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Editorial

Completing the Jigsaw Puzzle of Workers' Participation

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The complex processes and structures that underpin workers' participation have been likened to a jigsaw puzzle that is gradually being pieced together in companies across Europe. One part of this still unfinished jigsaw puzzle concerns the need to embed workers' participation at the European level into information, consultation and negotiation processes at the local and/or national level. Another part of the jigsaw puzzle concerns the potential to establish connections between board-level employee representation on the one hand, and information and consultation on transnational issues which takes place within SE-Works Councils and European Works Councils on the other.

The ETUI's European Workers' Participation Competence Centre (EWPCC) has as its mission to foster a better understanding of workers' participation at all levels of the company—and crucially, the linkages between them. The founding coordinator of the EWPCC, Norbert Kluge, used the apt image of completing the jigsaw puzzle of workers' participation to describe this task.

One corner of the jigsaw puzzle which is gradually being pieced together in companies across Europe concerns the links between EWCs and SE-WCs at the European level and workers' representation at the national and/or local level. Over the years, research and experience with EWCs has for example made it clear that the EWC cannot be a body that floats above the other instances of workers' participation. On the contrary, it must be linked to them, both operatively and politically. In essence, the EWC and the SE-WC must develop into a bridge between local institutions of workers' representation; with a clear and above all shared understanding of 'the big picture', workers' representatives at the local level can bargain more effectively and better fulfil their role as agents of information and consultation processes.

The new requirement in the 2009 Recast EWC Directive that the information and consultation processes at the European level be effectively articulated with information and consultation at the national/local level has given new impetus to these developments. Indeed, this provision can be expected to be a primary motor driving forward a more robust linkage of information and consultation processes between levels. Two provisions in particular can be expected to play an important catalysing role: the

obligation for EWC members to report back to the national level and the obligation that information and consultation processes at the European and national levels be linked to one another.

However, another corner of the jigsaw puzzle has received less attention: the potential to link board-level representation and cross-border workers' participation via European Works Councils and SE-Works Councils (also known as SE-Representative Bodies).

Recent seminars run by the EWPCC on board-level representation in SEs and on SE-Works Councils have made it clear that there is much potential to develop these links so that workers' participation becomes a coherent process that is capable of capturing the complexity of workers' participation, both across the different levels of the company and the countries in which it is active.

Compared with employee representation via works councils, in which employee representatives and management representatives sit on opposite sides of the table, board-level employee representatives form one side of a triangle of shareholders, top management, and the workforce. While the actual rights and roles of board-level employee representatives vary by country — and by agreement in the case of board-level representation in SE — there are a number of common features. Employee representatives at the board level have comprehensive rights to information about the company's strategies. They are in a position to ask probing questions about the company's concrete plans and overall strategies. At the very least, they thus have the opportunity to receive early warning about the company's plans, which not only opens the possibility to exert influence on management decisions at all levels, but also enables workers' representatives to better prepare for consultations and possibly ensuing negotiations. Board-level employee representatives have direct contact with shareholders' representatives, and can exert significant influence on the company's top level management. The formal and informal influence exerted by board-level employee representatives can be translated into a crucial resource for workers' representatives and trade unions within the company.

Board-level employee representation does not take place in a vacuum. In particular, it is often the same people representing the employees on the board on the one hand, and on works councils or in negotiations on the other. Despite important confidentiality obligations, there are ways to share information with other employee representatives. The key is thus to explore ways to use the influence and knowledge gained in tactical conjunction with rights at other levels and in other contexts, such as information, consultation, and negotiations.

In this way, within companies operating on a European scale, board-level representation offers an opportunity to complement the work of existing SE-Works Councils or EWCs.

If board-level representatives in European-scale companies understand their role as collectively representing the entire European workforce, then this is an important step in the right direction. Specifically, SEs have given rise to the opportunity to ‘Europeanise’ board-level representation, since more than one country is usually represented on the Board. However, the fact that the number of seats for employee representatives is limited means that there are obvious numerical limits to a genuine Europeanisation of board-level employee representation.

This is where the EWC or the SE-Works Council (or SE Representative Body) comes into play. By bringing together representatives from many different countries, they offer far greater opportunities to develop and pursue a more inclusive and European approach to workers’ participation. An SE-WC and an EWC can provide a more broad-based backdrop and network of information and support for board-level employee representatives, thereby enabling employee representatives at all levels to recognise and link up the cross-border dimensions of their roles. Underlying this is an important insight: although SE-Works Councils have often been treated as different from EWCs, experience has demonstrated that SE-WCs and EWCs are essentially comparable bodies. Like EWCs, SE-WCs have as a rule been set up on the basis of a negotiated agreement which lay down tailor-made rules and procedures to ensure that management informs and consults the representatives of its European workforce .

In its research, advising, and training activities, the EWPC will therefore continue to explore ways to develop links between board-level employee representation and SE-WCs and EWCs. This work also includes supporting the development of a genuinely European approach to information and consultation on transnational issues within SE-WCs and EWCs, so that these bodies can function as a focal point of workers’ participation. Their links to and the exercise of information and consultation rights at the local and national levels will also be explored further. In this way, we hope to make important progress towards completing the jigsaw puzzle of workers’ participation.

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