

INVESTIGATION

The ECB: EU's 'bad bank' (for its employees)

By **JEAN COMTE**

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In the past few years, one institution has taken centre stage in the economic battle: the Frankfurt-based European Central Bank (ECB).

But, as the institution took on more responsibility, another issue came to light: it does not have enough staff to fulfil its missions of financial stability and banking surveillance, and many employees are now close to burnout.

"The ECB has definitely not enough permanent positions," Johannes Priesemann, president of the International and European Public Services organisation (IPSO), told EUobserver. "There are overwork and burnout hotspots."

The ECB has currently 3,600 staff, split between the central banking department and the single supervisory mechanism created in 2014 to oversee large banks.

The ECB staff committee, which represents employees, conducted a survey at the end of 2016 to which roughly one-third of employees answered.

They used the 'Oldenburg Burnout Inventory', a list of questions to measure employees' and academics' burnout, such as "during work, I often feel emotionally drained," "I always find new and interesting aspect of my work," or "lately, I tend to think less at work and do my job automatically"

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On a more general note, 75.1 percent of the ECB employees had an issue with workload – especially in the banking supervision department.

These figures are quite similar with those highlighted in the previous 2014 survey staff committee. But between the two surveys, the overall staff had slightly grown – by between 160 and 200 – mostly to complete the newly-launched banking supervision department.

"The ECB is the most important financial institution in the euro area, what happens if employees have a burnout?", Fabio De Masi, who is now a member of the German Bundestag, told EUobserver.

This website has learnt that the 2016 report, which is not public, explicitly points to high workload as a cause for burnout. It notices a correlation between burnout and seniority, pointing to the absence of career development plans and the lack of opportunities regarding internal mobility.

It also stresses a loss of motivation and increase of cynicism regarding the job.

IPSO

At the ECB, where IPSO is the only trade union, many think that the situation is made worse by the fact that the bank is not subjected to regular labour laws, and sets its own rules for itself.

In order to preserve the ECB's independence, article 36 of its status says that it can "lay down the conditions of employment of (its) staff."

That means that the governing council – the body whose main purpose is to decide the eurozone monetary policy – also writes the labour law for their 3,600 employees.

That includes salary and allowances, working hours, disciplinary procedures, and everything linked to pension and social security which are both dealt through the in-house financial schemes.

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The institution's board consults by writing to the staff committee before each decision regarding staff regulation.

"We are not in the room when they decide on work conditions, and the minutes are secret," the staff committee's spokesman Carlos Bowles told EUobserver. "We call it the 'consult and ignore' procedure."

"The consultation framework rarely displayed any useful effect, and led to frustration amongst ECB employees," said Adrian Petty, another ECB employee who is currently launching a new trade union – the ECB Staff & Pensioners Association (ESPA).

"Staff representatives were not involved early enough to have a meaningful influence on the outcome," he noted.

Petty, however, said that the situation has improved, in particular since the ECB hired a new human resource director, Anne-Sylvie Catherin, in April 2016.

The ESPA, whose interim board of management will be elected on 3 November, aims to challenge IPSO – currently the only trade union.

Petty was himself a member of IPSO until the start of the year.

According to its website, the new union wants to end the "current impasse in staff relations at the ECB" and criticises "the aggressive public and legalistic approach being followed by IPSO."

"A large proportion of IPSO's membership income goes towards legal costs", adds the website. "This strategy appears to hinder attempts to conduct a constructive dialogue with the ECB."

Conflict of interest

Priesemann also points to a 'conflict of interest': the fact that the budget and the staffing of the institution are decided by the governing council, which bring together the ECB's executive board and the 19 governors of the eurozone's national central banks.

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"You, when deciding upon the staff levels at the ECB, act more in your role and interests as governors of the national central banks, and less as members of the eurosystem governing council," wrote IPSO in a letter to the governors, in March 2015.

The ECB, however, did take a number of corrective measures in the past few years. Under a dedicated plan, called 'Crescendo', it hired a new director for human resources, and created a temporary chief services officer position to help the board with finance and human resources issues.

The ECB told EUobserver that it is planning to hire just over 100 extra staff in 2018, most of which will be assigned to the single supervisory mechanism (SSM).

It also plans to "soon" introduce flexible working time and additional compensatory time-off. It is working with the staff committee to implement the EU working time directive from January 2018.

"It is too early to judge," said Priesemann. "But what I can say is that the long-haul pressure of IPSO and the staff committee seems to have made our decision-makers aware of the issues."

A new staff survey is planned for 2018. It will be "the benchmark for the success of the work of the new managers", stressed Priesemann.

Reluctant Parliament

Last year, ECB employees received an unexpected bit of support from the European Parliament.

Members of the economic affairs and social affairs committees organised a hearing with the ECB management and trade union.

There were only a few MEPs in the room, and the most vocal were German S&D Udo Bullmann and Jutta Steinruck, German EPP Thomas Mann, and German GUE Fabio De Masi – but they appeared very eager to keep following the issue. Bullmann, Mann and De Masi went to the ECB's headquarters.

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differences in the workload, the process of labour law as well as stress and burnout", Mann told EUobserver in a written comment.

This year, however, the topic seems however less a priority. Steinruck declined to comment, and Bullmann did not answer repeated requests for comments.

"The ECB did not appreciate [being] put in the spotlight, last year," an MEP told EUobserver.

"There were elections in Germany, maybe that [is] why German members were so keen on talking about it," suggested another European Parliament source – pointing to the fact the Bullmann's constituency is Hessen, where the ECB is located.

Ultimately, the EU Parliament has no power over the ECB work conditions, as Steinruck's staff told EUobserver, while not explaining why she attended the hearing last year.

But the it issue recently surfaced again in the economic affairs committee, where members are currently drafting their 'ECB 2016 Report' - an annual document on the institution's activity.

French MEP Pervenche Beres put forward an amendment specifying that the parliament "is concerned by the high level of dissatisfaction among the ECB employees, many of whom [are] being currently overworked and/or at risk of burnout." The text urges the ECB to "restore an effective and sound social dialogue", and to "guarantee safe and decent working conditions."

She told EUobserver that she is determined to see the amendment go into the final text. But the rapporteur of the text – Portuguese S&D Jonas Fernandez – does not appear as eager to include the issue in his report.

He told this website that "until the end the end of the negotiations, [he] can not confirm anything."

Mann is also pushing to include the issue in the report: "We should use the earliest opportunity to integrate this important topic in the report of the ECON-committee", he told EUobserver.

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lack of data available on the issue. "It was better not to include it rather than making an accusation that we couldn't prove," his staff told EUobserver.

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26. OCT 2017,
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Eurozone bank needs more scrutiny, says NGO

29. MAR 2017,
09:23

Transparency International says eurozone's central bank is not subject to "appropriate democratic scrutiny" and should have no say on EU bailout projects.



Varoufakis back in push for ECB transparency

9. MAR 2017,
08:56

The former Greek finance minister Yanis Varoufakis and German left-wing MEP Fabio De Masi want to know whether the European Central Bank overstepped its powers when putting capital controls on Greek banks in 2015.



EU wants to fast-track the capital



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