to the success and productivity of new production models and what are the implications for the traditional industrial relations system?
- What are the effects of new developments in pay systems (such as bonus systems, premiums,

shares linked with evaluations and assessments) on productivity, workers' satisfaction? Do they work effectively? What are the social benefits and disadvantages?

● New forms of corporate ownership and governance

This is a new topic of research for Eurofound and one in which there is as yet very little research elsewhere. Developments in financial markets and their increasingly global nature have given rise to new forms of corporate ownership, governance, partnerships and company networks. There is a need to examine the implications of these developments for industrial relations, employment levels, human resource policies, working conditions, and for social dialogue.

● Industrial relations and sustainability

All over Europe and in the global economy, attention is paid to organising production and economy in fair conditions, and to promoting decent work and environmental protection. European governments and initiatives of social partners play a vital role in the development and implementation of environmentally sustainable enterprises.

Eurofound will analyse practices at European level, at company level, and at initiatives of social partners in various Member States. An inventory will be made of successful strategies that trade unions, employers' organisations and governments may find useful for making informed decisions regarding policies to be adopted at various levels.

PROMOTION OF SOCIAL INCLUSION AND SUSTAINABLE SOCIAL PROTECTION

Challenges

Access to employment, income security and quality services – the key pillars of 'active inclusion' – play a major role in achieving better social cohesion and a more equitable distribution of life chances in Europe. The need to tackle

social risks, such as unemployment or unwanted economic inactivity, poverty and ill-health, is manifest in an enlarged Europe. For those most disadvantaged in the labour market, equal opportunities should be promoted so that those groups furthest from the labour market are given meaningful chances to work.

The disadvantages and inequalities still present in the EU are widely perceived as socially unjust: 16% of Europe's population is at risk of poverty, including one child in five aged under 15 years; 10% of people live in households in which nobody works; one person in five lives in substandard housing; and most people of working age with long-standing health problems or a disability are outside the labour market.⁸

Globalisation and economic changes underpin a growing movement of the population between countries, including from third countries into Europe. This poses important challenges, particularly around the issues of labour market access or diversity management. Other challenges, in the short and long term, include access to accommodation, social and health services and combating discrimination. Climate change may also have an effect on population movements and resources such as energy and transport.

Growing population mobility offers both opportunities and risks for family life, stretching the capacity of men and women to reconcile work with family relationships and to provide family care. Transitions within the labour market and from work into other spheres of life (learning, caring, or volunteering) are becoming more frequent during the life cycle and require appropriate social policies to ease transitions. Rapid demographic changes focus attention not only on an ageing Europe but on the quality of life for children and young people. Member States have established priorities around sustainable pensions, and also around reducing or eliminating child poverty and developing more child-oriented services.

Demographic change and globalisation are promoting the need to develop a society that is responsive to new developments and to transitions over the life course. This will increase the need for a strengthening and modernisation of the

⁸ Joint report on social protection and social inclusion 2008

statutory social protection system and will reinforce attention to the contribution of the private and voluntary sector and to the social economy in the field of social services.

Population ageing is only one factor in considering the changing health panorama of the population; the challenges for social protection are sharply reflected in the social inequalities associated with health status. The importance of health for access to employment and participation in society is increasingly recognised, with growing attention being given to the importance of mental health and healthy ageing.

Orientation and topics

Social inclusion and sustainable social protection cover a wide and complex set of issues which only partially fall within the competence of Eurofound. Following its mission, Eurofound will address social inclusion and sustainable social protection in the context of working and living conditions only, and will explore and evaluate how policy efforts to greater social cohesion influence the everyday life and living standards of citizens.

Access to jobs has been foremost in the EU policy agenda, and now especially for groups furthest from the labour market. Eurofound's work will strengthen this focus, paying particular attention to women in these disadvantaged groups.

Analysis and reporting will draw upon data from Eurofound's surveys, particularly the European Quality of Life Survey, but also from other EU-wide surveys. Research studies will focus on groups that face special challenges as regards their economic and social integration: migrants, particularly migrant women; elderly people; workers with family responsibilities; and people with disabilities. Research outputs will be timely to contribute to the European Year on Combating Poverty and Social Exclusion in 2010.

Families and working life

Public policies and collective bargaining increasingly seek to be relevant to families and citizens over the life course, but especially during working age. This means

developing family policy measures to support the reconciliation of employment and family life, considering children and also dependent adults and older family members; benefits and care/sabbatical/parental leave; workplace measures for working and caring; social services to support families; childcare services and parenting support; combating poverty in families and among children; and measures for families with children who have disabilities.

Social, economic and cultural integration of migrants

The public and political debate around mobility and migration continues at both European and Member State levels. There is a continuing need to track patterns of exit and return migration and to examine costs and benefits in both countries of origin and arrival.

The search for successful integration strategies calls for more knowledge of the brain drain effects of migration in the country of origin and the impact of return migration. In the country of destination, information is needed on the involvement of migrant workers in workers' representation bodies; intercultural relations in the community; social services for migrant workers and families; employment opportunities and entrepreneurship; and migrants and care work. There is also a need to understand better the social impact of migration in terms of poverty and social exclusion, to assess the relevance of specific social services for those left behind and for commuters and for return migrants, and also to look at the impact on social protection systems.

Quality services in health and social welfare

The organisation and operation of social services occupies a central place in reflections about access to employment, quality of life and the future of Europe's social model. Reform and liberalisation of provision raises questions about impacts on: the quality of services and jobs; increasing user choice; the promotion of quality standards, for example in long-term care; access to affordable and quality services for all,

particularly for people with disabilities; and the role of effective social services in measures for active inclusion and staff development to meet the needs of the most excluded.

Health as a factor for social inclusion

The maintenance and management of health is increasingly recognised as a major issue. Poor health is associated with poverty and exclusion from employment and there is a need to analyse measures to promote a healthy and active (working) population. The scale and disadvantage associated with poor health calls for actions such as: intensified measures for the economic integration of (young) people with health problems or disabilities; promotion of health among workers and measures for reintegration/retention of workers in employment; combating poverty and discrimination associated with ill-health or disability; and addressing social inequalities in health.

Intergenerational solidarity

Many important initiatives to strengthen intergenerational solidarity are already on the policy agenda but demand greater scrutiny and practical demonstration: ensuring sustainable social protection; studying the effects and developments of second-pillar provisions for health and pension; new approaches to career management and employing workers as they age; transitions from work to retirement; active ageing, particularly for social integration of the elderly population; and strengthening intergenerational relationships at work and in the community.

Eurofound will explore to what extent intergenerational solidarity is already established in the various policy areas and in everyday decision-making processes.

RESEARCH METHODS

Eurofound applies research methods designed to answer European policy questions, and to complement other existing European research instruments. The research reflects the needs of Eurofound's main information user groups and includes gathering, describing and analysing empirical data, with a view to documenting and explaining experiences and identifying practices from which lessons can be learned. Eurofound's core activities are based on research methods that provide a suitable foundation for comparative analysis and time series in order to identify development trends both in time and geographical locations. Information and data gathered by Eurofound serve also as input data for further analysis by other research institutions.

Eurofound is committed to improving the quality of its research. Key goals include the improvement of design with respect to relevance and expected impact, improvement of data quality and cost effectiveness, a more holistic and synthesising approach, more forward looking and anticipatory methods. Exploring content linkages and synergies between the various surveys and the possibility of using data from other external surveys are also of importance.

OBSERVATORIES

Eurofound will continue to gather information and document key developments in the areas of quality of work and employment, industrial relations and company restructuring.

The observatories contribute in a variety of ways: by gathering and synthesising data; by comparing and analysing phenomena on a cross-national basis, thus providing a general picture about the state of affairs in Europe as well

as helping to develop new research questions, concepts and interpretations; and in feeding policy debate.

The present three observatories – the European Industrial Relations Observatory (EIRO), the European Working Conditions Observatory (EWCO) and the European Monitoring Centre on Change (EMCC) – provide regular news articles, annual data reports, comparative analytical reports, case studies and other forms of information.

During 2009–2012, the aim is to see greater synergy and possible integration in the coverage of trends and developments affecting quality of work and employment, industrial relations and company restructuring. Access to information via the observatories' dedicated websites will be further improved, building on the existing brand names of EIRO, EWCO and EMCC. A closer relationship between each of the three observatories and their respective advisory committees will be established. Eurofound will continue to

use its network of correspondents in all European countries, and will provide better opportunities for exchange and debate among the network of researchers and correspondents, thus improving the quality of comparative work.

SURVEYS

Representative random sample surveys are a vital source of quantitative data for Eurofound. In view of the very substantial effort (in terms of both budgetary and human resources) involved in conducting European surveys, it is important to ensure that they are executed efficiently. Through the surveys, Eurofound gathers data on populations of relevance for Eurofound (e.g. workers, citizens, households, companies, establishments or others). Their design in terms of questionnaires and methodology reflects Eurofound's role as a European tripartite body with a remit to conduct policy-oriented research in the fields of living and working conditions.



Eurofound will continue to regularly conduct its surveys.

- The fieldwork of the fifth European Working Conditions Survey (EWCS) will be carried out early 2010.
- The third European Quality of Life survey (EQLS) is planned for 2011–2012.
- The third European Company Survey (ECS) will follow in 2012–2013.

It will be important to gather data in such a way as to permit analysis of the results with the requisite degree of definition and resolution (e.g. analysis of a population group within a country, or of a sector of activity within a country), meaning, in particular, that an adequate sample size is achieved; it will also be important that the survey be conducted with appropriate frequency to monitor trends.

Eurofound is committed to increasing coherence both among its own research instruments and between them and surveys or research conducted by other organisations.

Two main actions will be implemented in this respect.

- The first is to ensure, wherever possible and relevant, that issues explored in one survey can be complemented by one or both of the other surveys, from the particular angle of those surveys. For example, quality of work and employment could be looked at from the perspective both of the workers, and that of companies. It may also be viewed in relation to the overall quality of life of European citizens.
- Secondly, it is proposed, to the extent technically meaningful, to build composite indicators on quality of life and quality of work in Europe, using both Eurofound data and other sources.

The Advisory Committees attached to each of the three surveys will play an indispensable role in further improving the quality of the surveys, their design and the dissemination of the results.

STUDIES

Eurofound will continue with **case studies** – both those which are exploratory in nature and those which illustrate good practice. Case studies are not representative of practice in general, but aim to present in-depth information on how a particular policy or practice is implemented and the roles of key actors. Lessons can be learned and both success factors and barriers to success can be identified, maximising relevance for policy.

Eurofound will use **literature reviews** to establish and document the current state of knowledge in a particular field. Other studies may be undertaken, for example in order to prepare **comparative analysis** on a specific topic. Finally, Eurofound will continue to undertake work using the direct input of expert groups. This will be of particular relevance for **anticipatory studies**.

COMMUNICATION

Mandated to foster the exchange of information and experience, Eurofound has a core objective of communicating and disseminating the results of its research to its main target groups. Outputs will be focused and targeted to respect financial constraints and to serve the users better. Shaping information to the needs of Eurofound's target groups will be the key factor.

The primary communication focus for 2009–2012 will be to increase Eurofound's efforts in targeted communication from all research projects to the decision makers in unions, employer organisations and governments at both European and national level. Multilingual executive summaries will be produced for all major research results in order to bring these results actively to all of these decision makers. Targeted policies will be developed to deliver this information in a useful format to the audience and places where debates and decisions are made: to social dialogue committees, national labour councils, etc.

The main tools for achieving this will be as follows.

PUBLICATIONS

Printed publications will be further streamlined, focusing on a number of flagship publications and a wide range of accessible, multilingual summary products. The framing of information to the needs and agenda of key policy actors at national and European level will also continue through the Foundation Findings series, the Foundation Focus and theme-specific resource packs. Eurofound will also augment its capacity for more targeted, customised and ad hoc reports to respond to stakeholder requests.

WEB-BASED PUBLISHING AND COMMUNICATION

The web is Eurofound's primary communication tool. Eurofound will focus on and serve its professional information users in an optimum manner by developing individual user profiles, upgrading its interactive capacity and facilitating information access for its primary users via news feeds.

DEBATE

Building on its existing programme, comprising the biennial Foundation Forum (to be organised in 2009), the Foundation seminar series, the company network seminars and ad hoc fora for policymakers, Eurofound will continue contributing to and facilitating discussions in the fields of working conditions, living conditions, industrial relations and economic restructuring. It will seek relevant new partners and examine new methods to support debate and wide-scale exchange of expertise.

OUTREACH

Efforts on reaching key decision-makers will be strengthened. This means better matching the information product to the specific needs of the key information user. EU-level outreach will be further

developed through the work of the Brussels Liaison Office and its contacts with the institutions and other European-level organisations. The multilingual strategy will be further developed to provide an even larger number of short information and summary documents in all EU languages. Eurofound will become more proactive in ensuring that available language versions reach the intended audience.

MEDIA

Contacts with journalists and media professionals will be extended in all Member States, particularly with the specialised press. A new emphasis will be placed on presenting comparative research results, data and policy pointers from a national perspective in collaboration with the governments and social partner organisations. Eurofound will build on partnerships and cross-European networks in the broadcast media and in online communication.

RESOURCE ALLOCATION

Eurofound is committed to a work organisation where the resources and processes are adapted to achieving the strategic goals while embracing the institutional regulatory framework in which it operates as an autonomous legal entity.

BUDGETARY PERSPECTIVE

The 2009–2012 programme will develop in the context of reduced core funding. The work programme has been adjusted to accommodate that change. Eurofound expects to receive EU grants for activities in candidate and acceding countries and neighbouring countries (Instrument for pre-accession assistance (IPA) and European Neighbourhood Programme (ENP) funds). The programme development will also include the assessment of possibilities to complement its revenue from other sources. Eurofound will work with activity-based budgeting (ABB) and resource management from 2009 onwards.

REVENUE (in thousand €)	2009	2010	2011	2012	Total
General subsidy	19,450	19,830	20,210	20,590	80,080
IPA/ENP (Instrument for pre-accession assistance / European Neighbourhood Programme)	300	300	300	300	1,200
Other grants	0	0	0	0	0
Revenues from other services	310	310	310	310	1,240
TOTAL ESTIMATED REVENUE	20,060 ¹⁾	20,440	20,820	21,200	82,520

EXPENDITURE (in thousand €)	2009	2010	2011	2012	Total
1. Staff (Title 1)	11,030	11,250	11,480	11,700	45,460
2. Buildings, equipment and misc. operating expenditure (Title 2)	1,500	1,530	1,560	1,590	6,180
3. Operating expenditure (Title 3)	7,530	7,660	7,780	7,910	30,880
Observatories	1,850	1,850	1,850	1,850	7,400
Surveys	1,100	1,950	2,150	2,350	7,550
Study Research	1,920	1,530	1,190	1,380	6,020
Communication	2,245	2,070	2,330	2,070	8,715
Governing Board	190	190	190	190	760
Other	225	70	70	70	435
TOTAL ESTIMATED EXPENDITURE	20,060 ¹⁾	20,440	20,820	21,200	82,520

1) The preliminary draft budget 2009 approved by the Governing Board on 28 March 2008 amounted to € 20,600,000 as it still included a grant for the 'Families Observatory' and higher 'Revenues from other services'.

The preliminary budgetary perspective is presented from two points of view: the traditional one with titles (the table above) and an activity-based budget (the table below), which reflects not only the external operational expenditure (title 3) but also the cost for human resources (title 1) and infrastructure (title 2) by activities.

ACTIVITIES (in thousand €)	2009	2010	2011	2012	Total
Observatories & Surveys	4,825	5,710	5,915	6,220	22,670
Employment & Competitiveness	1,560	1,510	1,535	1,630	6,235
Industrial Relations & Workplace Development	2,385	2,250	2,250	2,380	9,265
Living Conditions & Quality of Life	2,240	1,975	1,970	2,100	8,285
Information & Communication	4,700	4,640	4,720	4,370	18,430
Administration & Support	4,350	4,355	4,430	4,500	17,635
TOTAL BUDGET	20,060	20,440	20,820	21,200	82,520

The allocation of external resources (title 3) reflects the following activities:

- the observatories continue with roughly the present volume of activity;
- fieldwork for the surveys takes place in years 2009–2010, 2011 and 2012;
- the volume of research studies varies from year to year, depending in part on the cycle of the surveys;
- communication costs cover a multilingual publishing programme and targeted dissemination.

In the annual work programmes, the allocation of all resources will be presented on the basis of how they are assigned to the three research areas. This activity-based budgeting will give a fully transparent view of resource usage in each of the three research areas.

HUMAN RESOURCES PERSPECTIVE

In line with the financial perspective for 2009–2012, there is no further scope for expansion of staff. As the funds for external contracting are at the same time reduced, the strategy for this period will therefore be to gear staffing resources to those areas of work that directly contribute to the achievement of the strategic goals.

This will include:

- in-house allocation of more tasks to compensate for the reduction of funds for external contracting and development of the existing human resources to perform these tasks;
- re-allocation of posts to higher value-adding tasks as positions become available;

- review of the outsourcing policy – use of fixed-term resources for some value-added analytical tasks if that is more beneficial than through service contracts;
- training of staff to ensure that skills are continuously developed;
- flexible work organisation based on multi-disciplinary transversal project teams;
- partnerships with other organisations for both research and communication

PROCESS PERSPECTIVE

Eurofound's work processes will be further streamlined and simplified where possible in order to improve efficiency and productivity of work.

Information and communication technology (ICT) supports all Eurofound's activities and work organisation. Its new four-year ICT strategic plan directly supports the 2009–2012 objectives. ICT upgrades will enhance the external user functionality of Eurofound's web site and allow access and services based on individual interest profiles. The dedicated knowledge management strategy will be extended, while an electronic document management system will enhance the quality and efficiency of internal document flow, as well as the potential to exploit existing and new research findings. To ensure that its day-to-day operations are aligned with provisions of the Financial Regulations, Eurofound adheres to a set of internal control standards, in line with the Commission's approach.⁹

⁹ European Commission, Revision of the internal control standards and underlying framework – Strengthening control effectiveness, SEC (2007) 1341, Brussels, 2007, (p. 10)

MONITORING AND EVALUATION

Eurofound implements a performance monitoring system with clear targets to be achieved over the planning period. Eurofound's Performance Monitoring System (EPMS) – based on the Balanced Scorecard – collects data linked to Eurofound's objectives on an ongoing basis, and thus provides a continuous flow of performance measurement data, which will be used for timely management purposes.



Eurofound's continuous evaluation programme aims at:

- a proactive, longitudinal evaluation programme
- full alignment with the four-year work programme
- embedded evaluation activities
- generation of data and evidence that supports managerial decision-making

The evaluation programme will be conducted using both the *summative* and *formative* approach, involving *external* evaluation experts and Eurofound staff.



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