

Title: Promoting Social Dialogue in European Organizations

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Introduction to the Series: Industrial Relations & Conflict Management.

This book is the first volume in a new series by Springer on *Industrial Relations & Conflict Management*.

Traditionally, the field of industrial relations has primarily been a research domain of sociologists and lawyers. It has mainly focused on macro-economic issues of negotiation between employer organizations, unions, and governments, as well as on structural arrangements and legal frameworks of these industrial relations. Conflict management in organizations has dealt with a wide variety of issues, often focusing on organizational behavior at different levels, based on theories of psychology and organizational and management sciences.

Worldwide we see a clear trend of de-centralization of Industrial Relations towards the organizational level. Especially in Europe, more and more framework agreements between unions, employer organizations and governments are made. These negotiations take place within the organizations, both at a formal level -between works council and management- and at an informal level -between individual employees and their managers or HR departments-. At the same time, conflict management has become one of the core elements of the formal social dialogue in organizations, for example on topics such as how to promote social relations and health in the workplace, how to prevent exclusion, discrimination and bullying, and how to manage labor, interpersonal and group conflicts constructively.

So, we see Industrial Relations and Conflict Management in organizations crossing and partly overlapping with each other. In the meantime, the academic fields of Industrial Relations (IR) and Conflict Management in organizations (CM) have developed quite independently. As a result, the academic networks of Industrial relations, conflict management and bullying in the workplace, are quite independent, showing only weak ties.

The new series Industrial Relations & Conflict Management intends to build an interdisciplinary bridge between these fields. This will be done through the dissemination of cutting edge theories and empirical research in the field of industrial relations and conflict management. The series takes an interdisciplinary approach, however it is firmly based on theories on human behavior in relation to work and organizations.

More specifically, the series integrates theories and research from industrial relations (sociology, business, law and psychology), with those of conflict management, mediation and well-being and productive behavior in the workplace.

The aim of the series is to contribute to the development and dissemination of knowledge to promote cooperative and constructive relations in organizations at three levels: organizational level, team level and interpersonal level.

This first volume illustrates the new series perfectly. The volume presents the results of an interdisciplinary study in 11 European countries on social dialogue in organizations. The study

focuses on the experiences and expectations of employers towards the employee representatives in their organizations. The study highlights structural as well interpersonal and group aspects of this social dialogue. The theoretical framework is based both on structural and on behavioral theories.

The core message of this first volume is three fold: 1. Social dialogue is an important instrument for innovative and healthy organizations, however needs a cooperative climate to blossom; 2. Employers in Europe want to invest in constructive and innovative social relations at the organizational level; 3. Employers have many ideas about how to promote and innovate social dialogue.

This innovation of social dialogue is highly needed. Not only in Europe, where the EC promotes such a social dialogue based on the shared values of cooperation between management and employers, however also globally. The quest for sustainable forms of organizing, with a focus on people, profit and planet, requires a constructive dialogue between ‘capital’ and ‘human capital’.

Martin Euwema & Lourdes Munduate

Series Editors

Chapter 1: Employee representatives in European organizations

Martin Euwema, Ana B. García, Lourdes Munduate, Patricia Elgoibar & Erica Pender

As a farewell gift to employees, customers and taxpayers, one of the top managers of the railways in Belgium, Marc Descheemaecker, wrote a book in March 2014 with his observations in this organization. A key message is directed at the unions, present in the organization and works council. He accuses the unions of blocking any serious innovation, and an unwillingness to renew themselves. They appear 'difficult', 'arrogant', 'incompetent', 'conservative' and 'too powerful'. Their attitude and actions are at high costs for organization and society, according to this CEO. Unions answered that they were pleased he had left the organization.

This is just one example of many cases filling the newspapers daily, of conflicting relations between employers and employees in organizations. The relation between employers, employee representatives (ERs) and unions is delicate, often conflictive, however also with a lot of potential, as the following two examples illustrate.

Paul Nijhoff is a former CEO of Wehkamp.nl. This is one of the most successful online retailers in the Netherlands, winning all kinds of awards, and with double digit growth figures year after year. Nijhoff praises the excellent cooperation with the works council and the unions, in the complete turnover of Wehkamp (the old and almost dead post order company), to Wehkamp.nl. Cooperation was needed, as almost 50% of the employees were redundant and a good social plan had to be developed, while at the same time many new people had to be recruited. A key to this successful transition was a close cooperation and creative social dialogue in the organization. There were no collective actions by employees, and due to a good and proactive social plan almost all employees leaving the company found new jobs.

Wehkamp is a showcase of downsizing in which employer, works council (WC) and unions acted as social partners, realizing optimal outcomes for the organization, as well as for the employees, both those who were leaving the organization, and those who stayed.

Bert Van Rompuy, Chief HR of BNP Paribas Fortis, the largest private employer in Belgium, negotiated intensively with the works council, so as to reach a highly innovative collective agreement, with more choice options for employees. This was an intensive and constructive negotiation, in which however the complicated part was the relation with sectorial and national levels of the unions. In actively managing all these relations, parties in the end set a new benchmark in remuneration in the financial sector of this country.

This case highlights in a nutshell the need for cooperative relations at all levels, however also the felt tensions between the WC, where employees represent their colleagues and often are more close to the company, in relation to union representatives, taking a more independent perspective of workers in the sector. This tri-partite relationship can be a creative tension, however it also can result in frustrating conflicts.

The core theme of this book is how to create such creative tensions, and come to social innovations. We first discuss the role of social dialogue in Europe, and the changes that currently take place. Then we present the framework of the studies forming the base of this book, and the results in 11 European countries participating in the study. These conclusions are the results of the analyses of surveys and interviews gathered from human resources managers in each participating country. We elaborate on the methodology followed further below.

1. The role of social dialogue in European industrial relations.

The European Union promotes a constructive social dialogue between employers and employees. Social dialogue is defined as “discussions, consultations, negotiations and joint actions involving organizations representing the two sides of industry (employers and workers). Social dialogue is a process by which relevant parties seek to resolve employment-related differences via an information exchange” (Bryson, Forth & George, 2012:5). Such a dialogue takes place at European and national levels, at the different work sectors, and within organizations. Even in organizations this can be at central and local levels. The problem-solving potential of this dialogue is crucial for solving organizational conflicts (European Commission, 2013). In order to create a good framework for an innovative and creative social dialogue, employees need to be empowered to engage in this dialogue. Social dialogue is needed, however it is also under high pressures, due to the great recession of the past decade. The three examples we just presented show both the potential and the pressures for change. Social dialogue at the organizational level is embedded in the sectorial and societal climate, and therefore influenced by the legal and cultural frameworks for industrial relations at sectorial, national and European levels.

The European Social Model (ESM) is struggling in some European countries after the adoption of fiscal consolidation policies during the financial and economic crisis (Vaughan-Whitehead, 2014). In several countries, social partners have been able to set up improvements of the working conditions through social dialogue, with the government’s support. This has been the case for example in Germany, Belgium and Luxembourg. Since 2011, the public social expenditure was reduced to pre-crisis levels and together with the changes in public policies the main pillars of the ESM showed to have been hardly weakened in some European countries. Since then, both the International Labor Organization (ILO) and European Commission recognized that the ESM needed to be reformed in order to cope with an increased competition in globalized markets and changing European societies.

As the participants at the joint ILO-EU conference on '*The European Social Model in times of Economic Crisis and Austerity Policies*' (ILO-EU conference, 2014) described, the current changes led to an increase of social conflicts and had direct economic effects (such as lower production, unemployment, less investment, lower rights). The competitiveness improvement by lowering the wage costs and poorer working conditions, together with other alarming signals, have shown the urge to design the framework to promote the needed changes while maintaining the survival of the ESM (ILO, 2014). This becomes a major challenge on the European agenda for the

coming years, creating debate among Ministers of Labor, employers and employees representatives, together with policy makers (e.g. ILO and EC).

Perceptions of employers on employee representatives in the social dialogue.

The renewal of social dialogue is taking place at different levels: European, national, sectorial, regional and at company level. The globalization process leads towards the decentralization of bargaining from national or sectorial to company level, increasing the adaptation of the working conditions (e.g. wages) to local conditions (OECD, 2006; Visser, 2010). Therefore, currently the company level's social dialogue is the one with most impact for both employers and employees. And here, the perceptions that employers and employee representatives (ERs) have of each other determine largely the climate for social dialogue, or the lack of such dialogue. Central in this book is the perception of one of the parties: the employers' view on ERs in the social dialogue.

The EC member states share fundamental values, despite their many differences. One of the core values cherished by the EU is the strong belief that employers and employees are essentially and positively dependent on each other. Their dialogue is both key and necessary and should be constructive. Only balanced power relations can lead to effective cooperation and a real influence by employees on organizational decision making (Frege, 2002).

However, the daily realities in European organizations differ from this ideal picture of cooperation. On the one hand, employees feel they are hardly taken seriously as partners when it comes to strategic decisions. Unions protest against perceived erosion of workers' rights. Downsizing and outsourcing continue in many industrial sectors in the EC. Employers are perceived by employees as money driven, and not to be trusted when it comes to taking responsibility for workers' interests in some countries and organizations (Munduate, Euwema & Elgoibar, 2012)

Employers on the other hand, feel that unions gradually represent less of the workforce. Further, they believe ERs are ideologically driven and are not always competent enough to face the current demands. Luckily, there is more besides this gloomy picture. In many organizations there is a constant and lively dialogue between employers and employees. Works' councils participate actively in decision making, and unions support institutional change and the renewal of the organizations.

Relationships between WCs, workers and employers differ, some being characterized by trust and cooperation and others, in contrast, are antagonistic and conflictive, fighting for each one's positions and being inflexible in their negotiations. The European diversity is clearly shown when we focus on industrial relations at organizational level as we will explore through the different chapters. Empirical results are shown in 11 countries with differing systems and traditions.

New organizational conflicts in which ERs play a central role are emerging and therefore their role is now confronted with new challenges in the framework of European industrial relations. An important conclusion from a recent EU action (Munduate et al., 2012) is that clarifying roles and expectations between employer and ERs is needed to develop a constructive dialogue within organizations. By working together and sharing information, managers and ERs can build

together a more productive and committed workforce as well as a feeling of “being in the same boat”. In this work we elaborate on the HR management’s perception about the ER’s role and expectations and present their suggestions to improve social dialogue in the different systems that we find within Europe.

2. Social dialogue in Europe.

Differences within the labor relations systems in Europe and their impact on social dialogue in organizations

Within the EC, formal representation of workers in organizations has been a value and practice for a long time. A key component in these representation systems is social dialogue. As explained at the beginning of this chapter, social dialogue involves the actions performed by social partners aiming to resolve employment-related issues. The main goal of social dialogue is to promote consensus and democratic involvement among the main stakeholders in the world of work.

Social dialogue is institutionalized in all EC member states. Still, there are many differences related to national legislations, historical developments, and societal cultures of industrial relations (Hyman, 2001). The position and functioning of social dialogue in organizations is closely related to the broader context of industrial relations at national and sectorial level. In the same line, the role played by TU and ERs differs largely between countries (Pulignano, Martínez-Lucio & Whittall, 2012).

The existence of workplace employee representation structures is a distinctive feature of industrial relations in Europe. One such key structure is the works council (WC). WCs are permanent elected bodies of workforce representatives, set up on the basis of law or collective agreements, with the task of promoting cooperation within the enterprise for the benefit of the enterprise itself and employees, by creating and maintaining good and stable employment conditions, increasing welfare and security of employees and an understanding of enterprise operations, finance and competitiveness (Martínez-Lucio & Weston, 2007). In the 27 EU states plus Norway, there are four states (Austria, Germany, Luxembourg and the Netherlands) where the main representation is through WCs with no statutory provision for unions at the workplace; eight (Cyprus, Denmark, Finland, Italy, Lithuania, Malta, Romania and Sweden) where representation is essentially through the unions; another eleven (Belgium, the Czech Republic, France, Greece, Hungary, Norway, Poland, Portugal, Slovakia, Slovenia and Spain) where it is a mixture of the two, although sometimes unions dominate; and a further five (Bulgaria, Estonia, Ireland, Latvia and the United Kingdom) where unions have been the sole channel, although legislation now offers additional options. In many countries new national legislation implementing the EU Directive 2002/14/EC on information and consultation has complicated the picture so that a heterogeneous scenario across the main national realities still persists (Martínez-Lucio et al, 2012).

Prior research often overlooks that members of a WC are first and foremost part of a social group composed of managers and workers. In some countries, the WC's members are ERs only (i.e. Spain). In other countries, management is also formally part of the WC (i.e. Belgium). But irrespective of the specific institutional setting, representatives from employees and management need to relate to one another in order to achieve satisfactory agreements for both parties at the negotiation table. Just like any other group, management and ERs have the need to work together to execute their tasks. By sharing and discussing work floor information, managers and ERs may solve work floor grievances, leading to a more productive and committed workforce (Freeman & Lazear, 1995). However, due to the underlying nature of the mixed-motive setting, management and ERs are sometimes reluctant to do so because they fear exploitation by an opportunistic partner. Team research introduces reciprocal trust as a key variable to overcome bottlenecks in mixed-motive settings (Dirks & Ferrin, 2001; 2002).

In the best of cases WCs show cooperative relations between both represented sides - management and employees- in a context of mutual trust. In contrast, other less positive examples of relations between management and WC where the relation is strictly formal, information exchange is limited, and works councils that are isolated from management or those which serve as a 'control tool' for management (Kotthoff, 1994).

The involvement of ERs in the decision making process differs also within Europe, Northern countries are usually characterized by a high involvement of social partners in industrial policy (Van Gyes, 2010). Southern countries, on the other hand, demonstrate very low degree of involvement of social partners (Elgoibar, 2013). Central and eastern European countries show a mixed scenario, with some countries (such as Estonia and Romania) involving social partners in the process and achieving strong industrial policy initiatives, while in others (Czech Republic, Bulgaria, and Slovakia) social partners show little engagement (EU Social dialogue liaison forum, 2014).

Other differing features are the relations between TUs and employers. In Germany and Denmark strong relations exist between leading corporations and TUs. This is partly due to the legislation; however it is also due to an awareness of shared interests, such as a strong and competitive economy. Such relationships are absent in the United Kingdom. In most Southern European countries (such as Spain, Portugal and Italy), there is generally low trust between TUs and employers (Elgoibar, Munduate & Euwema, 2012). In Eastern Europe, markets seem to have a higher priority than social dialogue, which hinders the development of high-trust industrial relations (Teichman & Löhms, chapter 3 in this book). Therefore, this book takes a cross-cultural approach and results from 11 countries are showed. This approach will allow a more suitable application of the suggestions for improving social dialogue.

Trends influencing social dialogue at the organizational level.

Three main trends influencing social dialogue at the organizational level should be recognized here:

- a. *De-centralization.* There is a clear trend towards framework agreements, which place more and more room for negotiation and decision making at company levels (OECD, 2006; Visser, 2010). Flexibility in agreements at national and sectorial levels challenges social dialogue in organizations. Where 20 years ago agreements were negotiated on most important issues between employers and unions at national or sectorial level, nowadays, negotiations on working conditions, health and safety, working hours and even pay become issues at the table at organizational level (Carley & Marginson, 2010; Molina & Miguelez, 2013). National and sectorial agreements are at best framework contracts, within which negotiations at organizational level take place. This challenges managers and ERs, in finding ways to negotiate cooperatively.
- b. *Up scaling at European level.* Multinational organizations in Europe are facing more and more European regulations in relation to labor laws, production methods and work conditions. The dynamics between European representation and national level WCs are new and challenging for all parties involved (Da Costa, Pulignano, Rehfeldt & Telljohann, 2012).
- c. *De-institutionalization and representation.* Maybe the most serious challenge in collective social dialogue can be found at the lower levels of organization and representation of employees. In most EC countries the membership of unions is low and decreasing. Also at organization levels, unions and employers share the need to attract competent and motivated employees to participate in the WC (Visser, 2010).

Doekle Terpstra, chair of the board of Inholland since 2010, and former chair of CNV, the second largest union in the Netherlands. Inholland is a large institute for higher education in the Netherlands. Facing several crises, Inholland had to reorganize deeply, including downsizing. Terpstra negotiated constantly with the unions and works council. He commented in an interview in one of the leading newspapers, that the WC was good to work with, however the unions were very difficult, more engaged in protecting the rights of older employees (their members), compared to the interests of younger colleagues and the organization. He concludes that this structure of negotiating with external delegates from unions is becoming obsolete (source: De Volkskrant, 31st January, 2014)

3. A framework to study and promote social dialogue in organizations.

Description of the purposes and methodology of the project.

This book presents results of a study among employers in Europe. How do they perceive ERs, what are good practices and where is need for improvement? This study is part of a larger project, called New European Industrial Relations (NEIRE). The overall aim of the NEIRE project is to improve the quality of social dialogue as a tool for innovation, first, by empowering European ERs, and second, by exploring European employers' experiences and expectations on

structures, roles, attitudes and competencies of ERs.

A first study was conducted between 2010 and 2012 co-funded by the European Commission Employment, Social Affairs and Equal Opportunities DG (Project Ref. VS/2010/0376) the Spanish Ministry of Science (Project Ref. PSI 2008/00503 and PSI 2011/29256) and the partner organizations of 8 EU member states (Belgium, Denmark, Estonia, Germany, the Netherlands, Portugal, Spain and the United Kingdom). Its main focus was to explore how to empower ERs. This study included quantitative data from more than 2300 ERs and qualitative data from 80 interviews with ERs from 8 European countries: Belgium, Denmark, Estonia, Germany, the Netherlands, Portugal, Spain and the United Kingdom (Munduate et al., 2012).

A second study has recently been conducted between 2012 and 2014, also co-funded by the European Commission Employment, Social Affairs and Equal Opportunities DG (VS/2012/0416) and the partner organizations from 11 EU member countries: Belgium, Denmark, Estonia, France, Germany, Italy, the Netherlands, Poland, Portugal, Spain and the United Kingdom. This study explores the experiences and expectations of employers about social dialogue and ER' roles, attitudes and competencies to act as partners in social innovation. This study includes quantitative data from over 600 Human Resources managers and qualitative data from 110 interviews with HR managers in three sectors: finance, higher education and industry.

The NEIRE study is structured under a model focusing on the key factors that contribute to social dialogue in European organizations. This model is depicted in Figure 1.

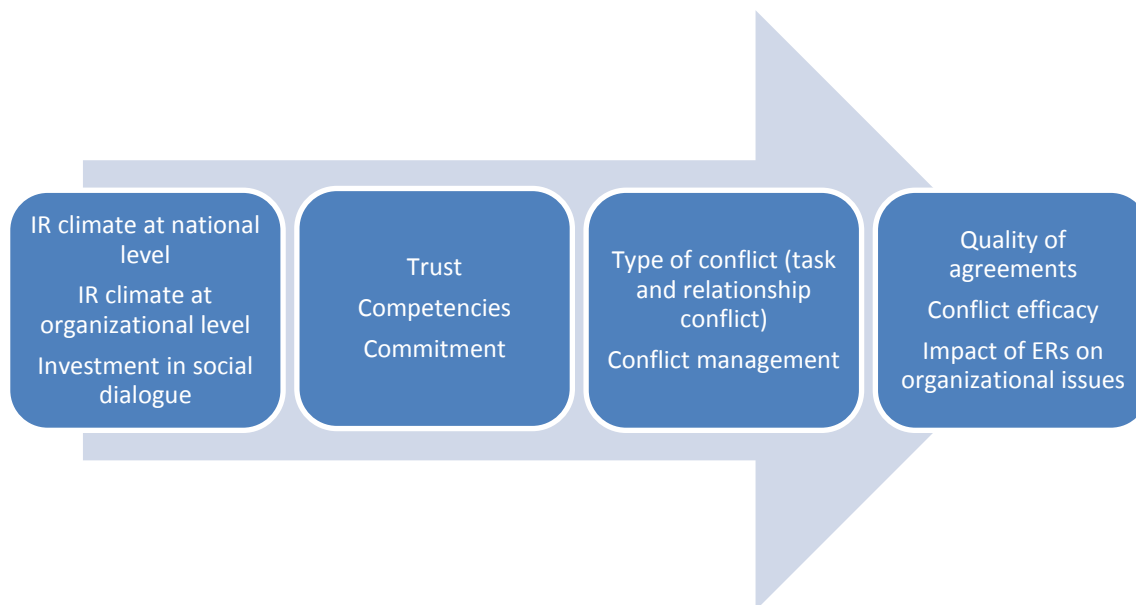


Figure 1. NEIRE model on social dialogue in organizations

We elaborate here on the model, starting with the outcomes, and then exploring the factors leading to these outcomes. As can be seen in Figure 1, the main outcomes of a constructive

social dialogue in organizations are high quality of collective agreements in organizations, impact of ERs on organizational issues, and conflict efficacy; the perceived ability of the organization and WC to deal in an effective way with potential and actual conflicts.

Quality of collective agreements in organizations and conflict efficacy

According to the characteristics and quality of collective agreements in organizations, they are dependent on the way management and ERs solve conflictive issues (Amason, 1996). Collective agreements in organizations have high quality when both parties' needs are optimally met, and all parties on the negotiation table commit to its accomplishment. Conflict efficacy refers to the believe of parties (as a whole) they are effective in solving conflictive issues in a satisfactory and constructive way (Van de Vliert, Nauta, Giebels & Janssen, 1999). In that sense, conflict management and ERs' competences become important factors for the HR manager to achieve the desired quality and conflict efficacy, for example by focusing on task related conflicts, and preventing relationship conflicts (Hempel, Zhang & Tjosvold, 2009).

Impact on organizational issues

According to the impact in decision making processes, ERs serve as a bridge between managers and their co-workers, representing a key element of social dialogue. However, they have been losing influence in the recent years and this is even more obvious in certain countries (Molina & Miguelez, 2013).

How much do ERs actually participate in the decision making in European organizations? Would it be better if they had more power? How could they achieve more influence? We analyze the willingness of employers to empower their ERs, as well as the factors determining the impact ERs have in organizations. Gaining impact is closely related to the labor legislation in each country however, at the organizational level the motivation and competencies of the ERs and the attitudes of the employers play a main role in determining ERs' power and influence (Euwema & Elgoibar, 2012).

Type of conflict and conflict management

We differentiate relationship and task conflicts, the first being conflicts about values or interpersonal styles, while task conflicts refer to disagreements over distribution of resources, procedures and policies (De Dreu & Weingart, 2003; Jehn, 1995). Traditionally, research has concluded that relationship conflict can damage the organizational climate and performance of individuals, teams and organizations (Janssen, Van de Vliert & Veenstra, 1999). Task conflict can be productive, enhancing the quality and acceptance of negotiated outcomes (Olson, Parayitam & Bao, 2007), however, only under specific conditions and in a cooperative context (De Wit, Greer & Jehn, 2012).

According to conflict management strategies, we focus on cooperative and competitive strategies and the combination of both. Previous research concluded that ERs tend to combine

cooperative and competitive behaviors (Elgoibar, 2013; Munduate, Ganaza, Peiro & Euwema, 1999). However, such combinations usually represent either a more cooperative or competitive approach (Van de Vliert, Euwema & Huisman, 1995).

Trust

Trust is recognized as key in the relation between management and ERs. Definitions of trust focus on the willingness to accept vulnerability based upon positive expectations of the intention or behavior of the other party (Rousseau, Sitkin, Burt & Camerer, 1998). Trust leads to more cooperative negotiation behaviors, while low trust leads to more competitive behaviors (De Dreu, Giebels & Van de Vliert, 1998; Dirks & Ferrin, 2001). Trust gives parties the confidence to be open with each other knowing that the shared information won't be used against them (Zaheer & Zaheer, 2006). Previous results show that trust moderates the dysfunctional consequences of conflict (Simon & Peterson, 2000). Theories on trust define different antecedents (Mayer, David & Schoorman, 1995), however the abilities of parties is always key, along with benevolence and integrity.

The ability to develop trust has become a critical competence in employment relations (Lewicky, McAllister & Bies, 1998). The trusting qualities of the relations between ERs and management are critical for successful social dialogue (Elgoibar, Munduate, Medina & Euwema, 2012).

Competencies of ERs

One of the aspects that most affects how much influence is given to ERs is their perceived level of competences. Competencies are defined as the knowledge, skills and attitudes of ERs. Managers generally state that ERs need knowledge about the company's dynamics, negotiation skills and a flexible and innovative attitude (Soares & Passos, 2012).

Commitment of ERs

Another important factor related to the quality of social dialogue is the commitment to the organization. ERs have to be committed to co-workers but also to the organization in order to achieve flexible and innovative negotiations (Jansen, Limborg, Peterson & Viemose, 2012). Not less importantly, ERs' commitment also affects the image they have for employers, trustworthiness being one of the most visible elements affected by this. Employers need to trust ERs before they support their participation in the decision making processes of the organization, therefore building on trust is of pressing importance. We can expect that in organizations where ERs show that they are committed to the organization and its goals, ERs will be more trusted by employers and they will use more cooperative strategies, although there will be differences across countries in the extent that people condition their own cooperation based on their trust in others (Balliet & Van Lange, 2013)

Industrial relations climate and investment in social dialogue

All previous mentioned factors are embedded in a specific climate of industrial relations (IR). The national level (including sectorial differences) impacts the climate at organizational level. A historical and socio-cultural perspective helps to understand how each country has structured and invested in social dialogue, and how the social partners relate to each other within such structures. IR climates can be described on different dimensions. A basic model often referred to is ‘competition’ versus ‘cooperation’ in industrial relations. Closely related to this, is Deutsch’s (2006) model on cooperation-competition. Central in his thinking is that cooperative structures, promote a cooperative culture and behaviors, and vice versa. A competitive context is related to competitive behaviors (Gelfand, Leslie, Keller & De Dreu, 2012). When parties have a cooperative orientation towards conflict, they discuss their differences with the objective of clarifying them and attempting to find a solution that is satisfactory to both parties, so called win-win solutions (Carnevale & Pruitt, 1992; Deutsch, Coleman & Markus, 2006). In a cooperative relation both parties are willing to invest in the relation, empowering one another. In competition, there is usually a winner and a loser (Carnevale & Pruitt, 1992). The main characteristics of both orientations are presented in Table 1.

Cooperative climate for IR	Competitive climate for IR
Effective communication is exhibited.	Communication is impaired as parties seek to gain advantage by misleading the other (e.g. false promises, disinformation).
Friendliness, helpfulness, and lessened obstructiveness.	Obstructiveness and lack of helpfulness lead to mutual negative attitudes and suspicion of one another’s intentions.
Feeling of agreement with the ideas of others and a sense of basic similarities in beliefs and values, as well as confidence in one’s own ideas and in the value that other members attach to those ideas.	The repeated experience of disagreement and critical rejection of ideas reduces confidence in the other.
Recognizing and respecting the other by being responsive to the other’s needs.	Parties seek to enhance their own power and to reduce the power of the other.
Willingness to enhance the other’s power (e.g. knowledge, skills, and resources)	
Defining conflicting interests as a mutual problem to be solved by collaborative effort	The competitive orientation stimulates the view that the solution of a conflict can be imposed only by one side on the other.
Investing in social dialogue and relation	Minimal investments in relation
Empowerment of employee representatives	No empowerment of the other party

Table 1. Cooperative and competitive climate for industrial relations in organizations (adapted from Deutsch, Coleman & Markus, 2006, p. 27-28)

A climate of cooperation or competition shapes the perceptions of the social partners, as trustworthy, reliable and competent (cooperative approach), or not to be trusted, incompetent, conservative, and not committed to the organization (competitive approach) (Fulmer & Gelfand, 2012; Mowday & Streers, 1979; Wright, Dunford & Snell, 2001). One or another IR climate is also related to the way social actors invest in the quality from social dialogue (European Commission, 2012). Investing in social dialogue is seen also in a very practical way, stimulating and facilitating ERs in the organization optimally to play their role in the organization.

Investing to promote social dialogue or to prevent social dialogue?

Some organizations invest in facilitating employee representatives and works councils. The ERs have sufficient time available for their tasks, they are well and timely informed, and have facilities. Other organizations do not invest. For example, when the organization grows and reaches 50 employees (in many countries the threshold for formal WC), management will split the company, so as to prevent the formation of a WC. Investing to prevent social dialogue.

The results at a glance

The following chapters in the book will explore managers' perceptions of the role of ER in each of the 11 participating European countries. Here we present shortly the overall results for Europe as a whole. These are based on the 110 interviews, and a survey among more than 600 HR managers in these 11 countries. There is a wide variety of sectors and organizations represented.

The value within Europe for social dialogue is widely shared. Managers in Europe largely agree that ERs play a necessary role in social dialogue, and most of the managers interviewed see the value of such structured dialogue in their organization. Many make a clear differentiation between ERs, being their own employees taking up an extra role as representative, and shop stewards from unions who are working for the unions. The latter are perceived as more problematic usually. The survey focusses on the perceptions of ERs, so the employees in the organization taking up a role as representative for their co-workers.

Figure 2 presents the general means obtained overall. The survey used a 1-5 Likert scale, so roughly any score under 3 can be considered relatively low, and above 3 as relatively high. As can be perceived in Figure 2, the general picture is rather moderate. However, some aspects are more positive, while others are cumbersome.

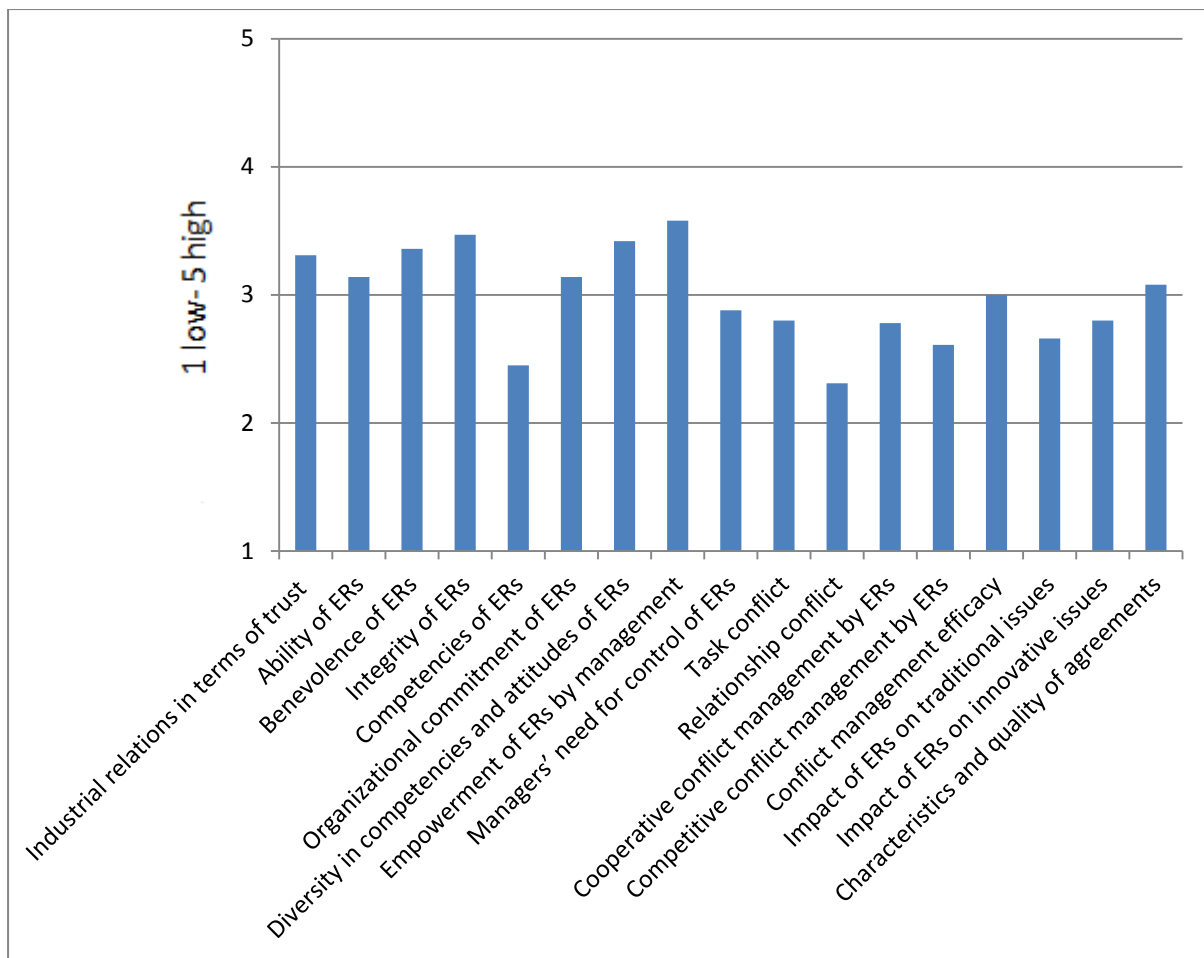


Figure 2. European means of the variables included in the study.

Starting at the left of Figure 2, we see that overall, the level of *trust by management in ERs* is moderate. And the interviews emphasize a need for a further increase here. The next three aspects are considered as indicators of trustworthiness –*ability, benevolence and integrity*- and all appear to be above the mean for European managers, being ability of ERs the lowest, and integrity highest.

The most problematic aspect is the perceived level of *competences of ERs*. This indeed also is highlighted in many of the interviews. Managers often perceive ERs as lacking important competences to act as a strong counterpart in negotiations and problem solving with management. Managers express the wish of meeting competent ERs at the negotiation table. However, in general they believe ERs lack many of the attributes they would want them to have, for example being knowledgeable on business economics and change, being innovative and proactive or having good negotiation skills. Managers seem to perceive a relatively low impact of ERs on the different organizational topics, and they relate this mainly to a lack of competences.

Commitment of the ERs to the organization is perceived as relatively positive. Most ERs are not perceived as employees who are not interested in the wellbeing of the organization.

Interestingly, the highest score is given to the level of *empowerment*: managers believe they empower ERs substantially, and their need for control of ER actions is below the mean (although close to it).

Task conflict is rather high, being almost at three, while *relationship conflicts* are considerably less perceived. Indeed, also the interviews testify that often the personal relations between management and ERs are ok, and parties do accept each other's role.

Cooperative conflict management is perceived relatively somewhat more than *competitive conflict management* by ERs, however, both are present, and as mentioned before, are not excluding one another.

The *impact of ERs* on organizational decision making is not seen as very high, with the impact on *innovative issues* being somewhat more than on *traditional issues*, such as income and working hours. This might be partly due to the decentralization of specific topics to the organizational level, where ERs and works council have more of a say.

Quality of collective agreements in organizations as well as *conflict efficacy* score over 3 in Europe. This together with relative positive scores on trust, empowerment of ERs and diversity among ERs might be the key ingredients for a more innovative Social dialogue.

Empowerment of ERs

A key message of this study is that according to management in organizations, ERs need to further develop essential competences. ERs nowadays are expected to deal with highly complex issues as restructuring and downsizing, and a wide array of HR issues. They have to discuss and negotiate on a wider variety of topics than in previous years. Also, the arrangements become more flexible, meeting individual needs of workers. This implicates new and complex competencies for representatives, and most likely increased role conflicts. Therefore, it is essential that unions together with employers, stimulate employees to take up representative roles, develop these competences, and retain in these roles, at least for several years. Employers express to a large extent their willingness to invest in good social dialogue. However, they also see needs for change and improvement. This will be demonstrated in the following chapters for 11 EC member states. And these results will be explained in more detail in the final chapter of the book (chapter 13), elaborating on each aspect and on the possible explanations and implications of the results.

Structure and content of this book

The following chapters describe and analyze the results obtained through the interviews and surveys to HR managers in each country.

- Each chapter starts with a short overview of the historical and legal context of labor relations and the structure of ERs at organizational level.

- This is followed by the results of the interviews, focusing on the experiences with and expectations of ERs by management.
- Than the results of the survey among HR managers in the particular country are presented and discussed in perspective of the European picture presented earlier here.
- An important part of each chapter is devoted to good practices, and suggestions given by HRM to improve social dialogue.
- Each chapter concludes with some reflections by the authors, placing the outcomes in a broader perspective, and coming to some concluding recommendations.

This book contributes to give a:

- A deeper understanding of social dialogue at organizational level in Europe
- Insight into management's experiences and expectations towards ERs
- Perspective on the context of the differences in social dialogue in Europe
- Inspiring ideas of how to innovate social dialogue

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