What Does the 2013 European Company Survey Tell Us About the Nature and Operation of Formal Employee Representation at the Workplace?

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Abstract
This paper is concerned with local workplace representation. Our themes are threefold. First, what is the extent of formal worker representation, including its resource base, and the method and manner of communication? Second, are worker representatives satisfied with the degree of representation they enjoy. Third, drawing on the above, what are the determinants of these perceptions?

The data base used here is the Employee Representative Questionnaire of the 3rd European Company Survey (ECS) of 2013. The first step is to offer a bare bones descriptive treatment of the share of establishments and employment with formal employee representation; that is, works councils and union bodies. The issue of resource base will consider the training received by the employee representatives, their access to external advice, and (the sufficiency of) the designated time allotted worker representatives to carry out their functions. Information provision will focus on the types of information provided by management and assessment of whether the information in general was timely and satisfactory. Variables examined in this first step are among the set of regressors used in our formal regression analysis of employee representation. Our dependent variable is the shortfall in desired employee workplace representation.

Our main preoccupation is the association between formal employee representation and the perceived involvement of the particular employee representation body in decision making. We examine the argument that union entities are more likely to seek greater involvement such that any shortfall in participation is hypothesized to be greater where workplace representation is via a union agency. A second preoccupation is with the provision of information, it being hypothesized that the higher the degree of satisfaction with the information provided by management, the less likely are employee representatives to push for more involvement in decision making. The same is expected to be true with respect to the perceived influence of the employee representative body.

Robustness checks are also conducted for subsets of the data based on variations in trust between the parties and the perceived quality of the industrial relations climate. We also use information on *informal* employee representation to proxy all those establishments lacking any representation.