



# Europe needs social benchmarks

*Suggestions and postulations for a continuous survey established  
by the international project "well-being@work"*



well-being

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@work

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*Johann Kalliauer  
Chamber of Labour  
Upper Austria*

**"It has become increasingly apparent that there exists no comparable instrument to the Austrian work climate Index at a European level. We have no social benchmarks that would generate data on the work climate in the EU member states at regular intervals."**

# Memorandum

## Europe needs social benchmarks

*In three workshops held in Sofia, Rome, and Stockholm, and in the final conference in Vienna, the partners in the “well-being@work” project looked into the issue of whether or not the existing instruments used to measure job satisfaction and job quality in Europe are suited to calculate social benchmarks that seem indispensable for the success of a post-Lisbon strategy of the European Union.*

The partners in this project unanimously agreed that whereas, in the countries participating in this project, institutional frameworks for assessing accident risks and safety hazards at the workplace are in fact in place and comparable, issues of health risks are in this context still strongly focused on physical threats. There are no comparable Europe-wide standards and measuring methods in order to compare the impact of such risks on job quality.

In addition, the partners in this project discussed existing statistics and studies as to whether or not they could be used for a continuous, flexible, annual measurement of job quality in the member countries of the European Union. The result is not satisfactory. The only comparable studies are those of the Dublin Foundation, and they are conducted only at large intervals. Many individual studies carried out in EU member countries are not comparable, neither in terms of the issue investigated, nor in terms of the methodology employed.

Among the individual studies conducted at various institutions in Europe, only few rely on longer time series, e.g., the Au-

striian Work Climate Index which is representative with regard to all employed persons in Austria. Many other individual studies lack in either representativeness or continuity of conduct so that changes in the measured parameters can be detected only to a limited extent. Hence, the partners recognize the lack of an instrument that, on the European level, presents a continuous and coherent picture of the development of job quality.

The partners in this project unanimously agree that in the light of the present economic crisis it is now all the more important to determine social benchmarks. In view to the fact that the Lisbon Strategy has largely failed to create safe and well-paid jobs throughout Europe, a reorientation of the European Union’s economic and social policies will be indispensable. In order to continuously monitor and follow up on this process, it will be necessary to establish benchmarks on the quality of work, that can be updated annually and be used for all EU member countries.



*Hans Preinfalk, Chamber of Labour  
Upper Austria*



*Erika Mezger, Eurofound, Dublin and Hans Preinfalk, Chamber of Labour Upper Austria*

When measuring job quality, the partners in this project consider it important to accommodate such factors as security of employment, job satisfaction, opportunities for employees to participate and have a say at their workplaces, the elimination of discriminatory practices at the workplace, opportunities for career advancement, physical and mental health, and work-life balance.

The partners in this project propose to push on with and further the development of such benchmarks and, in doing so, to make use of the experience obtained in ongoing projects such as the Austrian Work Climate Index. They consider it indispensable that, when developing such standards, the interests of employees in Europe be taken into account right from the outset.

The partners in this project are firmly convinced that the severe economic crisis can be overcome only if in Europe, and in the world in general, a new form of economic conduct is adopted and if

the changes in business and working life are continuously monitored, measured, and discussed with the help of and based on suitable instruments. Without designing social benchmarks for Europe it will not be possible to develop and implement an effective and reasonable post-Lisbon strategy of the European Union.

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  - **Central Mining Institute, GIG**, Poland
  - **Austrian Trade Union Federation, ÖGB**, Austria
  - **University of Ljubljana, Institute of Social Sciences**, Slovenia
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# Flexicurity – about the failure of a project

*The economic crisis brought about by a collapse of the speculative financial markets nurtured the employees' fear of losing their jobs. In some companies this fear has become an implicit element of corporate management – contrary to all assertions that only motivated employees ensured corporate success.*



Magnus Sverke,  
University Stockholm

The Swedish scientist Magnus Sverke has summarized the consequences of insecure employments in a Europe-wide meta study, according to which employees were not only afraid of a possible loss of income, but also of status and identity, of social contacts, of constant time structures, of meaning and personal development. The Austrian Work Climate Index has clearly revealed that the fear of losing one's job can replace the usual strain experienced in the job. Thus the

economic crisis of the last few months in Austria may have reduced the pressure of time and stress, but employees are increasingly suffering from the fear of becoming unemployed. Whether in times of boom or in times of crisis, the pressure on employees remains high.

### Few counteractive measures

Finally, the fear of becoming unemployed is aggravated by the fact that the threat is noticed, but those concerned have hardly any adequate strategies to do anything about it. Strain caused by stressful conditions or physical exertion can more easily be measured and remedied – at least in theory. Last but not least they are also socially accepted. Threatening unemployment is more difficult to deal with. Labour relations are also severely disrupted, as security and continuity can no longer be exchanged for loyalty and allegiance.

		Focus of reaction	
		Individual	Organizational
Immediate	Job satisfaction Job involvement	Org. commitment Trust	
Long-term	Physical health Mental health	Performance Turnover	

Sverke, Hellgren & Näswall, 2002

Sverke subdivides the possible reactions to job insecurity into several dimensions, as can be inferred from the schematic on page 6.

### Non-transferable

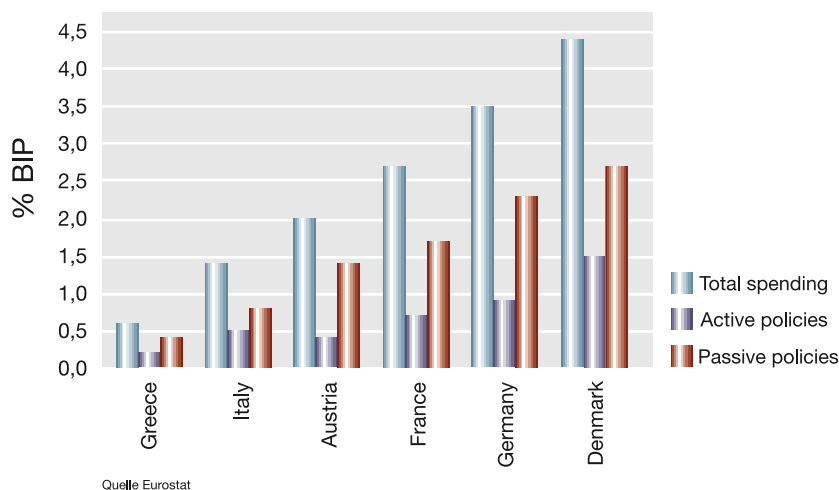
In the past few years the Danish model of “Flexicurity“ has caused quite a stir in Europe. Numerous politicians – mainly from conservative parties - on national and European level have seen in this model a way out of the labour market crisis.

To put it briefly, the Danish model of “Flexicurity“ is based on the fact that the focus of interest is shifted from job security to the employability of an employee. Professional careers are thus becoming more insecure. This insecurity should be compensated by better training and occupational outlook. Thus, by definition, Flexicurity fails to address the desire of employees for stable employments.

### Flexicurity costs money

According to the Italian economist Michele Raitano there are also economic reasons why the Danish model cannot be transferred to other states. In this context Raitano refers to the characteristics of the Danish job market. For example, Denmark has a tradition of spending a lot for labour market policy. Even after sweeping reductions expenses are still significantly higher than the average of European countries.

## Labour market policy spending



Apart from that the growth of employment in Denmark – the major argument of Flexicurity proponents – has almost exclusively been caused by an increase in part-time jobs.

### What does that mean for politics?

Admittedly, Flexicurity has shown some short-term results in Denmark, but its success mainly depends on some specific prerequisites – such as the willingness of governments to invest substantial amounts in the labour market. In the absence of such willingness Flexicurity may well address the demand of companies for flexible employees, whereas the concerns of employees remain unheard. Thus Flexicurity turns out to be a mere political coinage serving the purpose of undermining existing protective

provisions and shifting the risk of unemployment to the individual level and the individual employee. Therefore, the model is no way out of the current problems encountered on the labour market.



Michele Raitano,  
University “La Sapienza” Rome

## Prospects from the project well-being@work

*The objective of the project well-being@work was to develop the basics for a standardized instrument to measure and compare the working conditions and the quality of work in the countries of the European Union.*



*Ulrich Heisig, IAW, Bremen*

The starting point was the assumption that different countries have different concepts of a quality of work because of cultural differences and historically developed structures. Therefore, the national contexts prevailing in the partner countries should be explored in the workshops to reveal the differences and similarities.

Each workshop was focused on another aspect. The 1st workshop in Sofia investigated the general institutional conditions and the regulation of work. At the 2nd workshop in Rome especially the available findings about working conditions were presented and country-specific features were explored, considering also the influence of labour market policy and industrial relations on the quality of

work. The 3rd workshop in Stockholm mainly dealt with methodological questions regarding the measuring of working conditions on the basis of Swedish experiences.

The evaluation of the workshops and the closing event in Vienna has shown that there is a number of studies about working conditions, work pressure and the quality of work both on a national level and within the European Union. However, these studies differ in terms of the methodological approach, the problem and the interpretation of findings, which makes a comparison rather difficult. An exception are the studies of the European Foundation (Eurofound) in Dublin, which permit a consistent comparison, both in terms of method and of contents. How-

ever, the time interval is too long, and the time and effort resulting from the complex approach are too high to make surveys at regular intervals to get realtime comparative results about the state of working conditions in the EU.

To facilitate short-term reporting it would be necessary to develop the existing studies into a compact instrument permitting a periodical use, short-term evaluations as well as social benchmarks. By means of such an instrument it would be possible not only to make singular and/or selective surveys and show long-term trends, but also to record short-term changes of single parameters of the quality of work (and of the “well-being@work”). By applying the social benchmarks thus created positive trends could be supported and/or undesirable developments could be counteracted at short notice. Significant indicators could be established, too, which might be used to evaluate the target achievement of political programmes of the European Union and to take corrective action in case of deviations.



*Birgit Stimmer, Federal Ministry of Labour, Social Affairs and Consumer Protection, Vienna and Jean-Michel Miller, Eurofound, Dublin*

# Social benchmarks for the Post-Lisbon Strategy

*The declared objective of the Lisbon Strategy was to strengthen the European Economic Area. By means of the ambitious targets specified therein regarding employment until 2010 some success could be achieved in certain fields. However, as regards the quality of work there is still a lot of catching-up to do. The improvement of working and living conditions for people in Europe has frequently been neglected in the past few years.*



*Leila Kurki, EESC, Brussels and Erika Mezger, Eurofound, Dublin*

**T**he Lisbon Strategy stipulated an increase in the employment rate in Europe to 70 %. To this end “more and better jobs for Europe” should be created. Instead, the growth of employment in Europe in the last few years has mainly been caused by a rise in the number of part-time jobs and/or temporary work, with no real growth of the volume of work. For the entire Europe it can be stated that the Lisbon Strategy has failed.

One of the mainstays of the European Employment Strategy (EES) of the last few years was the concept of “Flexicurity”, which is based on the Danish model that attempts to combine flexibility of

labour markets and employments with an increased security of employment and social security. However, experience has shown that it is difficult to apply the Flexicurity approach to other member states when a climate based on social partnership is not ensured.

During the past few months, the recent economic and financial crisis has led to large-scale changes on European labour markets. Even if some sectors are already starting to recover, there is one clear tendency to be observed: Unemployment and pressure on employees are growing. It cannot be ascertained yet how the people concerned are doing. At present there are just estimates made by experts, whereas well-funded current data on a European level are missing. The following papers submitted by representatives of the European Parliament, the European Commission, Eurofound and the European Economic and Social Committee are meant to give some insight into the subject.

**Erika Mezger** is the Deputy Director of Eurofound (Dublin Foundation). Every five years Eurofound conducts the European Working Conditions Survey (EWCS).

**Evelyn Regner** is a Member of the European Parliament. Before that she headed the European Office of the Austrian Trade Union Federation (ÖGB).

**Frank Siebern-Thomas** is the head of the Department for Social Dialogue & Industrial Relations in the European Commission’s Directorate-General for Employment, Social Affairs and Equal Opportunities.

**Leila Kurki** is the President of the Section for Employment, Social Affairs and Citizenship of the European Economic and Social Committee (EESC).

## Quality of work in Europe

### *Measuring working conditions with a cross-national survey*

Quality of work is an important aspect of the well being of the European citizens and there are several statistical tools which contribute to measuring quality of work. The most well known and used tool is the Labour Force Survey from Eurostat which gathers information on labour market participation. However, these statistics give only a little information on working conditions and it is against this background that Eurofound launched its first survey on working conditions in the 1990's.

Eurofound's conceptualisation of quality of work and employment includes four broad dimensions: career and employment security, developing skills, reconciling working and non-working life and improving health and well-being. The European Working Conditions Survey (EWCS) provides indicators to measure

this concept, and its aim is to provide harmonised data and analysis on working conditions across Europe to support decision making.

Up to date the EWCS has had four waves and the fifth one is under preparation and the data will be collected 2010. The survey questionnaire is designed in cooperation with international and national working conditions experts and tripartite stakeholders. For the most recent wave in 2005 more than 30 000 randomly selected workers were interviewed face to face. The survey is managed and coordinated centrally and Eurofound has strict rules for procedures that have to be followed in all the participating countries.

The data is gathered approximately at five year intervals so that there is enough



*Erika Mezger, Deputy Director  
European Foundation for the Improvement of  
Living and Working Conditions*

time to reassess the questionnaire and improve the survey, gather the data and analyse it. The first data provides with a descriptive overview of working conditions in Europe but more in-depth analysis is necessary to understand the different aspects of and differences in working conditions in Europe. The secondary analyses of the survey data contribute to this task. The datasets are available for researchers to use freely.



# The Union needs indicators for policy-making

*In his paper Mr. Siebern-Thomas emphasized the importance of scientific analyses and harmonized datasets, quantitative targets and indicators for policy making and policy evaluation on a European level.*

This was explicitly acknowledged in the EU Community Programme for Employment and Social Solidarity (Progress)<sup>1</sup>, which was established by the Council and the Parliament for the period 2007-2013 to support financially the implementation of the objectives of the European Union in the fields of employment and social affairs, and thereby contribute to the achievement of the pertinent Lisbon Strategy goals in those fields. The European Employment Strategy was a good example of the importance of indicators for policy making, since their formulation was substantially promoted by the presence of EU-wide harmonized unemployment data. At the same time it was not advisable to base political targets solely on the availability of harmonized – and politically accepted – indicators. The new target to create “better workplaces” that was established by the Lisbon Strategy in the year 2000, for example, has not only launched an intensive political debate about the definition of workplace quality, but also contributed to an accelerated development of new indicators and datasets, as well as an improved analysis of the interrelation of quantity aspects (productivity, growth of employment and job market dynamics) and quality aspects of employment.<sup>2</sup> On the other hand, the results of decades of largely scientific analyses of subjective work and life satisfaction are more and more considered in political debates.

He recalled that the improvement of workplace quality within the scope of the Lisbon Strategy was considered an important prerequisite not only for the well-being of employees, but also for an increase in the level of employment and in productivity. Workplace quality was a multi-faceted concept that included, apart from the conditions of work and industrial relations, also the expectations of employees and employers as well as the further orientation of employment and social policy. Therefore, in the absence of a simple and generally acknowledged definition, the Commission suggested in 2001 a multidimensional concept of workplace quality comprising the following ten aspects: intrinsic workplace quality; qualifications and professional development; gender equality; labour protection; flexibility and security; integration and access to the job market; work organization and work/life balance; social dialogue and employee participa-



*Frank Siebern-Thomas is a team leader for Sectoral Social Dialogue in the European Commission's Directorate-General for Employment, Social Affairs and Equal Opportunities.*

tion; diversity and anti-discrimination; and productivity. For most of these aspects indicators were developed within the scope of the Indicators' Sub-Group of the European Employment Committee, while in some areas doubts remained as regards the comparability of indicators; previous suggestions for the development of summarizing indicators (composite indicators) did not seem expedient so far.

Against this background Mr. Siebern-Thomas appreciated the project in hand and its contribution to a possible development of an EU-wide work climate indicator that might be a sensible complement to the already existing indicators of workplace quality which are used within the scope of the European Employment Strategy, in particular the higher – quarterly – frequency and the related opportunity to observe the development of “work climate” in the cyclical trend.

*1) See Decision No. 1672/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Community Programme for Employment and Social Solidarity - Progress; published in the Official Journal of the European Union L315 of 15 November 2006; for more information please cf. also: [http://ec.europa.eu/employment\\_social/progress/index\\_de.html](http://ec.europa.eu/employment_social/progress/index_de.html)*

*2) European Commission (2002, 2003, 2004, 2008), Employment in Europe; Frank Siebern-Thomas (2005), Zum Stellenwert der 'Qualität der Arbeit' in der europäischen Beschäftigungspolitik, WSI-Mitteilungen; idem, Job quality in Europe, in: Stephen Bazen et al. (Hrsg.), Job quality and employer behaviour in the service sector, Palmgrave Macmillan Publishers; Lucie Davoine et al. (2008), A taxonomy of European labour markets using quality indicators, Paris School of Economics*

## Quality of work as innovation policy

*To survive in the global competition during and especially after the economic crisis, Europe needs new approaches to policy discussion.*

Firstly, productivity growth must be boosted from present levels in all sectors, and it must be built on sustainable basis. Secondly, ways must be found to at least halt the decline in labour supply. In order achieve that, the world of work needs to be made more attractive.

A key question here is how companies' productivity growth can be boosted in a way which supports employees' individual and collective resources whilst at the same time helping them to maintain their working ability and stay motivated to work in the face of changing conditions.

This kind of growth can best be fostered by promoting company and workplace practices and procedures which support and enhance workers' individual resources, workplace resources and innovation skills, and the advantages of new technology.

In the future, a shortage of skilled labour could limit the scope for productivity growth. There is therefore a need to examine more closely what skills and knowledge will be required in tomorrow's workplace and plan lifelong learning tools accordingly. Highly important are the skills of management and leadership. These skills could act as a new kind of stimulus to economic growth.

Resource inputs to research and technology development are important. But we must remember that research results, technology and ICT do not simply change to new businesses or productivity. It has to be put to good use in the workplaces.

This requires investments in organisation, people and product development. And changes in operational models. Organisations need new kind of smart incentives, including workers in the decision making, and corporate cul-

ture that motivate people to play together.

Productivity growth achieved in this way is sustainable. It influences economic growth via two channels: by improving the long-term productivity of workplaces/companies and by boosting labour supply, as employees' opportunities and desire to stay longer in work increase.

**The EESC's key messages to EU Member States, civil society and economic and political decision-makers can be summarised under four headings:**

*1) Mutual trust between the social partners is essential*

A prerequisite for sustainable productivity growth is good cooperation between the social partners and the building of mutual trust, especially at the business and organisation level.

A climate of trust is the basis for qualitative improvements in the world of work, the full exploitation of new technology



Leila Kurki, EESC, Brussels, Erika Mezger, Eurofound, Dublin and Johann Kalliauer, Chamber of Labour Upper Austria

and the commitment and motivation of workers. The social partners have a major responsibility in preparing, implementing and evaluating development projects.

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**2) *The economic nature of the quality of work and its impact on growth should be further examined***

Quality of working is usually limited to consideration of issues relating to occupational well-being. However, occupational well-being is only one result of improved quality.

It is important to stress that improving quality of work is a crucial factor for a company's productivity and a key element of economic success. It paves the way for innovation and creativity and a positive attitude to change and exploitation of technology.

This makes it possible for a firm to boost its productivity, enhance customer satisfaction and gain market share. As a firm's productivity improves, more resources can be invested in improving quality of work, thus creating a virtuous circle. Good quality of work is also an important asset for businesses and organisations in the competition for skilled workers.

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**3) *A European index on quality of work and productivity should be created***

More research needs to be done into the relationship between quality of work and productivity. More in-depth analysis needs to be done on the factors which contribute to sustainable productivity.

A European index on quality of work would be based on studies on good work and would be calculated and published regularly. The index would shed light on changes and improvements in the quality of work in Europe and the effects on productivity. At the same time, it would serve as the basis for new quality of work initiatives.

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**4) *Quality of work should be put at the top of the Lisbon Strategy for Growth and Jobs objectives beyond 2010***

The European Union's task is to support all Member States and companies in their efforts to increase sustainable productivity. This idea is incorporated in the economic and employment guidelines. It would be useful to give emphasis to workplace innovation and new kinds of professional skills and management practices in EU innovation and training initiatives (e.g. the Competitiveness and Innovation Framework Programme, Structural Funds programmes, the Integrated Lifelong Learning Programme).

Member States should implement programmes promoting the quality and productivity of work as part of their employment programmes and innovation policy. The social partners have a key role to play here in planning projects and in practical project implementation.

The EESC believes that the debate and practical initiatives on sustainable productivity should be continued in Europe's various forums, in the Member States and in companies.



*Leila Kurki, President of the Employment, Social Affairs and Citizenship section SOC of the European Economic and Social Committee EESC*

## European labour policy – which data does politics need?



*Evelyn Regner, Member of the European Parliament*

***While in some EU member states – including Austria – data records regarding the employment situation are comprehensive and even very good, the state of data surveys for the entire Europe leaves a lot to be desired.***

**A**s a consequence of this deficiency it is difficult for the European Parliament to set the course for a labour policy that meets the requirements of the entire Europe.

Right now we're undergoing times when employees are faced with special challenges. It is to be expected that the consequences of the economic crisis will hit the employees with full force in the next six to nine months. This means they have to worry about their jobs, and demands on employees will be rising. It cannot be assessed yet to which extent redundancies and negative headlines will result in job insecurity and/or a deterioration of the quality of work. There's a lack of adequate data to investigate this aspect.

In spite of some positive changes, the objectives stipulated by the Lisbon Strategy have not been completely achieved. Developments have shown that the increase in employment has been mainly due to part-time jobs and temporary work. However, a successful implementa-

tion of the Post-Lisbon Strategy must not only consider the growth of employment, but shall focus on the quality of work in Europe as well. Quality of work, among others, in terms of job security, job satisfaction, ways of codetermination and employee participation, equal opportunities, and health. More than ever before, we need a comprehensive European data survey to counteract a certain unbalance brought about by the Flexicurity strategy.

A first study on the topic "Indicators of the quality of working environment" is being prepared at the moment. This comprehensive study, which is based on more indicators than the Austrian Work Climate Index, may be taken as a starting point for an initiative of the European Parliament to sustainably improve the work climate and working conditions of employees in Europe.



*Hans Trenner, Chamber of Labour Vienna and Rolf Gleißner, Austrian Federal Economic Chamber*



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*This programme was established to financially support the implementation of the objectives of the European Union in the employment and social affairs area, as set out in the Social Agenda, and thereby contribute to the achieve-*

*ment of the Lisbon Strategy goals in these fields.*

*The seven-year Programme targets all stakeholders who can help shape the development of appropriate and effective employment and social legislation and policies, across the EU-27, EFTA-EEA and EU candidate and pre-candidate countries.*

*PROGRESS mission is to strengthen the EU contribution in support of Member States' commitments and efforts to create more and better jobs and to build a more cohesive society. To that effect, PROGRESS will be instrumental in:*

- *providing analysis and policy advice on PROGRESS policy areas;*
- *monitoring and reporting on the implementation of EU legislation and policies in PROGRESS policy areas;*
- *promoting policy transfer, learning and support among Member States on EU objectives and priorities; and*
- *relaying the views of the stakeholders and society at large*

*The information contained in this publication does not necessarily reflect the position or opinion of the European Commission.*



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