Executive summary

Dialogue. While it could be argued that social dialogue includes elements of the direct participation that features highly in the debate on workplace innovation, the policy focus is on the two-way communication – consultation and negotiation – at various levels, between representatives of workers and employers.

Key findings

- Despite the crisis, most managers (84%) and employee representatives (67%) report a 'good' or 'very good' work climate.
- Around 20% of establishments outsource part of their design and development, production, and sales and marketing activities, but full outsourcing is rare.
- Teamwork is practised in 73% of establishments, with 32% of establishments having employees in more than one team at the same time. In 67% of establishments, at least some employees rotate tasks with other employees.
- Autonomous teams exist in 20% of establishments. Employees make decisions about daily tasks jointly with managers in 40% of establishments, and by themselves in an additional 6%.
- The majority of establishments provide paid time off for training (71%) or on-the-job training (73%) for at least some of their employees.
- Establishments increasingly make use of flexible working time arrangements and part-time work: in 2013, 66% of establishments offered flexitime to at least some of their employees and 69% had at least one employee working part time.
- Almost two-thirds of establishments (63%) use some kind of variable pay schemes – and multiple types of variable pay are prevalent. The

Introduction

This report, based on the 2013 edition of the European Company Survey, provides policymakers and practitioners with comprehensive information on workplace practices in terms of work organisation, human resource management, direct participation and social dialogue. As well as documenting the incidence of these practices, the report shows how practices relate to each other and to the outcomes for companies and workers. The underlying thesis is that implementing certain combinations of workplace practices can have a positive effect on outcomes for both workers and companies.

The ECS 2013 was carried out at a time when Europe was only just starting to recover from the biggest economic crisis to hit the world since the Great Depression of the 1930s. For many companies, therefore, the crisis is likely to have had a major influence on the experiences which they report. While the survey was not specifically designed to capture the effects of the crisis, the findings do need to be interpreted with this context in mind.

Policy context

The European Union’s Europe 2020 strategy aims to address the shortcomings of the European growth model and to create the conditions for ‘smart, sustainable and inclusive growth’. The findings of the ECS 2013 are of particular interest for the ‘innovation union’, ‘industrial policy for the globalisation era’, and ‘agenda for new skills and jobs’ flagship initiatives, the success of which depends on what goes on in European workplaces.

The recent debate centres on workplace innovation, which stresses the importance of tapping into the tacit knowledge of employees to achieve ‘win-win’ outcomes that simultaneously benefit both companies and employees.

Another important factor shaping European workplaces and a key element of the European social model is social
vast majority of establishments make available a variety of instruments to facilitate direct employee participation.

- More than half (56%) of employee representatives report they can use as much of their working time as is necessary to carry out their duties, 32% had received training and 37% have access to external advice. The availability of resources for employee representatives varies greatly between countries.

Overall, five groups of establishments are distinguished based on the combination of workplace practices they have in place:

- ‘Interactive and involving’: joint decision-making on daily tasks, moderately structured internal organisation, limited investment in HRM but extensive practices for direct participation.
- ‘Systematic and involving’: top-down decision-making on daily tasks, highly structured internal organisation, high investment in HRM, extensive practices for direct and indirect participation.
- ‘Externally oriented’: high levels of collaboration and outsourcing, top-down decision-making on daily tasks, moderately structured internal organisation, moderate investment in HRM, and little direct and indirect participation.
- ‘Top-down and internally oriented’: top-down decision-making on daily tasks, little collaboration and outsourcing, highly structured internal organisation, moderate investment in HRM, and moderately supported direct and indirect participation.
- ‘Passive management’: top-down decision-making on daily tasks, moderately structured internal organisation, hardly any HRM, and little direct and indirect participation.

Establishments in the ‘Interactive and involving’ and ‘Systematic and involving’ groups score best in terms of establishment performance. Establishments in the ‘Interactive and involving’ group score best on workplace well-being.

Policy pointers

An important characteristic of the establishments that score well in terms of performance and well-being are their extensive practices for direct employee participation, supporting the notion that ‘win-win’ arrangements need to include measures to enable optimal use of employees’ tacit knowledge.

Achieving ‘win-win’ outcomes is not guaranteed even when favourable practices are in place. Policymakers and the social partners have a role to play in fostering best practice, raising awareness and implementing initiatives at sectoral level.

While the majority of establishments provide training for at least some of their employees, 13% of establishments do not provide any training at all. In this context, barriers to the provision of training by companies need to be addressed, paying attention to the ways in which workers learn and develop.

Variable pay schemes have been a key point of discussion between social partners during the crisis. Only one in ten establishments offers a broad range of schemes. Those establishments that do, score better on both establishment performance and workplace well-being.

Just over half of establishments have a large number of instruments in place to enable direct participation, a high level of employee involvement as well as positive management attitudes toward employee participation. In line with previous research, it is found that both performance and well-being are highest in this group.

Social dialogue is functioning well in a large proportion of establishments, but there also is a sizeable group where a lack of resourcing and a lack of trust go hand-in-hand with a high likelihood of industrial action. Both this variability in the functioning of social dialogue and the uneven geographical spread of social dialogue structures across European countries are reasons for concern.

Further information


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