

Chapter 10

The SE's impact on transnational information and consultation – trends and developments from a company perspective

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1. Introduction

Since 2004 it has been possible to establish a European Company (also known by the Latin term *Societas Europaea* or SE) in the European Economic Area (EEA). Overall, it took more than 30 years of discussion on the European level – the first proposal by the European Commission dates back to 1970 – before this common legal form finally came into existence. In particular, employee participation was discussed intensively between the Member States, as well as between the European social partners. Initially it was planned to establish a unitary system of employee participation, but the political actors could not agree due to the diversity of national industrial relations and different interests. After various proposals had failed, the harmonisation plan was finally abandoned and a flexible negotiation solution was set up. Thus, the adopted Directive states that the concrete procedures of employee involvement have to be negotiated between management and employee representatives (via a special negotiating body) during the SE foundation process. According to the SE Directive *involvement of employees* means ‘any mechanism, including information, consultation and participation, through which employees’ representatives may exercise an influence on decisions to be taken within the company’ (European Community 2001: Article 2). Two levels of employee involvement are negotiable between management and the special negotiating body (SNB) during the SE foundation process: a transnational employee information and consultation procedure or body (SE Works Council) and employee participation in the administrative or supervisory board. The SNB and the company’s management can freely decide on the content of the agreement and the standard rules of the Directive will apply only if the negotiators fail to agree within a certain period of time or if they so agree. Overall, the SE legislation is strongly characterised by a procedural mode of regulation because no

directly binding substantive norms are included. Thus, the SE Directive is another typical example of the new governance mode in the field of industrial relations at the European level where the rules are set by private actors and not directly through legislation (Keller and Werner 2011).

In the past few years there has been dynamic development as the number of SEs has increased steadily. By 15 August 2012 a total of 1,379 European Companies had been established and so far 219 companies have been classified as so-called *normal SEs*, which are economically active and have five or more employees (ETUI 2012). Among them are some major European companies, such as Allianz, BASF, BP Europe, MAN and Strabag. All in all, this shows that negotiated forms of employee involvement are already effective for more than 700,000 employees in the EEA and thus are of significance for labour relations in European corporations.

Analyses of employee involvement in the European Company have been conducted in various academic disciplines, such as law, economics and social sciences. In particular, the SE's impact on national industrial relations has been much discussed. The debate about the role and effects of the SE legislation has been dominated by the view that the SE will have far-reaching implications, as it may threaten and undermine national forms of board-level employee representation. However, existing research has reached contradictory conclusions. On the one hand, some authors have stressed that the SE is a tool for circumventing existing national legal provisions (for example, Ernst & Young 2009) and is used to avoid stricter forms of employee participation or to freeze existing standards that would lead to a preservation of the pre-SE status quo (for example, Keller and Werner 2011). On the other hand, some authors have pointed out that this is not yet widespread because the limiting or freezing of board-level employee participation applies only to a few cases (for example, Rehfeldt *et al.* 2011; Köstler 2009; see also Rehfeldt and Köstler in this volume). Furthermore, some evidence even indicates that the adoption of SE status can lead to a higher proportion of employee representatives on the board. While these studies focus in particular on board-level employee representation, some studies concentrate on the aspect of transnational employee information and consultation in SEs as well (for example, Rehfeldt *et al.* 2011; Klambauer 2008). Most of these studies analyse the formal conditions (composition, voting rules, information and consultation rights, working facilities) of SE Works Councils (SE-WCs) laid down in the agreements but do not focus primarily on

the actual mode of operation of SE-WCs. Based on some first insights, Kluge and Stollt (2011: 187) assume, however, that the establishment of an SE can lead to an improvement of employee involvement if a transnational information and consultation body is set up for the first time or if the information and consultation rights of previously existing European Works Councils (EWCs) are strengthened.

Against this background, the objective of this article is to examine the SE's impacts on transnational information and consultation procedures in multinational companies operating in the EEA. Hence, the following questions will be addressed: Does the SE lead to an improvement of transnational information and consultation rights in Europe? And: is there a new dynamic arising in the field of transnational information and consultation triggered by the SE, as the number of newly created EWCs has not considerably increased in recent years (ETUI 2011)? In order to answer these questions, it is necessary to examine forms and functions of transnational information and consultation procedures in SEs more closely. Therefore, the analysis proceeds as follows. Section 2 considers how many information and consultation bodies exist in SEs and what kind of responsibilities and powers they have. Additionally, the situation before and after the establishment of an SE regarding transnational information and consultation is systematically compared. In Section 3, drawing on interviews with members of SE-WCs and management representatives, it is analysed how SE-WCs operate, how their practice differs from existing EWCs and how significant they are for interest regulation in SEs from the viewpoint of management and employee representatives. Finally, some general conclusions are drawn (Section 4).

2. Quantitative overview: transnational information and consultation before and after the establishment of an SE

As of 15 August 2012 a total of 87 companies have implemented transnational information and consultation rights (ETUI 2012). Figure 1 shows the geographical distribution of these SEs across the EEA. Moreover, in 46 cases management and employee representatives have also agreed on board-level employee representation.

Figure 1 SEs with employee involvement by country



Source: Author's compilation; 09/2012.

Based on the European Company Database and the EWC database of the European Trade Union Institute (ETUI) it has been examined whether transnational information and consultation procedures existed before and after an SE foundation. Based on this analysis three groups of companies can be distinguished.

The first group consists of 17 companies in which a transnational information and consultation body existed before and after the SE foundation. All of these companies had an EWC before the SE was established and now have a transnational information and consultation body for

the SE. In two cases the employee representatives and the management agreed to maintain the EWC, whereas in the other 15 cases they agreed to replace the previously existing EWC by an SE-WC. Thus, in these cases the existence of a transnational information and consultation body has been preserved. Although no fundamental changes regarding the existence of a transnational employee representation body have occurred, the conversion into an SE-WC has often been accompanied by a change of responsibilities, powers and composition. An additional analysis of the agreements on the involvement of employees in SEs has shown that frequently the formal involvement rights were clarified and strengthened in comparison to the pre-existing EWC agreements. For instance, quite often the frequency of information and consultation meetings with management has been increased, competencies have been clarified, the list of topics for information and consultation has been enlarged and procedures for information and consultation in exceptional circumstances have been added or clarified. In some agreements further involvement rights of the SE-WC are mentioned. For instance, in some cases the SE-WC and management can take joint initiatives for international guidelines in the field of health and safety, discrimination, training measures, equal opportunities and privacy policy.

The second group consists of 55 companies. The SE foundation has led to fairly major modifications because entirely new forms of employee involvement have been established. Neither an EWC nor any other kind of transnational employee involvement had existed before the SE status was adopted. Thus, a transnational employee information and consultation body was set up for the first time in these companies. In other words an entirely new level of employee involvement has emerged in the course of SE foundation. Now, employees of these companies have the possibility to be informed and consulted by the company's management on transnational issues, which leads to an expansion of formal involvement rights. It is the first time they have been able to obtain additional information about the transnational activities of the company and to meet colleagues from other European countries on a regular basis.

Finally, a third group (12 companies) can be identified.¹ Those companies neither had an EWC before SE status was adopted nor installed a

1. In the remaining cases (three companies), it is unclear whether a European representation body or another procedure for information and consultation has been set up.

works council at the SE level after creation. Instead of setting up an SE-WC, management and employee representatives have agreed on another procedure for information and consultation which has not led to transnational employee representation across borders. In some cases the employees are directly informed through staff meetings; in other cases it has been agreed to inform and consult all existing national employee representation bodies or a specific national representation body of the country where the SE is headquartered. However, in these companies it is not intended that employee representatives of different countries meet on a regular basis.

If we take a closer look at the information and consultation rights of SE-WCs it becomes obvious that a strong orientation towards the standard rules of the SE Directive exists, as the analysis of the agreements on the involvement of employees in SEs has shown (see also Kluge and Stollt 2011). Although the standard rules are not directly binding, they seem to serve as an orientation for management and employee representatives in those negotiations. Especially in the case of information and consultation topics, most agreements closely resemble the standard rules. Nevertheless, it should be noted that some agreements are somewhat weaker than the standard rules. For instance, in the case of exceptional circumstances, many agreements do not provide for an additional consultation if management decides not to act in accordance with the opinion expressed by the transnational information and consultation body, as it is stated in the standard rules. As this example illustrates, the standard rules did not serve in all cases as a minimum standard. However, the analysis has also shown that, in some cases, the provisions go beyond the standard rules of the SE Directive. In more than half of the cases, management and SNB agreed on a higher frequency of meetings for information and consultation than is laid down in the standard rules. Furthermore, as mentioned above, some agreements contain initiative rights for SE-WCs that are not included in the standard rules of the SE Directive. Furthermore, the comparison between the three groups revealed a difference in the quality of information and consultation rights granted by the agreements. Especially in the third group information and consultation rights are rather limited. Fewer differences exist between the other two groups because SE-WCs with information and consultation rights that go beyond the standard rules can be found in both groups.

Overall, the analysis shows that, in some cases, the existence of a transnational information and consultation body has been preserved whereas

in the majority of SEs a transnational information and consultation body was established for the first time. Thus, the number of European information and consultation bodies has clearly increased. Based on these results it could be argued that the formal involvement rights of employees in Europe have been strengthened. However, it should be noted that this kind of analysis does not reveal anything about the actual mode of operation within those companies. The formal existence of a European information and consultation body does not necessarily have to reflect the actual information and consultation rights because activities and effectiveness can vary considerably, as is known from research on EWCs (for example, Hertwig *et al.* 2011; Platzer 2009). Therefore, the next section will analyse the actual mode of operation and the actors' perceptions of information and consultation procedures in SEs more in detail.

3. Transnational information and consultation in SEs from the perspective of management and employee representatives

In this section we analyse how SE-WCs operate, how they differ from pre-existing EWCs and how significant they are for labour regulation from the viewpoint of management and employee representatives in SEs. In particular, the following aspects will serve as a frame of reference for the analysis: the composition of the representative bodies, frequency and topics of information and consultation meetings, and responsibilities and authorities of the representation bodies. The analysis is based on interviews conducted between June 2011 and February 2012 with management and employee representatives in nine European Companies headquartered in Germany and on an examination of relevant documents.² The limitation of the sample to German SEs is considered reasonable, since 78 per cent of all SEs in which an agreement on employee involvement has been concluded are located in Germany. Companies of different sizes (1,000 to more than 10,000 employees) and in different sectors were included. Overall, the sample consists of five manufacturing companies, two construction companies and two service sector companies. Furthermore, the companies selected vary with regard to the

2. The data come from a broader research project carried out at the Ruhr University Bochum. The research project investigates the overall impact of SEs on employee involvement in European Companies headquartered in Germany and is based on a database analysis and interviews with management and employee representatives in 18 SEs.

existence of transnational information and consultation bodies before and after SE foundation. Six companies, belonging to the first group (see Section 2), had an EWC before the SE was established and now have a transnational information and consultation body at the SE level, while the other three companies belong to the second group (see Section 2) in which a transnational employee information and consultation body was set up for the first time. The following section will highlight some important empirical findings with regard to both groups.

3.1 First group: Transnational information and consultation as a proven tool of employee involvement

A transnational information and consultation body existed before and after the SE foundation in all six companies. As mentioned above, in two cases the employee representatives and management agreed to maintain the EWC. This arrangement can be understood only in the wider context of the corporate structure of these two companies. In both cases, the SE belongs to a larger company group with an established structure of EWCs. At the time of the SE foundation, the EWCs had existed for more than 10 years in both companies. Rather than establishing additional information and consultation bodies at the SE level (SE-WCs), the management of the companies and the special negotiating bodies agreed to maintain the already established EWCs. These EWCs would have continued to exist anyway because the SE is just one part of those larger companies. It is important to point out that this was a controversial issue in the SE negotiations. Especially the management side preferred this arrangement in order to minimise costs and effort. In company A an additional SE-WC would even have been a reason to terminate the whole SE foundation process, as one of the management representatives pointed out in the interview. In the case of company B it was initially planned to set up an additional SE-WC. But to secure a higher number of employee representatives on the supervisory board, the members of the SNB finally agreed not to establish an additional information and consultation body. This shows that certain trade-offs between both levels – board-level employee representation and information and consultation – can exist.

In company A those members of the EWC who are employees of the SE have the right to request one additional annual meeting with representatives of the SE's management to get further information about the struc-

ture of the SE, its economic and financial situation and its investments. This meeting usually takes place after one of the regular EWC meetings. While the employee representatives reported that this additional meeting is very important to them, management commented that this meeting does not play a significant role from their point of view because a large part of the information is already included in the EWC meetings. In addition, the existing EWC agreement of company A was adjusted after the SE negotiations had taken place with the aim of improving the conditions for transnational information and consultation and to reflect the actual mode of operation of the EWC. For instance, the minimum number of employees for a country to be represented on the EWC was reduced, the list of topics on which the EWC is to be informed and consulted was enlarged, and the EWC obtained the formal right to request an additional information and consultation plenary meeting with management (up to three meetings a year) and the right to be supported by experts. Despite different opinions during the negotiations, management and employee representatives of both companies pointed out that they are quite satisfied with this solution. Thus, the arrangement seems to meet the needs of management as well as employee representatives in those companies. Furthermore, the interviewees acknowledged the significance of the transnational employee information and consultation body for the company group. In both cases, the EWC is extensively informed about transnational measures and management overall recognises the value of the EWC within the company.

In the other four cases in this group, management and the SNB agreed to replace the previously existing EWC with an SE-WC that is based on the SE Directive. Similar to the other two cases the EWCs of these companies had existed for more than 10 years before the SE was established. Despite this fact, the experience and activity level of these EWCs varied considerably. In the interviews, some employee representatives emphasised defects of the pre-existing information and consultation procedures, whereas others acknowledged a positive experience with the EWC. In three cases it was reported that the information and consultation rights have been generally strengthened in comparison to the pre-existing EWCs because the flow and quality of information has improved.

In company C, information and consultation of the EWC was held on a regular basis with one meeting a year but was strictly limited to a few topics and was not very detailed, as employee representatives reported

in the interviews. In this case the EWC was based on a voluntary agreement according to Article 13 of the EWC Directive that was signed before September 1996. Furthermore, the EWC consisted only of employee representatives from two European countries³ in which the production sites of the company were located but no employee representatives of the company's sales division were integrated. According to employee representatives, who have already been members of the EWC and are now members of the newly created SE-WC, the quality of information and consultation has improved greatly. For instance, management and employee representatives agreed on a higher frequency of meetings for information and consultation: the SE-WC is informed and consulted twice a year whereas the previously existing EWC was only informed and consulted once a year. Furthermore, as members of the SE-WC underlined, the information provided by management is much more detailed than before. In addition, the employee representatives of the supervisory board are appointed by the SE-WC, which enhances the importance of this information and consultation body. However, it is important to point out that, in this case, the improvement of information and consultation rights goes hand in hand with constrained rights for the employee representatives on the board of the company in comparison to the provisions of the standard rules of the SE Directive. Anyhow, from the perspective of the SE-WC chairman this is seen as a good compromise and has not caused any problems yet. Again, this shows the relevance of trade-offs in SE negotiations between both levels of employee involvement. In addition, the SE-WC of company C was actively involved in the adoption of the company's code of conduct. Besides, the composition of the transnational information and consultation body has changed considerably in comparison to the pre-existing EWC. Today, the SE-WC consists of employee representatives from several European countries and also includes employees of the sales division. Thus, the SE-WC reflects the workforce distribution across the EEA in a more appropriate way.

A similar development was reported for company D. In this company the pre-existing EWCs⁴ did not play a decisive role either and the members of the EWC have not been very active in the past couple of years. Just like company C, the EWC was based on an 'Article 13 agreement' signed in September 1996. In this case, transnational information and

3. Later on, the EWC consisted of employee representatives from three European countries.

4. Several EWCs had existed for different subdivisions of the company before the SE was established.

consultation got a new boost through the SE negotiations. Management and employee representatives reported that the transnational information and consultation process improved greatly because the SE-WC is extensively informed and consulted by the company's management on a regular basis. The German chairman of the SE-WC especially underlined the relevance of the SE-WC for those countries that do not have legal involvement rights for employees. Nevertheless, the experience with the SE-WC is still limited because it has existed for only a short period of time. Currently, the SE-WC serves as an information platform but has not played any role in bargaining processes with management. Nevertheless, it should be mentioned that the SE-WC appoints the employee representatives of the supervisory board of the SE on the proposal of national employee representation bodies. Overall, the SE-WC is still in a learning phase and it remains to be seen whether or not the SE-WC will play an important role in this company in the future.

Unlike companies C and D, a fairly positive experience with the pre-existing EWC was reported for company E. In this case, the EWC existed for more than ten years and was also based on a voluntary agreement under Article 13 of the EWC Directive. Overall, well-established cooperation between the EWC and the central management and among the EWC members had existed for several years before SE status was adopted. The EWC was extensively informed and consulted several times a year and was given the chance to comment on planned transnational activities of the company. All in all, the EWC has been a significant part of the strong participation culture of company E. On top of this positive experience, the SE negotiations led to further improvements of the information and consultation procedure. Overall, the agreement concluded on employee involvement goes significantly beyond the standard rules of the SE Directive. For instance, the agreement ensures that the SE-WC has the right to comment on all topics covered by the information and consultation procedure. In any case, the management has to take the opinion of the SE-WC into account and is obliged to inform the employee representatives about its decisions before any measures are implemented. Furthermore, the SNB and management agreed that the SE-WC would also have the right to suggest further information and consultation topics. For several years, the company has organised country meetings for the preparation of EWC and SE-WC meetings, which bring together SE-WC members, national employee representatives and management representatives from a particular country. Since the adoption of SE status, those country meetings are used more frequently, as company representatives reported

in the interviews. Today, country meetings are regularly held in six countries. Despite the fact that these meetings do not constitute any national information and consultation rights, they have enhanced the cooperation between employee representatives and management at the national level. This illustrates that European agreements can have an impact on the overall situation of employee involvement in a company and may affect interest representation at the national level. Furthermore, as the agreement states, employees of countries without national representation bodies can suggest topics for information and consultation between the SE-WC and the company's management. Contrary to the country meetings, there are no experiences with this so far. All in all, these developments have significantly enhanced cooperation between employees and the company's management. In the interviews, management as well as employee representatives underlined the significance of the SE-WC in company E. This is also underlined by the fact that the SE-WC appoints the employee representatives of the supervisory board of the SE on the proposal of national employee representation bodies.

In contrast to the other companies, no significant changes regarding transnational information and consultation were reported for company F. Neither the frequency of meetings nor the competencies of the transnational information and consultation body have been changed much through SE establishment. As reported in the interviews, the SE-WC is, like the previously existing EWC, a purely information and consultation body and does not participate in joint negotiations with management.

3.2 Second group: Transnational information and consultation as a new tool of employee involvement

As already mentioned, SE foundation has led to fairly major modifications in companies of the second group because a transnational employee information and consultation body was set up for the first time. Overall, many of the SE-WCs of these companies are still in a learning phase because they cannot rely on previous experiences with transnational cooperation of employees, as has been the case for the first group. The SE-WC members have to deal with different cultural backgrounds and therefore are still at the stage of confidence building.

In two companies in this group, there had been attempts to establish an EWC before the SE was founded. In company G the plans were well

advanced when the company decided to adopt SE status because a draft of an EWC agreement already existed. The idea of establishing an EWC came up shortly after the company strengthened its international activities through acquisitions across Europe. In particular, German employee representatives of the company supported this idea, whereas French employee representatives were much more sceptical about it because they were afraid to lose influence over important decisions in France. Thus, it took a long time to come up with a draft of an EWC agreement. In the end, the already existing cooperation between German and French employee representatives supported the SE foundation process, although different cultural backgrounds still played a role during the SE negotiations and are still significant for the established SE-WC. At least once a year a plenary information and consultation meeting is held, but the SE-WC members can request an additional meeting, if needed. Furthermore, management informs the steering committee on a quarterly basis on the revenues, costs and profits of the business units. Overall, the list of topics on which the SE-WC is to be informed and consulted goes beyond the standard rules of the SE Directive. For instance, the SE-WC is informed about health and safety issues, income structures and social benefits of the employees of the business units. In addition, the employee representatives on the supervisory board of the SE are appointed by the SE-WC. Overall, management and employee representatives seem to be satisfied with the transnational information and consultation procedures, although both sides underlined in the interviews that internal processes still have to be improved. They mentioned that language problems are a particular hindrance in the day-to-day activities of the SE-WC.

Company H also did not have an EWC before it transformed into an SE, although the company fulfilled all conditions for the creation of an EWC and the employees had the right to ask for negotiations accordingly. Shortly before management decided to adopt SE status, the German employee representatives took the initiative to establish a transnational information and consultation body. One relevant reason to set up an EWC was the strong internationalisation of the company in recent years. Company representatives stated in the interviews that this initiative was one of the reasons why management decided to change into an SE. In this company, the SE-WC members are informed and consulted twice a year. Similar to company G, the list of information and consultation topics has been enlarged in comparison to the standard rules. For instance, the SE-WC is also informed and consulted on HR topics as well as on changes in the structure of shareholders. Furthermore, the SE-

WC and the management can take joint initiatives for guidelines in the field of privacy policy, anti-discrimination, health and safety and equal opportunities. Overall, the SE-WC of company H plays an active role in company bargaining processes. Unlike the SE-WC of company G, the SE-WC of company H has already concluded an agreement on HRM and succession planning with management. Additional agreements dealing with employee assessment systems and privacy policy are currently under negotiation. Furthermore, a framework agreement on labour standards is planned. Overall, this fits the company's strategy to standardise HRM policies on a European level, which is also reflected by the European HR management structure of the company. Additionally, the SE-WC appoints the employee representatives of the supervisory board at the proposal of national employee representation bodies. According to the agreement, the SE-WC of company H can get involved in national issues to a certain extent. Similar to company E, employees of countries without any national employee representation body can inform a member of the SE-WC whether decisions of the company's management have led to social disadvantages in these countries. Although this has been of only minor importance, it played a role in the Baltic countries during the financial crisis, as one SE-WC member reported. Thus, the SE-WC not only plays an important role at the European level but can also be important for labour regulation at the national level.

Contrary to the other companies in this group, SE establishment did not lead to real transnational employee representation in company J. Although company J has production sites in several European countries, the SE-WC consists only of German employee representatives who are members of the two German works councils of the company. Thus, the SE-WC appears to fulfil the function of an information platform for German employee representatives rather than a European employee representation body. It should be noted that the SNB also consisted only of German employees of the company; neither employee representatives from other European countries nor union representatives were involved in the negotiations. Until now, there has been no contact between the German SE-WC employee representatives and employee representatives from other European countries. Nevertheless, one outcome of the negotiations was the foundation of a second German works council at another German production site. The information and consultation of the SE-WC is based mainly on a written report that management provides. Thus, the SE-WC serves purely as an information platform with limited scope and the SE-WC members act mainly passively. In the interviews,

the SE-WC members stated that they are fairly busy with their tasks as German works councils – especially because not all persons are exempted from their regular jobs and can work full-time for the works council – thus, they do not have the capacity to improve the activities of the SE-WC. Management and employee representatives stated in the interviews that the SE-WC currently does not play a significant role in employee involvement in the company. Contrary to the other cases, the SE-WC does not appoint the employee representatives of the supervisory board because board-level employee participation does not exist. All in all, the establishment of the SE-WC has not yet contributed to European employee representation in this company.

4. Conclusions and outlook

In this article we have examined the SE's impact on transnational information and consultation. Overall, the analysis of information and consultation procedures before and after the adoption of SE status reveals a variety of developments. Three different groups of SEs were identified. In some cases, the existence of a transnational information and consultation body has been preserved, whereas in the majority of SEs a European information and consultation body was established for the first time. Finally, a small number of SEs exists in which management and employee representatives have agreed on another procedure for information and consultation but this has not led to a transnational employee representation across borders. Overall, the results indicate that the SE triggers a new dynamic in the spread of transnational information and consultation bodies in Europe.

In addition, empirical analysis has shown that the existing SE-WCs differ sharply regarding their modes of operation and level of activities. The nine cases presented above reveal noticeable variation in information and consultation procedures. Whereas some SE-WCs have already concluded transnational agreements and are able to play a role as a negotiation partner of the management, others are still in a learning phase trying to establish mutual confidence. Furthermore, the empirical analysis revealed that the establishment of an SE-WC does not always lead to proper European employee representation across borders, as the example of company J has shown. Thus, it seems that some SE-WCs exist formally but do not really operate effectively because the actors are unable or unwilling to establish a well-functioning information and consulta-

tion procedure. Once more, this shows how difficult the establishment of employee representation across borders can be. Based on these findings and in correspondence with research results on EWCs (for example, Platzer 2009) it can be concluded that different types of SE-WCs exist because there is significant variation regarding their responsibilities and scope of influence on management decisions. Accordingly, the significance of SE-WCs is judged differently. Whereas some management and employee representatives pointed out that the SE-WC has positively improved the flow of information and influences management decisions, others stated that the SE-WC does not play an important role in the company. Overall, these differences can be understood properly only when the specific conditions for action, such as actors' strategies, company structures and the company culture of industrial relations are taken into account. However, there is some evidence that an SE foundation can help to improve employee representation at the European level; in some cases, in comparison to previously existing EWCs, a higher frequency of meetings, an expansion of information and consultation topics and a changed composition, which leads to the fact that more establishments and countries are represented by the SE-WC, was observed. It should also be pointed out that, in most cases, the SE-WC appoints – sometimes on the proposal of national employee representation bodies – the employee representatives on the supervisory board of the SE. Once more, this underlines the importance of SE-WCs for labour regulation in those companies. In any case, SE-WCs are still a fairly new phenomenon, so it has to be seen how this will develop in the future.

Since this analysis has focused exclusively on SEs headquartered in Germany, it is not possible to assess the overall influence of the different national industrial relations cultures of countries of origin on SE-WCs. Thus, the analysis of those impacts will be an important task of future studies. Furthermore, it should be noted that this analysis has concentrated on the level of transnational information and consultation. To assess the SE's overall impact on employee involvement in Europe, board-level employee representation has to be analysed as well. Nevertheless, the empirical analysis indicates that an SE foundation can contribute to an improvement of transnational information and consultation procedures at the European level.

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