

Preface

Over the last 20 years, there has been a growing interest within labour regulation research in the processes, effects and challenges of what is often broadly referred to as internationalisation or globalisation. Within the European Economic Area, European Works Councils (EWCs) have often been regarded as one possible instrument for coping with the negative side-effects (regime competition, downgrading of working conditions, etc.) of economic internationalisation. Research on EWCs began even before the passing of the directive in 1994 and its transposition into national law by 1996. Since the mid-1980s, predecessors of EWCs have been founded in French companies and in 1990 the *European Volkswagen Konzernbetriebsrat* (European Volkswagen works council) was established. Since the mid-1990s, an increasing number of studies concerned with the evolution of EWCs have been published.

Concerning the points of interest as well as the theoretical approaches, most EWC research is based on an (traditional) industrial relations framework, analysing processes of interest representation against the background of the capital-labour relationship. With respect to the contents, most of the early research tried to evaluate whether EWCs have been able to become relevant actors despite the fact that the EWC-Directive provides only for rights of information and consultation on transnational issues. Thus the conditions influencing the strength of an EWC as an effective instrument for the interest representation of employees was at the centre of the research agenda. The emphasis of most research on EWCs lies on the degree of their strength as interest representation bodies in inter-organisational bargaining with the management side. This focus has led to shortcomings concerning the intra-organisational bargaining between the plant and national representatives on the labour side and with respect to the role of structural organisational conditions.

The aim of this volume is to expand the prevailing research perspectives by focussing especially on the intra-organisational bargaining dynamics and stressing the 'organisational fit' between the European structures of the companies as for-profit-organisations and of the EWCs as not-for-profit-organisations dealing with and acting in these companies. In order to expand the conceptual outline of EWC research, in addition to the industrial relations focus there are some other concepts that might prove fruitful for the study of EWCs. The repository of research on organisations and internationalisation processes reveals theoretical ideas and concepts that, in large part, have been neglected by industrial relations approaches. For example, in addition to the analysis of processes of interaction and bargaining, the

sociology of organisations has developed several concepts for analysing how organisational structures are influenced by (external) market conditions or their embeddedness in cultural-institutional environments, why certain organisations fail to adapt to new environmental challenges but follow certain paths or trajectories, or how decisions are made in organisations. Theoretical approaches to internationalisation strategies of international companies have emphasised the importance of the cultural conditions of the countries in which a company is active or the problems of coordinating different subsidiaries of the organisation distributed over several countries. Economic or management science approaches have developed typologies of international organisations (companies) in order to analyse and illustrate the problems of coordination and integration of geographically removed organisational processes with respect to the overall organisation's aims.

Combining all of these different concepts into one coherent but still empirically useful concept is – to put it mildly – a quite ambitious endeavour. But since research into EWCs today still demands systematic concepts, it makes sense to envision different possible strands of research. In this respect, the chapters in this volume are a documentation of such a quest for arguments, elements and approaches that might contribute to a more systematic and theoretically informed study of EWCs.

The book is divided into three parts. The *first part* reviews some current theorising on EWCs. Chapter 1 outlines the broad concept of EWCs as not-for-profit organisations working in and focused on European wide for-profit companies, whose members are distributed over several countries and, thus, need to be integrated in order to effectively regulate complex and differing interests on the labour as well as on the plant side.

Chapter 2 by Hans-Wolfgang Platzer has two aims: first, the concept of 'Europeanisation', which has been developed in Political Science discourses on governance, is adapted for the study of EWCs as an integral part of an emerging 'European multi-level system of employment relations at group level'. Second, a case-study based typology of EWCs is introduced and evaluated against recent research. Especially the type 'participative EWC' is further differentiated in the light of a growing number of substantial agreements on company restructuring negotiated by EWCs.

Recent research has focussed on the role of 'identity' in the ability for EWCs to become actors in the interest regulation processes of a company. In chapter 3, Volker Telljohann examines both the conditions under which a European collective identity is likely to emerge within EWCs as well as the factors impeding EWCs' development into European-level actors. The

arguments are based on results taken from case-study research projects investigating the role of EWCs in the context of restructuring processes in the automotive and household appliances industries. The chapter analyses the ways in which EWCs have been involved in restructuring processes and the implications for the identity building process. It examines cases in which EWCs have succeeded in taking on a bargaining role and identifies what the prerequisites were in these cases for successfully defining strategies based on common objectives. The chapter also discusses the implications and prospects of a European-wide trade union coordination strategy and argues that close cooperation with European Industry Federations can enable EWCs to play an active role vis-à-vis management by autonomously identifying common interests and objectives.

The *second part* comprises five country chapters (4-8), which deal with the institutional and cultural background of EWCs' action in the specific countries, the national transposition laws, and the main streams of research conducted on EWCs in the respective country. While Matinez Lucio (UK), Rehfeldt (France), Köhler and González Begega (Spain), and Rampeltshammer and Wachendorf (Germany) review the current state of EWC research conducted in Western European Countries, Rudolph and Stegemann focus on EWC research in Poland.

Given the complexity of EWCs as institutions that act within international companies, case studies which concentrate on the analysis of single EWCs or on comparisons between EWCs have composed the dominant methodology for accessing EWCs in empirical research. The case studies in the *third part* highlight different topics in the history of EWCs in automotive companies. Klemm and Weyand, in chapter 9 entitled "Communication and Solidarity in Cross-Cultural Employee Relations," discuss the way in which "culture" shapes communication in European employee relations, e.g. in European Works Councils. The authors argue that the international institutional background for European employee relations is only weakly structured. Furthermore, actors remain nationally "embedded" and their experiences are mainly shaped by national cultural settings. Under these circumstances, the successful development of international forms of collective action and transnational solidarity also depends upon so-called soft factors, i.e. culture. As the initial findings from a corresponding research project, these soft factors in European employee relations are presented. The empirical findings show that different historical-cultural experiences and different forms of "self-" and "other-perception" do indeed pattern international communication among employee representatives. Transnational biographical networks tend to deal with these differences more easily.

In Chapter 10, Huijgen, Knudsen and Whittall focus on how EWCs function or do not function – as is often found to be the case. To understand what differentiates the good from the bad examples they consider the EWC as a network, defined as a structure that brings together geographically dispersed actors. Here, however, lies a fundamental problem of existing research on EWCs: up to now, the network concept has been only rarely and weakly applied to EWCs. The authors address this problem in their chapter by providing examples from BMW and GM, and in so doing lay a better conceptual basis for studying EWCs in the future.

In their article on unions and works councils' strategies in site-selection processes (chapter 11), Bartmann and Dehnen document and analyse the case of the so-called Delta site-selection process at the automobile manufacturer General Motors. The strategies of trade unions and works councils are analysed with regard to the Delta Group – a group involving employee representatives of the affected plants and union officials. The authors analyse how employee representatives dealt with the Delta site-selection process and explain which basis for and obstacles to transnational cooperation shaped the work of the employee representatives. The example of General Motors shows that transnational cooperation and the coordination of employee interests can work and successfully constrain management strategies of playing off workers against each other.

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