Better informed policies for a competitive and fair Europe
FROM CRISIS TO RECOVERY

FOUR-YEAR WORK PROGRAMME 2013–2016

Better informed policies for a competitive and fair Europe
As Eurofound embarks on a new four-year work programme, Europe faces some of its greatest challenges yet. Prospects for economic and social development in Europe and in other parts of the world are increasingly unclear. The impact of the crisis on European integration and the implications for quality of life and work are unknown. And uncertainty surrounds the various measures taken to stem this global economic crisis. What are they and will they be sufficient to pave a realistic exit strategy for Europe over the coming years?

It is in this context that Europe is facing the challenge to find solutions to deliver on its commitment to improving living and working conditions for all within a competitive and fair Europe.

This work programme is Eurofound’s contribution to the process. Drafted against this social and economic background and with these key imperatives to the fore, the priorities of this programme reflect clearly both the immediate challenge of coping with the crisis and the mid-term ambition to achieve progress towards a competitive and fair Europe – and this, of course, with the overall ambition of seeing Europe get ‘back on track’. Building on over 30 years of research and expertise serving Europe’s decision-makers – EU institutions, national governments and social partners – this programme presents the strategic framework for the work of the European Foundation for the Improvement of Living and Working Conditions for the period 2013 to 2016.

Responding to the information needs of those tasked with the important role of developing and implementing policies to improve quality of work and life in Europe in a relevant, timely and accessible manner remains central to Eurofound’s mission. According to the Europe 2020 strategy, Europe has not only the ambition but the tools to emerge stronger from the crisis. Eurofound’s commitment to this ambition and to supporting and developing the necessary tools is unequivocal. It is our sincere belief that this four-year work programme provides us with a solid basis to deliver on this.

Juan Menéndez-Valdés
Director

Stefania Rossi
Chair of the Governing Board
Eurofound staff and members of the Governing Board in June 2012. The Governing Board is made up of representatives of the European Commission and the governments and social partners (employers and trade unions) of EU Member States.
Table of contents

- Foreword
- 1. Policy context
- 2. Eurofound’s mission and vision
- 3. Eurofound’s strategic objective for the 2013–2016 period
- 5. Main activities and operating framework
- 6. Organisational resources
- 7. Performance monitoring and evaluation
The improvement of living and working conditions and their harmonisation has been one of the vital goals of European integration from the outset and is explicitly mentioned as an objective in Article 151 of the Union’s current legal basis, the Treaty on the Functioning of the European Union (TFEU). Progress made since the 1950s, when a group of six European countries first set out on this path, has been impressive within societies and between the Member States.

Recovery must be shaped in a way that brings Europe back on the path of smart, sustainable and inclusive growth, as expressed in the Europe 2020 strategy and outlined in the action plans of its seven flagship initiatives. Europe's social market economy remains part of a rapidly changing global economy. The question is: What policies and reforms will ensure Europe’s future in the emerging global order and prevent a decline while preserving the characteristics and achievements of the European economic and social model?

The immediate challenge for the European Union is a successful exit from the economic crisis. Unemployment has increased by 6.4 million between 2008 and 2011, and even though recovery may have started in some Member States and jobs are being created in some sectors of the economy, growth remains too weak and too uncertain to lead to a sufficient number of jobs. The long-term effects of massive job loss and structural unemployment will persist in many Member States. The most pressing need is to bring more young people into employment. Since the start of the economic crisis, most Member States have experienced a significant increase in youth unemployment. This could lead to serious cost at both the individual and societal level. The situation is unlikely to improve over the next few years.

Job creation represents, therefore, the biggest challenge for improving the living and working conditions of European citizens. Joblessness divides societies, causes social exclusion and widens inequalities. Ensuring growth that leads to job creation and high-quality employment opportunities is key to delivering social cohesion.

Cushioning the effects of the economic downturn and the resultant employment crisis is made more difficult in the face of austerity budgets and over-indebted governments. The challenge for European economic governance is to find the right balance between achieving fiscal discipline and fostering economic growth. Member States need to address mounting sovereign debt and budget imbalances without losing the ability to boost economic activity and provide support to citizens through their social security systems and active labour market policies.

The crisis has intensified the need for longer-term but nonetheless urgent reforms. Demographic change must be managed to promote active and sustainable ageing societies. There is the issue of providing affordable, good quality care for an increasing number of elderly people. Keeping workers in employment longer is another necessity born from demographic change. This requires rethinking new solutions for working conditions and

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1 For information on Europe 2020, its flagship initiatives and associated actions, go to http://ec.europa.eu/europe2020/index_en.htm
career paths that help workers to retain their physical and mental health – as well as motivation and productivity – throughout an extended working life. Given the pressures of demographic change, a work environment needs to be created that satisfies the needs of different groups of workers – not only older workers but also those with care responsibilities, for example, or people with physical disabilities or mental health problems – to allow for the participation of the largest possible numbers in the labour force. New forms of work and modern ways of work organisation, often combined with technology, can help create the dynamics needed. These practices are also likely to strengthen the competitiveness of companies in a knowledge-based economy. At the same time, in a changing world of work, with increasing and shifting skills requirements, greater work intensity and demands for flexibility, there is a growing need for support. Conditions that allow workers to remain in the labour market have to be safeguarded and the re-integration of those excluded made feasible.

Putting Europe on the path of sustainable recovery will require further efforts, such as growth-enhancing reforms. The need to ensure that growth leads to the creation of jobs, that the labour force expands as populations age and that workers are equipped with the right skills requires reforms in many areas, including educational and vocational training systems, taxation and social protection systems and care provision. Higher levels of intra-EU mobility and migration have been discussed as possibilities to mitigate some of the consequences of demographic change and shortages of skilled labour, already experienced in some Member States and sectors. However, they do not offer straight-forward solutions and contain inherent social and political dilemmas that need to be considered and managed.

The need for policy action to meet immediate challenges inherently contains the opportunity to make things better in the longer term. Reforms initiated now can help to ensure economic and social progress leading to improved living and working conditions in the EU. At the same time, we have to be careful that these reforms do not disproportionally impact on vulnerable groups in our society. However, the sheer scale of the economic crisis means that large parts of society now view their security and standards of living as being at risk. This will have to be addressed, if support for the European project is to be maintained among its citizens.

The history of the EU is built on cooperation as the best way to meet challenges. The particular European experience shows that it is through consultation and partnerships between different interest groups within societies that fair and productive solutions are found. Europe has relied on dialogue and cooperation among the key labour market players – governments, trade unions and employer organisations – and counts on the way they fulfil their role in a changing policy context. On the part of the social partners, there remains a strong commitment to putting forward solutions to contribute to growth, employment and social cohesion and to further develop the European social model.
Eurofound’s mission is to provide knowledge to assist in the development of social and work-related policies.
2. Eurofound’s mission and vision

Eurofound’s mission is to provide knowledge to assist in the development of social and work-related policies. The role set out in the 1975 Founding Regulation remains as valid today as it was then:

The aim of the Foundation shall be to contribute to the planning and the establishment of better living and working conditions through activities designed to increase and disseminate knowledge likely to assist this development. With this aim in view, the tasks of the Foundation shall be to develop and to pursue ideas on the medium and long-term improvement of living and working conditions in the light of practical experience and to identify factors leading to change.

Eurofound advises the European institutions and serves the information needs of policymakers in governments, trade unions and employer organisations. This tripartite approach is reflected in the structure of its Governing Board and constitutes a distinct added value. It is critical to the relevance of Eurofound’s work and to the credibility of the input provided to policymakers.

Eurofound can make its most valuable contribution by building on the core areas of expertise it has so far developed. The Agency is known for its strong knowledge base in the area of working conditions. It is also the first port of call for comparative information on industrial relations and social dialogue in the EU and is recognised for its deep understanding of issues related to living conditions and quality of life. Another area of expertise, structural change and restructuring, has been developed since 2001, following the conclusions of the Nice European Council.

The Agency strives to provide the highest quality information in its fields of expertise: scientifically sound and unbiased. Eurofound’s vision is that this knowledge will be used in the development of effective policies that lead to the improvement of quality of life and work in a competitive and fair Europe.
The strategic objective for 2013–2016 is to provide high-quality, timely and policy-relevant knowledge as input to better informed policies in four priority areas:

1. Increasing labour market participation and combating unemployment by creating jobs, improving labour market functioning and promoting integration.

2. Improving working conditions and making work sustainable throughout the life course.

3. Developing industrial relations to ensure equitable and productive solutions in a changing policy context.

4. Improving standards of living and promoting social cohesion in the face of economic disparities and social inequalities.

Eurofound will provide facts and figures, show trends and analyse policies and practices as the basis of evidence-based advice for the development of policy responses in these four policy priority areas.

Policy priority areas for Eurofound activities 2013–2016

Based on the analysis of the policy context, Eurofound has identified four areas where better informed policies will contribute to overcoming the crisis and achieving smart, sustainable and inclusive growth and where, given its core areas of expertise, the Agency can provide knowledge. This knowledge will assist in the development and effective implementation of these policies, contributing to Europe 2020, and its flagship initiatives.2

1 Increasing labour market participation and combating unemployment by creating jobs, improving labour market functioning and promoting integration

Compared to the previous four-year work programme period, there is little doubt that the significantly worsened state of the labour market is the most important change in the context that frames the determination of living and working conditions in Europe. What are the most significant changes in the labour market? Where are jobs lost, where are they gained? To what extent are workers discouraged and drop out of the labour market as a result of job loss and unemployment? What is the impact on working time when more work is distributed among fewer workers? Eurofound will intensify the labour market monitoring activities of the European Monitoring Centre on Change to provide the information necessary to answer many of these questions.

The major policy concern will almost certainly be how to create new and safeguard existing jobs. Given that the economic crisis has had a very different labour market impact in different Member States, policymakers want to know what policies, regulatory frameworks and practices explain the employment impact of the crisis. Eurofound will identify good performance in net job creation and examine initiatives contributing to these results. Special attention will be given to partnership approaches and regional-level initiatives, which often arise after particularly severe job loss through restructuring. It will also explore the potential of employment growth in various types of small firms. Moreover, Eurofound will continue to analyse constructive, socially responsible ways of managing change at restructuring. Work-sharing initiatives will be explored as a way to preserve jobs. Some of these approaches exemplify tripartite cooperation, such as short-time working schemes.

Many Member States are introducing reforms with the aim of improving the functioning of the labour market. What are the consequences of these reforms in terms of having a positive impact on employment levels as well as their negative side-effects, for example with regard to inequalities? Eurofound will identify selected labour market reforms aiming to increase employment levels and examine how they

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2 A more detailed explanation of this contribution is outlined in chapter 5 under ‘Operational framework’.
How to create new and safeguard existing jobs is the overriding policy concern.

are being evaluated and what the results of these evaluations are.

With shifting, more flexible labour markets, the issue of successful transitions becomes increasingly relevant. To what extent are career pathways evolving? What are the key transitions in current working life? How do they affect the workers involved? How can transitions be facilitated and what are the consequences of lack of support? How can flexible forms of employment and diversified paths be combined with elements that improve the security of the worker?

Eurofound’s ongoing research on flexicurity will, among other issues, address the latter question. The Agency will monitor how labour market trajectories are changing and examine different types of transitions that are of policy interest. This will include, for example, transitions between jobs, different forms of employment, between unemployment and employment or between employment and retirement. Well-functioning labour markets are a prerequisite, not only to overcome the crisis but also for a sustainable recovery and for future growth. Given the dynamics of labour markets and the fast pace of change, this is a particularly challenging task to which the anticipation activities of the European Monitoring Centre on Change (EMCC) can contribute.

A particular policy challenge is to address mismatches in the labour market and to ensure that job openings are filled. Labour mobility plays a special role in addressing geographical mismatches. What kind of barriers discourage mobility? Which policies have Member States introduced to promote mobility and migration and in what ways have they been successful? To what extent have social partners been involved in these policies? Eurofound will identify policies where mobility and migration have been successfully linked to labour market policies.

The current focus on labour market recovery raises the question as to whether this recovery will be sufficiently rapid and adequate to ensure inclusive societies. Policymakers are looking for examples of other initiatives to cope with unemployment. This is particularly relevant for young people and indeed ways to improve the transition of young people into the labour market and their inclusion in society will continue to be a major priority for Eurofound research within its remit.
Evidence-based advice that can be used to improve working conditions will remain at the core of Eurofound’s work programme. Policymakers are facing several key challenges that Eurofound research needs to address. What conditions need to be fulfilled if we expect working life to be extended and if workers have to stay in employment longer? What can be done to ensure that people with different needs and capabilities can participate in the labour market and that high employment rates are achieved and maintained? What policies can help to ensure that companies can recruit and retain motivated and productive workers in sufficient numbers, in order to promote their competitiveness?

The above challenges arise from the necessity to adapt to demographic change and to maintain Europe’s competitive position in a globalised world, and from evidence that good working conditions play a key role for overall well-being of people.

Eurofound will monitor developments and trends in working conditions and identify and analyse the factors influencing them – both positively and negatively – on the basis of the European Working Conditions Survey (EWCS), the European Company Survey (ECS) and the integrated observatory on industrial relations and working conditions. It will investigate how these factors are influenced and shaped through legislation, negotiation and workplace policies and practices, and identify the tools available to social actors.

Of special interest are the factors underpinning sustainable work throughout working life. Factors impacting on quality of work will be explored from a life-course perspective, such as work intensity or worker autonomy, working time organisation or work–life balance. But broader policy issues that have an influence on the sustainability of work and employment – such as policies to foster employability, or access to care services – need also to be investigated. The above activities will support the efforts of the European institutions to improve indicators and develop a monitoring framework for quality of work.

Additional challenges may arise from the existence of inequalities in working conditions. These inequalities impose social and economic costs on the individuals directly affected, as well as on wider society. Eurofound will focus on examining groups exposed to multiple disadvantages, monitoring and assessing the extent of the problem, and identifying successful policies and practices that address the challenges. In-work poverty will be considered in this analysis. Attention will also be given to areas of progress in the improvement of working conditions and the practices and policies behind achieving it.
Developing industrial relations to ensure equitable and productive solutions in a changing policy context

Social dialogue is an essential element of the European social model, enshrined in the TFEU. It has frequently played a constructive role in finding new and fair solutions and is key to addressing current and future challenges for companies and workers. Through social dialogue, common interests can be identified and pursued – to the benefit of both sides and wider society – and divergent interests reconciled.

The role of social dialogue and the involvement of social partners in shaping employment and social policies and determining working conditions is an integral part of Eurofound’s activities. Social dialogue, and the role of social partners in finding and implementing solutions, is therefore mainstreamed in all policy priority areas of this programme.

However, in a changing economic and policy context there is a specific interest in knowing more about the dynamics of industrial relations itself. How is the adverse economic situation affecting social dialogue? How are changes in regulation at EU and national level or new forms of European economic governance impacting on the processes and outcomes? How are systems at national level adjusting? How are the actors adapting their role to changing circumstances? To what extent are they involved in social reforms and how do governments perceive their contribution?

Monitoring trends and developments in industrial relations will continue to play a central part in Eurofound’s work in helping to answer these questions. The strategies adopted by the social partners in the evolution of the European social model will be studied. Research will also address changes in national systems and development across different levels (intersectoral, sectoral, company), how
Mainstreaming social dialogue and the role of social partners across all policy priority areas is an integral goal.

these levels interact and how they relate to the European level. The way in which innovative solutions are found to address new problems will also be analysed. Of particular interest is how the social partners are addressing difficult economic circumstances, for example through changes to wage-determination and wage-setting mechanisms, and the way that social partners deal with employment in negotiations.

Attention will also be given to the European level. Eurofound will continue to support the work of the European social dialogue, including through its studies on representativeness of the social partners. Research will further examine how European level processes have evolved and what results were achieved, for example in European sectoral social dialogue, European Works Councils or through other relevant mechanisms. In a globalised world, Eurofound will continue to explore the developments in industrial relations beyond the EU.

4 Improving standards of living and promoting social cohesion in the face of economic disparities and social inequalities

Labour market policies alone will not guarantee decent living conditions for all, or mitigate the dangers of a fragmented society. Since the outbreak of the crisis, many Europeans have experienced a worsening of their standard of living, including those with middle incomes who are not traditionally seen as disadvantaged or at risk of social exclusion. What is the impact of the economic crisis and of welfare reform on living standards and the economic security of Europeans? How have access to, affordability and quality of housing, education, health and care services been affected? Eurofound will continue to monitor and map the evolution of living conditions and quality of life among Member States – for different socio-economic groups – drawing particularly on the European Quality of Life Survey (EQLS) to provide answers to these questions. The evolution of social, health and material inequalities will be examined for their impact on well-being, levels of trust and satisfaction with different aspects of everyday life.

The challenge for policymakers is to devise social policies that promote both better living conditions and more opportunities for active participation in society in times of budgetary constraint. A key issue in this debate is the role of public services, which are central to the European social model. How can these services be reformed to accommodate reduced budgets and new needs? Which new approaches to benefits
and service delivery are possible? Eurofound will examine how and by whom public services are provided in times of austerity, documenting accessibility and the quality of these services across Member States.

**Social and technological innovation** will be necessary alongside reforms in services. It is often difficult to evaluate the impact of social innovation. Eurofound will identify examples where innovative approaches are being incorporated successfully into social policies, programmes and services; evidence will be provided to show their impact, paying attention to the methodologies used to assess their effect.

In this context, Eurofound will focus on identifying effective and smart solutions, especially policies and practical initiatives developed to foster **social cohesion**, considering particularly the needs of groups who have been affected by the economic crisis and austerity budgets. Eurofound will identify measures for active and social inclusion – particularly those involving new combinations of approaches, partners or organisations – that have responded to the needs of these groups and promoted participation in employment and in society.

The longer-term challenge is how best to address population change in Europe. The ageing of the workforce, as well as the general population, calls for new measures for **age management** and the **reconciliation of life in and outside work**. In particular, Eurofound will identify and assess measures – in public policies, by the social partners and community services – supporting the provision of care. Demographic change not only involves the ageing of European societies, but also increasing diversity associated with growing labour mobility and migration.

The role of **mobility and migration** as a contributor to well-functioning labour markets, as outlined in policy priority area 1, has to be analysed in combination with the wider impact on society. Mobility and migration have an impact on social services, both in sending and receiving countries. The need for adequate services and integration measures remains while available budgets have declined. Eurofound will examine how the organisation and delivery of social services are changing to meet new and more diverse needs. This research will address the successful integration of newcomers in receiving countries and ways of coping with the outflow of citizens in sending countries and the needs of those left behind.
Cluster themes

A range of issues that the Agency plans to tackle over the 2013–2016 period have been identified for each of the four policy priority areas above. From this broad description, a number of cluster themes have been identified that will help prioritise activities and group their outputs, providing a focus for Eurofound’s communication strategy:

- Youth in Europe – *improving prospects for all*
- Public services in Europe – *ensuring access, quality, sustainability*
- Sustainable work – *the future of working life in Europe*
- Win–win practices – *good working conditions for high performance workplaces*
- Social dialogue in Europe – *developing its role in a changing context*
- Employment – *preserving, creating and sharing jobs in Europe*
- Trends in quality of life – *the impact of the crisis and Europe’s middle class*
- Social cohesion – *fighting poverty and social exclusion*
- Older people – *addressing the challenges of work, care and inclusion*
- Mobility and migration – *addressing employment and social consequences*
5. Main activities and operating framework

Over the past 35 years, Eurofound has developed its capability in a number of key areas: monitoring trends and developments in the quality of work and life, industrial relations and structural change, linking these findings to explore and assess policies and practices, and communicating knowledge and organising debate and exchange with its target groups. We will continue to focus on these types of activity in pursuing the strategic objectives in the policy priority areas for 2013–2016.

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

A key task of the Agency involves monitoring developments in the Member States over time. To achieve this, Eurofound has created and continues to develop its *Europe-wide surveys and observatories*. The substantial investment in establishing and refining these tools is justified by the wealth of data they produce. Through its monitoring activities Eurofound can not only analyse trends and compare data before and after the crisis but can also identify areas where the issues are most pressing and the search for solutions is, therefore, most urgent. The monitoring tools also constitute a basis for deeper analysis and exploratory work of Eurofound.

The monitoring tools available to Eurofound are presented in further detail on pages 22-23 below.

*Exploring and assessing policies and practices*

Policymakers want to know what factors produce positive change and how policy can contribute to this. Data and information from our monitoring activities are used to inform research on what works.

Eurofound provides answers through *case study research* as well as *action research*. It contributes to the *assessment of policy measures* which can be done through the identification of reliable, independent evaluations of instruments in the Member States and their analysis, and combining reports on the application of a measure with interviews among the key actors involved in its development and implementation, and also the recipients of the measure. This helps not only to assess impact but also to gain understanding of the process of successful implementation.

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

The four-year work programme will streamline efforts in communication, concentrating on key target audiences and the coherence and integration of key findings, doing this in the most appropriate and effective manner and taking full advantage of the wide range of new communication technologies available.

This implies three key communication dimensions outlined here.
1. Primary focus of communication is EU level

The focus of Eurofound’s communication activities (and by implication its research work) will remain the EU level, that is, the EU institutions and the EU-level social partners, drawing together coherent messages on policy-relevant issues and delivering them in a timely manner.

While priority is given to the EU level, Eurofound will continue its outreach to the national level, specifically where it concerns the influencing or implementation of EU policy at national level or where Eurofound can clearly contribute useful comparative information on issues relevant at European level.

In this context, Eurofound will communicate regularly with the governments, social partners and tripartite bodies at national level via dissemination initiatives – both print and electronic – and using a pragmatic multilingual approach. Particular attention will be given to communicating research findings to national-based key players operating at European level. Specifically in this regard, Eurofound will increase its communication with highly relevant bodies such as the Employment Committee (EMCO) and the Social Protection Committee (SPC). Additionally, there will be further promotion of Eurofound’s work in the European Economic and Social Committee (EESC), Committee of the Regions, the Social Dialogue Committee and the sectoral social dialogue committees. Visits to Member States will continue within the four-year work programme as part of a rolling dialogue with the national-level stakeholders. Members of the Governing Board and national correspondents of the Network of European Observatories (NEO) can also play a role in identifying potential multipliers at the national level and Eurofound will explore further communication with national research institutes in this context.

2. Streamlining outputs to increase relevance, timeliness and visibility

Eurofound will improve the effectiveness of its communication strategy by finding new ways of grouping results. It will better
streamline its information through fewer but more accessible and timely outputs to coordinate Eurofound’s messages on key issues of social policy debate. As part of this strategy, Eurofound will introduce innovative formats, such as e-books and interactive online publication formats.

3. Improving interactivity and exchange by increasing networking events and using new communication technologies to facilitate feedback and dialogue

Small-scale seminars and networking initiatives, targeting key individuals directly according to their information needs and their influencing potential will be a priority. Eurofound will adopt a corporate approach to this via presentations, visits, contributions and events across the organisation.

The tripartite dimension will be of key importance in the development of the events programme and mutual learning initiatives will continue to be organised. Webinars, web streaming and online audio inputs will play an increasing role in Eurofound’s exchange and debate. The flagship Foundation Forum will take place in 2013 under the Irish EU Presidency.

In response to users’ changing information needs, the website will offer increased interactivity, facilitating user-generated content and qualitative feedback. The use of digital media will be upgraded further to increase traffic to the website and hence to Eurofound’s research findings. A comprehensive review of the website will take place to improve user accessibility, reduce volume and bring about the large-scale changes which will be required to adapt to the planned integration of Eurofound’s observatories. Eurofound will expand its media contact network across the 27 Member States but specifically to the new member countries set to join the European Union during the coming four-year work programme.

In particular, Eurofound will continue to exploit the EU presidencies as an important vehicle for highlighting its work; and its collaboration programme with the European Commission will be integrated into the overall work programme planning.

**Operational framework**

As an EU Agency, Eurofound will contribute to achieving the goals of Europe’s growth strategy, Europe 2020. Through its activities in the four priority areas, the Agency will take forward the flagship initiatives identified in the strategy, namely the flagship initiative An agenda for new skills and jobs, for example through its work related to labour market reform, transitions, mismatches, ageing workers, work–life balance, sustainable work and through strengthening the capacity of the social partners. Monitoring of job creation and loss and structural shifts in the labour market will contribute to the flagship initiative An industrial policy for the globalisation era. Work on inequalities, working poor and active inclusion measures will contribute, among other Eurofound
activities, to the flagship initiative European platform against poverty. Work on the transition of young people into the labour market and their inclusion in society will feed into the flagship initiative Youth on the move. Eurofound can build on its long-standing cooperation, especially with the Commission’s Directorate General for Employment, Social Affairs and Inclusion. The Agency will contribute to flagship publications like the Employment and Social Developments in Europe report and the Employment and Social Situation Quarterly Review and will be involved in the implementation of a number of actions such as those included in the Employment package or the upcoming Social package.

Eurofound will align its work programmes with the policy initiatives of key players at the European level, as expressed, for example, in the social partners’ work programme or the agendas and initiatives of the EU institutions and their relevant committees. The Agency is ready to support the implementation of these programmes through its work if requested to do so.

Eurofound can provide information relevant to sectoral initiatives as well as to national reporting. It will pursue more synergies in its sectoral and national outputs, integrating findings from its surveys, contributions from national correspondents of its European Observatories and other research.

Cooperation is necessary also with other EU agencies working in related fields. Cooperation agreements are in place with 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 European Institute for Gender Equality (EIGE) and the European Union Agency for Fundamental Rights (FRA). These agreements foresee early consultation on work programme development and are complemented by yearly action plans that agree further forms of exchange and, where appropriate, joint activities. This ensures complementarity of activities and allows for synergies to be achieved. Eurofound will identify knowledge gaps not addressed by others where the Agency can make a distinct contribution. It will explore partnerships with research institutes conducting comparative research in the socioeconomic field for specific topics and activities, in order to strengthen the Agency’s capacity.

The need to pay closer attention to what other economies are doing is clearly expressed in the strategy of the European Union. Eurofound envisages including more global comparison in its research work. This will depend on intensifying collaboration with organisations that have expertise and access to information on countries outside Europe. Cooperation with the ILO and OECD has been developed in the past and is the starting point for finding further avenues in the 2013–2016 period.
Eurofound’s monitoring tools: European surveys and observatories

**European Working Conditions Survey**

The European Working Conditions Survey (EWCS) equips Eurofound with the tools to monitor the evolution of working conditions since 1991. Its objectives are to measure working conditions across European countries on a harmonised basis, analyse relationships between different aspects of working conditions, and identify groups at risks and issues of concern as well as areas of progress. Thus, it can contribute to European policy development on sustainable quality of work and employment issues. Analysis of data from the fifth wave of the EWCS (2010) as well as the sixth EWCS in 2015 will provide insights into trends and developments. It will also help to identify the areas for further research into policy measures and approaches designed to improve working conditions, particularly for those workers who are exposed to multiple unfavourable working conditions. The existing cooperation with the ILO in developing a global perspective on working conditions will be further extended.\(^3\)

**European Quality of Life Survey**

The European Quality of Life Survey (EQLS) provides Eurofound with data to facilitate the monitoring of trends and developments before and since the onset of the economic crisis. Analysis of the third wave (2011–2012) will provide important insights into the situation of European citizens and specific socioeconomic groups, helping to identify the areas for research into policy measures and approaches designed to improve well-being and quality of life. A fourth wave of the survey will be prepared, with fieldwork to take place in 2016.

The timing of the next waves of the EWCS and EQLS, planned for 2015 and 2016 respectively, will allow Eurofound at the beginning of the four-year period to explore how the surveys can be improved, the possibility for more extensive global comparison and for analysing possible ways of combining the analysis of living and working conditions, preserving expected outcomes.

**European Company Survey**

Fieldwork for the third wave of the European Company Survey (ECS) will be completed in 2013. The analysis of data in the course of the four-year work programme will help to identify areas for further research on innovative company practices and provide a basis for selecting cases for additional investigation.

As the fourth wave of the ECS will not be implemented before 2016, during this four-year programme Eurofound will reflect on what research questions in relation to company practices need to be answered and will explore all options on how these issues can best be monitored.

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\(^3\) This could lead to advancing the schedule for the sixth EWCS.
Social dialogue in times of global economic crisis

European Observatory on industrial relations and working conditions

Eurofound is known for the monitoring activities of the European Industrial Relations Observatory (EIRO), established in 1997. Since 2003, it has also hosted the European Working Conditions Observatory (EWCO) and the activities of both have been gradually integrated. In this four-year work programme period, a new integrated Observatory on industrial relations and working conditions will be the point of access to Eurofound’s material on working life. Based on a Europe-wide network of national correspondents, it will provide timely and well-structured information on developments at national (and European) level, of key importance for the European debate on industrial relations and working conditions. Expert national inputs will facilitate comparisons of developments and contextualising of information. These contributions will be combined with other Eurofound research, allowing the Observatory to report policy-relevant research findings on working life in a more integrated way.

European Monitoring Centre on Change

The European Monitoring Centre on Change (EMCC) will continue to monitor changes in labour markets. It will maintain its development towards becoming a one-stop-shop for information on restructuring, integrating the quantitative and qualitative parts of the European Restructuring Monitor (ERM) and the results of other Eurofound projects on restructuring. The European Jobs Monitor (EJM) will continue to identify developments in the European employment structure and will place European trends in a global comparative perspective. Further analysis will be presented under the EMCC and more emphasis will be placed on the anticipatory dimension, for example in the field of restructuring, and on the identification of drivers of change, using, for example, data generated by the EJM.
6. Organisational resources

Financial resources

The financial perspective for the next four-year programme period is characterised by tightened public budgets for the Member States and, thus, for the EU institutions and bodies. Eurofound is, however, committed to deliver high-quality research to its stakeholders by improving its efficiency while at the same time complying with the increasing demands for sound management of its resources.

The assumptions below have been made in order to plan the contribution from the EU Budget. Changes in the contribution estimated will require an adaptation of the planning of this programme.

- Eurofound is a ‘cruising speed’ Agency with, however, increasing demands from stakeholders due to the current economic and social situation.
- Price increases in core areas of our mandate (for example, surveys and observatories) will be hard to avoid.
- During the upcoming years, the entry of new EU Member States (Croatia and possibly Iceland) will increase the operational cost by about 5% compared to the EU27. Candidate and accession countries have been to date financed by additional funds from the Commission (Instrument for pre-accession assistance). If these costs were to be financed from the general budget without an allowance for EU enlargement, the mandate could not be fulfilled at the current level. The subsidy forecast for 2014 allows for the inclusion of Croatia and possibly Iceland into the relevant projects and activities.
- Eurofound will do its utmost to offset most of the expected inflation by efficiency gains in all areas of the organisation.

The detailed split into the different revenue and expenditure lines can be found in Table 1.

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4 At the time of writing, the multiannual financial framework of the European Union had not been adopted, contributing to a high level of uncertainty.
Table 1

1. REVENUE (in thousand €) 2013 2014 2015 2016

General subsidy 20,371 21,000 21,210 21,450
IPA/ENP (Instrument for pre-accession assistance/European Neighbourhood Programme) 200 200 200 200
Other grants 0 0 0 0
Revenues from other services 160 160 160 160
TOTAL ESTIMATED REVENUE 20,731 21,360 21,570 21,810

2. EXPENDITURE (in thousand €) 2013 2014 2015 2016

1. Staff (Title 1) 11,755 11,900 12,050 12,200
2. Buildings, equipment and miscellaneous operating expenditure (Title 2) 1,508 1,520 1,530 1,540
3. Operating expenditure (Title 3) 7,468 7,940 7,990 8,070
TOTAL ESTIMATED EXPENDITURE 20,731 21,360 21,570 21,810

The key tool to monitor the right balance between maximising resources for operational activities while at the same time ensuring efficiency and compliance in all support functions is activity-based budgeting (ABB), planning and management (ABM). For several years already, Eurofound has been able to direct more than 80% of its total resources (staff and money) into its operational activities, as defined in the Founding Regulation: ‘through activities designed to increase and disseminate knowledge’ (see chapter 2).

Table 2 gives an indication of how operational activities and support activities should be balanced over the next four years.

Table 2

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Research</td>
<td>12,510</td>
<td>12,940</td>
<td>13,070</td>
<td>13,200</td>
<td>61%</td>
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<tr>
<td>Information &amp; Communication</td>
<td>4,310</td>
<td>4,445</td>
<td>4,500</td>
<td>4,540</td>
<td>21%</td>
</tr>
<tr>
<td>Administration &amp; Support</td>
<td>3,911</td>
<td>3,975</td>
<td>4,000</td>
<td>4,070</td>
<td>19%</td>
</tr>
<tr>
<td>TOTAL BUDGET</td>
<td>20,731</td>
<td>21,360</td>
<td>21,570</td>
<td>21,810</td>
<td>100%</td>
</tr>
</tbody>
</table>
2 Human resources

The four-year work programme 2013–2016 coincides with budgetary and human resource cutbacks for all EU bodies. This programme has been developed under the assumption of the 5% staff cut currently proposed by the European Commission. This will impact on Eurofound’s core activities and it will be necessary to deliver to a high level and to high quality with fewer resources. To achieve this, Eurofound will place a strong focus on skills development to ensure that staff are geared to meet these challenges. Coupled with this will be further emphasis on workforce and performance management, with streamlining of systems and processes.

The large intake of highly skilled staff between 2009 and 2012 puts Eurofound in a strong position to meet the needs of its stakeholders, even in the context of a reduced workforce.
In line with the principle of sound financial management, and Eurofound’s internal control standards, a comprehensive monitoring and evaluation system is in place. It will provide data and analysis on the implementation and results of this programme. The ‘Eurofound Performance Measurement System’ (EPMS) has been operational since 2006 and is based on the Balanced Scorecard methodology. The EPMS will align its existing indicators and measures with the strategic objective for 2013–2016 ‘to provide high-quality, timely and policy-relevant knowledge as input to better informed policies in four priority areas’ (as outlined in chapter 3). The ambition is to improve the analysis of the performance data to support decision-making and reporting. Qualitative information will be further strengthened, in addition to the quantitative data that are being collected. This will rely strongly on Eurofound’s four-year evaluation programme which includes a comprehensive customer feedback programme. The internal evaluation capabilities will be supported by external expertise for continued assurance of independence and impartiality. The mandatory regular programme evaluations are important, although they are only one of many evaluation activities. It is this integrated approach to monitoring and evaluating that should provide a comprehensive picture, demonstrating Eurofound’s performance and continued relevance.

Eurofound performance monitoring and evaluation framework
The European Foundation for the Improvement of Living and Working Conditions (Eurofound) is a tripartite EU body, whose role is to provide key actors in social policymaking with findings, knowledge and advice drawn from comparative research. Eurofound was established in 1975 by Council Regulation EEC No 1365/75 of 26 May 1975.