

## **European Codetermination at Market Research Company GfK SE Sets New Standards for a Knowledge Company**

Around 6,500 employees in 23 European countries will in future have the opportunity to discuss company decision-making affecting the workforce in extensive dialogue between the SE works council and the SE management. This is the result of an agreement negotiated in less than five months between the employees and management of the Gesellschaft für Konsumforschung (GfK), resident in Nürnberg, with the assistance of the European Trade Union Institute. GfK was officially registered as a European Company (SE) at the beginning of February 2009. It has around 10,000 employees around the world.

### **The SE Elevates Interest Representation to the Transnational Level for the First Time**

The agreement on the participation of European employees in the SE is accompanied by the establishment of the first transnational-level works council at this company. In addition, in future there will be at least three representatives of European employees on the nine-member SE supervisory board. The agreement has Europeanised the employees' contingent on the supervisory board, previously made up solely of Germans: to begin with, representatives from the UK, the Netherlands and Germany will supervise the activities of the GfK board and participate in decision-making on company strategy.

### **SE Works Council – Tailor-Made for the Special Features of a Knowledge Company**

Their assent to this agreement clearly indicates that GfK recognises the special position in the company occupied by their highly qualified employees. It goes without saying that as a dynamic services company that is enjoying worldwide growth GfK depends upon the skills and know how of its employees, and that therefore it should make a particular effort to involve them in the company. For this reason the SE agreement is particularly suitable: while traditionally employees' interests in large companies are mainly represented by works councils and trade unions, it is clear that in many locations outside Germany GfK employees have largely relied upon themselves. Above all in the new member states they have so far not exercised their legal right to interest representation.

In future, however, they will have the opportunity to appeal directly to the SE works council when they consider that company decisions are adversely affecting them. Members of the SE works council can, moreover, visit their colleagues in their workplaces in order to inform them directly of the results of meetings. In the course of this they can take up particular topics and, if they are of general significance, bring them up on their own initiative in dialogue with GfK SE management.

In addition, employees must be consulted before any decision is implemented. Their objections must be taken into account. If agreement cannot be reached the employees have the right, through the SE works council, to engage in a further round of dialogue with the management. Should differences of opinion emerge concerning the agreement an effort should be made to solve the problem internally before taking it before a court.

These regulations, on the one hand, take due account of the special circumstances of employees in such a knowledge company. On the other hand, we can expect that the advantages of organised and elected interest representation will have much higher profile throughout the company than previously.

### **A Larger European Company, But the Same Level of Codetermination at Enterprise Level**

Although it's true that the GfK agreement sets a new benchmark for the Europeanisation of interest representation in this type of company, the trade union assessment remains mixed, as the two trade unionists involved in the negotiations – Dietrich Schallehn of German trade union ver.di and Norbert Kluge of the European Trade Union Institute in Brussels – admit. With its transformation into an SE the company is in future no longer subject to the German legal framework pertaining to the level of codetermination. Even though the company now has more than 2,000 employees in Europe alone, thereby easily surpassing the threshold at which codetermination based on equal representation, including representation by external trade unionists, normally comes into play in Germany, workers' representatives at GfK will no longer be able to utilise these more advantageous possibilities. In this way trade union representatives will be denied direct access to company management. They will henceforth be restricted to supporting workers' representatives in the SE works council and the SE supervisory board by means of training and expertise.

Nevertheless, the two trade unionists share the satisfaction with the agreement expressed by the two GfK works council members Dieter Wilbois and Sandra Hofstetter, who led the negotiations on the employees' side. They indicated that they were generally 'satisfied with what had been achieved since it exceeds the legal minimum standards and surpasses expectations concerning what was possible by way of negotiations'.

### **Company Codetermination Is Expanding in Europe Thanks to the SE**

Around 500,000 employees of European Companies (SEs) now enjoy codetermination rights through their 60 or so representatives from eight European countries in the highest-level company bodies. These rights often surpass those provided for by national law. (For more information on the European Company [SE] and workers' participation at European level see the ETUI website [www.worker.participation.eu](http://www.worker.participation.eu).)

See also:

[http://www.gfk.com/group/press\\_information/press\\_releases/003530/index.de.html](http://www.gfk.com/group/press_information/press_releases/003530/index.de.html)

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