

European Works Councils in the face of mergers and acquisitions:evidence from two case studies

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Introduction

Massive restructuring activities involving mergers, acquisitions and take-overs.

Highly contested projects or 'dramatic events' - heavy toll on workers: plant closures, job losses, downward pressure on wages and working standards.

European Works Councils (EWC) are the core of regional employee representation and social dialogue in transnational companies, and establish the rights of transnational works councils.

Most EWC members (71.4%) say their company had been involved in M&A during the previous 3 years (ETUI 2018 survey of EWC and SEWC representatives).

Research topic:

Supranational social dialogue at company level in Europe during restructuring processes as a consequence of mergers and acquisitions (M&A).

Theoretical framework:

Political Power Complex Approach.

Research design:

empirically based, two case studies.

Research question:

whether employee representatives have the capacity to influence decision-making during these critical events.

Methodology

Longitudinal in-depth empirical research with case studies

Qualitative methods with primary and secondary data gathering.

1ry - Semi-structured interviews with workers representatives

ES, DE, UK, PO, RO, FR and IT; n = 37, Jan-2020-Nov-2021

2ry – Documentary corpus – media reports, public documents and information provided by the interviewees (minutes, collective agreements), EWCDB.

Conclusion: negative assessment of EWC capacity to influence policy making in transnational companies.

Why is this the case?

Findings:

INSTITUTIONAL: Conflict between the mutable nature of the firm and the static nature of institutions

AGENT: Intensification of management whipsawing practices by eliminating the ability to overlap in the merged group.

IDEOLOGY: Limits to convergence: social organisation of conflicting ideas in the interpretation of EWCs.

