

Bratislava, Slovakia with Wien, Austria

Hands across the Danube – making a cross-border jobs market work

The Vienna-Bratislava Interregional Initiative for Employment is a cross-border cooperation project to support the development of more flexible labour markets to reflect the new situation in the cross-border metropolitan region since the creation of the Schengen zone. It addresses the challenges resulting from the transformation towards a knowledge-based economy in the unique and dynamic bipolar metropolitan region around the twin cities of Vienna and Bratislava as representatives of dynamic “old” and transitional “new” EU capital cities.

Hands across the Danube – making a cross-border jobs market work

The Vienna-Bratislava Interregional Initiative for Employment (ÜBI-NIZ) is a multi-stakeholder project that is developing innovative approaches to project management. These are based on the concentration of executive tasks and a broad involvement of the participating institutions, enterprises and persons in the project activities as well as creative outputs in the form of innovative instruments for joint labour market development. The core element of its success was the creation of a hierarchical three-level system. ÜBI-NIZ is a model project showing how to build cooperation structures across different levels of governmental, and involve the whole range of stakeholders in the project activities, without lowering the project management efficiency or performance. Project participants are layered into:

- core project partners – who coordinate executive tasks
- project participants – who carry out project activities
- strategic partners – who represent core stakeholder groups

This seems to be the appropriate approach to steer project implementation when horizontally as well as vertically differentiated subjects are taking part. This three-layer system was based on the Strategic Management Group, which involved representatives of the main stakeholders in labour market policy. They supplied valuable experience and knowledge which the project revalorised, and at the same time used as the core element in the transfer of project outputs into labour market practice, so ensuring that the project's effects were sustained.

The second factor increasing the efficiency of the exploitation of the project results was synergy with the other projects under way in the same area, which allowed efforts to be deployed in a complementary way.

The third success factor was the concept behind the project, which was to create systemic solutions to the problems of unbalanced labour markets, by developing a system of interlinked and synergetic instruments. The challenge was to respond to changes in labour demand caused by rapid economic growth, the convergence of conditions on either side of the border, and the integration processes that are under way in the metropolitan region which is a multicultural and multilingual environment that is attractive to international investors.

One of the main challenges for the project was to build a communication platform which would activate a broad range of stakeholders. The project needed to facilitate high-quality cross-border communication among stakeholders, including the responsible official bodies, and also to guarantee its continuity despite any political changes following elections. The project had the idea of overcoming this problem by developing parallel networks of professionals and independent persons from both private and public spheres (advisers, mediators, entrepreneurs, NGOs) active in the field of labour market development.

Vienna-Bratislava cross-border metropolitan region

From the periphery to the centre

EU enlargement brought new challenges for the development of both Bratislava and Vienna. The twin cities, which lie just 50 km from each other, have long been on the periphery of their respective political blocks. They are peripheral as regards their national territories but central to the Centroe Central European region, and their functional urban areas (FUAs) have overlapped since Slovakia joined the Schengen area. This asymmetry is not only geographical but also economic, as their metropolitan regions have attracted the majority of the economic activities and population of their countries. At the turn of the century, both parts of the Vienna-Bratislava metropolitan region led Europe as regards GDP growth, which was not the case of peripheral regions in either country.

In 2007, unemployment reached 8.3% in Vienna, and 4% in Bratislava. The potential for labour mobility is as high as 4.5% of the workforce, and is supported by the open borders within the Schengen area, along with the elimination of labour mobility restrictions on the Austrian side and the approximation of labour market preconditions in Slovakia (WIFO, 2007). Both parts of the region have a real ambition to develop their economic bases within the knowledge-based economy to achieve high and sustainable living standards. This is a challenge not only for the economy, but for the labour market as well. New knowledge-based businesses create a demand for well-educated and well-trained workers, working both directly in the creative industries, and also indirectly in providing new high-quality services for businesses and inhabitants.

The Vienna-Bratislava region, one of the most attractive development regions in Europe, is home to 6.5 billion people (2.276 billion in the metropolitan urban areas). Its GDP is growing at 5.2% a year, and it has a well-developed higher education system with 25 public universities and art academies, 10 universities of applied sciences with over 250 000 students, and several hundred non-university research institutions. Along with this go numerous technology-oriented and research-focused enterprises, an ICT cluster made up of more than 5 000 companies which employ some 350 000 specialists and 36 000 researchers, and a major high-tech automotive cluster (Finka, M. 2010).

This situation determines the development of the labour market. In addition, the way the economy has developed in this area shows that historical or political barriers in the cross-border labour market are irrelevant to market protection – in fact they are counter-productive as they hamper and deform development and reduce competitiveness. Many professions are missing from the labour market in certain parts of the cross-border region and the unsatisfied demand could be met by the labour power available elsewhere in the region. However there are barriers such as lack of information, lack of joint employment policies, stakeholder involvement in labour market strategies, and absence of joint training and educational activities and mutual recognition agreements, and these need to be eliminated. The metropolitan region of Vienna-Bratislava is an outstanding starting-point for a joint labour market allowing the optimisation and efficient use of available human capital and territorial capital in the Centroe region – which takes in parts of the Czech Republic and Hungary as well as Austria and Slovakia – as it develops a competitive knowledge-based economy.

Fostering joint growth and competitiveness

The changes in the Vienna-Bratislava cross-border metropolitan region and its core cities are a challenge for labour market development policies on both sites of the border and show the need for closer coordination and cooperation. This led to the idea to launch a project which would be the framework for joint initiatives and actions to develop an open regional labour market.

The *Interregional Initiative for Employment Vienna – Bratislava (ÜBI – NIZ)* project focuses on cross-border cooperation to develop a flexible labour market that reflects the new situation since the creation of the Schengen area. It addresses the challenges resulting from the transformation towards a knowledge-based economy in this unique and dynamically growing bipolar metropolitan region, whose twin capital cities Vienna and Bratislava represent dynamic “old” and transitional “new” EU capitals. The initiative aims to make an important contribution to achieving the goals defined in the programming document of Slovakia’s National Strategic Reference Framework for 2007-2013, which defines the sustainable development of a competitive knowledge-based society as the main strategic goal. The strategic plans for both Bratislava and Vienna give systematic support to labour market development and to the development of instruments to harmonise the employment measures that are foreseen.



The ÜBI-NIZ project was launched in 2007 as part of the ERDF Slovakia-Austria cross-border 2007-2013 operational programme. It is a cross-border cooperation programme under the objective of European Territorial Cooperation (ETC). It fits under Thematic Priority 1 – *learning region and economic competitiveness based on Lisbon strategy* – with the sub-priority *education and qualification, integration of labour markets*. This

is fully compatible with *Theme 1a: Europe 2020 smart growth*, as the main project objective was to contribute to the development of an active cross-border region based on a knowledge-based economy, which is attractive for social and environmental activities and plays an important role among European metropolitan regions. The project aims to develop joint labour market strategies and policy instruments, support a transparent labour market, include all relevant stakeholders and use synergies based on cross-border actions.

From project to sustainable action

The ÜBI-NIZ project proposal built on successful previous cooperation during the 2004-2006 Vienna-Bratislava Interregional Employment Strategy (NSZ-ÜBS) project. The idea of continuing this cooperation was developed during the NSZ-ÜBS project and worked up at seven preparatory meetings and the *Perspectives of future development of supra-regional employment services* workshop, where the main goals, activities and partnership roles in Austria and Slovakia were negotiated. As

part of the preparatory work a partnership memorandum was signed between Austria's waff Programm Management GmbH, a part of the Vienna Employment Promotion Fund (Wiener ArbeitnehmerInnen Förderungsfonds), and Slovakia's Central Office of Labour, Social Affairs and Family (Ústredie [pPráce](#), [sSociálnych vVecí](#) a [rRodiny](#)).

Gaining EU support was a very important precondition for the project, as it would have been difficult to finance cross-border activities from purely national or regional sources. The ERDF support allowed the partners to jointly develop innovative approaches and to solve problems of cross-border labour market optimisation and improvement of international competitiveness. Sustainability was an important target from the beginning, as the main aim of the project was to start processes and activities which would lead to the sustainable development of the region's labour market. Thus, the project proposal included a sustainability strategy based involving the whole range of labour market stakeholders in cross-border networking structures. This enabled them to safeguard continuity and to critically assess the implementability of the instruments that were developed and the sustainability of their effects.

Project management at three levels

In the context of sustainability, the design of the partnership arrangement was of special importance to the project. This concept was based on the experience of the two core partners, waff Programm Management GmbH as lead partner and the Central Office of Labour, Social Affairs and Family as the co-ordinating partner in Slovakia. This experience shows that 20 years after the Velvet Revolution, cooperation across the Austro-Slovakian border is still affected by the problems of different hierarchical governmental structures in both countries, and the connected communication problems, especially in areas requiring supra-local approaches, such as labour market development. The ÜBI-NIZ project is a model project showing the possibilities of building cooperation structures across different levels of government and involving the whole range of stakeholders in the project activities without lowering project management efficiency or performance. The layering of participants to the core partners in charge of coordinating executive tasks, participants carrying out project activities, and strategic partners representing core stakeholder groups seems to be the appropriate approach to steering the process of project implementation with the participation of horizontally as well as vertically differentiated people.

The project activities managed by the two core partners were implemented with the active participation of official executive institutions responsible for the implementation of the employment policy in their respective regions. These comprised the Public Employment Service (AMS) in Vienna and local labour offices in Western Slovakia (Bratislava, Trnava, Malacky, Pezinok, Galanta, Senica and Dunajská Streda). These were supervised by the relevant decision-making bodies: the Slovakian Ministry of Labour, Social Affairs and Family (MPSVR), the Bratislava Self-Governing Region (BSK), The Austrian Public Employment Service (AMS) and the Federal Social Office (BSB) in Vienna. The self-governing bodies at the local and regional level were directly involved in carrying out the project. As the development of labour market is one of their main priorities, their firm political support was a condition for all project activities and was expressed by the direct participation of their official representatives in selected project activities.

Governance was an important element of the project's sustainability. The core partners, together with the regional executive bodies responsible for employment, created the Executive Management Board. Individual activities were led by expert groups responsible to this board, which carried out internal progress monitoring according to the milestones that had been established.

In addition to the Executive Management Board, a Strategic Management Group (SMG) was created consisting of the Executive Management Board plus representatives of all strategic partner institutions. This institutionalised a strategic partnership with the key stakeholders in the labour market: City of Vienna, KOZ – Slovakian Confederation of Trade Unions, AZZZ – Slovakian Federation of Employers' Associations, waff – Vienna Employment Promotion Fund, ÖGB – Austrian Trade Union Federation, AK – Austrian Chamber of Workers and Employees, WK – Austrian Economic Chambers, IV – Federation of Austrian Industries. The SMG members held the key competences in the development and management of regional employment policy.

The creation of the Strategic Management Group involving the representatives of the main stakeholders and decision-makers in labour market development policy was also the core element of the project's innovative approach to the exploitation of the project results. This group was important not only as the source of valuable experience and knowledge which was revalorised, but was at the same time the core element in the transfer of project outputs into labour market practice.

The Strategic Management Group monitored the progress of the project as a whole, with an emphasis on the progress indicators defined in the project proposal. Progress was monitored externally by the national contact points based on regular reports and the participation of their representatives in selected project activities. Their critical review of project progress allowed them to propose appropriate measures and changes in the project management. This enabled the project to react flexibly to the changing external environment, such as changes in national legislation (law on public procurement) and changes in the needs of stakeholders caused by changes in the labour market (lack of interest in exchanges between social economy enterprises). These adaptations allowed the project objectives to be fulfilled, and efficient use of human and financial resources to be made, even given a reduction of the project budget from a planned €1.5 billion to €1.3 billion. This was made up of €1.105bn from the ERDF, €0.045bn from the Slovakian national budget and €0.15bn from the Vienna Employment Promotion Fund.

In parallel with the monitoring, evaluation was an integral part of quality assurance throughout the project. Each activity was evaluated through questionnaire surveys of target group representatives. Continuous evaluation focused not only on the quality of outputs but on efficiency as well. An important innovative element, which increased the efficiency of the exploitation of the project results, was synergy with other projects under way in the area, such as EURES-T and JOBTOUR. This allowed the projects to concentrate their activities in complementary fields and to benefit from synergies. This was supported by the involvement of the project partners in the parallel projects.

Workers on the move

The structure of the project activities follows the logical structure of the project's interlinked goals. These are derived from the overall objectives, starting with the creation of a joint information and knowledge platform, and continuing via the

development of appropriate instruments of labour market policy. Their implementation was based on running pilot projects to eliminate barriers to the free movement of labour, based on an approximation process covering the contents, institutional arrangements, joint training of trainers/teachers and certification of professional qualifications. This led to the development of a network of training and educational institutions, the signing of a cross-border employment pact to shape the cross-border market for training and education, and giving support to social economy enterprises in Bratislava. This logic, following the interlinks in the content and time dependences, allowed very efficient project management and ensured that the goals of the project were achieved.

All project activities directly or indirectly addressed the stakeholders in the regional labour market: residents, workers, public labour market institutions, education and training institutions, NGOs and businesses. The main recipients can be divided into three groups:

1. Actors in the labour market, social and economic decision-makers, employer and employee unions, local politicians, educational and training institutions
2. Employees, potential employees (including unemployed people), and people seeking work abroad
3. Enterprises active in the region and/or wishing to develop their activities in the region

Thousands of visitors to the website, 78 graduates of the pilot training courses, 10 trained trainers/teachers for the newly developed bilingual training/educational courses, the creation of the Training and (Re)-Qualification Centre and the regional network of professional education and training institutions are the outputs showing the direct and sustainable involvement of the whole range of publics in the project activities and their follow-up.

All the outputs of the project, which directly address the labour market stakeholders, create a system of instruments to support smart growth in the cross-border metropolitan region. They reflect the challenges resulting from the processes of transformation towards a knowledge-based economy and EU integration. The multilingual job-guide internet platform broadens the range of possibilities workers have to migrate. It maps the professions that are most important for cross-border cooperation in the Centroepe region and compares the contents of education and training and other information relevant for the mutual recognition of qualifications needed to enter a given job.

The establishment of a network of professional education and training institutions created a platform for mutual exchange, the harmonisation of curricula and the development of a joint strategy for professional development which will meet the current and future needs of the labour market, harmonise offer and demand in the cross-border labour market, and mobilise human capital which is unevenly distributed across the region. Based on this network the trainers/teachers jointly prepared a comparative study of the contents and models of professional education on each side of the border, to support the mutual recognition of professional qualifications.

The network of stakeholders was the platform for an Employment Pact, which focused on making the labour market more flexible, and drew up joint curricula in the 10 professions most in demand and a trilingual catalogue of training/educational possibilities in the region. The Training and (Re)-Qualification Centre that has been

set up offers bilingual curricula in the 10 most popular professions in the region, which use the training manuals and other documentation tested in the model training courses. The realisation of the project was supported by a set of project management and publicity tools such as a communication strategy, newsletters, leaflets, posters, a website, a corporate identity for the project, and seminar and conference proceedings.

Problems and challenges

The interviews and questionnaires undertaken show that the main challenge the project faced was to activate a broad range of stakeholders and to create a sustainable communication platform for mutual exchange between them across borders. Although the project made an important step forward, some of the stakeholders criticised the quality of communication that was achieved, and its sustainability given the political changes following the Slovak elections. The project addressed this problem and tried to develop parallel networks of professionals and independent people from the private and public spheres (advisers, mediators, entrepreneurs, NGOs) active in labour market development, to ensure the continuity of mutual cross-border communication. In addition the project strengthened trust and interpersonal relations among the partner institutions, which is the basis for easier communication in the future.

The main obstacle to project realisation was the administrative workload related to reporting, documenting and accounting for the activities in accordance with the programme requirements. A second problem was the changing requirements of national law and institutional arrangements in Slovakia. This was the reason for the change made to the project, when one of the planned activities could not be realised owing to the lack of time for the processes required by the updated Slovak public procurement law. Many of activities were realised only thanks to the big efforts made by the project managers and the flexibility of the project partners and stakeholders.

Success factors and transferability

The main success factor of the project was the method of project management based on a concentration of executive tasks combined with the broad involvement of the stakeholders in the project activities, as well as creative outputs in the form of innovative instruments of joint labour market development. The core element of the success was the creation of a hierarchical three-level system involving the people concerned.

The second success factor relates to the synergy that was achieved with the other projects implemented in the project target area. Concentration of the project's activity in fields that complemented those projects produced synergy benefits.

The third success factor was the design of the project, including the development of a system of interlinked instruments with the goal of finding systemic solutions to the problems resulting from imbalances in particular labour markets. These challenges in labour demand resulted from fast growth, and the approximation and integration processes that occurred in the metropolitan region, which is a multicultural and multilingual environment attracting international investors.

The project is an example of a successful multi-actor project in differentiated economic, institutional and legal environment.

Conclusions

ÜBI-NIZ is a successful cross-border cooperation project supporting the process of EU labour market integration and reflecting two changes: a new situation in the metropolitan region across intra-Schengen borders and the challenges resulting from the transformation towards a knowledge-based economy. During the design phase, no risks were identified connected with the implementation of the project. However at the time of the final evaluation, some stakeholders mentioned risks connected with the very ambitious project goals, differing legal, institutional and economic environments that affected project implementation and a changing institutional framework in the new EU member states. The completion of the project has shown that difficulties in project realisation can be overcome, and the efficiency of public investment can be increased, through hard work by project managers, and by trust, enthusiasm and flexibility among the project partners and stakeholders. There is a need to develop a way to reduce the workload connected with administrating cross-border projects cofinanced by the European Union and to create more space for joint projects.

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