COMMUNICATION TO THE COMMISSION

The Synergies and Efficiencies Initiative: stock-taking and way forward

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FOREWORD

The European Commission **serves European citizens** and the European Union's Member States. We must therefore strive to be the most **modern, effective and efficient public administration** possible. We should set an example in terms of achievements and working practices.

This means that we have **to modernise continually**. What worked well five, ten or twenty years ago may no longer be the best way. Our political context is ever more complex and demands towards us are increasing. Technology is changing fast. At the same time, there is an increasing pressure on our budget. We have to find the smartest working methods to enable us to **deliver more without more staff**.

To respond to these challenges, the Commission adopted a **Communication on Synergies and Efficiencies**[1] in April 2016 – an ambitious administrative modernisation programme for support services (Human Resources, logistics, Information and Communication Technologies, communication).

Thanks to this initiative and the readiness of staff to be part of a significant change process, **substantial improvements** have already been made, even if in some areas challenges remain. Today, the Commission's support communities deliver an **improved service** – while at the same time having **liberated staff time** for political priorities.

Three years on, the world around us is moving **faster and faster**. Different crises need our constant attention. European citizens expect the Commission to **anticipate changes** and make Europe **crisis-proof**. The European Union is the **guardian of peace and prosperity** and the Commission is delivering the policies and programmes to pursue these goals. We therefore have to enable the Commission to adapt in a volatile world and live up to this ambition.

Building on the achievements of the Communication on Synergies and Efficiencies, we need a more **comprehensive, systematic and forward-looking** approach to modernising how we work and how we support our staff.

For the Commission as a whole, we strive to nurture a **culture of readiness for change**, to be able to react rapidly and anticipate new trends and developments. We must empower our staff and liberate the full potential of the Institution. For this, we need to be **agile, collaborative and engaging**.

We pride ourselves on our **highly qualified and engaged staff**. Together we can make the Commission more modern, more efficient and more effective. We want our Institution to lead from the front. We want to make it an even more attractive place to work. We want to make the Commission an **example of excellence** in how it works as well as what it does.

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[1]   SEC(2016) 170 adopted on 4 April 2016.

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1. INTRODUCTION AND CONTEXT

Following the mission letter of November 2014 from the President, inviting the Member of the Commission in charge of Budget and Human Resources to work on "further rationalising our ways of working and matching the allocation of human resources in line with our priorities", work started on this in 2015. Working groups of Directors-General launched change projects in several domains, which resulted in the **Communication on Synergies and Efficiencies** adopted in April 2016. The goal was to modernise support processes such as Human Resources (HR), communication, Information and Communication Technologies (ICT) and logistics, events and meeting room management, improve working methods, free precious resources and lighten workload. This initiative, novel in its joined-up approach, represents the most ambitious and far-reaching administrative modernisation programme since the White Paper Reform programme launched in 2000.

The implementation of this Communication has helped to make the Commission **leaner, more efficient and more effective**. Services in the support domains are becoming more professional and better aligned with policy goals. According to the Internal Audit Service (IAS), it has also "introduced **novel and innovative ways** of thinking and finding solutions to problems" and "the crosscutting effect of the approach … is helping to break down silos and encourage a **more joined-up** way of thinking". Nevertheless, challenges remain. As we come to the end of the mandate of the current Commission, and building on the recent audit work by the IAS, it is time to review this initiative.

Smart support functions give front line staff more time to deliver on priorities

This Communication looks at the **context** (section 1), takes stock of what has been **achieved** (section 2), assesses the **challenges** encountered (section 3) and proposes a **way forward** to modernise organisational performance further (section 4).

The Commission has to tackle political priorities, such as jobs and growth, climate change, trade, digital transformation, cyber-attacks, terrorism, migration and disinformation, as well as managing European Union (EU) legislation and programmes. Over the last five years, the **range of policy challenges** faced by the Commission has been expanding, but resources have not increased. On the contrary, staffing of the Institutions was cut[2] and **working hours** increased[3].

The result of a rising workload with reduced staffing is reflected in average working hours recorded by staff increasing to 10% beyond the new higher levels set by the Commission, with consequent **risks to effectiveness, staff well-being** and the **attractiveness** of the Commission as an employer.

This was the context for the launch of the Synergies and Efficiencies initiative. The need for **maintaining the momentum** behind such an initiative is just as pressing today.

The number of staff employed by the Commission has been reduced following the adoption of the current Multiannual Financial Framework, but the challenges faced by the EU are growing. The Member States are entrusting the Commission with **more and more tasks**. The geopolitical context requires the Commission to take on additional actions. Furthermore, the Commission has to lead by example and is investing significant resources in areas such as the fight against fraud, avoiding conflicts of interest and ensuring data protection. In order to avoid the increasing demands on staff becoming excessive and for staff to continue to serve citizens and Member States effectively, the Commission must **continue to modernise** the way it works, drawing on the latest digital technologies that enable greater rationalisation of internal processes. The European Commission Digital Strategy adopted on 21 November 2018 provides a comprehensive framework

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[2]   By 5% over the period 2013-17.

[3]   From 37.5 hours per week to 40 hours per week, with effect from 1 January 2014.

for further digital transformation of the Institution, including infrastructures, processes and skills. The Commission needs to retain and attract the best staff to work for Europe and give them the means to respond to policy challenges.

Organisational performance is based on three key elements: the quantity of **total productive working time** we are able to mobilise for the Institution (which requires adjustment to jobs, processes and structures to maximise productivity); the **competencies** of individuals, teams and leaders; and the energy, **engagement**, mind-set and attitude we bring to our work. The Synergies and Efficiencies initiative addressed all three of these aspects in the support domains.

Support domains such as HR, ICT, and logistics are not always visible to citizens, but are essential to enable the Commission to work effectively. The 2016 Communication therefore established **Domain Leaders** for each support function, whose role is to ensure that each domain seeks synergies and efficiencies, in order to make the Commission as a whole more effective.

> A Domain Leader is a corporate service which takes professional leadership responsibility for
>
> - a coherent approach across the domain, including overseeing spending
> - all common processes, structures, methodologies and tools in the domain
> - the professionalisation and support of domain staff
>
> in order to modernise service delivery.

Synergies are achieved when the domain works in a more coherent, efficient and professional manner, in order to deliver a better service. Each Domain Leader also aims to achieve **efficiencies** by reducing costs in terms of time, money and duplication of tasks; and where possible, to reduce the staffing of the domain, in order to allocate more staff to operational work directly serving citizens and Member States. Ambitious targets were set in 2016 to reduce staffing in the support domains by the equivalent of more than one thousand full-time staff.

This was part of a **differentiated approach to staff reductions**. The goal was – and continues to be – to concentrate staff reductions in areas where efficiencies can be gained, rather than cutting posts in all Directorates-General (DGs) in an undifferentiated manner. Therefore, as well as looking for efficiency in support domains, differentiation was also made in allocating staff to DGs, on the basis of relative priority and efficiency of each DG.

> We need to be more efficient, agile, collaborative and engaging, to be a modern Commission

This has allowed the Commission at critical moments to **shift resources to fields that were particularly strained**, when the Commission received new tasks or faced crises. For example, departments dealing with the consequences of the economic and financial crisis, migration and border control, the Energy Union and the trade agenda were all reinforced in this way.

The efforts over the last years demonstrate that the Commission is an organisation that continuously strives to **further improve its efficiency and the impact** delivered by the funding it receives from taxpayers through the EU budget. As such, it contributes to the credibility of the proposals made by the Commission for the new European public administration heading in the 2021-2027 Multiannual Financial Framework. These proposals already take into account the Commission's ambitions to continue to deliver further synergies and efficiencies, building on the 2016 Communication. The need for further modernisation will continue after the end of the Juncker Commission's mandate, as it is the essential complement to the priority-setting process that ensures that resources are available for political priorities. It should be a natural policy of any modern organisation, whether public or private, to continuously explore synergies and efficiencies to better deliver on priorities.

Based on a solid methodology, the next College will be in a position to **continue the process** and ensure a close link to priority setting, adjusting to its new policy orientations. This will allow the Commission to achieve the greatest possible impact with its limited number of staff. Building on the initiative launched in 2016, the Commission needs to bring together different change initiatives in a more coherent approach and

strengthen the Commission's broader capacity for leading and adapting to change. The Commission needs to be more **agile**; to **collaborate** across silos; and to **engage** its staff and stakeholders even more effectively. The present Communication aims to contribute to this.

2. ACHIEVEMENTS

In 2016, Domain Leaders were established for Human Resources Management (DG Human Resources and Security (DG HR)), Information and Communication Technologies (DG Informatics (DG DIGIT)), External and Internal Communication (DG Communication (DG COMM) and DG HR), Logistics (Infrastructure and Logistics in Brussels (OIB), Infrastructure and Logistics in Luxembourg (OIL)), Events and Meeting Room Management (DG Interpretation). All Domain Leaders have worked to enhance the organisational performance of their domains, in terms of **services, reinforcement of priorities**, **professionalisation of the community** and **governance**. A summary of the approach in each domain is given in Annex 1.

Services: Moving Towards a Better and More Efficient Service for Clients

Domain Leaders have been working to provide a **better and more efficient service**. Better services help the Commission to be more effective in developing policies and implementing programmes. More efficient services cost less working time. Time saved by staff working in a support domain means resources can be invested in the core work of the Commission. Time saved by policy and programme staff due to more efficient support services is a direct benefit to core tasks.

The principle underlying Domain Leadership is to reduce fragmentation of effort in the domain and to increase professionalisation. When the staff of a domain are spread across all DGs, there is a risk of duplication, inconsistency and incoherence. On the other hand, when priorities and working methods are defined under the leadership of one DG as Domain Leader, **economies of scale**, **consistency** and **greater impact** are possible, with due regard to the quality of service and clients' needs. Many examples of this have been demonstrated over the last three years (see Table 1 below).

For instance, the Commission has made substantive progress in transforming into a digital administration. SEDIA (Single Electronic Data Interchange Area) has 900 000 users who submit their data only once when applying for EU grants or tenders: the "**Once-Only Principle**". SEDIA also enables automated approval, payment and monitoring processes. ICT tools developed in one DG are being reused across the Commission. Examples include DORIS, a data analytics tool developed in the Communications Networks, Content and Technology DG and used in the Better Regulation Portal to analyse and summarise the feedback of citizens and stakeholders on Commission proposals; COMPASS, a workflow management tool co-developed by several DGs; AGM, a tool developed by DG Employment, Social Affairs & Inclusion to manage expert meetings and reimburse expenses.

In the domain of HR, the new HR service delivery model is now **organised around three roles**. The HR Business Correspondent (HR BC) teams represent a small capacity in each DG and Service responsible for HR strategic issues, for assisting the Director-Generals in defining HR needs of their DGs, and supporting the HR decision-making process. The HR Account Management Centre (AMC) Directorate within DG HR provide day-to-day HR services for clusters of DGs and implement the HR priorities set by the DGs. The HR Corporate service is responsible for the design of HR policies (in consultation with the HR BCs and the AMC), advice to the AMC and HR BC, and provision of some centralised services. The application of rules is now much **more consistent** across Commission services. Comprehensive, clear and accurate information on HR rules and procedures is provided to Commission staff on the Staff Matters Portal on MyIntracomm, including an online Q&A service.

Since 2016, nearly half of the complex set of communication framework contracts entered into by individual departments across the Commission have now been phased out and replaced by a central service, ensuring greater value for money (as larger contracts often lead to more economical offers) and **saving DGs time** by

avoiding multiple tender processes. Since 2016, 48 websites have been closed by integrating the useful content into the Commission's corporate web presence, thus ensuring more coherence in external online communication, centralising the technical effort and saving resources.

The first steps towards a **corporate service for meeting rooms** with standardised equipment and a one-stop-service have been taken: meeting rooms have been inventoried and categorised and more than 50 renovated. The live streaming of events has been greatly expanded, enabling staff or external participants to save time and CO_2 by following from their desks.

More efficient services have enabled the Commission to make cuts in support services such as HR and logistics, in order to safeguard and reinforce front-line tasks such as policy and law making. Overall, **277 full-time equivalents (FTE) have been saved** since April 2016. The biggest contribution has come from the HR domain, which was reduced by almost 150 FTE, through economies of scale. The centralisation in OIB of logistics services has saved more than 50 FTE so far (see Annex 3 for details of savings).

Individual DGs have also been reducing staff to enable reallocation to other priorities. Thanks to the efforts of the DGs concerned, the merger of many directorates to create the Internal Market, Industry, Entrepreneurship and SMEs DG (GROW) resulted in efficiency gains of 200 FTE, while DG Agriculture and Rural Development (AGRI) made reductions of 121 FTE[4]. In other cases, such as, for example, the digital policy domain, DGs have been delivering on priorities without reinforcement.

The equivalent of around 600 full-time staff have been liberated for other tasks

Without the Synergies and Efficiencies initiative, it would still have been necessary to reduce staff and redeploy to political priorities. The alternative would have been to make cuts from all DGs and domains, without taking account of varying possibilities for redesigning services, making synergies and increasing efficiencies. This would have had a negative effect on quality of service, policies and programmes.

Priorities: Resources Have Been Allocated to the Commission's Priorities

The savings resulting from the application of the measures mentioned above have allowed the Commission to take bold decisions on the redeployment of human resources towards policy priority areas, while also reinforcing its central steering and coordination functions.

Since November 2014, **staff redeployments** have been decided towards **priority areas** such as dealing with the consequences of the economic and financial crises (DG Financial Stability, Financial Services and Capital Markets Union (FISMA): + 45, DG Competition: + 38), migration and border control (DG Migration and Home Affairs (HOME): + 62), the Energy Union (DG Energy: + 30) or the EU trade agenda (DG Trade: + 30). These are all examples of areas where Member States and the other institutions expected the Commission to act, and to act fast.

As a result of such reallocations, the proportion of Commission staff employed in **operational jobs** (e.g. policy and programme management) has **increased** over recent years, while the proportion employed in administrative support and coordination has been reduced[5].

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[4] Not including additional contributions made to individual efficiencies strands.

[5] According to "Planning and Optimising Commission Human Resources to serve EU priorities - 2018 follow-up report (December 2018)" (transmitted to the Council as Ares (2018)6458428 and to the Parliament as Ares (2018)6456480),

Community: Helping Staff to Give a Better Service

Better services can be achieved only through the **efforts of dedicated and specialised staff** in each domain. Domain Leaders have been investing in engaging with the community of staff in their domain across the Commission, helping them to see their place in the wider framework and offering them **professional learning** and training.

Staff in some domains have gone through big changes. The **HR domain transformed in one year** from the adoption of the HR Modernisation plan to implementation with all DGs. This involved dissolving 35 HR units; adjusting 150 HR processes with their help; setting up small HR Business Correspondent teams in each DG; transferring 400 staff to DG HR to deliver HR services in shared teams; moving offices, files and computer equipment; and ensuring business continuity.

Continuous communication and involvement of staff was ensured from the beginning of the project, thanks to participatory workshops. In the logistics domain, a similar process took place of **integration and training of staff** transferred to OIB from other DGs.

Formal and informal **community information-sharing** is in place in all domains. Domain Leaders have organised events to bring together their community to exchange and learn from each other. For example, in the ICT Domain, the Digital Stakeholders' Forum enables ongoing conversation around the digitalisation strategy, innovation and operations, and ICT security.

An extensive professionalisation programme in the communication domain has been complemented by other learning opportunities, including information-sharing events, job shadowing and peer reviews. The **internal communication awards** recognise achievements and encourage professional development and exchange.

These are all examples of Domain Leaders working to assist staff in support domains and help them become more professional and deliver high quality services to their client DGs.

Governance: Better Alignment with Priorities

The introduction of **domain leadership** has helped to clarify the relationship between local teams dealing with HR, ICT, communication or logistics and the DG responsible for overall policy in the domain. Previously, such DGs did not have the mandate to oversee the operation of the activities of local teams, their budgets, alignment and professionalism. The capacity of the whole community to learn from each other, avoid duplication, and provide mutual help during peak periods was also limited.

Domain Leadership means more coherence, better collaboration and greater professionalism

To enhance cooperation and consistency, the **mutual obligations and responsibilities** of Domain Leaders and local Domain Managers or correspondents have been defined. All domains have set up or strengthened steering and monitoring structures. There is **improved oversight of spending** per domain. For example, the Corporate Communication Steering Committee ensures **stronger alignment** with political priorities and between internal and external communication, including a shared professionalisation programme, shared professional network and shared use of tools. Reporting by DGs of major communication initiatives helps **avoid unnecessary duplication** of

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57% of Commission employees were working in operational jobs in 2018 and 23.5% in administrative support and coordination, compared with 54.6% and 23.8% respectively in 2016 and 51.8% and 27.5% in 2010.

effort. **Pooling staff** between DGs for particular actions (e.g. communication on the State of the Union address) has led to better results with less effort.

Interdependencies between domains are being addressed. For example, the **Workplace of the Future** project puts together the logistics, ICT and HR domains to design an integrated service to support DGs in new ways of working; and OIB, OIL, SCIC, DIGIT and HR are working on an **integrated logistics service** for office moves and meeting rooms. A Commission-wide strategy has been defined for data, information and knowledge management[6]. In this framework, the **One-Stop-Shop for Collaboration** provides advice to DGs and domains on collaborative working.

Functional reporting has been introduced to help domains to work coherently across all DGs, while ensuring DGs' continued autonomy to deliver on their priorities. This means that local domain managers in DGs report to their Domain Leader as well as to their DG. The guiding principle has been to preserve each Director-General's responsibility for operational decisions, while enabling Domain Leaders to guide the way their professional communities work. This supports the efforts undertaken by this Commission to ensure collaborative working across DGs, with a unified sense of purpose. **Annual feedback** from Domain Leaders has been set up in three domains. In the HR domain, professional objectives have been defined with the Domain Leader. Domain Leaders regularly participate in selection panels for local Domain Managers.

Since the adoption of the new Corporate Governance package in November 2018, the **responsibility for oversight** of Synergies and Efficiencies initiatives has been clearly assigned to the Corporate Management Board (CMB). The Corporate Management Board supports the administrative management of the Commission. It provides coordination, oversight, advice and strategic orientations on corporate management issues, in areas including performance management, **alignment of human resources to priorities**, the organisation and administrative performance of the Commission services and major institutional change projects. In this way, the Corporate Management Board contributes to ensuring that the necessary structures, processes and administrative policies are in place in the Commission to deliver on the political priorities of the College and the tasks entrusted to it by the Treaties in an efficient and effective way. The Corporate Management Board reports to the President and the Member of the Commission in charge of budget, human resources and administration. The steering groups of Directors-General which supervise the implementation of projects by Domain Leaders report to the CMB.

These actions have all helped to increase the overall coherence and impact of the work of support domains. Further examples of achievements are in Table 1 below.

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[6] C(2016) 6626 final adopted on 18 October 2016.

Table 1: Achievements of Synergies and Efficiencies Initiative: Examples	
Priorities	**Reinforcement of DGs** dealing with: - the consequences of the **economic & financial crises** (DG Financial Stability, Financial Services and Capital Markets Union+ 45, DG Competition + 38) **migration** & border control (DG Migration and Home Affairs + 62) - the **Energy Union** (DG Energy +30) - the EU **trade** agenda (DG Trade +30)
Human Resources	**Reduction by 148 FTE** - More consistency in the application of HR **rules** across the Commission - Adaptation of 150 HR **processes** **Economies of scale** - Greater **specialisation** - Staff Matters Portal – **single entry point to HR** **Professionalisation** programme **Business continuity** through change
Logistics	**Reduction by 52 FTE** in Brussels **Rationalisation of mail delivery** - Logistics Proximity Teams offer more efficient **local support** - Space Design Team – innovating in **office design** **Integration of staff** into new structures - Similar initiative launched in Luxembourg and progressing on schedule
Information and Communication Technologies	- Strengthened **ICT security governance,** - Rollout of **digital workplace of the future** - SEDIA, **eProcurement** and **eGrants**– cutting red tape - Local Data Centre consolidation (LDCC) – gains in efficiency, reliability, security – so far **6 LDCs consolidated** - Increased use of data **analytics** "ICT building blocks"- the building of **Reusable Solutions** Platform
External Communication & Internal Communication	- Stronger **steering structures** - Better alignment with political priorities - Better alignment internal and external communication **Collaborative communication planning** **Centralisation of framework contracts** for modern and streamlined services to DGs - Europa website more user-centric **Pooling** of graphic designers for certain projects – maximising impact - Use of **single visual identity** for Commission **Professionalisation** programme **Pooling / sharing** between internal / external communication **Staff Matters Newsletter** consolidates separate newsletters - Local intranets migrated into **MyIntracomm**
Conference Organisation	- Central **Events Database** - Online **participant registration tool** - Conference organisers **network**
Meeting Room Management	- Cheaper new **audio-visual equipment framework contract** **Standardisation** and simplification **Inventory** and categorisation of all meeting rooms - More than 50 meeting rooms **renovated** **Web streaming** service expanded
Cross-Cutting Projects	**Workplace of the future**: analysing experience & proposing joined-up approach **Integrated Logistics Service**: designing a one-stop service for staff

3. CHALLENGES

As highlighted recently by the IAS, the implementation of Synergies and Efficiencies Initiatives has faced significant challenges, not all of which have yet been overcome.

Services: Minimising Disruption for Clients and Speeding up Digital Modernisation

Any significant change in the organisation of a service is likely to cause **disruption for clients** in the short term. Processes have to be adjusted, the content of jobs changed and clients have to learn how the new system works. For example, in the case of logistics in Brussels, there were initially concerns about the visibility and proactivity of the new proximity teams, as well as rapidity in dealing with clients' requests.

In the case of HR Modernisation, due to the complexity and scale, the transfer of tasks from local HR units to central HR and local HR Business Correspondent led to some teething problems. **Client satisfaction declined** from 75% to 68% between 2016 and 2017. Based on analysis and consultations with stakeholders, adjustments were made in 2018 to improve efficiency. Further enhancements are planned to improve satisfaction.

As roles and responsibilities were redefined, there was a risk that some tasks remaining in DGs ended up with operational or coordination units by default. Further clarity in responsibilities and the range and level of services offered in each domain would help clients in the DGs.

Ambitious targets were set in 2016 for the number of jobs to be saved (see Annex 3). In several domains it is now clear that the targets cannot be met on the time schedule originally specified – or at least not without significantly impacting the quality of service to clients, or risk overloading staff and affecting the attractiveness of the Commission as an employer. While savings assumptions were based on data tested with Domain Leaders, implementation showed the need to take into account the DGs' specificities while developing standardised and streamlined services. In the particular case of the ICT domain, a part of the expected high volume of savings was conditional on the budget being available for investment in ICT building blocks. Since this has not yet been possible, the bulk of the savings in this domain are postponed.

The 2016 Communication initially limited the scope of the Synergies and Efficiencies initiative to **four groups of domains**. The domains had to be chosen carefully to ensure critical functions of the DGs are unaffected and Directors-General have the resources needed to assume their responsibility. Careful expansion to other domains could enable even greater benefits and savings in the future.

A key constraint for several domains has been adjusting to the **speed of upgrading ICT solutions.** This underlines the urgency to promote and invest in modernisation plans. For example, more streamlined ICT workflows are needed to handle HR processes or office moves more efficiently. Digital communication

Planned savings need more time to be realised

and collaboration suffer from the use of too many different ICT tools. Efficient management of meeting rooms is hindered by the **diversity of equipment** in buildings. Ensuring timely delivery of effective ICT solutions requires systems providers and Domain Leaders to join forces to devote investments and time to these issues, as well as the adoption of new agile ICT modernisation practices. Ideally, ICT solutions would be adapted before wider changes to processes are put in place.

Furthermore, building and **ICT security** requires increased attention across the Commission and from Domain Leaders. All domains rightly prioritise investment in prevention of cyber-attacks and in data protection but this takes up resources.

Community: Helping Staff Through the Change

The introduction of the concept of Domain Leadership was a great challenge for many staff in the domains affected. In the HR and logistics domains **hundreds of staff changed** DGs. Across all domains, it has been necessary to build up the sense of belonging both to a DG and to a wider professional community led by another DG.

It was not always easy to keep staff in the domains motivated, faced with fundamental changes, but **participatory approaches** helped ease the change. A stronger central capacity to provide advice and support for change management would have been useful. Some staff did not initially have the ability or the readiness to change the content of their jobs. Even for staff who strongly supported modernisation efforts, "**change fatigue**" can make further improvements more difficult. Systematic investment in the development of careers and mobility within the domain is needed and professionalisation could be better targeted. In the ICT domain, it has been difficult to attract enough staff with the required specialist profiles, particularly in Luxembourg.

Strong **support from the top** was necessary to convince both staff and managers of the need for change, across the whole Commission, as well as in domain communities. In the communication domain for example, whereas DGs supported the rationale of centralising procurement, some were understandably reluctant to give up the posts, which were saved.

Governance: Identifying the Domain and Planning Change

Change is more likely to be successful when staff are involved and engaged

Taking on a new corporate role of Domain Leader has been
a key challenge for several of the DGs involved. The Domain Leaders themselves often did not initially have (m)any **staff allocated** to the task of leading their domains and sometimes faced difficulties to find sufficient staff with the right profiles for this, without additional posts. The emerging need of **guiding Domain Leaders** was met by DG HR, also without extra posts. A central capacity to **identify needs** for change and synergies could facilitate change, notably when there are interdependencies between domains. It also became clear that the process should not be over-engineered, maintaining flexibility and a human-centric approach.

In some domains, especially conference and meeting room management, Domain Leaders had to make a significant effort of data collection and analysis to **identify all the staff** working in their domain, their activities and their **different profiles**. This is a necessary pre-condition for ensuring coherence, alignment, collaboration and professionalisation across the domain. When staff work on other issues at the same time, it becomes more difficult to **measure potential savings**.

Table 2 below provides an overview of the domain communities. It shows the **size** of the domain, the degree of **concentration** (a high percentage means that most people in the domain work exclusively in the domain, while a low percentage means that many staff in the domain have other tasks as well), and the degree of **centralisation**.

For client DGs it was essential to ensure that all changes introduced would result in at least the same level and quality of service as in the past. Feedback from DGs was helpful to challenge and refine the proposals of Domain Leaders. Some **efficiency gains are redeployed** within the DG to higher priorities. Unfortunately, this can make it difficult for central services to provide conclusive evidence of savings. A balance needs to be made between reallocating posts to institutional priorities, while allowing some savings to benefit the DG of origin.

To give **DGs an overview of the changes** impacting them in the course of the year and avoid the risk that the same job could be identified as a source of savings for multiple domains, a new approach was developed in 2018. The estimates of efficiency gains and required investments are now **consolidated** into a single overview of contributions per DG. This has brought more clarity and transparency at all levels. The central

services and the College now have a strategic and comprehensive outlook on the Synergies and Efficiencies agenda. They can probe Domain Leaders and validate proposals. DGs and Domain Leaders can better plan resources and investments. Further clarifying definitions of savings would increase the value of the consolidated overview even more.

The challenges encountered over the last three years help us to define what needs to be done next.

Table 2:

Domain (data from March 2019, service providers and services to other Institutions & Agencies included)	Domain Characteristics		
	Size: % of Commission workforce	Concentration: Average % of time devoted to domain activities per job	Centralisation: % of domain workforce in Domain Leader DG
ICT	8,1%	74%	38%
HR	5,6%	86%	65%
Logistics - BXL	2,5%	86%	93%
External Communication	2,2%	54%	58%
Logistics - LUX	1,0%	93%	96%
Meeting Room & Events Management	0,6%	40%	45%
Intenal Communication	0,3%	34%	21%

4. WAY FORWARD

The experience so far and the recent work of the IAS points to three areas for action: completing the implementation of the Synergies and Efficiencies initiative in practice; embedding a synergies and efficiencies culture, Commission-wide; and improving monitoring and reliability of savings estimates. A more **comprehensive, systematic and stable approach** to modernising organisational performance is therefore needed. This will cover all the projects already started under the Synergies and Efficiencies initiative, as well as future modernisation projects.

Services: Ensuring Quality and Accountability

The measures described in 2016 are confirmed, but **a renewed impetus** is needed to implement all the measures, with **adjusted targets and timetables**, in some cases (see Table 3 below and Annex 3).

- In the **HR domain**, the full rollout of the new service delivery model is confirmed. The main priorities for the future will be: increasing the satisfaction of clients, especially managers; and optimising core processes to make them faster and more efficient. In particular, the selection, recruitment, learning and development and time management processes will be optimised and HR Business Correspondents will be relieved from tasks that are not part of their responsibilities. More accurate and comprehensive HR analytics and reporting will be developed, as well as organisational development and support for managers. DG HR will carry out a communication campaign to help understand better the responsibilities of the new HR actors and of the new opportunities available to them. The names of both the HR BC and the AMC may be changed to reflect more accurately their functions[7]. As Domain Leader, DG HR will collaborate with Office for Administration and Payment of Individual Entitlements, European Personnel Selection Office and other DGs with staff working on HR tasks to identify their potential for modernisation, automation and efficiency gains, while maintaining a high quality of service.

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[7] The temporary appointments of the AMC Heads of Units in the DGs they serve remain until the necessary changes to the HR ICT systems have been completed. DG HR should notify the respective DGs once the temporary assignments have come to an end.

- The **ICT domain**, in line with the Commission's Digital Strategy, will pursue the development of innovative digital solutions supported by corporate ICT building blocks, eProcurement and eGrants, the consolidation of local data centres into a corporate secure hybrid cloud service offer as well as broadening the use of e.g. e-signature to all domains. Some of the savings will need to be reinvested in ICT security**,** which is a top priority. This affects all layers of ICT and processes and, therefore, security-by-design principles will be widely applied.
- **External and Internal Communication** will further align governance of the domain with policy development, including a requirement for the Domain Leader to approve large-scale communication actions on the basis of pre-established criteria; complete the centralisation of framework contracts and further refine the service to cover the full range of needs enhance professionalisation and communities of practice; and improve the efficiency and effectiveness of the relationship between the Domain Leader and local internal communication correspondents.
- The **Logistics domain** will focus on reducing the workload for DGs in office moves and improving further the customer orientation of logistics proximity teams (OIB); and centralisation of local logistics services and rationalisation of mail management (OIL).
- The domains of **Conference Organisation and Meeting Room Management** will provide a corporate framework contract for conference management; ensure guidance for all Commission events and extensive support for the most important events. With a few exceptions (e.g. small meeting rooms for top management, crisis rooms) all meeting rooms will be shared between DGs with standard equipment and user-friendly service.

An essential concern for Domain Leaders must be to work together to ensure a **seamless user experience** for staff, in order to save staff time. **A "one-stop" approach** must be used whenever possible. For example, the responsibility for meeting rooms is currently divided between SCIC, OIB, OIL, DIGIT, and the DG that manages access to the room. It should not be up to the user to contact these different services, but a responsibility of SCIC, as the Domain Leader, to ensure that, in cooperation with the other Domain Leaders, they provide a **fully integrated, standard, efficient service**, in response to a single request.

Table 3: Summary of Net Savings in Principal Domains (in FTE, full details in Annex 3)			
Domains specified in 2016	2016 target savings	Net savings made by end 2018	Revised target
HR	310 by 2019	148	228-268 by 2024*
ICT	662 by 2019	44	688 by 2024
Communication	75-105 by 2020	36	70 by 2024
Logistics, Events & Meeting room management	100 by 2030**	52	138 by 2030
*higher target conditional on the necessary ICT developments ** 2016 target concerned only centralisation of logistics in Brussels (OIB)			

DG Budget will strengthen its role as Domain Leader for the core functions of **Financial Management and the internal control framework**. The responsibilities of Authorising Officers will not be limited in any way. However, new challenges in financial management have led to increased demand for guidance, in particular concerning simplification and harmonisation of internal processes, as well as a need for more coordination among Authorising Officers (e.g. by programme, clusters of DGs or types of management mode). DG Budget will accordingly strengthen its support to the DGs and promote oversight and coordination across the Commission in the implementation of actions aiming to modernise financial management. While these actions may also achieve more efficiency (e.g. through use of ICT tools such as SEDIA and e-procurement), their main focus should be to improve **sound financial management.** Priority should be given to actions promoting an efficient and timely implementation of the new programmes to be adopted for the next Multi-Annual Financial Framework.

The Secretariat-General (SG) will be formally established as Domain Leader for **Document Management**, with the aim to modernise it and enhance effectiveness. The **Publications** domain was established in November 2018 for increased oversight of the publication process to ensure greater added value. The

Publications Office, as Domain Leader, envisages that the centralisation of production-related tasks and editorial governance in the domain can increase quality and decrease costs by rationalising the number of redundant publications, enabling DGs to focus on policy.

During the mandate of the Juncker Commission DG Translation (DGT) has made savings of more than 200 FTE, reducing the cost and improving the speed of **translation** services, while maintaining the world-class quality that is essential to the Commission's legislative and communication activities. An enabling factor for this was the continuous development of translation technology and automation. Building on the achievements made, DGT shall make proposals for further efficiency gains.

More savings will be reinvested in DGs and domains over time

Significant progress has been made in providing better and more efficient support services. Nevertheless, while the initial expectation was to generate savings for the central redeployment pool, in practice many of the savings have been directly reinvested in DGs. In some cases targets have been reviewed, either to set lower targets or to give more time to achieve them.

Overall, the **volume of savings expected is almost unchanged**, but the timescale has been extended, with a different distribution between types of savings (see Annex 3 and Table 3 above). Savings in terms of redeployment to the pool will not be as great as first planned, but there will be more savings reinvested in DGs or domains working on new priorities, as well as cost savings and benefits which cannot easily be quantified, but are nonetheless real. Moreover, the process will not only generate savings, but will also make sure the Commission as an organisation works more efficiently, with leaner and streamlined processes in the different domains.

Three different types of savings will be clearly identified from now on: (1) savings which are returned to the **central pool** (external redeployment); (2) savings which are reinvested in the DG or the domain (**redeployment**); (3) savings made by avoiding expected costs, for example when **pooling and sharing** of service providers reduces spending (e.g. reusable "ICT building blocks" for EU login, search, notifications, etc.).

As part of the consolidated approach established for the management of efficiency gains, **financial savings** as well as staff savings will be monitored. In order to define more clearly the expected benefits and enable monitoring, **Key Performance Indicators** (KPIs) must be defined for current and future organisational performance projects. These KPIs should focus on the essential purpose of the project and either use available data or set out a cost-efficient method of collecting the data. Savings made must not be eaten up by efforts to measure impact. One or two meaningful indicators per project is ideal, including a measure of **client satisfaction** or quality of service.

All Domain Leaders should define a **catalogue of services** offered by the domain, including definitions of service quality, as applicable, and update it regularly. Their **processes** should be documented in a consistent and transparent manner, preferably using the corporate process management tool.

The efforts and staff **time devoted by Domain Leaders** to support the rest of the Commission should be recognised, as well as the support given by other DGs to Domain Leaders, particularly in the case of early adoption of new initiatives. Work in support of Domain Leadership will therefore be taken into account in Resource Allocation Decisions. In some cases, initial investment is needed in order to yield service benefits and staff reductions later. Given the crucial importance of ICT in making processes more efficient and thereby enabling the reallocation of staff to priorities, the Resource Allocation Decision should take into account planned ICT investments decided by the ICT and Cyber Security Board.

Definitions of savings are set out in Annex 2 and details of revised targets in Annex 3.

Community: Investing in Staff

Investment in the staff of each domain is an essential part of building better and more efficient services. In particular, Domain Leaders shall invest in identifying and **engaging** their communities, providing **feedback** and enhancing the **professionalisation** of the domain, including opportunities for **moving jobs** within the domain. In particular, Domain Leaders will work towards **reaching out to all staff** in their community, not just local domain managers. They will also ensure that competency frameworks and learning paths are defined for their domain; that teams within the community are aware of these paths; and that staff follow them to ensure their re-skilling and/or up-skilling, in particular if they change jobs.

More joined up support for institutional change projects

Governance: More Systematic Oversight of Major Organisational Change Projects

Experience over the last three years shows that Domain Leaders need **support from central services**. Successful change projects often have significant HR, ICT, communication and financial aspects, no matter in which domain. Moreover, **domains are inter-connected**. Optimum results can only be achieved with strong coordination, strategic orientation and oversight. The **Corporate Management Board** (CMB) assumes this role, in support of the College, the Members of the Commission, the Directors-General and the Heads of Service.

In line with its mandate, the CMB will therefore ensure **alignment, coherence and synergies** among corporate initiatives and change projects and avoid gaps, duplications or contradictions. It will set corporate priorities on the basis of **organisational need** and programme work accordingly. It will ensure that coordinated and integrated support is given to **priority projects**. Under the coordination of DG HR, central services will support the CMB to **mobilise support** (for example from the One-Stop-Shop for Collaboration) to help maximise the chances of success of each project, to monitor progress using a scorecard of KPIs, including savings achieved, and **report to the CMB** at least annually.

The Directors responsible for Domain Leadership in DG HR and the Domain Leader DGs will be invited to participate in the **Resource Directors' Group** periodically, in order to facilitate the monitoring of organisational performance initiatives. The role of DG HR in supporting and coordinating Domain Leadership is confirmed.

Continuous **communication** will be made by Domain Leaders, targeted at managers and staff. This will have the purpose of ensuring understanding of the context and the need for change; increasing knowledge of the benefits generated; and ensuring that when services, processes or organisations change, staff and managers know how and whom to contact. Efforts will also be made to take advantage of the experience and knowledge of staff to propose changes which can be made to increase efficiency.

Harness collective knowledge and talent through vibrant community networks

Chart 1: Timeline by Domain

2016 Communication
'Synergies and Efficiencies'

2019 Communication
'A High-Performing Commission' (expected)

Today

HR modernisation:
first wave pilot

HR modernisation:
second wave pilot

Conference Organisation: Events
Database

ICT: new governance for
contracts
management

ICT: Digital Workplace
(ongoing)

Establish-
ment of the
Corporate
Communication
Contracts Team

Logistics
(Luxembourg):
Full roll out

ICT: SEDIA

Ongoing business
improvements

End 2020:All
services use
e-procurement

Joined-up savings

NOV. 2018
Publications

Logistics
(Luxembourg)

First pooling of
graphic designers
for SOTEU

Logistics (Brussels):
Full roll out

Financial Managment & Internal Control
Document Management

Integrated logistics service:
Launch
Meeting Rooms: Inventory

Conference
Correspondents
Network

New events FWC

Human Resources

ICT

External and Internal
Communication

Logistics
(Brussels)

Conference organisation and
meeting room management

2016   2017   2018   2019   2020

Table 4: Overview of Action points		Chef de file	Timing
A. Service Provision	1. Publish up-to-date service catalogues for each domain with definition of service quality 2. Improve client experience through development of single points of contact, client portals, and other (mobile) tools in all domains, notably when domains connect 3. Define Key Performance Indicators (KPIs), including on client satisfaction and e.g. speed of service provision, cost of service 4. Document domain processes in corporate business modelling tool	All Domain Leaders	By end 2019
B. Community / Professional	5. Define KPIs on community identification, engagement, professionalism and domain performance 6. Define learning paths for domain communities and develop team plans to follow them 7. Develop plans to facilitate staff mobility inside each domain 8. Domain Leaders to inform all staff of their community of the priorities and opportunities of the domain	5. All Domain Leaders in consultation with DGs* 6-8. All Domain Leaders*	5. July 2019 6. End 2019 7. End 2019 8. July 2019
C. Domain-Specific	9. DG Translation to make proposals for further modernisation of translation 10. Implement updated approaches for HR, ICT, communication, logistics, conference organisation and meeting room management domains 11. Establish the Secretariat-General as Domain Leader for document management to propose modernisation measures in the domain 12. Strengthen DG Budget's role as Domain Leader for finance/internal control to propose modernisation measures in the domain 13. Publications Office as Domain Leader for publications to propose modernisation measures for the domain	9. DGT 10. HR, DIGIT, COMM, OIB, OIL, SCIC 11. SG 12. BUDG 13. OP	Proposals by end 2019
D. Governance	14. Have CMB oversee and guide institutional modernisation measures 15. Introduce annual modernisation scorecard and progress report for CMB and Group of the Resources Directors (GDR) 16. Have Domain Leaders report annually to CMB on domain progress 17. Have Domain Leaders attend GDR regularly 18. Identify interdependencies; ensure clear project leadership and regular reporting on cross-domain projects	14. CMB 15. All Domain Leaders 16. All Domain Leaders 17. Secretariat-General 18. CMB, HR	By July 2019
E. Change Management	19. Reinforce central service collaboration in coordinating modernisation measures 20. Provide change management assistance, including training 21. Launch communication campaign to promote purpose and benefits of modernisation measures 22. Define DG modernisation contributions and investments in annual resource allocation decisions	Central services	Continuously
F. Synergies / Savings	23. Implement improved savings definitions 24. Implement revised savings targets 25. Track costs and benefits of modernisation measures and ensure benefits outweigh costs	All Domain Leaders	Continuously
*For new and recently established domain leaders, more time may be required for these and other measures			

5. CONCLUSION

Since its introduction in 2016, the Synergies and Efficiencies process has been an important driver for the way the Commission works as an organisation. The results are positive overall but experience over the last three years has shown the difficulties encountered by modernisation initiatives. The work done so far has **yielded benefits** for both staff and citizens in terms of quality, transparency and speed of administrative work. The work needs to be continued and expanded using synergy gains to reinforce political priorities on a continuous basis, ensuring that the policy orientations of the new College are accommodated.

Striving to be the **best possible public administration** and responding to the challenges ahead without more staff, the Commission needs to be smarter in the way it works. Support from the top of the Institution is necessary to give a new impetus to modernising the Commission and maximising our performance. A broader range of projects is needed to help the Commission to be even more **agile, collaborative and engaging**. The scope for further synergies and efficiencies between the Commission and other EU Institutions and Agencies should also be explored.

Enhanced organisational performance of the Commission is essential to enable staff to work more effectively. The lessons from the initiatives already launched are being learned and a sound framework for organisational change in the future is being provided. The purpose is to make the Commission fit for change and fit for the next decade as a **modern digital public administration at the service of 450 million citizens**.

The Commission is therefore asked to endorse the present communication, **mandate the Corporate Management Board** to oversee the implementation of the action points listed above (Table 4); and take note that DG HR will coordinate the preparation of an **action plan** for the implementation of recommendations of the IAS on Synergies and Efficiencies, together with Central Services and Domain Leaders.

Annex 1: Overview of Methodology and Approach by Domain Measure	
HR Management	Objective to transform HR service delivery model for improved and more efficient HR services. Initially target was to reduce ratio of HR staff to overall Commission staff to 1:40 (basis 2015). Adjustments to HR service delivery model in 2016-2018, notably through creation of 8 Account Management Centres and strategic HR Business Correspondent functions in each DG. Part of HR functions centralised in DG HR. Project now in consolidation phase with emphasis on improving service delivery to clients. Continuous improvements to generate savings via reviews of different HR processes and release of non-HR tasks currently handled by HR community. The currently applied approach to savings, targeting a ratio, will be replaced by a target net reduction in the size of the HR community, through a combination of direct contributions to the central pool (including corporate "taxation") and redeployment.
Local Data Centre Consolidation	Objective to centralise existing local data centres in DGs in corporate centre, bringing long-term cost reductions and significant savings in staffing, together with improved ICT security, business continuity and quality, and lower environmental impact. Methodology measures resources saved in DGs since 2015. These resources will be in part required for appropriate staffing of corporate data centre in LUX, while other part will be pooled centrally and locally in DGs. Project involves onboarding DG per DG following a due diligence phase, which will fine-tune efficiency gains identified in each DG.
SEDIA (Single Electronic Data Interchange Area)	Objective to implement the once-only principle for registration of suppliers and grant participants for all EU institutions. Efficiency gains estimated based on time freed up from performing legal entity validation activities due to automation and centralisation of process for handling procurement and grant information. Methodology for planning of resources endorsed in the Cost-Benefit Analysis for REA executive agency.
e-Grants	Objective to build common, streamlined ICT system supporting grant management operations. Methodology applied based on existing grants processes and their conversion into FTE time spent on administrative overhead. eGrants solutions to be available to all concerned DGs by the end of the current programming period. Efficiencies on DGs and Executive Agencies using eGrants estimated at 24%. 5 DGs already onboarded. Efficiency gains identified to be partly pooled centrally and partly remain in DGs.
e-Procurement	Objective to build a complete business-and-ICT inter-institutional solution for handling procurement data. Project needed to align with Directive 2014/24/EU on Public Procurement and to optimise use of resources in all EU institutions and bodies. The methodology was revised in 2018, approved by the Grants and Procurement Steering Board and adopted by the DGs in their self-assessment. It is derived from Standard Cost Model. Processes are described (AS IS situation) and converted into FTE to indicate the time spent on administrative tasks that could potentially be reduced with (further) automation (TO BE situation, based on a full eProcurement suite). Efficiency gains to be partly pooled centrally and partly remain in DGs. Bulk of efficiency gains expected to materialise as from 2022.
Common Business Architecture and ICT Building Blocks	Objective to progress towards implementation of the Reusable Solutions Platform (wrapping up the Common Business Architecture and ICT Building Blocks, as defined in the EC Digital Strategy), to make available various reusable solutions developed in a harmonized efficient manner (e.g. with common service catalogue, governance, operations, service desk organisation, maintenance). Efficiency gains translate in cost avoidance. The methodology will adopt industry practices and standards to identify efficiency gains, comparing the costs of developing, deploying and operating independent solutions on a per service basis with the once only costs of producing a building block and adopting it in as many services as possible. Efficiencies are proportional to the number of services adopting the building block. Implementation of reusable solutions requires substantial investments.
Web rationalisation	Objective to create coherent, relevant and cost-effective web presence of Commission. Domain leader oversees use of all websites to ensure coherence. Methodology based on DG Communication's web resources inventory: (1) already completed transformation of some DG websites, including overall management of web pages, and (2) further rationalisation of remaining websites (notably by cutting 40% of content, standard design & components and reduction of custom ICT developments). Methodology identifies already achieved savings in 48 websites. Savings will serve central pool and investments in DG Communication in area of web, 2/3 of resources are external service providers, where gains will free up resources for other projects in local DGs.
Centralisation of Communication Framework Contracts	Objective to provide modern and streamlined communication services to DGs through corporate communication framework contracts (FWCs) and reduction of DG-specific FWCs. Jobs in DGs were necessary to devise and manage FWCs. Phasing out of local FWCs and use of corporate ones will bring efficiency gains in terms of staffing and diversification of tools for better service, faster delivery and mitigation of market anomalies. DGs to phase out communication FWCs, unless sound business case proven for own contract, approved by Corporate Communication Steering Committee. Any new FWC becomes a 'corporate asset' and is open to all DGs. Efficiency gains identified in DGs to be pooled centrally and partially serve building a central capacity in DG Communication.

Logistics (Brussels)	Objective to modernise Commission logistics in Brussels through new delivery model (proximity teams, central mail) and increase efficiency (reaching ratio of 1:350 & vacated jobs available for central pool). Initial transfer of logistics staff to OIB in 2017, while part of local logistics staff were redeployed internally within DGs of origin. BERL building has not yet been onboarded to new model.
Logistics (Luxembourg)	Objective to modernise Commission logistics in Luxembourg through new delivery model (proximity teams, central mail). Building on OIB experience, project to be implemented as from 2019. It is expected that savings will materialise following move to JMO2 building.
Conference Organisation	Objective to maintain excellence in service provision and further professionalise conference community, while delivering efficiency gains. Approach based on events database and conference framework contracts. Efficiency gains expected due to (1) provision of a corporate tool for participants registration, (2) partial centralisation of framework contracts, (3) professionalisation of community, and (4) increased support to flagship events. Gains to remain available for internal redeployment in DGs, except small part to create additional central capacity in SCIC.
Meeting Room Management	Objective to manage Commission meeting rooms efficiently: standard state-of-art equipment & standard servicing of meeting rooms. First phase consisted of preparing a global room inventory (710 meeting rooms in 50 buildings in Brussels; inventory in Luxembourg ongoing), screening of staff dealing with room management and analysis of related financial appropriations. Approach based on gradual roll-out by group of buildings/zone over 4 years (2019-22). DGs concerned will receive centralised quality services by SCIC. Efficiency gains identified in terms of staff resources to be pooled centrally.

N.B. Methodologies for other Domains to be defined in future, in accordance with Table 4.

ANNEX 2

Overview of Key Concepts

The definitions below apply for the specific purposes of this Communication, with no prejudice to established HR and budgetary reporting.

▪ **Central services** – For the purposes of this Communication, this refers to SG, HR and BUDG.

▪ **FTE – Full-Time Equivalent** – An FTE is defined as any job (both occupied and unoccupied) that is or can be occupied by officials, contract agents, seconded national experts, local agents and intra-muros external consultants. An FTE can be expressed in fractions because of savings calculations. When the Communication refers to staff reductions, "staff" should be interpreted as FTE.

▪ **Post/ job quota** – A post is defined as equivalent to a job quota. Job quotas are allocated to organisational entities and fix the maximum number of jobs that can be occupied by officials and temporary agents. It is thus a technical ceiling, broken down by function group. If the ceiling of the job quota is reached, no further recruitment is possible. This definition excludes special job quotas granted for time-limited purposes – so-called temporary surcharges. Post (job quota) is a subset of the larger concept of an FTE.

▪ **Domains** – Cross-cutting specialist functions serving the needs of multiple (in most cases all) DGs and services, such as human resources, logistics or communication, designated as a domain by the College or the Corporate Management Board and co-ordinated by a Domain Leader. The number of domains is not fixed and may evolve over time.

▪ **Efficiency gains (savings)** – The implementation of synergy and efficiency measures can result in different types of gains, depending on the characteristics of the particular strand:

> 1. **Reduction in size of the defined professional community**; due to a centralisation of tasks and a business process review: as an example, in the human resources domain fewer FTE are assigned to the tasks after the implementation of the HR Modernisation project;
>
> 2. **Reduction of FTE in an entity**; subject to agreed savings plans: for example, DG AGRI and DG GROW reduced the numbers of FTEs;
>
> 3. **Centralisation of tasks**; saving is achieved by centralising tasks while reducing the overall headcount, which concerns the domain of logistics, Local Data Centre consolidation, centralisation of communication framework contracts, room management;
>
> 4. **Reduction of workload**; saving is achieved through an automation/streamlining of work processes: this happened for example for projects like SEDIA, e-grants, e-procurement and for conference organisation.
>
> 5. **Efficiency gains reached thanks to temporary pooling and sharing of resources** – typically for a corporate mission under the Domain Leader's command – understood and

measured as avoided additional jobs, which would have been created to cover time-limited tasks (cases of graphic designers, ICT experts).

Points 3–5 require resource input in individual domains. Efficiency gains may consequently have a negative value at the start of some measures if prior investments are required. In accounting terms, efficiency gains for a given strand are calculated as Contributions less Investments and Transfers of activity. All efficiency gains are therefore presented as <u>net</u> savings (See Annex 3). Reporting on savings will distinguish between posts collected for corporate "taxation" and additional savings generated by synergies projects.

▪ **Types of implementation of efficiency gains (savings)**

> 1. Central pool – reduction of FTE in individual services to the benefit of the central redeployment pool (posts, credits for contract agents and seconded national experts) in view of central reallocation to other priorities or, if needed, a net reduction of Commission FTE. In the specific case of intra-muros external consultants financed from administrative appropriations (Heading 5), efficiency gains will result in a reduction of the DG's usage of the administrative budget.

> 2. Redeployment – identified FTE efficiency gains remain in their entity of origin and can be reallocated internally to other tasks outside the domain. In the case of intra-muros external consultants financed from operational programmes, efficiency gains are funds which are becoming available to other actions within the same programme.

> 3. Pooling and sharing – synergies created through a temporary cross-DG pooling of individual jobholders belonging to a professional community to execute time-limited tasks, usually under the lead of the Domain Leader. This equals avoidance of wastage of resources.

▪ **Contributions** - The total of resources called from individual DGs, on a permanent basis, because of implementation of synergies and efficiencies, expressed in FTE.

▪ **Investments** - FTE required by Domain Leaders, on a permanent basis, for developing specific measures.

▪ **Transfers of activity** – transfers of FTE from individual DGs to Domain Leaders without changing the domain – done for example in the human resources domain.

Annex 3: Overview of Efficiency Gains

Domain FTE (service providers included)		Savings Target		Savings implementation: Timeline				Savings implementation: Type			Investments	Transfers of activity
		initial	revised	2016-2018	2019	2020	2021-2024	central pool	redeployment	temporary pooling & sharing		
							(9)					
HR Modernisation	(1)	310	268	148	6	16	98	118	150	0	0	456
Logistics - BXL		100	94	52	2	2	38	42	52	0	0	162
Logistics - LUX		no target	15,6	0	3,6	0	12	11,4	4,2	0	0	10,5
Web Rationalisation	(2)	55	47	33,3	6,3	7,3	0	5,8	41,2	0	5	0
Communication Framework Contracts		25	11,5	0,5	6	4	1	11,5	0	0	9	0
Local Data Centre Consolidation	(3)	62	55,3	18	10	12	15	23	32	0	30	0
SEDIA		no target	39	26	6	7	0	39	0	0	0	0
eGrants	(4)	no target	22,8	0	7,6	7,6	7,6	15,2	7,6	0	0	0
eProcurement		200	171,4	0	0	13,6	157,8	89,7	81,7	0	0	0
IT Building Blocks	(5)	400	400	0	20	50	330	0	0	400	0	0
Meeting Room Management		no target	9	0	0,5	1	7,5	9	0	0	16	0
Conference Organisation		no target	19	0	18,5	0,5	0	1	18	0	7	0
DG-specific agreements	(6)	321,7	321,7	321,7	0	0	0	321,7	0	0	0	0
Other domains	(7)	no target	11,5	2,5	1,5	1,5	6	0	0	11,5	0	0
TOTAL	(8)	1.474	1.486	602	88	123	673	687	387	412	67	629
				1.486				1.486			696	

Source: Domain Leaders, results of individual and corporate level consultations included

(1) Adjusted from 380 to 310. Savings measured based on 2015 situation. New target of 268 depends on the necessary IT developments, otherwise target is 228.

(2) Including savings from decommissioning of individual Commissioners' websites following the end of mandate of Barroso Commission (24 FTE).

(3) Not including potential savings in service providers estimated at 50 FTE. The savings target stipulated in the 2016 Communication (92 FTE) did not exclude required investments (30 FTE)

(4) Earlier savings in research programmes - above 20% productivity gains thanks to eGrants estimated by REA.

(5) 400 FTE savings are equivalent of the cost of service providers based on financing available in next MFF (32 M EUR) and temporary pooling of 14,5 FTE. Gains in avoidance of wastage.

(6) Agreements with DG AGRI and DG GROW (gains in addition to specific domains).

(7) Other domains include e.g. finance, translation, publications, document management. The target figures in this row however relate exclusively to estimates on pooled graphic designers in the Communication domain.

(8) Totals rounded to nearest whole number

(9) Logistics savings lasting until 2030, not including 6 FTE reported separately for Room Management.