



Social dialogue, working time arrangements and work–life balance in European companies

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Establishment Survey on Working Time and Work–Life Balance 2004–2005

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Research project: Company survey on time

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Country codes

EU21 EU15 + NMS6

EU15 former 'old' Member States prior to the enlargement of 2004

AT	Austria	IT	Italy
BE	Belgium	LU	Luxembourg
DK	Denmark	NL	Netherlands
FI	Finland	PT	Portugal
FR	France	ES	Spain
DE	Germany	SE	Sweden
EL	Greece	UK	United Kingdom
IE	Ireland		

NMS6 (Six of the 10 new Member States that joined the EU in 2004)

CY	Cyprus	LV	Latvia
CZ	Czech Republic	PL	Poland
HU	Hungary	SI	Slovenia

For some of the analyses in the report, the 21 countries were grouped into the following five regional categories:

Central and eastern European (CEE) countries: Czech Republic (CZ), Hungary (HU), Latvia (LV), Poland (PL), Slovenia (SI)

Western Europe: Austria (AT), Belgium (BE), France (FR), Germany (DE), Ireland (IE), Luxembourg (LU), Netherlands (NL), United Kingdom (UK)

Southern Europe: Cyprus (CY), Greece (EL), Italy (IT), Portugal (PT), Spain (ES)

Eastern Europe: Czech Republic (CZ), Latvia (LV), Hungary (HU), Poland (PL), Slovenia (SI)

Nordic countries: Denmark (DK), Finland (FI), Sweden (SE)

Foreword

Working time arrangements and work–life balance are important issues on the EU political agenda. In a diverse and fast-changing economic climate, both companies and workers need flexibility. Working time arrangements can have a significant bearing on the efficiency, productivity and competitiveness of companies, not to mention the health, well-being and motivation of their employees. In order to reach the Lisbon employment objectives of more and better jobs for everyone, governments are being encouraged to implement policies aimed at achieving more harmony between work and family life. In general, it is intended that employment rates for women and older workers should increase, and policy debate has focused on the steps needed in order for this to happen.

Against this background, Eurofound has been committed to obtaining more in-depth information on the use of working time arrangements in European companies, the reasons for using such arrangements and the outcomes for both companies and workers. In 2004, Eurofound launched its first Establishment Survey on Working Time (ESWT) in 21 European countries: the 15 ‘old’ Member States of the European Union and six of the new Member States – the Czech Republic, Cyprus, Hungary, Latvia, Poland and Slovenia. The survey was a questionnaire-based, representative sample survey in more than 21,000 establishments, which aimed to analyse working time arrangements and work–life balance issues at the workplace by interviewing personnel managers and, where available, formal employee representatives. In particular, it focused on flexible working hours, overtime, part-time work, work at unusual hours, such as shift or night work and weekend work, childcare leave or other forms of long-term leave, and phased or early retirement.

This report addresses the issues of social dialogue, working time arrangements and work–life balance in European companies, which represent key issues in the current labour market policy debate of European welfare states. Due to the lack of information on the nature and quality of social dialogue in Europe and in particular at establishment level, this report aims to bridge the gap by providing data about working time arrangements and working conditions at establishment level from both management and employee representatives. It also examines the possible impact of the quality of the social climate at establishment level.

Given its unique insight into the various forms of social dialogue, working time arrangements and measures to encourage work–life balance currently in place in companies across Europe, we trust that this report will be a useful contribution towards shaping the policies which seek to improve these elements of working life for all workers in Europe.

Jorma Karppinen
Director

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Executive summary

Working time policies, although designed within the national and sectoral framework and the boundaries of institutional regulations, are fine-tuned and implemented at the level of each company, taking account of the environment in which the company operates and the workforce it is employing. Hence, companies have placed more importance on working time organisation in recent years. In light of this, the European Foundation for the Improvement of Living and Working Conditions launched in 2004 its first *Establishment Survey on Working Time and Work–Life Balance* (ESWT), covering a large array of working time arrangements such as flexible working hours, overtime, part-time work, work at unusual hours, childcare leave or other forms of long-term leave, and phased or early retirement.

The survey was carried out in 21 European countries: the former 15 Member States of the European Union and six of the new Member States – the Czech Republic, Cyprus, Hungary, Latvia, Poland and Slovenia. In over 21,000 establishments in both the private and public sectors, personnel managers and employee representatives – where available – were interviewed about working time arrangements and work–life balance at the workplace. This report provides a unique insight into the various forms of social dialogue, working time arrangements and measures to encourage work–life balance currently in place in companies across Europe.

Policy context

Working time arrangements and work–life balance represent key issues in the labour market policy debate of European welfare states. In a diverse and fast-changing economic climate, both companies and workers need flexibility. Working time arrangements can have a significant influence on the efficiency, productivity and competitiveness of companies, not to mention the health, well-being and motivation of their employees. In order to reach the Lisbon employment objectives of more and better jobs, governments are being encouraged to implement policies that result in greater harmony between work and family life. In addition, it is an explicit policy goal that employment rates for women and older workers should increase, and debate has focused on how to make this happen.

In terms of policy, the question of achieving a positive work–life balance is reflected in both the national framework and the social sphere of companies. It goes beyond bilateral relationships between individual workers and their superiors, and depends on the specific nature of industrial relations at workplace and establishment levels. Whether work–life balance issues can become subject to negotiations within a company depends on the degree to which industrial relations are formalised, organised and institutionalised. Social dialogue between actors at company level – which may arguably be called a dialogue irrespective of any conflict between them – can only be based on some form of organised interest representation of employees.

Key findings

Information on the nature and quality of social dialogue in Europe and in particular at establishment level is scarce. The ESWT is among the first surveys to bridge this gap by providing data – from both management and employee representatives – on working time arrangements and working conditions at establishment level. The investigation into the role of social dialogue focused on employee representatives' attitudes towards and assessments of various working time issues, while also examining the incidence and determinants of the presence of employee representatives at establishment level.

The incidence of employee representation in establishments varies widely across Europe, with the Nordic countries being at the top end, and Greece and Portugal at the lower end of the scale. Likewise, the incidence varies greatly between sectors of activity: for instance, employee representatives are most prevalent in establishments in the education and electricity sectors, but much less common in the hotels and restaurants sector. Moreover, the incidence of employee representatives is higher in larger establishments.

The same factors – establishment size, sector affiliation and most prominently the country – are also crucial when it comes to the quality or climate of social dialogue at establishment level. The survey results show that the relationship between management and employee representatives is perceived as more cooperative in those countries where employee representatives have a comparatively strong influence on the organisation of working time and other working conditions than in countries where this influence is limited.

Overall, whether an employee representative body exists at the establishment and, if it does, the quality of the relationship between management and employee representatives are important factors in shaping the organisation of working time arrangements in companies. Measures that arguably enhance workers' ability to reconcile their work and private life – such as the possibility of switching from full-time to part-time work, phased retirement and flexible working time arrangements – are more likely to be implemented in companies where employee representation bodies exist and where the relationship appears not to be strained.

The ESWT provides ample evidence to show that the extent to which industrial relations at company level are institutionalised impacts on employees' opportunities to have some say in their own working hours. Co-determination, and bargaining rights for employee representatives at company level, provide a favourable environment for working time arrangements that are conducive to work–life balance.

Conclusions

The findings reveal the remarkable variety of industrial relations systems across the EU Member States, and at the level of individual companies and establishments. The study highlights these differences at both national and company levels, suggesting a basic typology that classifies countries along two dimensions:

- the degree of influence that a formal employee representation body can exert on working time management in the establishment;
- organisation of formal employee representation and the institutional framework behind it.

It appears that in countries where employee representatives have a stronger influence at establishment level, companies are more likely to implement working time measures that positively influence employees' work–life balance. This means that, with EU enlargement, Member States should continue creating and revising institutional arrangements that enable strong employee representations at the workplace.

The company level is an essential one for implementing working time arrangements that are 'work–life balance friendly', so that workers have the opportunity to reconcile working time with family duties and recreational or social activities. This, in turn, also has positive implications for encouraging entry into the labour market and enabling people to remain at work.

Introduction

The *Establishment Survey on Working Time and Work–Life Balance* (ESWT) covered a large array of working time arrangements such as flexible working hours, overtime, part-time work, work at unusual hours (shift work, night work and weekend work), childcare leave or other forms of long-term leave, and phased or early retirement (for more information on the ESWT and the series of analyses based on the survey data see the box on the next page). It is the very nature of these arrangements to be organised in various ways according to the needs of individual establishments or workers. Working time policies, although designed within the national and sectoral framework and the boundaries of institutional regulations, are indeed fine-tuned and implemented at the level of each establishment, taking account of the environment in which the company operates and the actual workforce it is employing. Thus, establishments have gained more importance in working time organisation in recent years. Consequently, the rationale behind the ESWT has been to shed light on this complicated area.

As establishments are a social – that is, ‘contested’ – arena (Edwards, 1980), industrial relations at the establishment and workplace levels play an important role in the practice of working time organisation. Equally important, the changing nature of working time organisation may have repercussions on the practice of industrial relations. Obviously, it is the individual employees who are affected by the establishment’s working time organisation in the first place. The way the working time is arranged over people’s life course, accounting for childcare leave, early retirement or part-time work, and in their day-to-day work schedule thus allowing for flexible work, unusual working times or overtime, is at the core of their balance between work and private life. Thus, working time arrangements may have positive or negative implications for the ability of employees to adapt their working obligations to their private lives, and vice versa. Achieving a so-called ‘work–life balance’ is, above all, a challenge to individuals.

The question of how the challenge of achieving a positive work–life balance is reflected in the social sphere of the establishment, beyond bilateral relationships between individual workers and their superiors, depends on the specific nature of industrial relations at workplace and establishment levels. Whether work–life balance issues can become subject to negotiations within an establishment depends on the degree to which industrial relations are formalised, organised and institutionalised. Social dialogue between social actors at workplace or establishment levels – which may arguably be called a dialogue irrespective of the amount of conflicts, or even disputes, involved – can only be based on some form of organised, or institutionalised, interest representation of employees. This was why the ESWT was extended beyond a management survey. That is, the idea was to include, wherever possible, the views and assessments of employee representatives regarding the working time issues addressed in the survey. While it remains true that the ESWT was predominantly an establishment survey interviewing management representatives about the company’s policies and practices with respect to different working time arrangements, the fact that employee representatives were also interviewed in this survey can be regarded as an important added value of the ESWT. It provides an opportunity to gain insight into the implications of industrial relations for working time organisation in European establishments, and may also add to knowledge on industrial relations at the establishment level in Europe.

Clearly, caution is needed when working, analysing and interpreting the data available. First, it should be kept in mind that the present study was not designed to provide a full and representative coverage of the incidence of all kinds and forms of employee representative bodies in European establishments. Hence, the various representative bodies described in this study do not mirror the complete variety of bodies in Europe. Another important caveat lies in the way data relating to employee representatives had to be selected. Due to methodological as well as pragmatic considerations, access to the company employee representative could only be gained in liaison with management. That is, in those cases where management either refused to partake in the study or managers denied contact with the employee representative (as was the case in 17% of establishments), no data on employee representatives could be gathered. Therefore, it should be remembered that this mode of selecting participants for the study may imply a certain bias in the data. This is why the analysis was concerned with mapping possible differences between establishments where access and interviews were granted and those where management refused an interview with the employee representative. Moreover, the study uses multivariate analyses to control and minimise this possible selection bias. In addition, where possible, cross-validation checks on the results gathered were carried out with external sources.

Establishment Survey on Working Time and Work–Life Balance

The European Foundation for the Improvement of Living and Working Conditions (Eurofound) in 2004 launched a large-scale sample survey in establishments in 21 European countries: the 15 ‘old’ Member States of the European Union (EU15) and six of the new Member States (the Czech Republic, Cyprus, Hungary, Latvia, Poland and Slovenia). The study, called the *European Establishment Survey on Working Time and Work–Life Balance* (ESWT), was conducted in more than 21,000 establishments, covering both the private and public sectors. As part of the survey, personnel managers and – where available – formal employee representatives (for example, shop stewards and members of works councils) were interviewed about working time arrangements and work–life balance issues at their workplaces.

Data obtained from the ESWT are representative for all establishments with 10 or more employees in the abovementioned countries. The survey covers private and public establishments from virtually all sectors of economic activity, with the exception of ‘agriculture’, ‘forestry’, ‘private households’ and ‘extraterritorial organisations’. In these sectors, the number of companies employing 10 or more employees is negligible in the countries surveyed. The sample design provided for a control of the representative distribution of interviews among the two main sectors, as defined in terms of the general industrial classification of economic activities within the European Communities (*Nomenclature générale des activités économiques dans les Communautés européennes*, NACE): ‘Industry’ (NACE C – F) and ‘Services’ (NACE G – O). In a finer breakdown, weaknesses with regard to the representation of the subsectors ‘education’ (NACE M) and ‘health and social work’ (NACE N) show up in some countries due to deficiencies in the available sampling sources (for details, see Riedmann et al, 2006, p. 57).

Interviews for the survey were carried out via telephone in the autumn of 2004 in the EU15 countries and in the spring of 2005 in the six NMS. TNS Infratest Sozialforschung Munich coordinated the fieldwork for the survey. In total, 21,031 personnel managers were interviewed along with 5,232 employee representatives from the same establishments.

Unless otherwise stated all figures in this report show the distribution of establishments, not of employees (more details on the survey methodology can be found in Riedmann et al, 2006, pp. 55–66).

Based on the findings of the ESWT, Eurofound has produced a series of analytical reports. A consortium of research institutes and experts from different European countries, coordinated by TNS Infratest Sozialforschung, has drafted these reports. The analysis consists of three main steps:

- A first analysis of the survey data is presented in the overview report (Riedmann et al, 2006).
- In a second step, a series of four additional reports has been produced, focusing on specific working time arrangements. These reports explore the issues of part-time work (Anxo et al, 2007b), parental leave (Anxo et al, 2007a), early and phased retirement (Leber and Wagner, 2007), and extended and unusual working hours (Kümmerling and Lehdorff, 2007).
- In the third step, two reports analyse the data in a more comprehensive way – one focusing on flexibility at company level and analysing the interrelations between the different working time arrangements, and this current report, looking at social dialogue at company level in relation to working time and work–life balance issues.

The present report is structured as follows. The first section provides an overview of the divergent structure of employee representation at establishment level across EU countries. The second section takes stock of the information provided by

the ESWT on the European landscape of employee representation in establishments. That is, the study uses the information provided by the ESWT to consider what the present survey adds to current knowledge on industrial relations at establishment level. The third section addresses some aspects of the ‘social climate’ in the establishments covered by the ESWT. This section outlines the information provided by the survey on the degree to which industrial relations in the establishments may be regarded as cooperative, how employee representatives perceive their relationship with management and how they assess the task of dealing with working time issues in the respective establishment. In the fourth and final section, the study addresses the implications of industrial relations at establishment level on working time and work–life balance issues, as reflected in the assessments of managers and employee representatives in particular.

Industrial relations at establishment level and the ESWT 1

In the ESWT management questionnaire, questions on employee representation at the establishment are included. Furthermore, the survey also included an interview with a representative of the formal employee representation body at the establishment where this was possible. These two sources of information, linked to several background characteristics of the establishment, provide an insight into some features and characteristics of the formal employee representation in European establishments. Before this study can explore the information provided by the ESWT on these issues, it is useful to give a short overview on the basic structures of establishment-based employee representations across European countries.

European institutional setting

Employee representation at establishment level

The EU landscape of formal employee representation at establishment level is quite complex. A wide diversity of different systems, each with their own composition, legal basis and degree of influence, exists in Europe (Van Gyes, 2006; Van Gyes et al, 2007). Each EU Member State has its own specific industrial relations system, also at the level of individual companies and establishments. This wide variety of systems is the result of historical developments based on differences between institutions, cultures and choices. In most of the former EU15 countries, workplace representation structures in their present shape were established in the aftermath of World War II. In central and eastern European (CEE) countries, employee representation used to be held by strong, state-ruled trade unions. Since the transition to market economies, trade union membership has been in steady decline in most CEE countries. Institutionalisation of formal employee representation at establishment level is progressing steadily, although with a wide range of settings and approaches (see below).

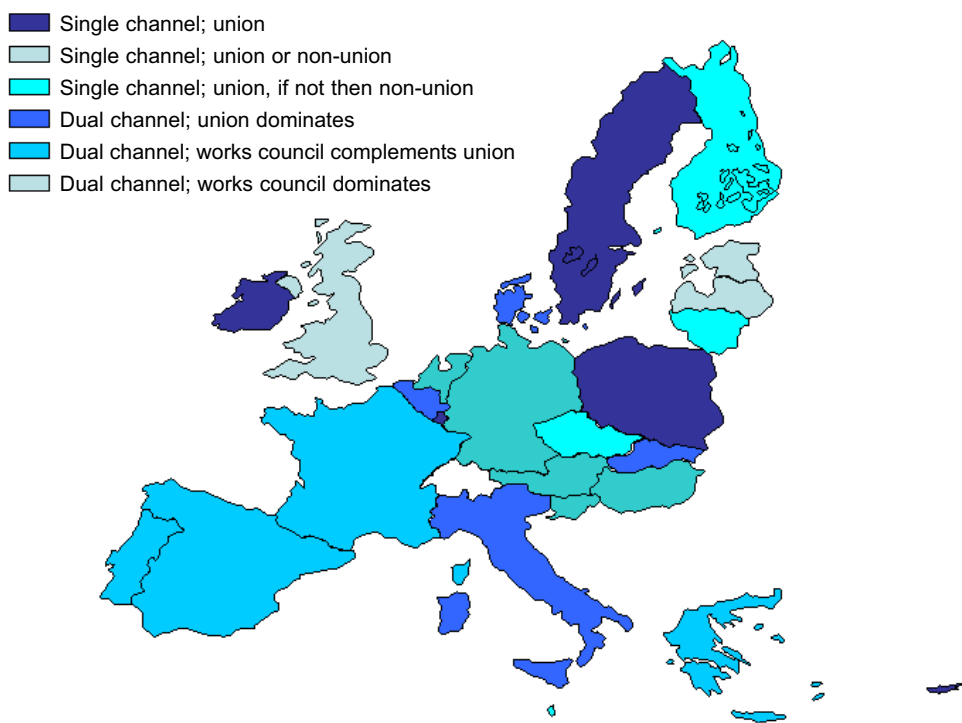
In recent history, EU directives have played a stimulating role in the formation and the revision of institutional arrangements for workplace representation, not least in the NMS. For example, the European works council Directive (Council Directive 94/45/EC) was an important milestone. More recently, Directive 2002/14/EC establishing a general framework for informing and consulting employees in the European Community has been an important landmark with respect to employee representation at establishment level. The purpose of the Directive is to set out minimum requirements for the right to information and consultation of employees in undertakings or establishments within the Community. The Member States have a certain degree of freedom in implementing the directive, but on some points the directive is rather strict. The thresholds between which the Member States can choose vary from establishments employing at least 20 employees to undertakings employing 50 employees or more.¹ Information should at least cover the undertaking's or establishment's financial situation. With regard to the situation, structure and probable development of employment and regarding decisions likely to lead to substantial changes in work organisation or in contractual relations, the employer is obliged to inform and consult the employee representatives. To date, the directive has already contributed to the establishment of a European model of mandatory workplace representation.

Employee representation is organised in different models across countries. The most important distinction is usually made between so-called single- versus dual-channel systems (Visser, 2004; Van Gyes, 2006) (Figure 1).

¹ An 'undertaking' is defined as a public or private undertaking carrying out an economic activity, whether or not operating for gain, which is located within the territory of the Member States; an 'establishment' means a unit of business defined in accordance with national law and practice, and located within the territory of a Member State, where an economic activity is carried out on an ongoing basis with human and material resources (Directive 2002/14/EC).

In single-channel systems – currently in operation in Cyprus, Lithuania, Malta, Sweden and Poland (in the latter country, except for public or privatised formerly state-owned companies, where works councils still exist) – the rights or workplace representation for the purpose of information, consultation and in some cases codetermination are expressed through workplace trade unions. These rights can be established by law or by (national) agreement with employers, or both. Ireland and the UK present ‘single-channel’ cases, but on a predominantly voluntary and fairly limited basis. In some of these countries, recent legal changes may alter this structure in the future, or may have already begun to do so. A notable example is the UK, where a new law on information and consultation provides the possibility for the election of both trade union delegates and non-unionised employee representatives. Thus, the distinctions are becoming blurred between single and so-called ‘mixed’ or ‘extended’ channel systems. In Finland, legislation provides information, consultation and cooperative negotiations rights to the employee representation, which is often the trade union delegation at the workplace, but can be any other form of representation elected by the employees. In Italy, employee rights are in principle expressed through the trade union, but non-union members are included. Thus, Italian works councils, based on agreements with employers and the statutory rights bestowed on all employees – in companies above a certain size – are a mixed case in so far as no distinction is made between trade union and non-union members, and the unions voluntarily extend union rights and benefits to non-union members. In the Czech Republic, Estonia and Latvia, the law provides for mechanisms of employee representation in non-unionised companies, additional to the rights bestowed on trade unions in enterprises where they are present. Under the 2001 labour law reform in the Czech Republic, which provides for a one-channel institutional workplace representation, Czech employees have the right to establish a works council in non-unionised companies. The council must, however, be dissolved if a workplace trade union is established. In anticipation of EU legislation, Lithuania will move towards a mixed or even dual model of employee representation. In Estonia and Poland, government attempts to establish works councils, independent of the trade unions, are the subject of controversial debate.

Figure 1: *Basic channels of workplace representation in the EU Member States*



Source: *Van Gyes, 2006*

In dual-channel systems, the law provides for a separate channel of employee representation in companies, which is additional to the trade union(s). This system is found in Austria, Belgium, Denmark, France, Germany, Luxembourg and the Netherlands, and has also been adopted following the return to democracy, by Spain, and in Portugal and Greece. It was also adopted in the course of the transition in Hungary, Slovakia and Slovenia – where the works council system was embedded in the ‘Yugoslav’ model of worker self-determination – and in public and formerly public enterprises in Poland. In this model, the rights to representation, information and consultation are conferred on individual workers – in enterprises above a certain size – irrespective of the trade unions. Consequently, competition may arise between the works council and the trade unions, although in reality union officials and representatives play a leading role in many works councils. In some countries, notably Belgium, Denmark, France and Luxembourg, works councils are joint institutions with both employee and employer representatives. Thus, the works councils do not have the status of independent negotiating bodies, a responsibility which as a result is taken over in many cases by separate and independent trade union delegations. A notable example in this regard is France, where it is the trade union delegates, rather than the works councils, who are in charge of negotiations, among many other things, on working time arrangements.

Formal employee representation bodies not only differ in terms of type and composition: they also differ with regard to their legal basis, the thresholds for the establishment of a formal representation – such as the minimum number of employees in the establishment – and, most importantly, with regard to the participatory rights assigned to the representation body (see below). In general, the institution of employee representation is embedded in the country’s legislation. However, in the Nordic Member States, national collective agreements are the regulatory basis, and in Italy it is a mixture of national agreements and legal stipulations. In Cyprus, Ireland, Malta and the UK, forms of employee representation are based on local agreements (with the recent legal deviation in the UK mentioned above).

Thresholds defining the number of employees in the establishment, above which formal employee representation is mandatory, exist in most countries. There is a wide variety in thresholds, with those for works councils being significantly higher than those for trade union representation in dual-channel systems. Thresholds range from no minimum in Sweden and Portugal to as many as 100 or 150 employees for the creation of works councils in Belgium and Luxembourg, respectively (both have lower thresholds for trade union representation).

In addition to the differences in structure of employee representations, there are also major differences in relation to rights. When referring to the importance of social dialogue at establishment level regarding working time organisation, these differences are pertinent. In the following sections of this report, the analysis takes a closer at these differences and establishes a simple typology that acts as a guide to the ESWT data evaluation.

Information, consultation and codetermination rights of employee representations at establishment level

Employee representations have participatory rights in various areas and to different degrees among which information, consultation, codetermination and, increasingly relevant, bargaining rights can be identified (Van Gyes, 2006).

Information and consultation rights have been adopted – or will be soon – in all EU Member States in line with Directive 2002/14/EC. The obligation for employers to inform employees covers primarily general business matters, employment levels and structural changes (such as closures, relocations, mergers or takeovers), in particular when collective redundancies are envisaged. Further to the mere information to be provided, consultation rights are also common in such matters. However, the degree of formality and the procedural steps to be taken differ markedly across countries.

Compared with information and consultation, codetermination is less common in establishments and is restricted to specific subjects. Codetermination may be based on legal stipulations, as in Austria, Germany, the Netherlands or Slovenia, or on collective agreements, as in Denmark and Sweden. It may cover, although to different degrees, various

social or economic matters. Social matters comprise personnel management and certain work organisation issues, such as working hours, training or collective dismissals (and, in some cases, individual dismissals). The codetermination rights may be weak or strong. In the rare cases of such rights being strong, this implies a need for approval by the works council. If this is required, it will usually be possible for the employer to appeal to an arbitration committee, as in Germany, or a mediation commission or court, as in the Netherlands. In Austria, this codetermination right is the strongest and is similar to a veto right in certain matters. In Sweden, codetermination is more an obligation for the employer to negotiate on the matter with the local or national trade union, when a dispute has arisen. In Slovenia, employers must submit their decisions on health and safety measures, regulations on absence from work, performance assessment schemes, the system of merit pay, employee welfare facilities, promotion criteria and social plans in the case of collective redundancies for approval by the works council. In the latter case, approval or disapproval is regulated by a strict procedure and the possibility of arbitration.

In most of the other EU countries, however, codetermination rights of employee representatives are much more restricted, if they exist at all. In Belgium and France, for example, codetermination rights are related to some specific topics, such as holiday regulation at the workplace. Similar features apply in some CEE countries such as the Czech Republic, Hungary, Latvia and Poland, where codetermination rights may cover the scheduling of holiday periods, the allocation of welfare funds, or the system of rewards and bonuses.

Thus, while some country-specific features of codetermination in many cases have been well established over the decades, bargaining rights are more recent in some countries. Their importance is, generally speaking, on the rise due to the decentralisation trends in collective bargaining. The right to bargain may apply to local trade unions or, less commonly, to works council-type bodies. In Germany, for example, the law distinguishes between the subjects that can be negotiated respectively by the works councils or by the trade union. In Hungary, works councils have the right to bargain only when no trade union is present in a company. In the Netherlands, works councils are increasingly involved in collective bargaining. In Spain, works councils have full bargaining rights. In numerous other countries, however, it is explicitly forbidden for works councils to bargain and sign agreements. It may then be the local trade union delegates who participate in bargaining, as is the case in France. The general picture, again, varies greatly between countries.

For the purposes of analysis of the existing ESWT data, it is useful to distinguish between employee representations across countries according to their potential influence on personnel management and work organisation issues at the workplace. More precisely, as the ESWT focused on working time issues, this analysis primarily focuses on the potential influence of local employee representations on an establishment's working time organisation. Understandably, distinctions of this kind are always difficult to make, as the actual influence depends on many factors, both formal and informal. However, the extent to which codetermination and bargaining rights are assigned to employee representations differs substantially across countries. It should thus be possible to establish a basic distinction between countries in which employee representations have limited influence on working time organisation, and those in which employee representations have a greater influence on working time organisation.

Taking into account the different structures of employee representation outlined here, it is possible to suggest a basic typology, which classifies countries along two dimensions:

- the degree of influence that a formal employee representation body can exert on working time management in the establishment (drawing on its codetermination and bargaining rights);
- the organisation of formal employee representation and the institutional framework behind it.

With regard to the organisation of formal employee representation at establishment level, this study differentiates between four different groups of countries:

- countries in which the works council is the only type of employee representation body at establishment level or by far the most important representative body;
- countries where both works councils and trade union representation exist alongside each other and trade union representation is not necessarily of secondary importance;
- countries where only trade union representation exists at establishment level but where its functioning is strongly determined by, for example, a national framework regarding collective agreements and where the trade union representation at establishment level is supported by a strong national organisation;
- countries in which trade union representation is more voluntaristic and the national framework is less determinant.

Using this framework, it is possible to group countries according to their forms of employee representation and extent of influence (Table 1).²

Table 1: *Forms of employee representation, by strength of influence and country*

	Limited influence	Stronger influence
Works councils dominant	HU	AT, DE, NL, SI
Mix of works councils and trade unions	EL, ES, IT, PT	BE, FR, LU
Trade unions nationally coordinated and supported	-	DK, FI, SE
Voluntary trade union system (minimally coordinated)	CY, CZ, IE, LV, PL, UK	-

Source: *ESWT, 2004–2005*

In the following chapters, depending on the subject of data analysis, the analysis will either resort to this typology or to the even simpler dichotomy of employee representations' limited versus stronger influence on establishments' working time organisation.

The short overview given here of the cross-national differences in institutional setting and practices with regard to formal employee representation clarifies the fact that the decision on how to capture forms of employee representation in the ESWT was far from obvious. The next section describes how this challenge was tackled.

² Three minor inconsistencies emerge in relation to the choices made for the identification of the formal employee representation body (Riedmann et al, 2006). One such case is Luxembourg. Two employee representation bodies exist in Luxembourg at establishment level – the *délégation du personnel* and the *comité mixte d'entreprise*. They can either both be classified as a 'works council' type of representation, or, since the trade union influence in the *délégations du personnel* is usually strong as the unions can propose candidates for the elections of the delegation, this body can also be considered as a form of trade union representation. A second case is Italy, which was classified as a single-channel trade union system. Italy is indeed a somewhat specific case, since the joint trade union representation body or unitary workplace union structure (*rappresentanza sindacale unitaria*, RSU) unites trade union and works council-type employee representation within one and the same body – that is, within a single-channel representation system. For simplification purposes in the employee representative identification process, only trade union representatives were considered to be relevant in the ESWT. The third case, Spain, is very similar to the Italian case. It is very difficult to disentangle the institution of 'works council' from the trade union at the workplace.

Survey methodology

Sample description

Taking into account the divergent types of employee representation across countries, it was necessary to find a way, for the purposes of the ESWT, to select one employee representative for the interview. A team composed of Eurofound and external experts has tackled the problem regarding the most appropriate body to be interviewed. For a comprehensive overview of the rationale behind the choices made, the analysis refers to Riedmann et al (2006). Table 2 summarises which employee representation bodies were found to be most important and were therefore selected for the employee representative interview as part of the survey.

Table 2: *Selection of form of employee representation, by country*

Employee representation	Country
Works council	AT, DE, ES, LU, NL
Trade union representative	CY, IE, IT, LV, PL, SE, UK
Works council as first choice, trade union representative as second choice	BE, EL, FR, HU, SI
Trade union representative as first choice, works council as second choice	CZ, DK, FI, PT

Source: *ESWT, 2004–2005*

In total, 21,031 management interviews were conducted as part of the ESWT. The last part of the management questionnaire focused on the identification of formal employee representation bodies at establishment level. For each Member State, a country-specific set of questions was drawn up, which took into account the institutional setting and social dialogue practices in the country. In 10,452 establishments, workplace representation was identified. This corresponds to a weighted proportion of 32% of establishments having some kind of formal employee representation (weighting is necessary to redress the disproportions in the sampling). Taking into account the number of employees working at the establishment, the study finds that 58% of employees work in an establishment with a formal employee representation body. This discrepancy can be explained by the fact that establishments employing many workers are more likely to have formal employee representation, on the one hand, because of legal thresholds and, on the other hand, because a formal dialogue with the employer is more likely to occur in larger organisations than in small organisations, where an informal dialogue is possible.

Out of the 10,452 establishments with formal employee representation, an employee representative interview was conducted in just over half of the cases – in 5,232 establishments. This sample of 5,232 establishments will form the basis for further analysis of the role of social dialogue in working time arrangements in Europe. Management refusal of an employee representative interview is one reason why such interviews were not conducted in the remaining establishments. This refusal is worthwhile analysing, because it might point to a difficult relationship between the social partners in the establishment in terms of the collective bargaining on working time policies. There are, however, several other reasons why a management representative may consider it better not to grant permission for an employee representative interview. This issue will be dealt with later in this report. In about 15% of the cases (1,575 establishments) where a formal employee representation body is present, the management representative did not consent to an employee representative interview, even when pressed. This corresponds to a weighted percentage of 17% of the establishments with an employee representation body where management refused an employee representative interview. Recalculated in terms of the number of employees, the analysis shows that 14% of the employees work in establishments where a formal employee representation body exists but where management does not allow the employee representatives to be interviewed. The remaining 3,645 establishments where an employee representation body exists but no employee representative interview was conducted as part of the ESWT can be subdivided into refusal of the interview by the employee representative himself or herself in 1,018 cases (10% of establishments) and ‘other’ reasons for non-response in 2,627 cases (25%).

As Table 3 shows, the sample of 5,232 establishments where an employee representative interview was conducted is not significantly different from the overall sample of 21,031 establishments with regard to the subdivision between industry and services. There is, however, an important difference between the two samples when categorising the establishments according to the number of employees. In smaller establishments, a formal employee representation body is less common, which means that an employee representative interview is less likely to take place in these establishments. Looking at country differences, the analysis finds that some countries have a stronger tradition of formal employee representation bodies than others. This issue will be explored further in the next chapter.

Table 3: *Establishments with employee representation, by sector, company size and country (%)**

	All establishments	Establishments with employee representative	Establishments with employee representative interview
<i>Sector</i>			
Industry (NACE C–F)	41.0	41.5	41.8
Services (NACE G–O)	59.0	58.5	58.2
<i>Company size</i>			
10–19 employees	25.2	11.4	10.8
20–49 employees	26.9	20.0	18.6
50–199 employees	26.9	33.7	34.4
200–499 employees	12.7	20.1	20.5
500 or more employees	8.3	14.7	15.7
<i>Country</i>			
AT	4.8	4.2	2.4
BE	4.8	4.3	4.1
DE	7.1	7.6	10.1
DK	4.9	8.0	9.6
EL	4.8	1.8	1.3
ES	7.1	10.0	7.1
FI	4.8	7.8	12.9
FR	7.2	8.0	7.5
IE	2.4	2.1	1.4
IT	7.1	7.3	4.3
LU	1.7	2.1	1.5
NL	4.8	6.0	6.8
PT	5.3	2.3	1.9
SE	4.8	8.0	9.3
UK	7.2	4.5	1.4
CY	1.9	1.3	1.5
CZ	4.5	2.9	3.2
HU	4.8	3.4	4.1
LV	2.6	2.1	2.1
PL	5.2	3.8	3.3
SI	2.4	2.8	4.3

Note: *The given percentages are unweighted.

Base: All establishments

Source: ESWT, 2004–2005

Methodological issues and caveats in survey design

Before turning to the evaluation of the data obtained, it is useful to make a quick appraisal of the possibilities provided in principle by the ESWT regarding industrial relations at establishment level and the importance of industrial relations for working time organisation.

While it appears that the ESWT deliberately aimed to capture important industrial relations aspects of working time organisation at establishment level, it was not primarily designed as a survey of industrial relations. This should be kept in mind as the survey entails certain limitations when it comes to the evaluation of the data for this report. In this regard, the basic and obvious drawback is that the survey does not present a full picture of the industrial relations system at establishment level. As highlighted in the ESWT overview report *Working time and work–life balance in European companies* (Riedmann et al, 2006), a full mapping of the incidence of different types of employee representative bodies was not among the objectives of the survey. Thus, as a consequence, the bodies chosen do not necessarily reflect the full spectrum of existing formal employee representation bodies in companies. The goal in the employee representation identification phase was to select the most appropriate body with which to conduct an interview on working time arrangements and work–life balance issues at establishment level; therefore, no further questions on the possible existence of other employee representation bodies were asked once this employee representation body was identified. Although the obvious aim was to identify and select the most important employee representative body in the establishment, it should be remembered that working time arrangements are also discussed in other employee representation bodies that were not involved in this study.

Secondly, whether an employee representative interview took place depended on many factors. The organisation of the survey was such that the sample of establishments in which both management and employee representation were included is broken down into three steps. In order for an employee representative interview to be conducted, three conditions had to be fulfilled:

- there had to be an employee representative at the establishment as defined in the ESWT project;
- the permission or at least the passive consent of the interviewed management representative was necessary for contacting the employee representative;
- the selected employee representative had to cooperate with the survey by agreeing to participate in an interview. In particular, the management’s permission or consent may have been responsible for a selection bias towards a more cooperative social climate.

The report will explain at a later stage what impact this ‘filtering’ had on the final sample of respondents for the analysis of social dialogue.

Overall, this means that the survey does not give a complete insight into the different types of representation bodies at the workplace, the likelihood of an employee representative interview taking place is restricted in three ways and only one of the possibly multiple employee representatives was interviewed. A further consequence of this survey design is the fact that the one employee representative chosen for an interview does not necessarily have enough insight into the operations of the entire organisation. In large establishments and in countries with a specific type of employee representation, it may be the case that the interviewed employee representative is not aware of the existence of specific working time arrangements in parts of the organisation that he or she does not know very well. In some countries, for instance in the UK, many trade unions are organised within occupational groups, more than one union is frequently present in the establishment and the employee representative chosen may not be part of the body representing all company employees. As a result, there is a certain risk that information on working time arrangements as provided by the employee representatives as part of this survey does not cover the whole establishment.

A third limitation can be identified with regard to the survey's potential for describing industrial relations at establishment level in Europe, because the ESWT focused on working time arrangements and work–life balance. Consultation and deliberation on the practical implementation of working time arrangements are of course key dimensions of industrial relations at establishment level. However, no information is available on other aspects of social dialogue, which makes it impossible to evaluate the dialogue on working time arrangements within the entire scope of topics dealt with between the social partners in the organisation. The frequency and depth of the social dialogue on working time arrangements may well be dependent on the range of issues discussed between the social partners (breadth of social dialogue) and on the importance of other issues in the industrial relations system in the establishment (scope and intensity), such as wage issues or health and safety concerns. Thus, caution is advised when it comes to generalising findings on industrial relations from the ESWT, since these may be relevant with respect to the area of working time but less relevant for other potential areas of cooperation and conflict at establishment level.

Finally, the questions on the working time arrangement topics dealt with at the establishment are not the same for all different working time arrangements. There are very good reasons for this: first, the design of a questionnaire automatically implies a limitation on the number of questions that can be asked. Limiting the length of a questionnaire is necessary in order to limit the burden that the interview poses and so maximise response rates. Secondly, and more importantly, the questions posed to the employee representatives obviously have to vary for each different working time arrangement in order that their relevance be maintained: for instance, for the issue of overtime, the focus has to be on compensation systems (wages or time worked), on predictability and on voluntarism; for part-time work arrangements, it is more relevant to ask questions on the possibilities of switching between full-time and part-time work and on the impact of working part time on career development, for example. The fact that a variety of questions are posed to the employee representative for each working time arrangement has, however, some implications for the analysis. The main consequence is that it is not possible to develop a comprehensive 'all-in-one' description of social dialogue on working time policies in the establishment. Where possible and feasible, the authors of the reports on the individual working time arrangements have explicitly included some analyses of the questions related to social dialogue that are specific to a particular working time arrangement – such as the reports on early and phased retirement and on part-time work.³

Keeping this general caveat in mind, the discussion now turns to the evaluation of the ESWT data set with respect to industrial relations at establishment level and their importance for working time organisation and work–life balance.

³ See the web page for the ESWT at <http://www.eurofound.europa.eu/areas/worklifebalance/eswt.htm>

2

Employee representation at establishment level

As a first step, this chapter looks at the incidence of employee representation at the workplace, as reflected in the ESWT data. To this end, various descriptive factors such as establishment size, country of residence and sector of activity will be more closely analysed. Using a logistic regression analysis, this section will also investigate the influence of other establishment characteristics, staff characteristics and the financial situation of the establishment on whether formal employee representation exists.

A range of explanatory variables are included in the analysis, as listed below.

Morphological characteristics

- company size (number of employees);
- sector of economic activity;
- country.

Establishment characteristics

- type of establishment (single independent company, headquarters or subsidiary site);
- type of ownership (private or public).

Staff characteristics

- proportion of female workers;
- proportion of skilled jobs;
- proportion of older workers (aged 50 years or more);
- proportion of part-time workers.

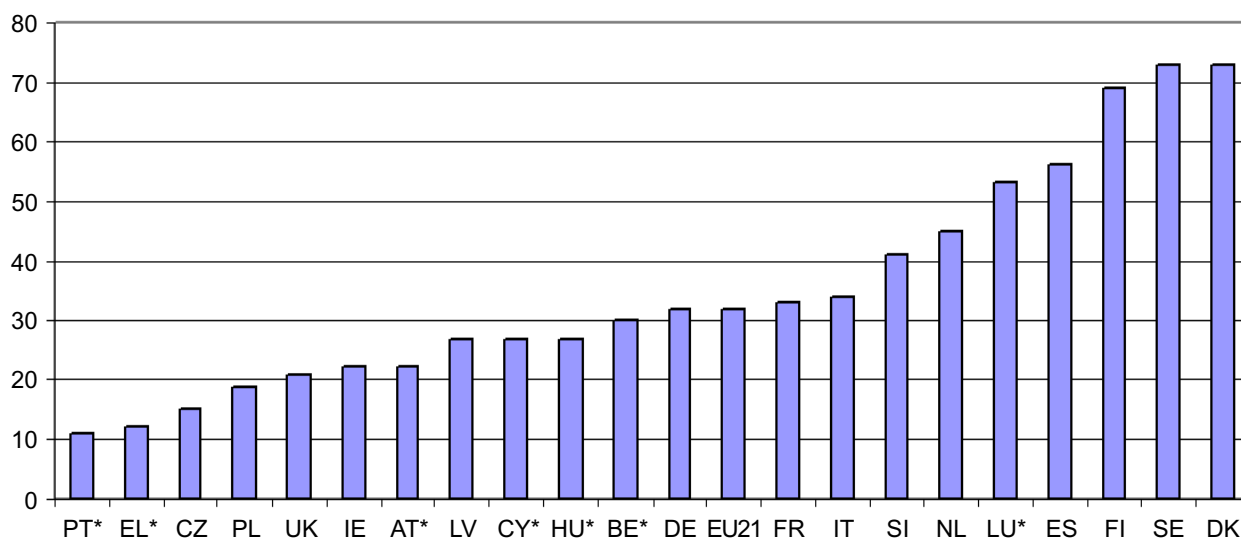
Situation of the establishment

- financial situation;
- developments in employment.

On average, for all 21 Member States involved in the study, 32% of the establishments covered by the ESWT have formal employee representation. Given that only establishments with 10 or more employees were included in the 2004–2005 survey and that larger establishments are more likely to have formal employee representation, the overall incidence of formal employee representation for all European establishments is likely to be lower.

When it comes to the incidence of employee representation across countries, the differences are substantial. Such differences may be to some extent attributable to different thresholds for the establishment of a formal employee representation body. Perhaps more importantly, some countries also have stronger workplace representation traditions than others. The three Nordic EU Member States have the highest levels of employee representation: 73% of the Danish and Swedish establishments, and 69% of Finnish establishments, have a formal employee representation body. Employee representation is least prevalent in most of the CEE countries (with the exception of Slovenia), in some southern European countries and in the UK and Ireland. Overall, the picture for western and southern Europe is highly differentiated (Figure 2).

Figure 2: Establishments with employee representation, by country (%)



Note: Due to shortcomings in the administrative address directories that were used for the identification of possible respondents to the ESWT, there is a certain underrepresentation of establishments belonging to both the education (NACE M) and health and social work (NACE N) sectors in countries indicated with an asterisk. As these sectors have a strong tradition in employee representation, the overall percentages in the countries concerned are likely to be underestimated.

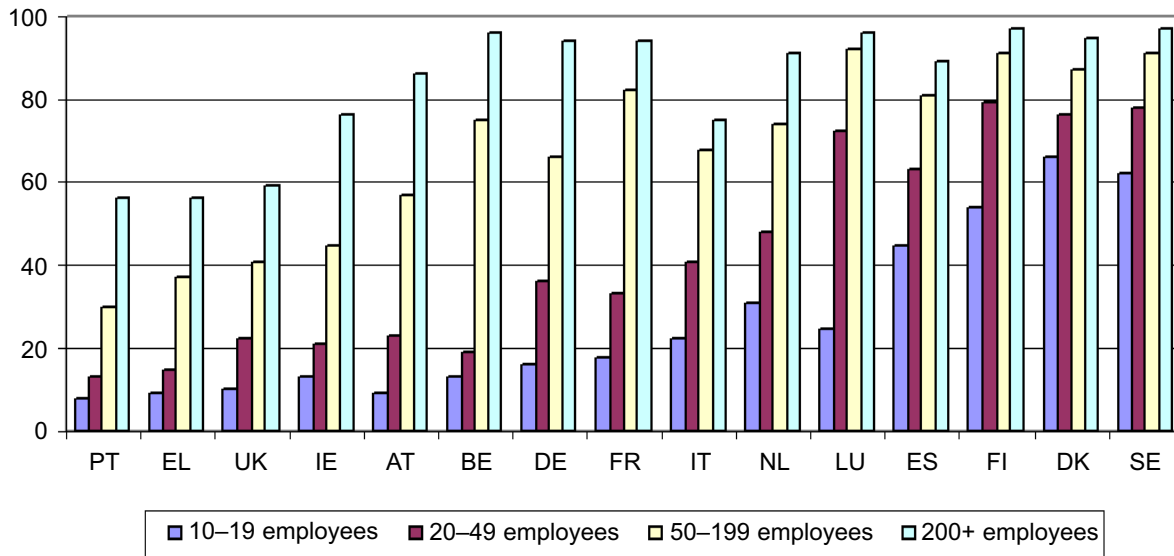
Base: All establishments (management interviews)

Source: ESWT, 2004–2005

Figure 2 presents the average proportion of establishments in each country in which a formal employee representation body exists. However, it is also interesting to look at a breakdown of establishment size for each country, as is shown in Figure 3 for the former EU15, and in Figure 4 for the six NMS included in the ESWT project. In both figures, the countries are ranked according to the national averages, as in Figure 2.

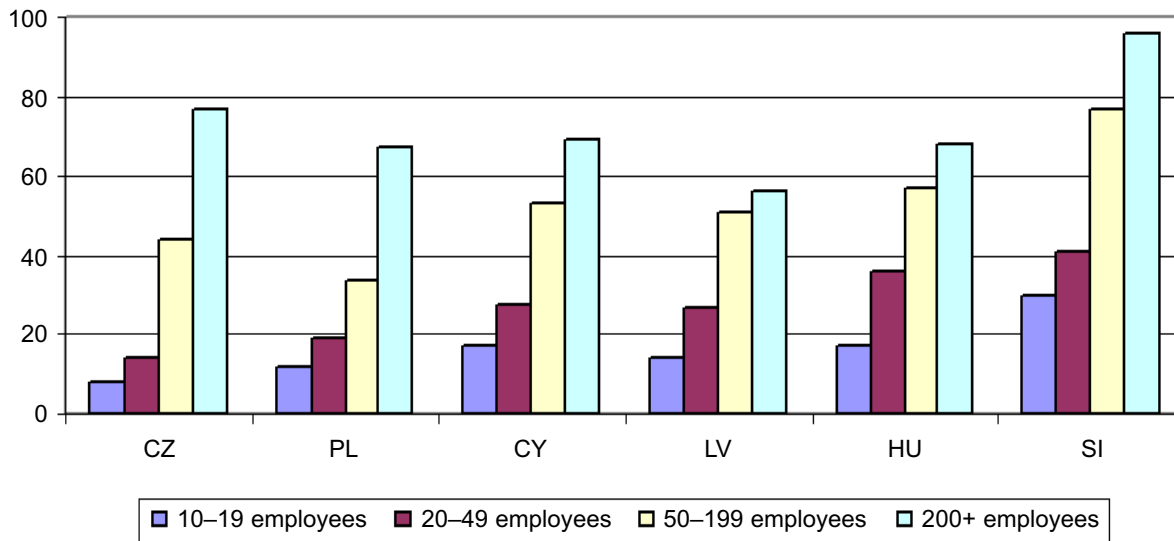
The data show that in countries that have somewhat lower average incidences of formal employee representation bodies, this is primarily due to the lower incidence of such bodies in smaller establishments. For example, countries such as Belgium, Germany and France, which rank in the middle of the spectrum of formal employee representation, occupy this position because of the fact that formal employee representation is less common in small establishments in these countries. The Nordic Member States, on the other hand, have high average numbers of establishments with formal employee representation bodies because formal employee representation exists in all sizes of establishments: even in the smallest category of establishments with 10–19 employees, a formal employee representation body exists in more than half of the cases. Portugal, Greece and the UK have low shares of establishments with formal employee representation bodies in all size classes.

Figure 3: Establishments with employee representation, by company size, EU15 (%)



Base: All establishments (management interviews)
Source: ESWT, 2004–2005

Figure 4: Establishments with employee representation, by company size, NMS6 (%)

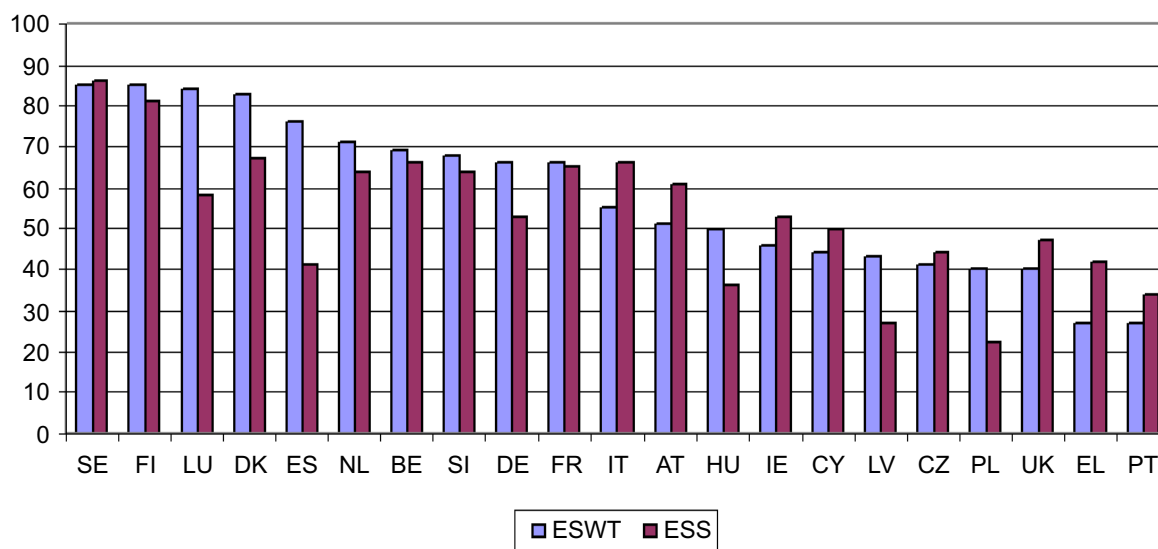


Base: All establishments (management interviews)
Source: ESWT, 2004–2005

Through an external validity check, these ESWT data have been compared with data from the European Social Survey (ESS) from 2002–2003 (Van Gyes et al, 2007). In this employee survey, the following question was included: ‘Is there a trade union or similar organisation at your workplace?’ This question, and thus this measurement of the incidence of employee representation, is of course not equivalent to the picture created in the ESWT. The definition used to identify formal employee representation in the ESWT most likely does not yield the same results as the ESS assessment by individual workers of whether their workplace has a ‘trade union or similar organisation’. In addition, workers in organisations with fewer than 10 employees are not excluded from the ESS, which could cause the ESS figures to be somewhat lower than the ESWT figures. Figure 5 compares the data from both surveys on the incidence of employee

representation weighted by employees: that is, the indicated percentages refer to the percentage of workers working in an establishment in which a formal employee representation body is present.

Figure 5: Establishments with employee representation, employee weighted, as reflected in ESWT and ESS, by country (%)



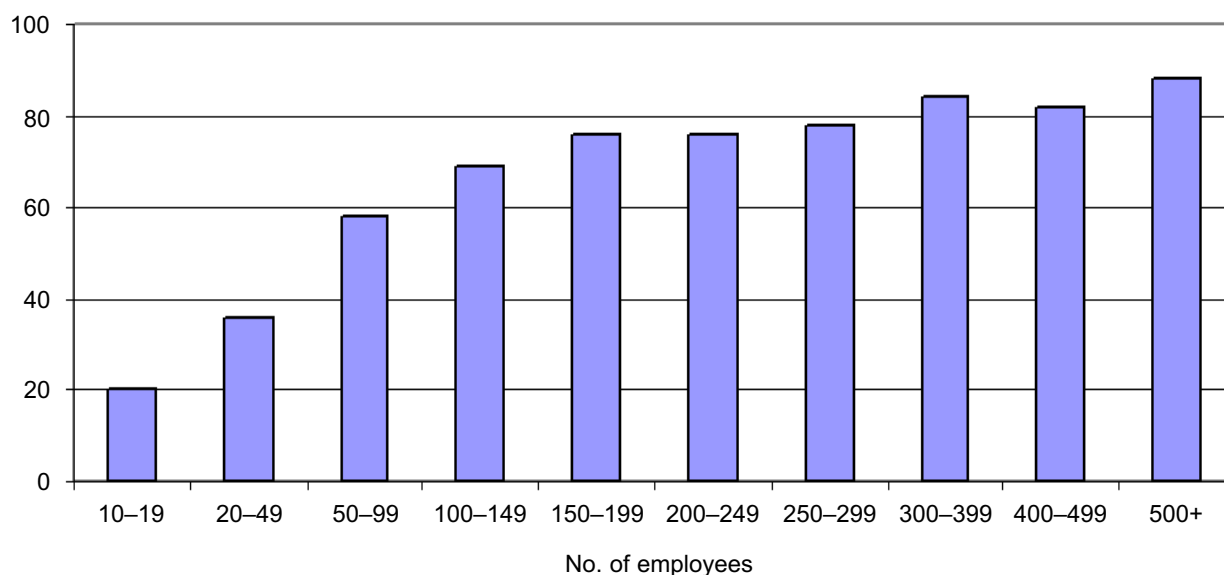
Base: All establishments (management interviews)
 Source: ESWT, 2004–2005; Van Gyes et al, 2007

Comparing the data provided by the two surveys, the percentages of establishments with employee representation are quite similar in many cases and any differences are below 10 percentage points for most countries. Some discrepancies between the ESWT and the ESS data do however exist, particularly in the cases of Spain, Denmark, Poland, Latvia and Luxembourg. Moreover, and contrary to the hypothesis of this study, the percentages stemming from the ESWT are not higher in all countries than those from the ESS. An in-depth analysis of the differences between the ESWT and the ESS data is beyond the scope of this report. It is sufficient to note that the ESWT data to a large extent pass this external validity check. Differences are most probably due to a difference between the two surveys in definition or wording of what is considered a formal employee representation body.

In addition to differences between countries, it may also be expected that there will be a clear relationship between the size of the establishment and the incidence of formal employee representation bodies, since establishment size is generally known to be one of the main factors determining the existence of formal employee representation bodies. On the one hand, labour laws that make formal employee representation mandatory (or possible) above a certain threshold play a role. On the other hand, employees in larger establishments are likely to be more inclined to formally structure their dialogue with the employer in order to have a stronger position. The larger the establishment, the less likely is the possibility of an informal dialogue. Workers in large establishments may thus feel the need to organise themselves in a formal employee representation body.

The ESWT data clearly confirm this positive relationship between establishment size and the incidence of formal employee representation. The incidence of formal employee representation increases significantly for establishments with up to 150 employees. While only 20% of the establishments with between 10 and 19 employees in the survey have a formal employee representation body, more than three quarters of establishments with more than 150 employees have one. Above this threshold, the incidence of formal employee representation bodies remains relatively stable as the size of the establishment increases (Figure 6).

Figure 6: Establishments with employee representations, by company size (%)

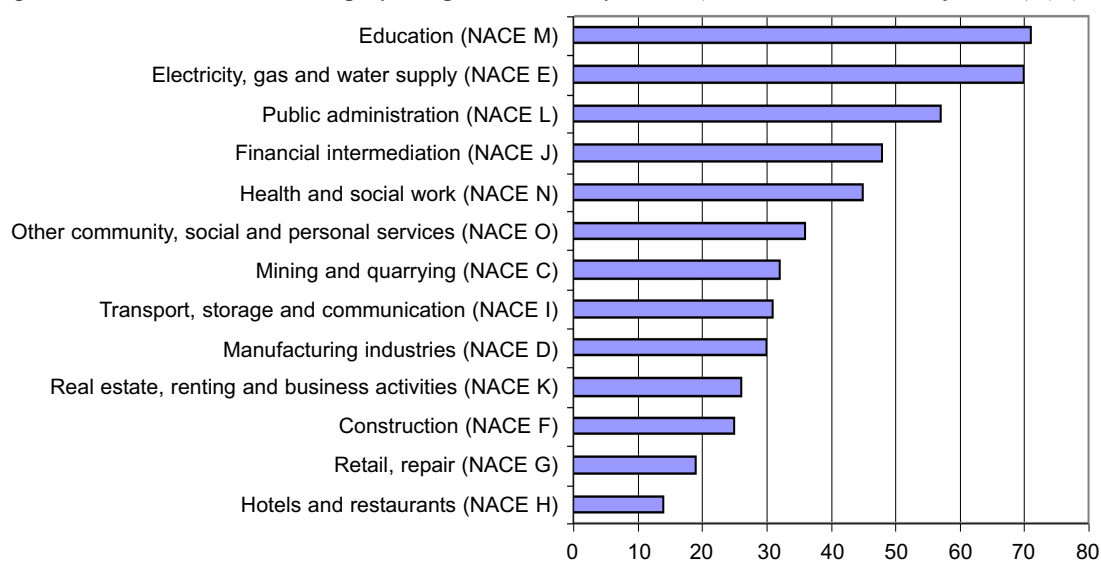


Base: All establishments (management interviews)

Source: *ESWT, 2004–2005*

Looking at the sector of activity of the establishment, considerable differences can be found in the incidence of formal employee representation bodies. The percentages of establishments with employee representation vary between over 70% in education and less than 15% in the hotels and restaurants sector. These differences are likely to be partly due to establishment size: establishments in the hotels and restaurants sector, for example, typically employ only a few employees. It is striking, however, that the public sector has a much greater incidence of formal employee representation. Indeed, when comparing public sector establishments with privately-owned ones, 58% of the public entities have some form of employee representation, compared with only 25% of privately-owned establishments. The dichotomy between the services and the industry sectors is less pronounced, with 34% of the publicly-owned establishments and 30% of privately-owned establishments having a formal employee representation body (Figure 7).

Figure 7: Establishments with employee representation, by sector (based on NACE classification) (%)



Base: All establishments (management interviews)

Source: *ESWT, 2004–2005*

In order to analyse which factors really determine whether formal employee representation exists in the establishment, a logistic regression analysis has been conducted as part of the ESWT with different sets of explanatory variables. With this analysis, it is possible to recognise the importance of each of the variables in relation to the probability of a formal employee representative body existing at the establishment. The basic first model includes the traditional morphological characteristics: establishment size,⁴ sector and country. In a second model, a variable is added that describes the type of establishment in terms of whether it is a single independent company or organisation, the headquarters of a company with more than one establishment or finally a subsidiary. The second model also includes an explanatory variable in order to assess whether the establishment is publicly or privately owned. In a third model, a series of variables capturing the structure of the personnel is added to determine the extent to which these variables offer additional explanations of the differences in the prevalence of employee representation bodies: the proportion of female workers, of skilled jobs, of workers aged 50 years or more and finally of part-time workers. In a fourth and final model, two variables are added to describe the condition of the establishment – that is, the financial situation and developments in employment over the past three years.

The rationale behind this step-by-step addition of independent variables is that it is useful to see which variables add most to the explanatory power, as expressed in the R^2 , of the regression model.⁵ The basic morphological variables are expected to be important determinants; considering the influence of other explanatory variables without including these basic variables would not make much sense. Indeed, the analysis finds that the first model, with an R^2 of 0.486, is quite strong in explaining differences in the incidence of formal employee representation bodies at the establishment. The addition of extra variables only adds to a limited degree to the explanatory power of the model; the R^2 only increases modestly as the model becomes more complicated. This means that establishment size, sector of activity and country are indeed the three most important factors in explaining the incidence of formal employee representation at establishment level. However, it does not mean that the other explanatory variables do not play any role at all. In a stepwise logistic regression, variables are introduced on the basis of the added explanatory power yielding the following order: establishment size, country, sector, type of establishment, developments in employment, proportion of older workers, type of ownership structure, financial situation, proportion of skilled workers and proportion of female workers.

The estimation results for all four models are presented in Table 4. For each variable, a reference category is indicated. If the estimation coefficients for the other categories are positive, relatively more establishments with formal employee representation can be found in the categories concerned than in the reference category; if the coefficients are negative, fewer establishments with employee representation are to be found in these categories. The greater the absolute value of the coefficient, the greater the effect. Coefficients that are statistically significant – at a level of 0.05 – are shown in bold. This means that categories with coefficients that are not shown in bold do not differ statistically from the reference category. The addition of further explanatory variables – models with a higher digit – can cause variables to become insignificant because it is the added variables that actually cause the effect on the incidence of employee representation that was previously attributed to the first variable.

⁴ The analysis uses the natural logarithm of the number of employees, as the actual number varies too much.

⁵ Nagelkerke's R^2 was the coefficient of determination used in the analysis, where the coefficient should be between 0 and 1, with 0 denoting that the model does not explain any variation and 1 denoting that it perfectly explains the observed variation.

Table 4: Incidence of formal employee representation, results from logistic regression

Model	1	2	3	4
R²	0.486	0.505	0.515	0.524
Constant	-4.123	-4.229	-4.678	-4.807
Company size (in terms of number of employees)	1.017	1.010	1.023	1.043
Sector (reference category: Manufacturing industry (NACE D))				
Mining and quarrying (NACE C)	.467	.344	.311	.337
Electricity, gas and water supply (NACE E)	1.807	1.452	1.331	1.409
Construction (NACE F)	-3.08	-3.26	-3.76	-3.40
Retail, repair (NACE G)	-6.15	-7.42	-6.84	-6.31
Hotels and restaurants (NACE H)	-5.48	-7.48	-6.10	-6.08
Transport, storage and communication (NACE I)	-2.49	-4.70	-4.83	-4.36
Financial intermediation (NACE J)	.261	.049	.077	.144
Real estate, renting and business activities (NACE K)	-6.95	-8.09	-7.67	-7.06
Public administration (NACE L)	.907	.078	.087	.186
Education (NACE M)	2.062	1.356	1.429	1.480
Health and social work (NACE N)	.594	.053	.134	.208
Other community, social and personal services (NACE O)	.227	-.090	-.059	-.018
Country (reference category: Germany)				
AT	-2.22	-.120	-.007	.125
BE	-.010	.090	.213	.318
DK	1.752	1.711	1.782	1.955
EL	-1.446	-1.315	-1.166	-1.028
ES	1.120	1.121	1.265	1.469
FI	1.911	1.894	1.852	2.031
FR	.299	.231	.322	.446
IE	-5.16	-4.00	-.222	-.048
IT	.055	.026	.154	.242
LU	1.110	1.223	1.371	1.557
NL	.392	.232	.272	.341
PT	-1.755	-1.692	-1.601	-1.518
SE	1.843	1.632	1.656	1.802
UK	-1.228	-1.550	-1.437	-1.279
CY	-3.02	-.145	-.026	.114
CZ	-1.157	-1.240	-1.245	-1.149
HU	-7.58	-6.38	-6.54	-6.28
LV	-9.95	-1.097	-1.088	-1.012
PL	-1.489	-1.636	-1.581	-1.528
SI	.438	.474	.643	.786
Type of establishment (reference category: Single independent company or organisation)				
Headquarters of a number of different establishments		.210	.206	.241
Subsidiary of a number of different establishments		.887	.899	.897
No answer		-.114	-.045	-.043
Type of ownership (reference category: Private sector)				
Public sector		.856	.817	.793
No answer		.421	.493	.468

Table 4: *Incidence of formal employee representation, results from logistic regression (cont'd)*

Model	1	2	3	4
R²	0.486	0.505	0.515	0.524
Proportion of female workers			-.258	-.269
Proportion of skilled jobs			.212	.223
Proportion of older workers			1.437	1.271
Proportion of part-time workers			-.036	-.008
Financial situation (reference category: Quite good)				
Very good				-.213
Quite bad				.140
Very bad				.306
No answer				-.143
Evolution in employment (reference category: Stayed about the same)				
Increased				-.310
Decreased				.299
No answer				.000

Base: *All establishments*
 Source: *ESWT, 2004–2005*

With regard to the morphological characteristics of the establishment – that is, size, sector and country – the results of the descriptive analysis are confirmed. Size is indeed found to be an important factor in predicting whether an establishment has a formal employee representation body; the larger the establishment in terms of the number of employees, the more likely it is that an employee representation body will exist. The sector dummies all appear to be significant in the basic model, independent from the size of the establishment. The sectors that differ most markedly from the reference category of manufacturing and industry (NACE D) are the following: in a positive sense, with a significantly higher incidence of formal employee representation, the electricity, gas and water supply sector (NACE E) and the education sector (NACE M); and in a negative sense, with a significantly lower incidence of formal employee representation, real estate, renting and business activities (NACE K), the retail and repair sector (NACE G), and the hotels and restaurants business (NACE H). Furthermore, the descriptive country results are also confirmed here, with high coefficients for the Nordic countries and low coefficients for countries such as Greece, Poland and Portugal.

From the second model onwards, new explanatory variables have been added. The estimation results show that the incidence of formal employee representation differs depending on the type of establishment. Establishments that are part of a larger entity, such as the company headquarters or a subsidiary site, more often have an employee representation body than establishments that are a single independent company or organisation. It is not unreasonable to expect that employee interest representation is more complicated in larger entities; informal dialogue with the employer will be more difficult as the organisation is larger and the management is physically and hierarchically further remote. Following the same reasoning, it is possible to explain why company headquarters have a lower incidence of formal employee representation bodies than subsidiary sites: employees in subsidiaries are closer to the ‘real’ core business of the company (where the products are made and the services are provided) making the need for a formalised and systematic dialogue with the employer on working conditions and other issues more urgent, while in the administrative and management part of the company this might be less the case. Moreover, as employees working at company headquarters are likely to, on average, be higher in rank than their counterparts in subsidiary sites, they may be more inclined to turn to informal ways of promoting their interests rather than using formal employee representation structures. Formal employee representation and unionisation in the categories of management employees is known to be lower.

The study's observation that public sector establishments much more often have formal employee representation at establishment level is confirmed by the regression results. A possible interpretation of this finding is that, in public organisations, the management (which belongs to the public authorities) is more responsive to the interests of employees and is more inclined to apply the national regulation with respect to employee representation, making the development and functioning of such bodies more clear. Working in the public sector is also known to have a strong positive influence on the propensity to unionise (Van Den Berg and Grift, 2001; Windolf and Haas, 1989). Van Gyes et al (2007) find that public sector trade unionism is becoming increasingly important in many Member States. They explain this by an enhanced mobilisation in the public sector due to privatisations and the introduction of new management principles. A higher trade union density is likely to coincide with a higher prevalence of works council-type employee representative bodies, especially in countries where these bodies are fully or partially composed of trade union members.

The last two models include additional variables on staff characteristics and the financial situation of the establishment. In interpreting the results of these models, it is crucial to emphasise that this type of analysis does not allow conclusions to be drawn on the direction of the relationship between the variables in terms of cause and effect, the staff composition and financial situation, on the one hand, and the existence of employee representation, on the other. In the first two models, the structural character of the variables implies a rather safe interpretation of the direction of the relationship: company size, sector, country, structure, public or private ownership of the establishment will influence the existence or absence of employee representation bodies, rather than the other way around. In the case of the workforce composition or the company's financial situation, this is less obvious. The question may be asked at this point whether a higher proportion of older workers or a better economic performance represent a cause or effect of the existence of employee representation in the establishment. The answers to this question are not so obvious. Therefore, caution should be exercised in interpreting these results.

Looking at the influence of staff characteristics on the incidence of formal employee representation at the establishment, it appears in general that the higher the proportion of workers with a proportionally weak labour market position, the lower the likelihood of there being a formal employee representation body at the establishment. First, this is the case for unskilled workers. The definition of skilled jobs in the ESWT is broad: only jobs that do not require an apprenticeship, a university degree or any other specific professional training are qualified as unskilled jobs. This implies that it is most likely possible to classify people in unskilled jobs as workers having a relatively weak labour market position. The survey shows that there is a moderate but significant positive effect of the proportion of skilled workers in the establishment on the probability of the existence of formal employee interest representation.

Furthermore, the presence of a high proportion of female workers among the staff also entails a lower incidence of formal employee representation bodies. This finding is consistent with many studies on the (under)representation of women in industrial relations systems. The literature on this subject is unanimous: women tend to be less unionised than men (see, for example, Van Den Berg and Grift, 2001; Windolf and Haas, 1989; Kirton, 1999). Sinclair (1995) points out that the lower degree of trade union membership among women is partly due to the fact that women are more likely to be working in workplaces where no trade union is present. This scenario is indeed also what the ESWT suggests: high proportions of female workers go hand in hand with a low incidence of formal employee representation bodies. The proportion of part-time workers, on the other hand, does not appear to significantly influence the incidence of formal employee representation, even when the analysis excludes the possibility of multicollinearity (linear inter-correlation) between gender and part-time work. As part-time workers are mostly women, the analysis also tested a model in which only the proportion of part-time workers and not that of female workers was included, in order to avoid multicollinearity problems. The proportion of part-time workers, however, did not have any significant influence in this model either.

Perhaps the most striking result in the analysis is the particularly strong positive relationship between the proportion of workers aged 50 years or older and the incidence of formal employee representation. A possible explanation for this result is that, since job mobility decreases as people get older (Coppin et al, 2006), elderly workers have acquired a more

stable position in the organisation. They may therefore feel more involved in the organisation and encouraged to participate in defending their interests, which makes the existence of formal employee representation bodies more likely in establishments with a high number of older workers. Another – related – explanation may be that older workers are employed on temporary contracts less often than young people, while temporary workers are less inclined to organise themselves in formal representation bodies in the establishment. Finally, it can be assumed that ‘older’ establishments have a higher proportion of older workers among the workforce. Although no information is available on the age of the establishment in the survey sample, previous studies have shown an increase in the prevalence of employee representation bodies in older establishments (Theunissen and Ramioul, 2004).

On the other hand, the possibility should also be taken into account that the existence of formal employee representation bodies influences company recruitment policies, possibly by preventing a more intensive use of temporary employment contracts, by implementing ‘last in first out’ rules in the case of redundancies or by stimulating other policies resulting in ‘insider-outsider’ effects. Such effects would reverse the causal relationship and indicate that the existence of a formal employee representation body in the organisation has an impact on the age structure of the organisation. Obviously, the interpretations of both directions of the relationship between age structure and industrial relations at establishment level deserve more in-depth and systematic research than the one-off survey at hand.

A last set of explanatory variables include two indicators of the ‘economic health’ of the establishment. Both the financial situation and developments in employment reveal the same outcome: the better the economic condition of the establishment, the lower the incidence of formal employee representation. Here too, while the analysis does not allow conclusions to be reached about the causal direction of the relationship between these two variables, one assumption is that the financial situation explains the existence of industrial relations bodies rather than the other way around. This interpretation of the relationship implies that, as long as the establishment is economically healthy and business is prosperous, employees feel confident without a formal representation defending their interests. However, when the financial situation deteriorates and employment is at risk, workers feel a more urgent need to unite in a formal employee representation body. The alternative assumption would be that the existence of formal employee representation bodies has a negative impact on economic performance and employment, for instance in hampering or delaying necessary management decisions. Testing these alternative hypotheses would, however, require more longitudinal and in-depth research. In the first place, a more sophisticated investigation of the economic performance would be needed, making it possible, for instance, to distinguish between structural and cyclical economic performance.

3 Relationship between management and employee representatives regarding working time arrangements

In the ESWT, both the management and the employee representatives of the establishment were interviewed on policies and practices on working time arrangements. Despite the fact that the primary focus of the survey was not social dialogue, the survey design provides unique opportunities to better understand the relationship between the social partners at establishment level when it comes to working time policies and practices. This chapter analyses this relationship from different angles, using the information collected as part of the survey. First, a general description is presented of the relationship between management and employee representations. Secondly, the analysis focuses on the views of the employee representatives regarding the establishment's policy and practices with regard to working time organisation and work–life balance issues.

Information on social dialogue in ESWT

In principle, there are three possible ways to analyse the survey data to obtain information on the relationship between the management and employee representatives at establishment level. First, as similar questions have been asked of management and employee representatives, it is possible to compare the answers and to look at the degree of apparent consent between the managers and employee representatives. Secondly, in some establishments, the management explicitly refused an interview with the employee representative on working time issues. It is possible to investigate whether this refusal is significant for the relationship between the management and the employee representative. Thirdly, the employee representative was asked directly to give an assessment of their relationship with the management of the establishment. Because of the design of the survey, the second and third indicators will be analysed jointly.

Comparing answers of management and employee representatives

One could assume that consensus about the working time practices between both the management and the employee representative in the establishment reflects a good level of collaboration between the social partners with respect to these issues. This approach, however, is not without its problems. One issue is that only very few questions were asked to both managers and employee representatives that allow for a clear distinction between consent and dissent. A second, more important limitation is that consent and dissent cannot be interpreted in a straightforward way, contrary to what one would expect. Consent on the fact that a certain decision or measure regarding working time arrangements is more favourable to the workers probably does indicate cooperation. Consent on the fact that a measure is adopted solely in the interest of the employer and not in the interest of the employees is less obvious to interpret and could indicate that the relationship between management and employee representatives is rather strained. Similarly, dissent between the management and the employee representative may not be related to a less cooperative social climate as such; it can, for instance, be caused by a different degree of knowledge about the incidence or practical implementation of a working time arrangement.

Bearing this in mind, questions can be selected that can be used for comparing the answers of both social partners. Only five questions are formulated in the same way in both the management and the employee representative questionnaire and deal with topics that concern not merely knowledge (for example, whether a specific working time arrangement exists), but rather matters regarding which the management representative and the employee representative can differ in opinion. The opinion of both sides will be considered in terms of the extent to which the policy of five working time arrangements is in favour of the employees. The five topics and the corresponding percentages of consent between management and employee representatives are presented in Table 5.

Consent on the arrangements being in favour of the workers is defined as follows. Regarding the motivation for the introduction of part-time work and flexible working hours, both management and employee representatives must indicate that these working time arrangements were introduced mainly to meet the wishes of the employees.⁶ In the case of overtime, when both the employee representative and the manager agree that overtime occurs only exceptionally, this is seen as being favourable to the worker. For early and phased retirement, the working time arrangement was regarded as being favourable to the worker when both the employee and management representatives stated that the employer encourages early or phased retirement.⁷ The proportion of establishments in which there is consent on early or phased retirement being in favour of the workers varies between 58% and 68%.

Bearing in mind that employee representatives were only interviewed if the management agreed to the interview, it can be concluded that, in more than half of the establishments where both social partners were interviewed, the opinion is shared that the considered working time practices in the establishment are taken in favour of the employees.

Table 5: *Management and employee representative consent (on the arrangement being in favour of the workers) on five selected issues*

Working time arrangement	Percentage of establishments
Motivation for the introduction of part-time work	58
Motivation for the introduction of flexible working hours	58
Incidence of overtime	63
Encouragement of phased retirement	63
Encouragement of early retirement	68

Base: *All establishments (management and employee representative interviews)*

Source: *ESWT, 2004–2005*

Management refusal of an employee representative interview and assessment of social climate

A second way of using the ESWT data to provide some information on the relationship between management and the employee representative is to analyse the refusal of management to allow an interview with the employee representative at the company. The last part of the management questionnaire consists of the identification of a formal employee representation body at the establishment. When such a body is identified and thus exists according to the definitions used in the survey design (see Chapter 1), permission is sought from management for an employee representative interview to take place. In 17% of the establishments where a formal employee representation body exists, management refused

⁶ The original questions and answer categories were: 1) Did your employer introduce part-time work mainly in order to meet economic or organisational needs of the establishment or in order to meet employees' wishes for shorter working hours? 2) What was the rationale for the introduction of flexible working hours? – to reduce paid overtime, to make working hours more adaptable to variations in workloads, to enable employees to better combine work and family or personal life, to cope with community problems, other; 3) Do you encourage older employees to make use of early retirement? Or do you rather try to prevent them from doing so? 4) Do you encourage older employees to reduce their working hours before retirement? Or do you try to prevent them from doing so? 5) Are overtime hours in your establishment worked only exceptionally, for example when there is an unforeseeable or unusual increase in the workload? Or are there employees who regularly work overtime hours because they otherwise cannot get their work done?

⁷ For early retirement, it could also be classified as worker-friendly if the employer develops a policy that allows older employees to stay in their jobs until the normal retirement age. However, whether this should be regarded as worker-friendly or unfriendly will probably vary considerably between countries and sectors of economic activity. Maintaining consistency with phased retirement, the study's authors choose to consider encouragement of early retirement as being favourable for the worker.

to give permission for an employee representative interview. It is important to bear in mind this management refusal when analysing the views of the employee representative, because – as a result of this refusal – the net sample of interviewed employee representatives is biased. For instance, the information collected from employee representatives on the working time arrangements at their workplace only represents the views of the employee representatives of companies where the management consented to an interview with the representative.

Different explanations for the management refusal are of course possible. It could be the case, especially in small establishments, that the employee representative is not engaged full time with employee matters and is therefore only available on a limited basis. Another possibility is that the employee representative who has been identified represents only a part of the establishment's workforce. The employee representative may also be difficult to reach or may not be able to interrupt their work in order to participate in the survey. In these cases, the management refusal of an employee representative interview cannot be interpreted as an indicator of a strained relationship between the social partners but is rather due to contextual factors and to the way the employee representation is organised in the establishment. However, it can be legitimately assumed that, in a number of cases, this refusal might also be explained by the fact that the employer and the employee representative disagree on the working time policies of the organisation or on some aspects of the working time arrangements. Working time issues are a core issue of collective bargaining at establishment level and a refusal of management to consider the views of the employee representative on the working time policies of the company may be meaningful from that perspective.

The data do not permit the possibility of interpreting the different causes of the management refusal. Therefore, in order to contribute to a correct interpretation of the management refusal, the analysis must focus more deeply on the characteristics of those companies that refused an interview with an employee representative at the workplace.

Views of employee representatives

The survey also provides a direct measure of the social climate in the establishment. For example, as part of the ESWT, the employee representative is explicitly asked about his or her assessment of the social climate at work: 'How would you describe the relationship between the management and the formal employee representation body in your establishment?' Answers to this question ranged from 'very cooperative' to 'very strained'.

Only the employee representatives were asked for this assessment as part of the study. Asking the same question of the management representative would have yielded very interesting results. However, it is impossible to obtain a concrete answer to this question and to ask for permission for an employee representative interview as a follow-up question. If, in a first stage, the management representative assessed the relationship with the employee representatives as strained, it is likely that, in a second stage, the management representative would not be prepared to provide the interviewer with contact details of the employee representative in order for an employee representative interview to take place. To maximise the opportunities for interviewing an employee representative, no direct questions on the social climate in the enterprise were therefore posed to management. As a consequence, there is no equivalent question on the assessment of the social climate for both the management and the employee representative.

An important limitation in using the employee representative assessment is that this question could only be asked to employee representatives who were allowed to be interviewed. This filtering implies a selection bias in favour of establishments where the relationship between management and the employee representative is not strained: employee representative assessments of the social climate are only available when the management did not refuse an employee representative interview and when the employee representative agreed to the interview. Technically, a third group of cases exists in which no employee representative interview took place because of 'other non-response reasons'.

In summary, it appears that, next to the flawed concept of consent or dissent on selected working time arrangements, two sources have been identified for getting more information on the relationship between management and the employee representatives when it comes to working time arrangements in the establishment: first, the management refusal of an employee representative interview, with its limitations on the interpretation of this refusal, and secondly, the assessment of the employee representative of the social climate, with some restrictions on the selection of the employee representative views. When interpreting the results, it is important to take into consideration that these two questions are not independent of each other. Only in establishments where the manager did not refuse was an employee representative interviewed.

Perspectives of management and employee representatives

Descriptive statistics

As mentioned previously, 17% of the interviewed managers of establishments where a formal employee representation body exists refused to give permission for an interview with the employee representative at the establishment. Out of all establishments where an employee representative interview did take place, 19% of representatives stated that they consider their relationship with management to be quite or very strained. It is worthwhile noting that, in total, 66 employee representatives did not answer this question, corresponding to a weighted percentage of 1%. These cases are not included in the analyses and the basis for the percentages excluding ‘no response’ have not been rescaled. This yields an establishment-weighted percentage of 19% of establishments where the employee representative considers the relationship with management to be quite strained (15%) or very strained (4%).

It has already been explained that the management refusal of an employee representative interview may be due to ‘contextual’ reasons or that it can indicate that the management does not want the employee representative to be interviewed on the working time policies because there is a strained relationship between both parties on these issues. As the analysis does not reveal the proportion of refusals that are due to a strained relationship or contextual reasons, the management refusal must be interpreted carefully.

However, when linking the management consent or refusal of an employee representative interview to the assessment of the employee representative of the establishment’s social climate, it is possible to obtain a stronger indication of the social climate. This is the case when both variables coincide. If they do not coincide, the interpretation is more complex. If an interview with an employee representative was conducted and the representative assessed the relationship with management as cooperative, it is reasonable to conclude that this is indeed the case.

In 19% of establishments, however, where an interview with employee representatives was possible, the social climate is described as rather strained. A possible explanation for this situation is that the management and employee representatives differ in opinion as to whether the social climate is in fact strained. If the management considers the social climate with regard to working time arrangements to be positive, it will be less inclined to refuse an employee representative interview; in this case, the employee representative then has the possibility to give an opinion. However, it is also possible that refusing an employee representative interview is simply not in line with the organisational culture of an enterprise, even if the relationship between both social partners is strained.

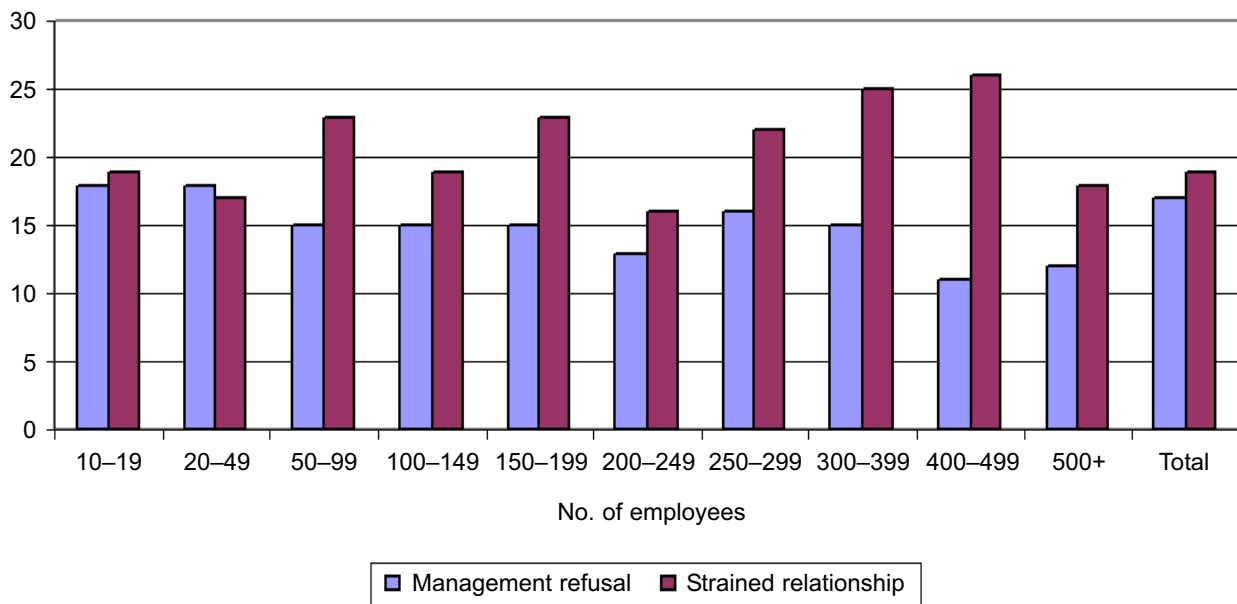
After having considered how to interpret both indicators, the study can now look at the characteristics of the establishments in the different situations – establishments in which an interview was possible and those in which it was not, as well as establishments where the employee representative assessed the social climate as cooperative and establishments where the social climate was considered to be strained. When analysing the incidence of both indicators jointly, the conclusions drawn can be considered relatively dependable when both indicators clearly follow the same

direction – that is, when management refusal of an employee representative interview is low and the employee representative assessment is positive, or when management refusal is high and the remaining employee representative assessment is negative. Cases where a high level of refusal can be found together with a highly positive evaluation by the employee representative are most difficult to interpret, since a high level of refusal could in itself determine the positive assessment of the social climate by default. The results are then inconclusive.

First, the analysis focuses on management refusal and employee representative assessment in conjunction with some basic background characteristics of the establishments. This allows an investigation of the extent to which both indicators indeed point in the same direction. In a second step, some regression analyses are added to be able to better explain the variance in the incidence of management refusal of an employee representative interview and variance in the assessment of the social climate by the employee representatives.

As displayed in Figure 8, a negative relationship can be found between the size of the establishment and the management refusal of an employee representative interview. Communication practices and procedures are less formalised in small and medium-sized enterprises (SMEs) and management representatives may consider themselves capable of speaking about working time arrangements from the point of view of both the management and the employees. Smaller establishments are also less likely to have a full-time employee representative: a part-time representative may be under greater time pressure, which can be another reason for explaining the higher incidence of management refusal of an interview with the employee representative. As for the assessment of the social climate in the establishment, part of the seemingly higher employee representative assessment of a strained relationship in large establishments may, in turn, be explained by the absence of this additional filtering in the form of management refusal in large establishments.

Figure 8: Management refusal and employee representative assessment of social climate, by company size (%)



Base: Management refusal: all establishments with a formal employee representation body (management interviews); strained relationship: all establishments (employee representative interviews)
 Source: ESWT, 2004–2005

A breakdown of the establishments by their sector of activity displays a variety of outcomes. In Table 6, the different sectors of activity have been classified in terms of whether they show higher or lower levels than average regarding management refusal of an employee representative interview and employee representative assessment of a strained relationship. In order to grasp the magnitude of the deviation of the average values, Figure 9 also presents the percentages found of management refusal and employee representative assessment of a strained relationship. In some sectors of activity, particularly education, the percentage rate of refusal is significantly higher among management than is the assessment of a strained relationship among employee representatives. It may be assumed that management refusal of an employee representative interview is not necessarily due to a strained relationship between both sides, but rather to the contextual reasons for refusal, such as establishment size, limited availability of the employee representative or the simple refusal by the employee representative to participate in the survey.

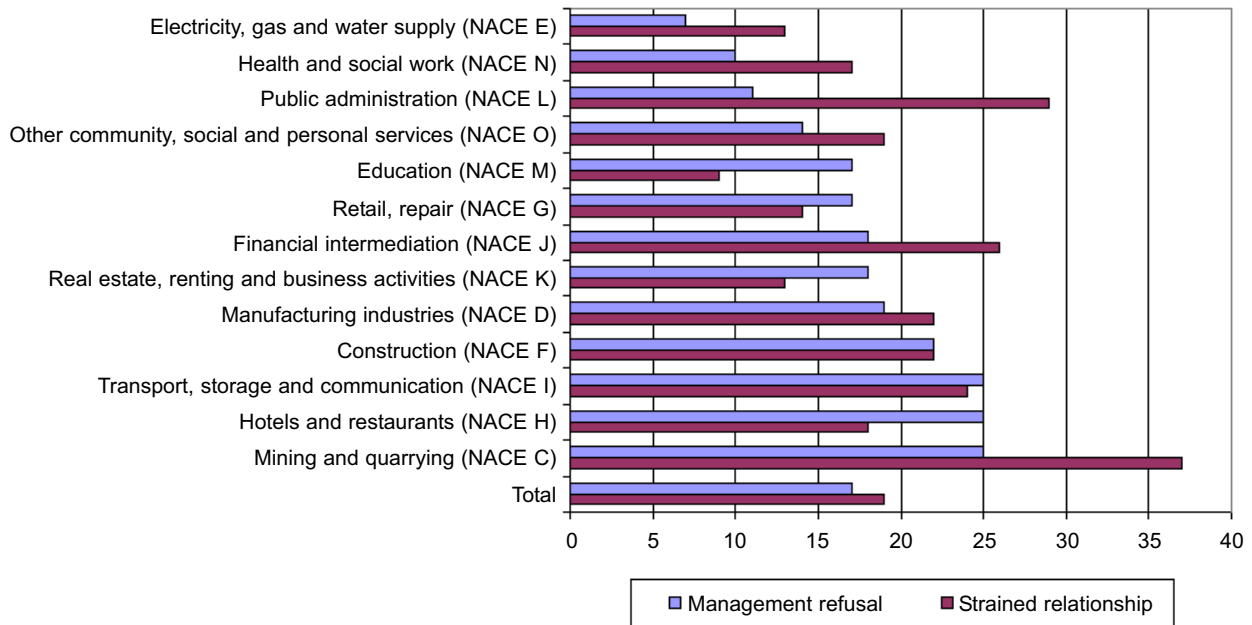
Nevertheless, in those sectors of economic activity where both the management refusal of an employee representative interview and the employee representative assessment of a strained relationship are high, it may be concluded that both outcomes are an indicator of a strained social climate in the establishment. This, for instance, is the case to a greater-than-average extent in the mining and quarrying, construction, transport, storage and communication sectors and in the manufacturing industries.

When looking at all of the services sector on the one hand and manufacturing industries on the other, a quite pronounced contrast can be found between the two categories: compared with services, the manufacturing industries combine a markedly higher percentage of management refusal of employee representative interviews (20% for manufacturing compared with 16% for services) with a much higher percentage of employee representatives indicating that they consider their relationship with management to be quite to very strained (22% compared with 18%, respectively). Public sector organisations do not differ from those in the private sector with regard to the employee representative assessment. However, management refusal of an employee representative interview is substantially lower in public sector organisations (13% compared with 20% in private sector organisations).

Table 6: *Management refusal rate of employee representative interviews and employee representative assessment of social climate, by sector*

	Low management refusal rate	High management refusal rate
Employee representative, cooperative relationship with management	<ul style="list-style-type: none"> • Electricity, gas and water supply • Health and social work • Other community, social and personal services • Education • Retail and repair 	<ul style="list-style-type: none"> • Real estate, renting and business activities • Hotels and restaurants
Employee representative, strained relationship with management	<ul style="list-style-type: none"> • Public administration 	<ul style="list-style-type: none"> • Financial intermediation • Manufacturing industries • Construction • Transport, storage and communication • Mining and quarrying

Figure 9: Management refusal rate and employee representative assessment of social climate, by sector (based on NACE classification) (%)

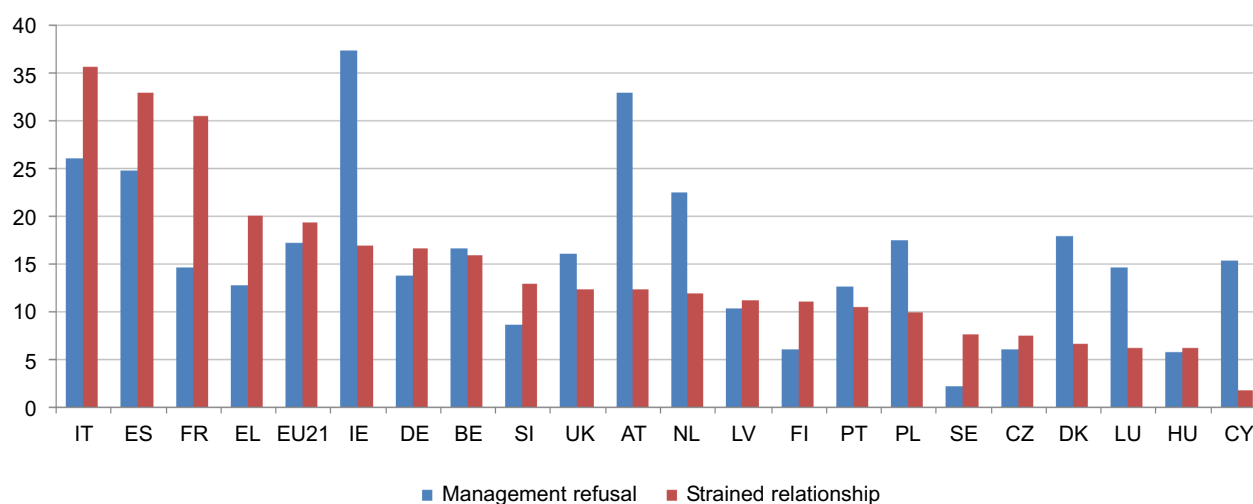


Base: Management refusal: all establishments with a formal employee representation body (management interviews); strained relationship: all establishments (employee representative interviews)

Source: ESWT, 2004–2005

Finally, when looking at country distributions, the average rates of management refusal of an employee representative interview and employee representative assessment of a strained relationship conceal a wide variety of mixes of the two indicators (Figure 10). As a result, these two indicators cannot easily be linked at the country level. In some countries, such as Ireland and Austria, managers have a greater tendency to refuse an employee representative interview, although the proportion of employee representatives who consider their relationship with management to be strained would not lead to the conclusion that the social climate is particularly tense in establishments operating in these countries. The opposite is noticeably the case in France, where, while the management refusal is no greater than average, an exceptionally high proportion of employee representatives report a ‘quite to very strained’ relationship with management. Italy and Spain emerge as the countries that combine high levels of management refusal with the highest proportions of employee representative assessment of a strained relationship. The opposite is the case in Hungary, the Czech Republic and Sweden.

Figure 10: Management refusal and employee representative assessment of social climate, by country (%)



Base: Management refusal: all establishments with a formal employee representation body (management interviews); strained relationship: all establishments (employee representative interviews)

Source: ESWT, 2004–2005

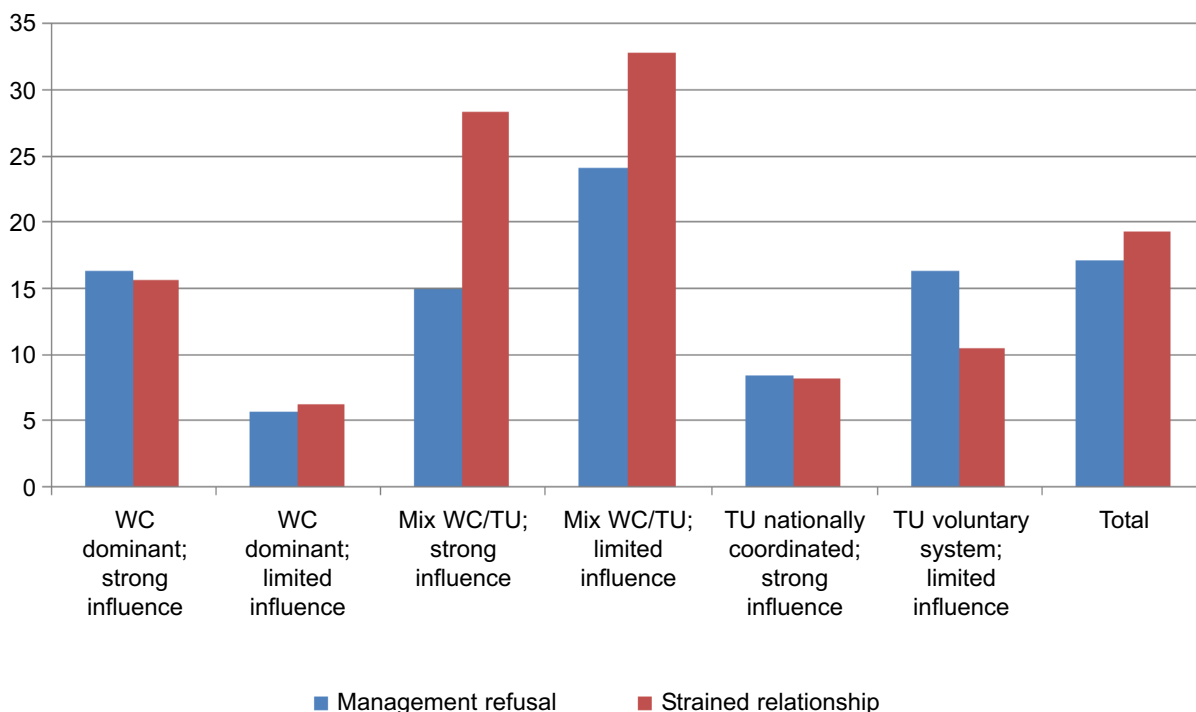
For a deeper analysis of differences across countries, the typology of industrial relations at establishment level that has been developed in Chapter 2 provides a good basis to investigate if the type of the social dialogue structure makes a difference. Some additional observations can thus be made in this regard (Figure 11).

A first observation is that in countries where the national framework is such that the employee representation body at establishment level has only limited influence, the management is more inclined to refuse an employee representative interview. Indeed, in countries where works councils and trade unions operate together at the establishment, management refusal rates are 15% in countries with a strong influence as against 24% in countries with a limited influence. A similar pattern appears in countries where only trade unions represent the interests of workers at establishment level – 8% in countries with a strong influence and 16% in countries with a limited influence. The exception to this finding is the category ‘works council dominant; limited influence’ which consists of only one country, Hungary.

Nevertheless, it should be noted that the ‘works council dominant; limited influence’ category is an outsider in the sense that it consists of only one country combining the characteristics identifying this cluster, namely Hungary. The social climate in this country appears to be very good on average, with both a low rate of management refusal of employee representative interviews and low employee representative assessment of a strained relationship. It is, however, difficult to refer to a cluster in this case and, as such, this category will not be considered as a full cluster because only establishment data from one country are included.

The Nordic countries, grouped in the cluster of ‘Trade union representation nationally coordinated, strong influence’, exhibit the lowest rates of management refusal of employee representative interviews, while also showing a low incidence of strained relationships. This result is consistent with other research findings and supports the hypothesis that there is a positive interaction between an established social dialogue structure and the social climate at the establishment. A well developed social dialogue has a positive influence on the cooperative nature of the relationship between management and employee representation and vice versa (see, for example, Theunissen and Ramioul, 2004). In contrast, in establishments where industrial relations can be characterised as a ‘mix of works council/trade union representation cluster with limited influence’ – as is the case in Greece, Italy and Portugal – 24% of managers refused an employee representative interview and as many as 33% of all employee representatives who were interviewed stated that their relationship with management is quite strained or very strained.

Figure 11: Management refusal and employee representative assessment of social climate, by country typology of social dialogue bodies at establishment level (%)



Note: TU = Trade union representation, WC = Works councils.

Base: Management refusal: all establishments with a formal employee representative body (management interviews); strained relationship: all establishments (employee representative interviews)

Source: ESWT, 2004–2005

From these analyses, it can be concluded that, in some economic sectors and countries, a significantly higher rate of management refusal of an interview with the employee representative can be found alongside a higher incidence of a strained social climate as assessed by the employee representative. In addition, there seems to be a relationship between the structure of social dialogue, as defined in the present typology, and the incidence of management refusal of an interview with the employee representative.

However, the link between both indicators is not systematically coherent. Obviously, while the fact that an employee representative was not interviewed in the ESWT can be attributed to different reasons, the assessment by an employee representative of a strained relationship with management is also determined by a wide range of factors. Accordingly, a logistic regression analysis has been carried out to investigate the explanatory power of different variables – first in relation to management refusal of an employee representative interview and secondly regarding the employee representative assessment of the relationship with the employer as strained. The findings are reported in detail in Annex 3 and summarised in the following section.

Findings on management–employee representative relationship

In this section, the analysis focuses on aspects of the ESWT that provide information on the relationship between the management and employee representatives when it comes to the establishment's working time policies and practices. Three sources of information were identified in this regard.

First, when analysing the answers of questions that were asked of both social partners on the motivation of five major working time arrangements, the findings revealed that, in more than half of the establishments where both social partners were interviewed, there is a shared opinion that the working time practices in the establishment are implemented in favour of the employees.

Secondly, in 17% of the establishments where a formal employee representation body exists, the management refused to give permission for an interview with the employee representative. Consequently, the question arises whether this is an indicator of a strained relationship between the social partners at establishment level. Obviously, several explanations for such a refusal make sense and the analysis of the characteristics of the establishments where the refusal of an interview was higher does not allow a straightforward interpretation of this refusal. Nevertheless, the descriptive tables and the regression analysis showed that, in some establishment types, the incidence of management refusal of an employee representative interview was significantly higher than in others. This is the case in smaller enterprises and in single independent organisations (in contrast to subsidiaries), as well as in some specific economic sectors such as education, hotels and restaurants, and several manufacturing industries, and in countries where the social dialogue bodies have a rather limited influence.

Thirdly, in 19% of the establishments where the management did agree to an interview with the employee representative, the latter assessed the relationship with the management as strained. Based on the outcome of these analyses, it seems that the employee representative's assessment of the social climate is not clearly related to the establishment types as they are characterised in this study. It appears that the employee representative assessment can most likely be best explained by the local context of the company. Nonetheless, it should be borne in mind that the sample of interviewed employee representatives is biased, since only those who were allowed to be interviewed by the management were included in the analysis.

Finally, in some establishment types, both the refusal of an employee representative interview was high and – where an interview with the employee representative took place – the employee representative assessed the social climate as being strained. The link between both indicators does, however, not prove to be systematic or coherent.

After a more general look at the ESWT findings on the characteristics of relationships at establishment level, an analysis can be concluded from a different angle. In the following section, the analysis focuses on the attitudes of the employee representatives interviewed with respect to various aspects of working time organisation and work–life balance. The interesting question here is to which extent the social climate in the establishment relates to the employee representatives' perception of working time issues that are relevant for the employees' work–life balance.

Attitudes towards work–life balance among employee representatives

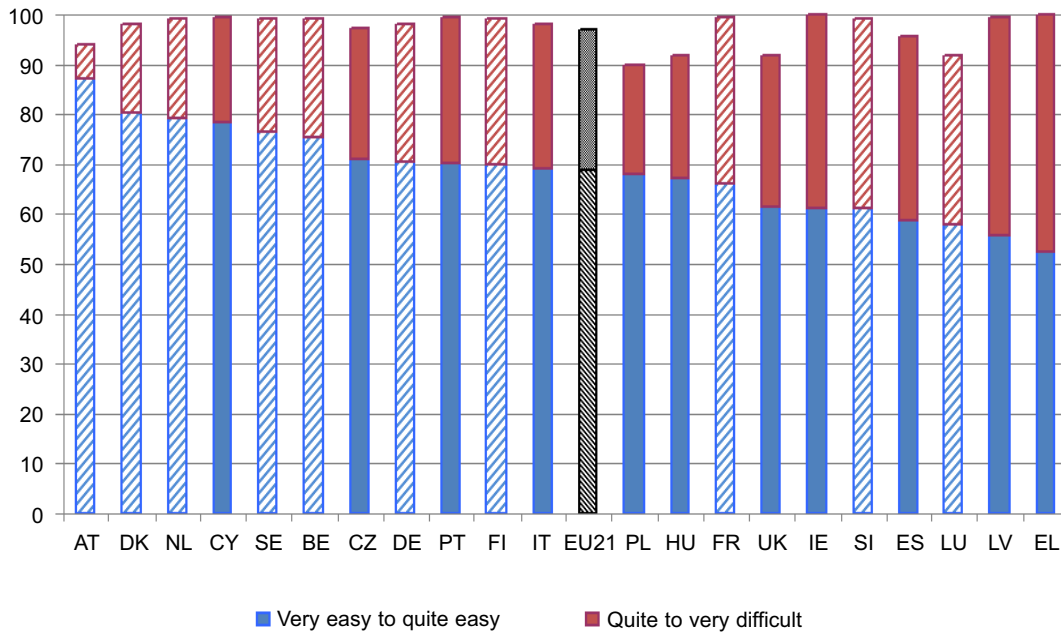
Despite the increasing importance of work–life balance issues, little is known so far about attitudes and concerns of management and employee representatives regarding such issues and the role that they play at establishment level. Therefore, it is interesting to investigate how employee representatives assess the possibilities for workers at establishment level to reconcile work and private life, where they see room for improvement, and what issues they negotiate. The ESWT provides the rare opportunity to gain more and systematic insight on what lies at the core of work–life balance issues in establishments across Europe.

The following analysis will examine step by step general attitudes and appraisals of employee representatives across Europe. In doing so, it will mostly rely on the country typology presented in Table 1, by comparing the countries where employee representatives have limited influence at establishment level – that is, Cyprus, the Czech Republic, Greece, Hungary, Ireland, Italy, Latvia, Poland, Portugal, Spain and the UK – with those where employee representatives have a strong influence – namely, Austria, Belgium, Denmark, Germany, Finland, France, Luxembourg, the Netherlands, Slovenia and Sweden. Further to the country comparison, the analysis will particularly focus on whether the perceived quality of the relationship between employee representatives and management exerts any influence on attitudes, opinions and appraisals of employee representatives. To assess the relationship between employee representatives and management, the following survey question was considered: ‘How would you describe the relationship between the management and the employee representative in your establishment? Is it...very cooperative, quite cooperative, quite strained or very strained?’ For the sake of facilitating comparison between the first two and the last two response items, they have been combined into two categories: ‘cooperative relationship’ versus ‘strained relationship’. As already mentioned, due to methodological considerations, only employee representatives were asked the question on the relationship between management and employee representation. Hence, it is not possible to cross-validate employee representatives’ assessments and compare them with management appraisals. Therefore, the following analysis of the survey results will focus on employee representatives’ views on issues relating to working time and the potential interaction with their perception of the relationship between employee representation and management.

Work–life balance at establishment level, as perceived by employee representatives

A wide range of working time arrangements are generally felt to be relevant for the work–life balance of employees. These include part-time work, family leave and sabbaticals, flexible working time arrangements and flexible retirement schemes (Fagan, 2003). In order to get an overall picture, in the ESWT, employee representatives were asked whether they considered it in general rather easy or rather difficult for workers in their establishment to reconcile the demands of work and private lives. According to the survey results, a majority – 70% – of employee representatives covered by the ESWT stated that, for employees in their establishments, balancing work and private lives was ‘quite easy’ or ‘very easy’. Yet, considerable differences exist between employee representatives’ assessments across Europe, with Austria ranging at the top end and Greece at the lower end of the scale (Figure 12). Applying the country dichotomy of high versus limited employee representation influence, the data reveal that, in countries where they have a strong influence, employee representatives more frequently feel that reconciling the demands of work and private life was easy than do employee representatives in countries where they have a limited influence – 73% compared with 65%, respectively.

Figure 12: Employee representative assessment regarding workers' opportunities to reconcile work and private life, by country (%)



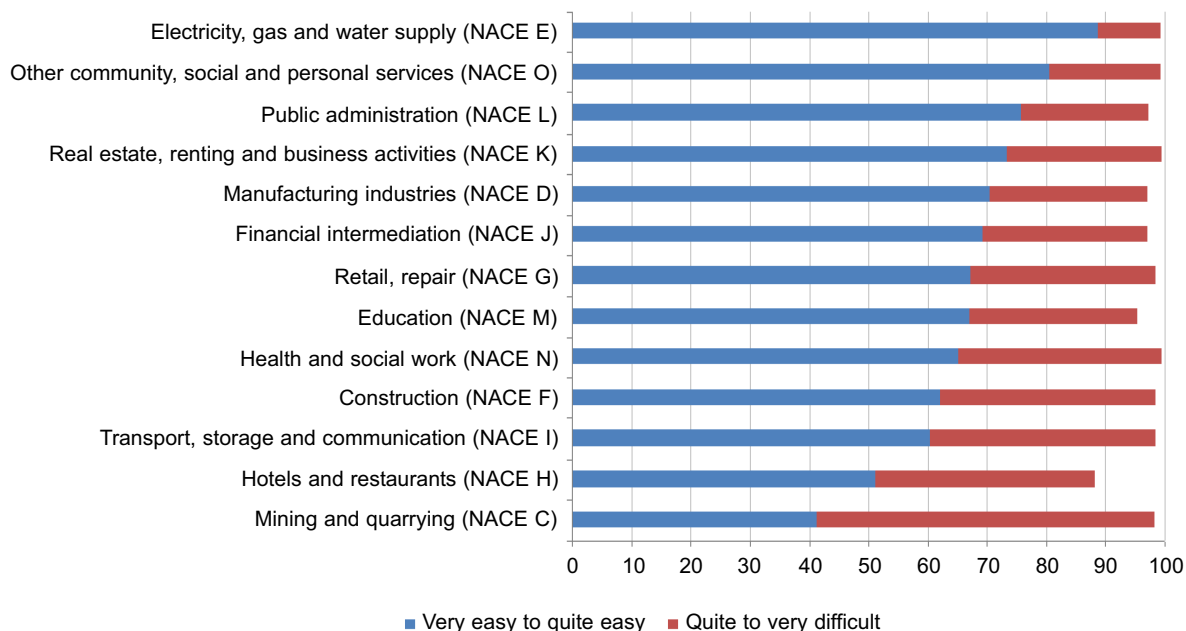
Notes: The totals do not necessarily equal 100%, since missing values and 'do not know' answers are not displayed. Countries with a strong employee representative influence are marked by stripes.

Base: All establishments (employee representative interviews)

Source: ESWT, 2004–2005

There are also considerable differences across economic sectors when it comes to the assessment of the work-life balance compatibility of establishments' demands (Figure 13). Employee representatives in establishments operating in the electricity sector are particularly convinced that combining work and private life is easy, followed by employee representatives in other community and social services, as well as public administration. In contrast, attaining a positive work-life balance was considered to be least possible in establishments in such sectors as mining and quarrying, and hotels and restaurants.

Figure 13: Employee representative assessment of workers' opportunities to reconcile work and private life, by sector (based on NACE classification) (%)



Note: The totals do not necessarily equal 100%, since missing values and 'do not know' answers are not displayed.

Base = All establishments (employee representative interviews)

Source: ESWT, 2004–2005

As shown in Figures 12 and 13, in all countries and sectors (except for mining and quarrying), the majority of employee representatives state that reconciling work and private life is very or quite easily possible at their establishment. However, there are marked variations of up to 30 percentage points by country and of up to 50 percentage points by sector. A similar pattern is seen when taking the relationship between employee representatives and management into account. When distinguishing between employee representations in a cooperative relationship and those in a strained relationship (as perceived by employee representatives), profound differences emerge. Employee representatives who report a strained relationship with management are less likely to state that their establishment facilitates the reconciling of work and private life. Just over a half (51%) of employee representatives in establishments where the relationship with management is strained indicated that their company supports workers in reconciling work and private life, compared with almost three quarters (74%) of employee representatives in establishments with a cooperative management relationship.

In addition to looking at country and sector differences, it was also of interest to investigate the characteristics of establishments that are perceived as facilitating the work–life balance of employees. Such establishments were expected to be judged as 'work–life balance friendly' companies that have implemented working time arrangements geared towards enhancing the individual discretion of employees regarding their working time (Fagan, 2003).

To this end, a series of variables considered to be important predictors (Fagan 2003; Simon, Kümmerling and Hasselhorn, 2004) regarding the employee representatives' assessment of an establishment's working time measures were selected and inserted in a stepwise logistic regression analysis. In addition to the country (dichotomous) and sector (services vs. industry) variables, the following items were included in the analysis: the incidence of unusual working hours (night work, weekend work and working at changing hours); the incidence of flexibility measures; the incidence of overtime; the regulation of working time in a collective agreement; and the establishment's financial situation.

Moreover, the analysis also covered particular arrangements of establishments that are widely believed to improve employees' work–life balance, such as the possibility of early or phased retirement, the availability of crèches, other forms of professional help for childcare and professional help with household management. Finally, the relationship between management and the employee representation as perceived by employee representatives was also included in the regression analysis.

The results obtained indicate that the most important predictor for employee representatives' assessment of an easy versus difficult work–life balance is whether the employee representative perceives the relationship with management as cooperative or strained, followed by the need to work at changing or irregular hours, and the incidence of flexibility measures (Table 7). The fourth most important predictor in this regard is the incidence of phased retirement schemes (see Annex 1 for more information on the method used and an outline of all results).

Table 7: *What determines the perception of employee representatives that their company tries to facilitate work–life balance of employees? Results from a stepwise logistic regression (odds ratios)*

	Model 1	Model 2	Model 3	Model 4
	.056	.095	.109	.122
Constant	.116	.4266	.312	.167
Relationship employee representative management (0 = good, 1 = strained)	2.830	2.8257	2.755	2.581
Incidence of changing hours (0=yes, 1=no)		.452	.44822	.4372
Flexibility measures (reference category: long periods off)				
No flexibility			1.626	1.580
Flexitime			2.014	1.905
Accumulation of hours/no full day off			1.298	1.241
Accumulation of hours/full days off			1.010	1.087
Incidence of phased retirement				1.601

Notes: *Dependent variable: Work–life balance at establishment level (0 = work–life balance is easy, 1 = work–life balance is difficult), significant values ($p < .001$) in bold. For further details on the regression analysis, see Annex 1.*

Base: *All establishments with management and employee representative interviews*

Source: *ESWT, 2004–2005*

In estimating the results, it must be noted that the degree of explained variance for the models is relatively low overall. The most important variable in predicting employee representatives' assessment of the extent to which their establishment promotes the balancing of work and private life responsibilities explains only 6% of the variation. Although identifying the proportion of explained variance is not at the core of logistic regression analysis, it should be kept in mind that this result may indicate that more relevant influential variables may not have been measured or identified.

Despite this limitation, it is worthwhile taking a closer look at the regression results, which are open to several interpretations. Taking the results at face value, one might conclude that a cooperative relationship between management and employee representatives could be understood as the key to good working conditions in terms of a well-balanced work–life situation. From this perspective, a cooperative management–employee representation relationship could be interpreted as a prerequisite for the implementation of working time arrangements that foster the work–life balance of employees.

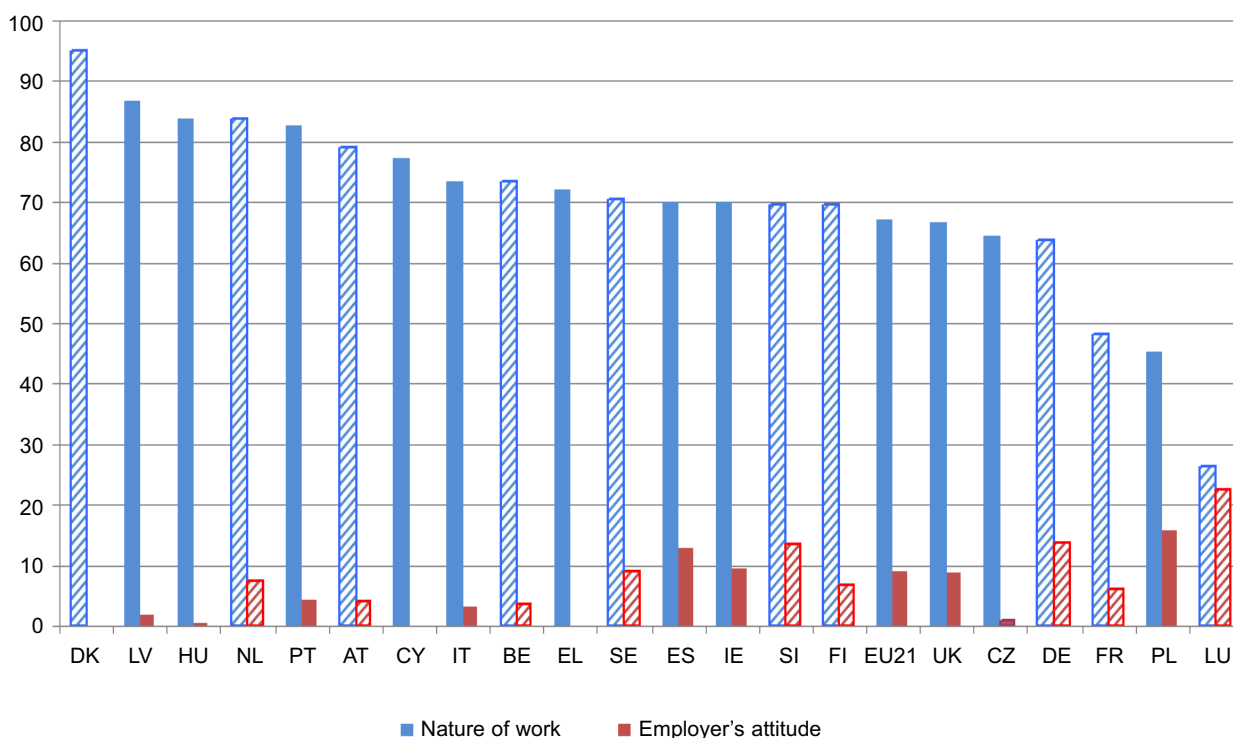
On the other hand, it is unreasonable to assume that the extent of cooperation between management and employee representation (as perceived by the employee representative) may have a greater impact on employees' work–life balance

than the actual incidence of, for instance, unusual working hours or part-time work. Thus, from a more sceptical point of view, it could be argued that the employee representatives' assessment of work–life balance offered by an establishment is to a certain degree biased by the general perception of the relationship between the employee representation and management in the respective establishment.

Aspects fostering or hampering work–life balance, as perceived by employee representatives

Beyond the general assessment of employee representatives concerning the opportunities available to employees for reconciling work and private life, employee representatives were also asked about the reasons why employees can have difficulty achieving work–life balance. More than two thirds of employee representatives stated that difficulties for employees regarding their work–life balance arose from the specific nature of work, while only a minority (less than 10%) of employee representatives cited the employer's attitude as the reason for such difficulties. Some 22% of employee representatives indicated that both factors were of equal importance (Figure 14).

Figure 14: *Employee representatives' assessment concerning reasons why employees have difficulties in reconciling work and private life, by country (%)*



Notes: *Employee representative answers to the question 'what is the main reason that makes it difficult for employees to reconcile work and life outside work?' The category 'both factors are of equal importance' has been omitted since it is not in the focus of this analysis but can be found in Annex 1. Countries with a strong employee representative influence are marked by stripes.*

Base: *All establishments (employee representative interviews)*

Source: *ESWT, 2004–2005*

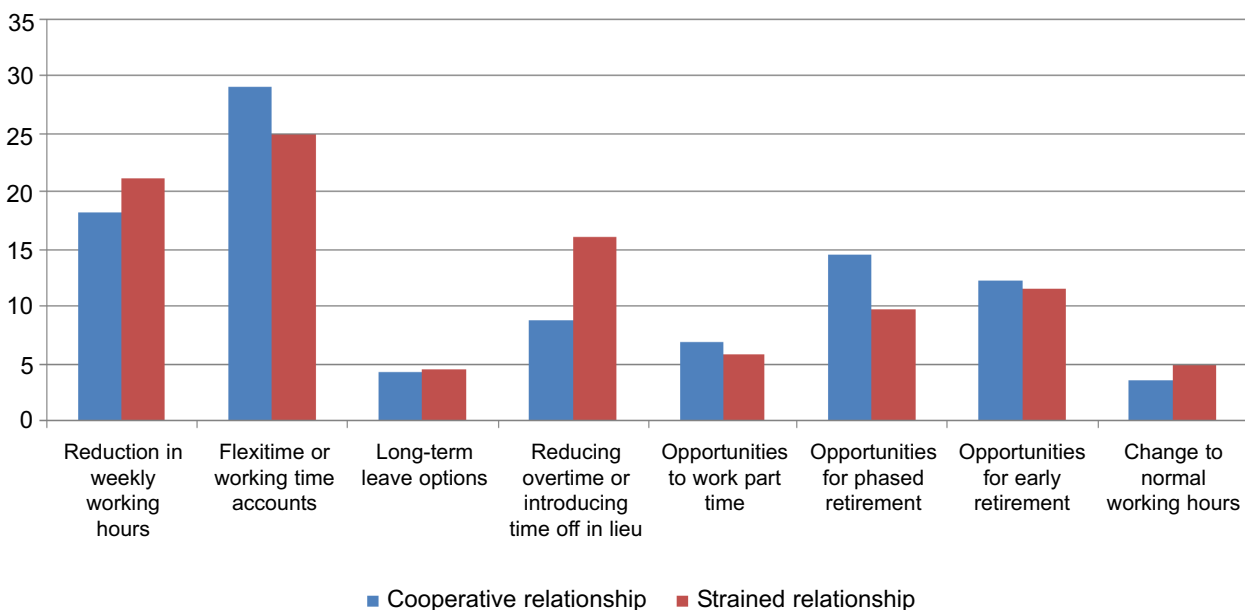
The employee representatives' assessment on what or who is responsible for imbalances between work and private life shows both noteworthy disparities and similarities across Europe. With the exception of Luxembourg and Poland, the overwhelming majority of employee representatives state that it is the nature of the work, rather than management decisions, which forces employees to make difficult choices between work and their private life. This finding holds particularly true for Denmark, where well over 90% of employee representatives are of this opinion and virtually none place sole blame on the employer's attitude – a phenomenon shared with Cyprus and Greece.

Resorting to the basic distinction between countries with comparatively influential employee representations in terms of working time organisation and those where employee representations exert only limited influence on working time organisation, it can be observed that employee representatives in countries where worker representations have a stronger influence are somewhat less likely to express the opinion that it is the nature of work that hampers work-life balance – 65%, as against 70% in countries where employee representations have a limited influence. In those countries where worker representations exert a stronger influence, some 10% of employee representatives indicated the employer’s attitude as hampering employees’ work-life balance, compared with 8% of employee representatives in countries where employee representations have a limited influence. Moreover, 24% and 18% of employee representatives in countries with a strong and limited influence, respectively, stated that both the nature of work and the employer’s attitude are factors in employees’ having difficulty in reconciling work and private life.

If it is the case that the majority of employee representatives are convinced that bad conditions regarding work-life balance are attributable to the nature of work rather than the employer’s attitude, one could assume that there is not much left for management to do in order to promote the work-life balance of employees. However, according to the opinion of employee representatives, there is still significant room for improvement: 28% of employee representatives stated that the introduction or extension of flexible working time arrangements would make the most difference in terms of improving employees’ work-life balance, while about 25% of employee representatives cited the introduction of early or phased retirement. A little under 20% of employee representatives indicated the reduction of weekly working hours as the most important measure for improving employees’ work-life balance.

Taking the relationship between management and employee representatives into account, employee representatives in strained relationships are more likely to see a need for reducing weekly working hours and overtime, while employee representatives in cooperative relationships opt primarily for the introduction of flexible working time measures and phased retirement opportunities (Figure 15).

Figure 15: *Most important measures for improving employees’ work-life balance, as assessed by employee representatives (%)*



Base: *All establishments (employee representative interviews)*
 Source: *ESWT, 2004–2005*

What makes employee representatives judge that it is the nature of the work rather than the attitude of management that interferes with the work–life balance of employees? More specifically, what are the work characteristics that are evaluated as unchangeable by employee representatives and what are the work (environment) peculiarities that make employee representatives assume that it is primarily the attitude of management that makes it difficult for employees to reconcile work and private life?

To answer these questions, a stepwise logistic regression analysis was performed, using as a dependent variable the question ‘what is the main reason that makes it difficult for employees to combine work and life outside work – is it the nature of the work or the employer?’ As possible influential variables, the following were selected: country; sector (industry vs. services); establishment size (divided into three classes); weekly working hours; collective agreements; development of employment; financial situation of the establishment; unusual working hours (working at night, at changing hours and at weekends); incidence of at least one form of flexibility with regard to the adaptation of working time; and the relationship between management and employee representation as perceived by the employee representatives. It was reasonable to expect different forms of unusual working hours (for example, working at night, changing hours or at weekends), the incidence of overtime or of any flexible working hour scheme to show a notable predictive value when it comes to the employee representatives’ assessment regarding who or what is responsible for making it difficult for workers to achieve work–life balance. However, the regression analysis resulted in a different outcome. As is outlined in Table 8, the main single contributor for the attribution of work or employer characteristics is again the relationship between employee representation and management as perceived by the employee representatives, this time followed by country, the financial situation of an establishment and sector affiliation. Apparently, traditional working time characteristics such as position, duration and distribution are only of marginal relevance in this respect.

Table 8: *What makes the nature of work have a negative influence on work–life balance? Results from a stepwise logistic regression*

	Model 1	Model 2	Model 3	Model 4
R²	.09	.19	.21	.22
	Exp(B)	Exp(B)	Exp(B)	Exp(B)
Constant	.020	.026	5.042	5.363
Relationship management–employee representative (0 = good, 1 = negative)	3.879	5.029	.030	.057
Country (reference category: Slovenia)				
AT		.395	.194	.193
BE		.230	.154	.147
DE		.902	.744	.884
DK		.002	.001	.001
EL		.001	.000	.000
ES		.552	.600	.585
FI		.441	.435	.434
FR		.359	.373	.339
IE		.745	.794	.719
IT		.125	.135	.134
LU		7.223	7.724	7.121
NL		.531	.529	.573
PT		.392	.333	.305
SE		.552	.499	.539

Table 8: *What makes the nature of work have a negative influence on work–life balance? Results from a stepwise logistic regression (cont'd)*

	Model 1	Model 2	Model 3	Model 4
R²	.09	.19	.21	.22
	Exp(B)	Exp(B)	Exp(B)	Exp(B)
Country (reference category: Slovenia) (cont'd)				
UK		.446	.478	.433
CY		.002	.001	.001
CZ		.062	.044	.051
HU		.043	.043	.043
LV		.114	.124	.123
PL		2.978	2.434	2.689
Company size (reference category: large size)				
Small-sized company			.712	.783
Medium-sized company			1.930	2.123
Financial situation of establishment (0 = good situation)				.494

Notes: *Significant values in bold ($p < .01$, at least).*

Base: *All establishments with management and employee representative interviews*

Source: *ESWT, 2004–2005*

The previous analyses draw a complex picture. As has been shown, employee representatives across European establishments are relatively confident in their assessment that disturbances in employees' work–life balance are mainly attributable to the specific nature of work. The present regression analysis, however, does not reveal any influence of extended and unusual working hours on the work–life balance of employees, as perceived by employee representatives. In comparison, the only subjectively perceived quality of the management–employee representation relationship proved to be – once again – more important when it comes to predicting the assessments of employee representatives. Obviously, the relationship with management as perceived by the employee representatives serves as a term of reference, which influences assessments on many other aspects, including working time and work–life balance issues. Hence, there may be a mutual reinforcement of a cooperative social climate, on the one hand, and changes in working time organisation at the establishment level which are perceived as work–life balance friendly by employee representatives, on the other.

4 Working time arrangements and role of employee representatives

Working time issues, alongside wages, have traditionally been a key concern of employee representations. European countries differ when it comes to bargaining rights for employee representations on working time organisation at local or company level. In the course of the decentralisation of collective bargaining over recent years, a general trend has emerged for attributing a greater role to working time as a formal or informal bargaining issue at company level. Hence, for the present study, it should be interesting to look at what aspects of working time organisation are an important policy issue for employee representatives.

The following chapter examines the impact of industrial relations on working time arrangements at establishment level. The focus of the analysis will be on unusual working hours, overtime hours and, in a third step, on the discretion of employees to manage their own working time. Chung, Kerkhofs and Ester (2007) have shown that these various forms of working time arrangements differ widely across establishments in Europe.

These issues will be approached from two different angles. First, the analysis will explore the possible influence of country-specific industrial relations systems on the particular ways in which management and employee representatives deal with working time organisation; secondly, it will look at the influence of the sector of activity. The first part of the analysis will refer to the country dichotomy developed in Chapter 1, which distinguishes between countries where employee representatives have a comparatively strong influence on working time and those where they have less of an influence, if any. The hypothesis for the following analysis is that working time arrangements are more ‘work–life balance friendly’ in those countries where employee representations have codetermination or bargaining rights that are relevant to the working time organisation in companies.

Impact of industrial relations on issues related to unusual hours

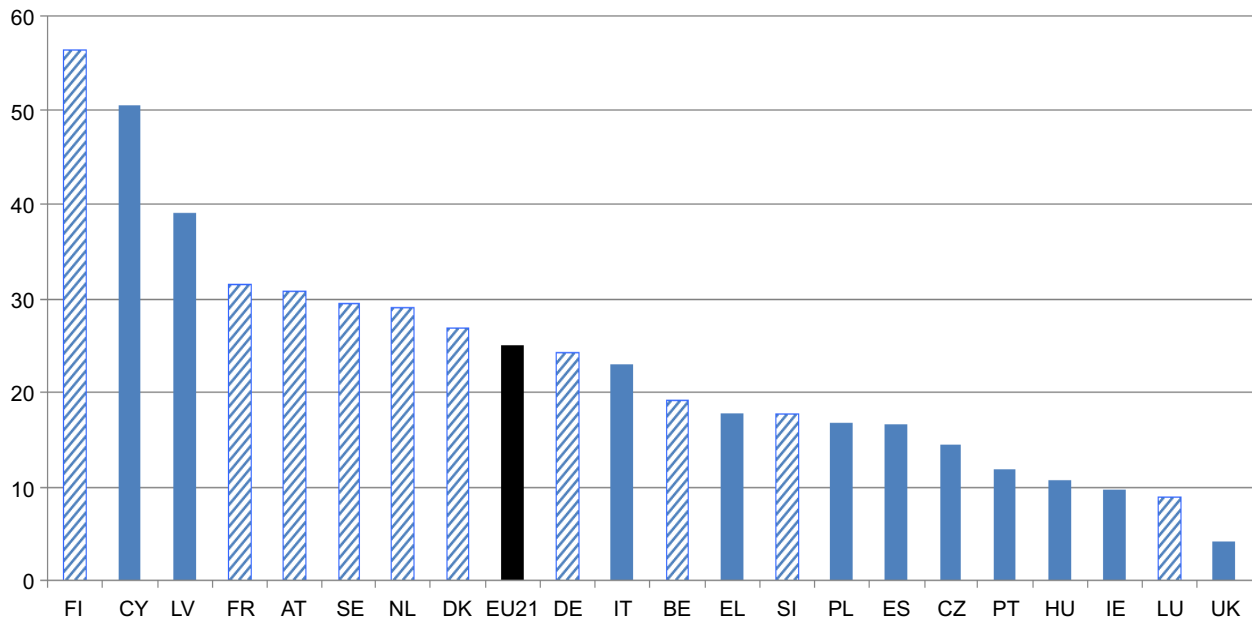
For decades, the issue of unusual or atypical working hours had been confined to a limited number of workers (such as nurses and metallurgy workers) while a large majority of workers had worked the established societal standard model of a working day from ‘9 to 5’. Achieving this standard working day has been an essential part of the success of trade unions and other employee representations and is either stipulated by law or the result of collective bargaining. Due to the growing services sector and to the extension of operating hours, the boundaries between those groups of workers who are supposed to work at unusual hours and those who are not have become increasingly blurred over recent years (Bosch and Lehdorff, 2001).⁸ Subsequently, unusual working hours may have regained an increasingly important role as a policy issue for employee representations.

Indeed, one quarter of employee representatives in European establishments featuring non-standard working hours confirm that problems related to work at such hours are an issue in negotiations with management. It is worthwhile noting that the ESWT did not include questions on the specific nature of these problems. As shown in Figure 16, notable differences exist across countries. Most prominently, unusual working hours are an issue of negotiations in Finland, whereas this issue plays virtually no role at all in negotiations in the UK.

When comparing the two groups of countries along the lines of strong versus limited codetermination and bargaining rights of employee representations, employee representatives in countries in which they exert a greater influence on working time organisation are much more likely to negotiate on unusual working hours than in countries in which they exert a limited influence – 30% compared with 18%, respectively.

⁸ For more information on the incidence and the outcomes of unusual working hours in Europe see Kümmerling and Lehdorff (2007).

Figure 16: Establishments where problems related to unusual working hours are an issue of negotiations, by country (%)



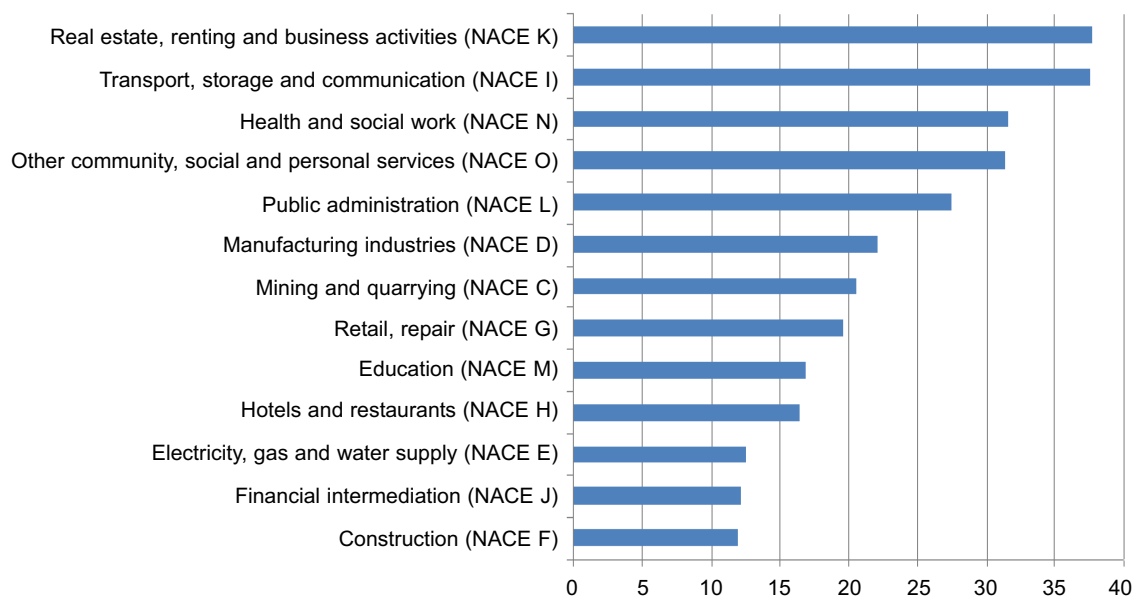
Note: Countries with a strong employee representative influence are marked by stripes.

Base: All establishments (employee representative interviews)

Source: ESWT, 2004–2005

In comparison with the country differences, the sector effects regarding negotiation on unusual working hours at establishment level are less marked but still notable (Figure 17). Negotiations on unusual working hours take place in particular in companies in the real estate and transport sectors, but they are comparatively rare in establishments operating in the construction, financial intermediation and electricity sectors. It should be noted that the economic sectors with the highest incidence of negotiations on unusual working hours, as reported by the employee representatives, are not always identical with those that are known for a high incidence of unusual working hours (Kümmerling and Lehdorff, 2007). One hypothesis in this regard may be whether negotiations on this issue occur more often in sectors where working unusual hours is a rather new development, compared with those sectors where a longstanding tradition exists of working such hours.

Figure 17: Establishments where problems related to unusual working hours are an issue for negotiations, by sector (based on NACE classification) (%)



Base: All establishments (employee representative interviews)
Source: *ESWT, 2004–2005*

Taking the relationship between management and employee representatives – as assessed by employee representatives – at establishment level into account, it becomes obvious that work at unusual hours is more likely to be an issue in negotiations when the relationship is perceived to be strained: some 34% of employee representatives in strained management relationships indicated that unusual working hours are a topic of negotiation, as against 22% of employee representatives in cooperative relationships. Likewise, further data analysis shows clearly that for employee representatives in strained relationships, unusual working hours represent a more serious issue than for those in a cooperative relation with management – 65% as against 52%, respectively.

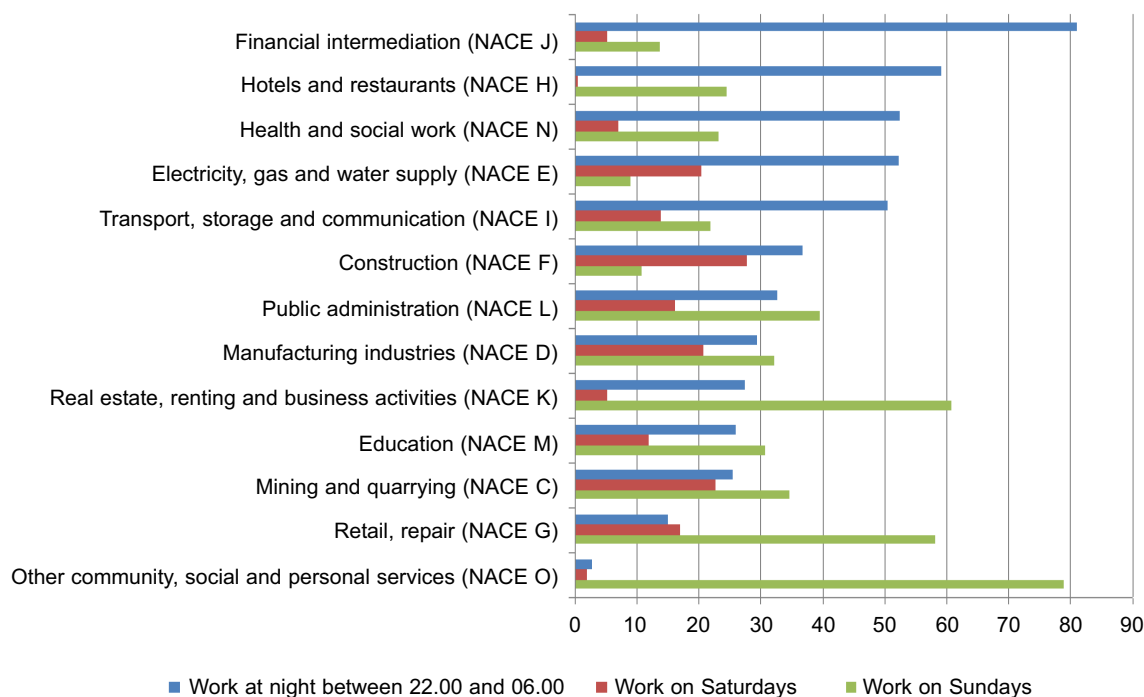
Different forms of unusual working hours and their importance in negotiations

Employee representatives were also asked which form of unusual working hours gives rise to the greatest difficulties in negotiations. Some 39% of employee representatives stated that Sunday work was the most problematic issue in negotiations on unusual working hours, 34% indicated night work as the most problematic and 12% Saturday work. As the following figures illustrate, data indicates that these assessments vary greatly across countries and sectors and also that the relationship between management and employee representatives plays an important role in this regard.

When applying the country typology differentiating between countries with a stronger and weaker employee representation influence upon working time organisation, it becomes obvious that in the group of countries with influential employee representations, both working at night and on Sundays are assessed as rather difficult negotiation topics (around 37% assessing both topics as rather difficult). Saturday work, in comparison, is judged to be less problematic an issue (13%). In countries with a limited employee representation influence, Sunday work is by far the most problematic issue in negotiations (46%), followed by night work (23%) and Saturday work (11%).

Overall, it is Sunday work which is perceived as the most problematic issue in negotiations. The differences across economic sectors are important, in particular when taking into account the relative difficulty regarding negotiations of the various forms of unusual working hours (Figure 18).

Figure 18: Working time arrangements causing most serious problems in negotiations with the employer, by sector (%)



Base: All establishments (employee representative interviews)

Source: ESWT, 2004–2005

The relationship between employee representatives and management in the establishment appears to have a strong effect when it comes to the employee representatives' assessment of what form of unusual working hours creates the most serious difficulties in negotiations. In cooperative management–employee representation relationships, the greatest difficulties arise in negotiations on Sunday work. In establishments where the management–employee representation relationship is perceived as being strained, night work is reported as causing the greatest problems in negotiations (Table 9).

Table 9: Unusual working hours that appear to be most problematic in negotiations, by type of relationship between management and employee representatives (%)

	Type of relationship between management and employee representatives	
	Cooperative relationship	Strained relationship
Working at night	30	47
Working on Saturdays	12	12
Working on Sundays	41	33
No answer	17	8

Base: All establishments (employee representative interviews)

Source: ESWT, 2004–2005

Issues of negotiation on unusual working hours

The survey examined the issues that were negotiated by employee representatives in Europe with regard to working at unusual hours. The ESWT offered the following possible responses:

- the necessity to work at these hours;
- the selection of employees who have to work at these hours;
- the organisation of work at these hours;
- the compensation for work at these hours;
- other issues.

Data show that issues of negotiation between management and employee representatives in relation to unusual working hours vary a great deal across European establishments. Most frequently reported is compensation for work at unusual hours, with almost a third of employee representatives (30%) citing this issue as a negotiation topic. About one quarter of employee representatives negotiate on the organisation of this work, around one fifth raise the question of whether it is necessary at all to work at these hours and 17% deal with the selection procedures of workers to work these hours.

The ranking of negotiation issues related to unusual working hours is affected by the general influence of employee representations on working time matters. Employee representatives in the group of countries with a comparatively strong influence more actively negotiate various issues involved with unusual working hours, except for the issue of compensation (Figure 19).

Figure 19: *Issues of negotiation on unusual working hours at company level, by country type (%)*



Base: All establishments (employee representative interviews)
Source: ESWT, 2004–2005

However, when the survey results are examined from the perspective of the nature of the management–employee representation relationship, the differences in importance between the four negotiation issues are less marked. The only exception is the necessity to work at unusual hours which is significantly more frequently negotiated by employee representations with a cooperative relationship than by those with a strained relationship with management – 42% compared with 29%, respectively.

Overtime

Overtime is an important, if conflicting, issue for both employers and employees. Employers may resort to using overtime as a flexibility tool, but they may be cautious in their use of it due to the extra pay involved. Quite the opposite is true for employees. Many, in particular those with lower incomes, may be interested in the extra pay involved, whereas the loss of free time and regular work patterns may be regarded as disadvantageous by many others.

The incidence of overtime varies across establishments, sectors and countries (Kümmerling and Lehdorff, 2007). Moreover, not only practices regarding overtime differ but also the formal regulations concerning overtime. For example, in Germany the consent of the works council is required for collective overtime, while in Italy overtime hours are subject to collective agreement at sectoral or company level. In Ireland and the UK, in contrast, no such general legal conditions apply (see Annex 2 for an overview of overtime regulations in EU Member States). Such differences in regulations may be important for the handling of overtime-related issues by employee representations, as covered by the present survey. The following section will present the findings on four aspects related to overtime:

- how overtime hours are dealt with at the establishment level;
- the information and consultation policies of management;
- the issues of negotiations regarding overtime;
- the opinions of employee representatives in this respect.

On average, about 80% of employee representatives confirm that overtime is worked in their establishment. Again, substantial differences can be seen across countries, with 57% of establishments working overtime in Spain and 94% in Austria, and across sectors, with 67% of establishments working overtime in the hotels and restaurants sector and 92% in the electricity, gas and water supply sector. For about one fifth of employee representatives, overtime is a major issue for negotiation in their respective establishment. Differences across countries are also marked in this case: only 4% of Irish employee representatives perceive overtime work to be a major issue, while 31% of Finnish employee representatives do so (see ‘Data related to Chapter 4’ in Annex 2 for detailed figures).

Nonetheless, it is important to note that these figures do not provide any information on the incidence of overtime hours as such. What they do indicate is that the incidence of overtime is a topic discussed with managers; this appears to be a matter of established overtime practices. The comparison across countries shows that overtime is not a major issue for employee representatives in countries with an established ‘overtime culture’ such as in Ireland and the UK. By contrast, in countries such as Austria, Finland and Germany – in which overtime and flexibility issues are important topics in ongoing public discussions – the issue is more important.

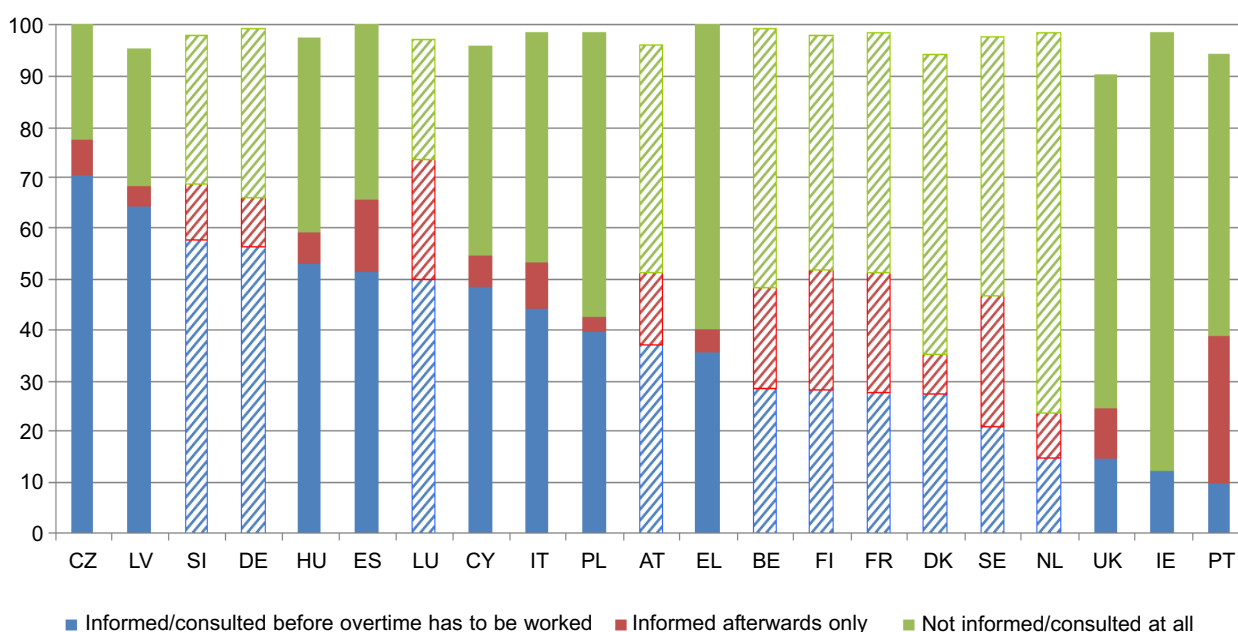
Regarding variation across sectors, overtime is perceived as a major issue in the transport sector, as reported by 35% of employee representatives, and least important in the community and personal services sector, with only 11% of employee representatives mentioning overtime as an issue. Moreover, the assessment of the social climate at the establishment as perceived by employee representatives tends to be linked with their evaluation of whether overtime is a major issue; for

instance, 16% of employee representatives indicating a cooperative relationship with the employer state that overtime is a major issue, compared with 25% of employee representatives in a strained relationship with management.

Information and consultation

In terms of information and consultation, as many as 45% of employee representatives report that they are not informed or consulted at all when it comes to overtime and a further 13% of employee representatives state that they are informed only afterwards. Some 40% of employee representatives state, however, that they are regularly informed or consulted before overtime hours are to be worked. Again, substantial differences exist across countries in this respect. For instance, 86% of employee representatives in Irish establishments report that they are informed either only afterwards or not at all, while this holds true for only 29% of establishments in the Czech Republic (Figure 20). Compared with these results, sector differences are less marked, ranging from 59% of employee representatives in the other personal services sector reporting that they are informed and consulted on overtime issues to 23% in the mining and quarrying industry.

Figure 20: Information and consultation practices regarding overtime, by country (%)



Notes: The totals do not necessarily equal 100%, since missing values and 'do not know' answers are not displayed. Countries with a strong employee representative influence are marked by stripes.

Base: All establishments (employee representative interviews)

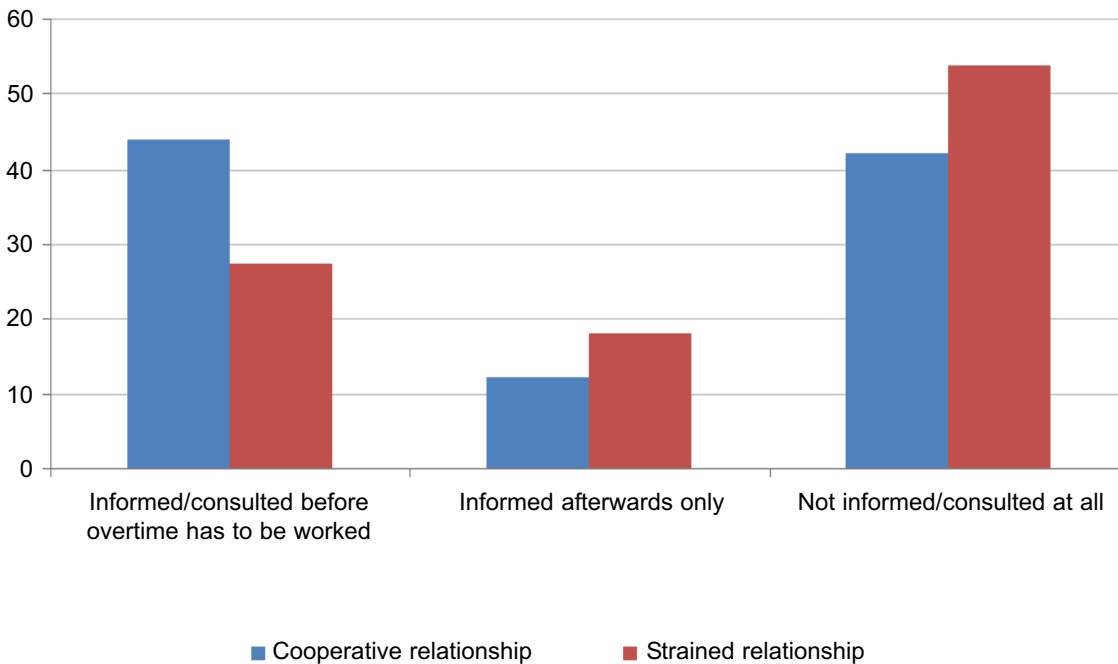
Source: ESWT, 2004–2005

Applying the country dichotomy of limited versus strong employee representation influence, one would expect a clear pattern where, in countries with a strong representative influence, employee representatives would be informed and consulted more often than in countries where the influence of employee representatives is rather limited. However, as shown in Figure 20, this holds true for some countries but not for all. While countries such as Ireland or the UK (weak employee representation influence), on the one hand, and Germany and Slovenia (strong influence), on the other, confirm the expected pattern, other countries are far from complying with this expectation, such as the Czech Republic, Denmark and Sweden. When comparing the two country groups, the findings are as follows: in countries with a limited influence, employee representatives are informed in advance more frequently (44%) than those in countries with a strong influence (39%), whereas in countries with a strong influence employee representatives state more often that they were given notice only afterwards (15%) than those in countries with a limited influence (10%). The majority of employee

representatives, regardless of the group of countries, report that they are not informed at all whether employees are requested to work overtime.

Regarding information practices in relation to overtime, distinct differences are also identifiable when taking into account the relationship between employee representatives and management at establishment level. In this case, very clear-cut effects emerge. In contrast to their counterparts in rather strained management–employee representation relationships, employee representatives in cooperative ones are significantly more frequently consulted in advance and less often only informed afterwards (Figure 21). Since the data obtained are cross-sectional, no conclusion can be drawn from the findings on the causal direction of these results. Thus, it is impossible to know whether the relationship is perceived to be strained because the establishment’s information policy is bad or whether information and consultation has not been granted because of the nature of the relationship.

Figure 21: *Information and consultation practices in case of overtime, by management–employee representation relationship (%)*

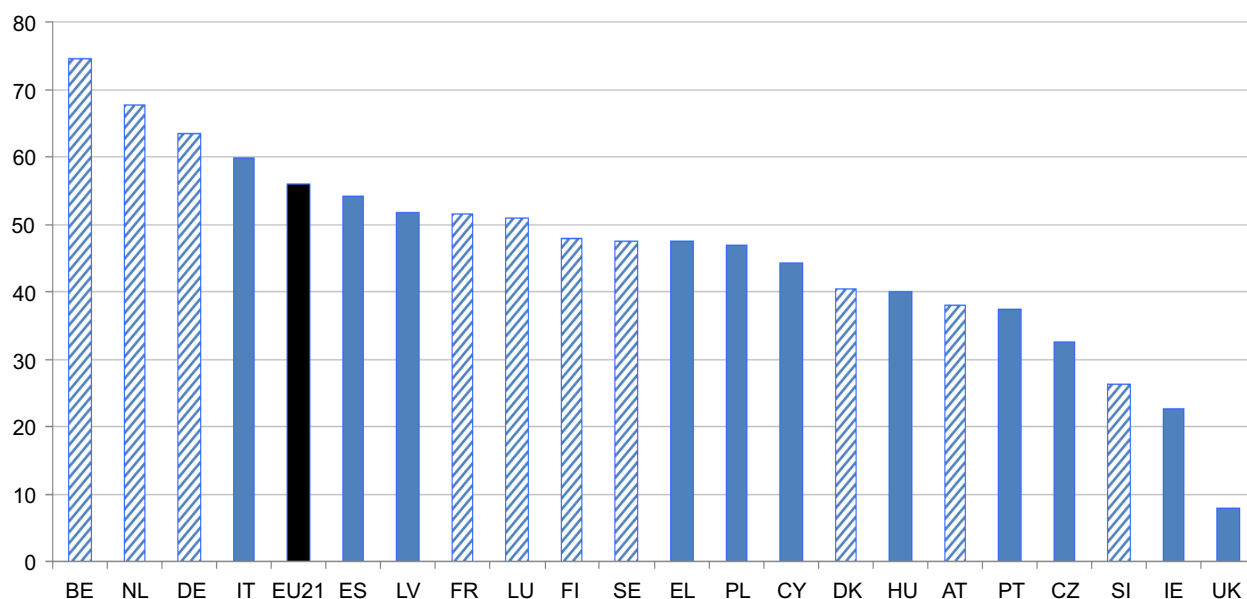


Base: All establishments (employee representative interviews)
 Source: *ESWT, 2004–2005*

Negotiation on overtime reduction

Some 56% of employee representatives report that they discuss with management the possibilities to avoid or reduce overtime hours. Noticeable disparities emerge across countries, with negotiations on this issue being most frequent in Belgium and virtually absent in the UK (Figure 22). Regarding the general influence of employee representations on working time organisation, employee representatives in countries where their influence is strong negotiate more often a reduction or avoidance of overtime hours than their counterparts in countries with a limited influence (59% compared with 51%, respectively). In this respect, data reveal that the particular relationship between management and employee representatives (as perceived by the employee representative) does not impact on this issue: the majority of employee representatives, regardless of the nature of their relationship with management, report that they bargain over overtime reduction (55% and 56%).

Figure 22: Negotiation for avoiding or reducing overtime hours, by country (%)



Notes: Countries with a strong employee representative influence are marked by stripes.

Base: All establishments (employee representative interviews)

Source: ESWT, 2004–2005

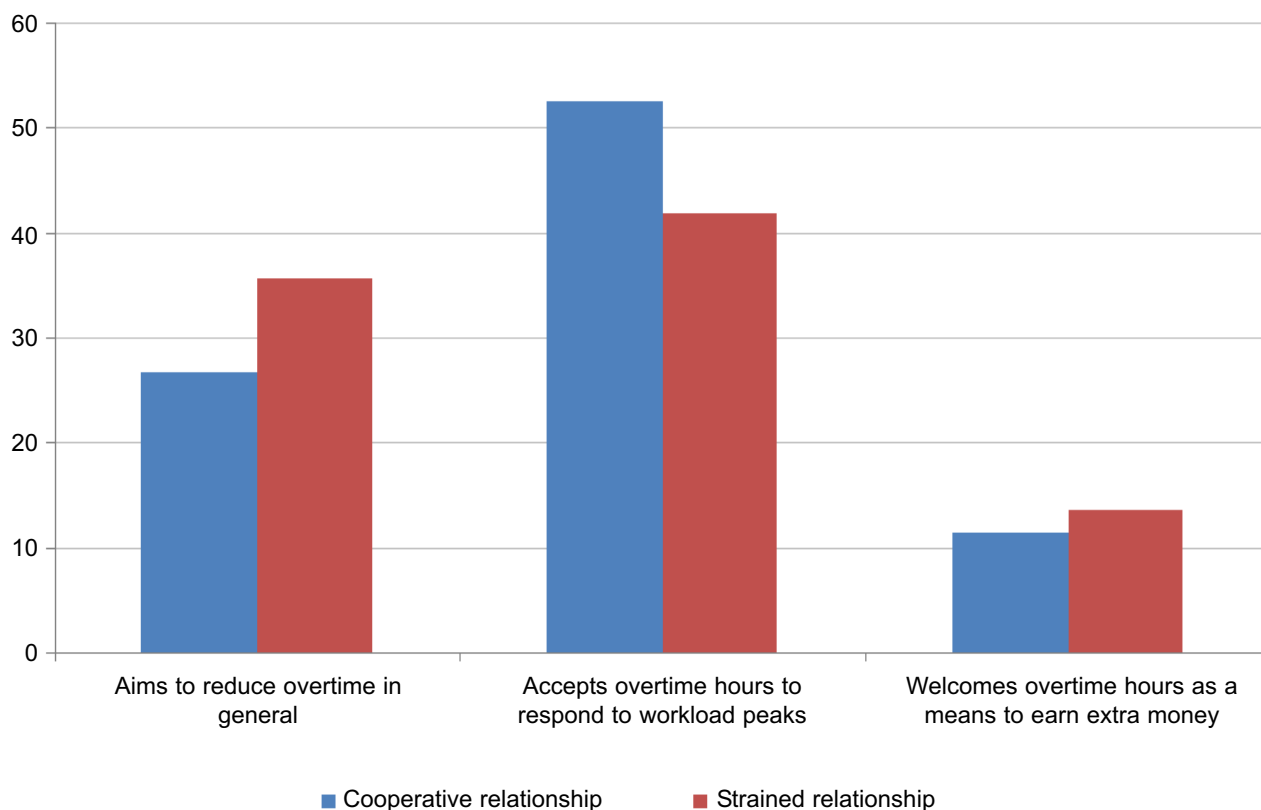
Attitudes of employee representatives regarding overtime

About 50% of employee representatives report that they are willing to accept overtime hours as a way of coping with unforeseeable workload peaks, while 28% of employee representatives aim to reduce overtime hours in general. Only 12% of employee representatives report that they actually welcome overtime hours as a way for workers to make some extra money.

There is evidence that the general influence of the employee representation in a country is important and impacts on employee representatives' opinion on overtime. In countries where employee representatives exert a comparatively strong influence, the majority of representatives (55%) accept overtime hours as a means to respond to workload peaks, compared with 42% of employee representatives in limited-influence countries. A further 30% of employee representatives in strong-influence countries, compared with 26% in limited-influence countries, aim to reduce overtime hours in general. Less than 9% of employee representatives in countries with a strong influence actually welcome overtime hours as a means to earn some extra money, whereas in countries with a limited influence, 18% of employee representatives welcome overtime hours, more than double the proportion in countries with a stronger influence. It is worthwhile noting that this result may at least partly reflect the economic situation in the respective countries.

Moreover, the social climate at company level as perceived by the employee representative seems to affect employee representatives' thinking in this respect. Employee representatives reporting a cooperative relationship with management tend to be more inclined to accept overtime hours in times of heavy workload peaks than employee representatives reporting a strained relationship. On the other hand, employee representatives reporting a strained relationship with management seem to be more prone to reducing overtime in general.

Figure 23: *Employee representatives' attitudes regarding overtime, by management–employee representation relationship (%)*



Base: *All establishments (employee representative interviews)*
 Source: *ESWT, 2004–2005*

In a further step, employee representatives' attitudes regarding overtime and their country of origin were compared with the hours of overtime actually worked. It was expected that employee representatives in countries where overtime hours are common would be more in favour of a general reduction in overtime than would employee representatives in countries where overtime hours are less common.

Regarding an estimation of overtime worked in the EU, it should be noted that the Eurostat ad hoc survey on overtime (Vaguer and Van Bastelaer, 2004) is substantially inconsistent with the data available on actual working hours from the annual EU Labour Force Survey (LFS). Therefore, this study used the differential between collectively agreed working hours and actual weekly working hours per country as a rough proxy to calculate overtime hours worked on average in the EU Member States. As Table 10 highlights, actual working hours exceed collectively agreed working hours throughout Europe (see also Fagan, 2003), with differentials being most significant in the UK and least important in Belgium.

Table 10: *Actual and collectively agreed working hours, by country*

	Actual working hours	Collectively agreed working hours	Differential between actual working hours and collectively agreed working hours
AT	40.8	38.5	2.3
BE	38.6	39.0	.4
CY	40.2	38.0	2.2
CZ	38	41.7	3.7
DE	39.2	37.0	2.3
DK	40.2	38.0	2.2
EL	41.0	4.0	1
ES	40.5	38.5	2
FI	39.2	38.2	1
FR	38.9	36.0	2.9
HU	41.0	4.0	1
IE	39.5	39.0	.5
IT	38.7	38.0	.7
LU	39.7	39.0	.7
LV	43.3	4.0	3.3
NL	38.9	37.0	1.9
PL	41.5	40	1.5
PT	40.2	38.6	1.6
SE	39.9	38.8	1.1
SI	41.5	4.0	1.5
UK	43.2	37.3	5.9

Note: Data on actual working hours from the EU Labour Force Survey (LFS) and on collectively agreed working hours from the European Industrial Relations Observatory (EIRO).

Source: EU LFS; Van Gyes et al, 2007

Concerning possible links between the level of overtime actually worked on average and the attitude of employee representatives regarding overtime, no positive association was found, contrary to the initial expectation. Correlational analysis results in a significant, albeit weak, negative association ($r = -18$, $p < .001$). This outcome is related to the fact that employee representatives in countries where working extra hours is widespread show less support for reducing overtime hours than employee representatives in countries where an overtime culture is less prominent.

As has been highlighted before, the present survey is a cross-sectional one; therefore, causal interpretations are to be handled with caution. Nonetheless, the result deserves some deeper analysis. At first sight, the obtained negative association might contradict intuitive assumption and knowledge. Taking the findings at face value, however, the results may solely mirror current customs and practices in relation to overtime. In cases where employee representatives do not emphasise the necessity of reducing or avoiding overtime hours, this may simply reflect the prevailing attitudes of management. In these cases, management will not face major pressures from employee representatives for a reduction of overtime – hence the higher incidence of overtime hours.

Working time arrangements and employee autonomy

Working time arrangements that extend or enhance employees' discretion over their individual working hours are widely regarded as 'work-life balance friendly' measures. Such arrangements are also often referred to as autonomy-promoting working time measures. One strand of working time arrangements affects employees' discretion regarding their daily working time organisation. This includes flexitime and the compensation of overtime with days or longer periods of time off in lieu. A second strand of working time arrangements addresses problems related to reconciling work and private life over the life course. Regarding working time arrangements, this survey mainly focuses on possibilities for switching between different working time patterns – in particular, between full-time and part-time work.

Fagan (2003) considered the following working time measures as work-life balance friendly, particularly in terms of workers' family obligations:

- part-time work, including the right for employees to request an adjustment between full-time and part-time working hours;
- family leave and sabbaticals;
- flexible working time arrangements ranging from flexitime to more advanced schemes of flexibility;
- compressed working weeks;
- job sharing, teleworking;
- flexible retirement schemes and childcare support.

Some of these measures were covered in the present survey. The following analyses focus, in a first step, on workers' opportunities to change working time patterns – that is, changing from full-time to part-time employment and vice versa, as well as from changing working hours to regular work patterns. As regards changing working hours, shift work is most pertinent to the following analyses. In a second step, the analyses will address flexible working time arrangements and possibilities for employees to turn down employer demands with regard to overtime.

As in previous chapters, the following analyses will also take into account the social climate at establishment level (as assessed by employee representatives) but no country comparisons will be included. Country comparisons will be excluded in order to solely focus on the role that industrial relations play at establishment level when it comes to working time arrangements and organisation. One new aspect compared with the preceding chapters will be the possibility to include the assessments of both employee representations and management. The analysis will first look at the situation as described by employee representatives before turning to the management account of the situation.

Opportunities to change working patterns

On average, two thirds of the employee representatives interviewed report that part-time work is present at their establishment. It is understood that wide disparities exist across countries and sectors regarding part-time work.⁹ The relationship between employee representatives and management plays only a minor part in this respect, with 67% of employee representatives in cooperative relationships indicating that part-time work is present at their establishment and 64% of employee representatives in strained relationships doing so.

⁹ For more information on the incidence of part-time work in Europe and how it is reflected in the ESWT, see Anxo et al, 2006.

With respect to employee discretion over individual working hours, the opportunity to adapt working time patterns to individual needs both on a day-to-day basis and over the life course is relevant rather than the mere existence of different working time forms. The focus of the following examination will therefore be on the existence of advanced flexibility schemes at the establishment, as well as on employees' opportunities to:

- switch from full-time to part-time work;
- switch from part-time to full-time work;
- participate in phased retirement measures.

Switching from full-time to part-time work

The opportunity to switch, at least temporarily, from full-time to part-time employment is widely considered as crucial for offering women, and increasingly men, the possibility to reconcile work and childcare responsibilities. A small majority of employee representatives who were interviewed assessed quite positively the opportunities to switch from full-time to part-time employment. Some 52% of employee representatives report that switching from full-time to part-time work is possible even for skilled employees, who are widely regarded as having the least opportunity in this respect. The relationship between management and employee representatives appears to have an impact, since opportunities to switch from full-time to part-time work are more frequently reported by representatives who experience this relationship as cooperative (54%) than by those who are in a strained management relationship (42%).

In contrast to what is often claimed, employees holding a low-skilled or unskilled job are, on average, not reported to have better opportunities than their skilled colleagues to switch from full-time to part-time work. Almost 50% of employee representatives indicate that switching from full-time to part-time work is possible either without notice or after a period of waiting time. The social climate at establishment level also seems to be an important factor in this regard, with establishments where employee representatives report a cooperative management relationship (52%) being more likely to offer possibilities for switching than establishments where this relationship is strained (40%).

Switching from part-time to full-time work

Regarding opportunities to switch from part-time to full-time employment, the majority of employee representatives (56%) across Europe are quite confident that these options exist in their establishment, either without notice or after some waiting time. The relationship between management and employee representatives correlates, albeit weakly, with the possibility of switching from part-time to full-time work – as reported by 57% of employee representatives in a cooperative relationship, compared with 51% of employee representatives in a strained relationship.

Phased retirement

On average, 37% of employee representatives stated that phased retirement schemes exist in their establishments. Once more, the relationship between management and employee representatives appears to be important. Employee representatives who perceive their relationships with management as rather cooperative more frequently report possibilities of taking phased retirement than do their counterparts with a strained relationship – 40% as against 25%.

Potential to adapt individual working times to personal needs or preferences

It is widely assumed that the potential to adapt working time schedules to individual needs or preferences is greater when the working time organisation in an establishment includes elements of flexibility. While the main stimulus for greater flexibility in the management of working time is arguably driven by the employer rather than the employee (Bosch and Lehndorff, 2001), employee surveys in Germany reveal that a majority of workers in flexible working time arrangements perceive this flexibility as beneficial for themselves. They acknowledge, nevertheless, that there is generally a growing need to take into account the establishment's working time needs (Bauer et al, 2004). Thus, it would be relevant to

include flexibility measures in the present investigation, although it is not possible to scrutinise the issue in greater detail. It should be noted that employee representatives were not asked which types of flexible working hours existed in their establishments. As a result, the present analysis cannot distinguish between simple forms of flexibility measures, such as flexitime, or more advanced schemes, such as self-managed working time schedules or sabbaticals.¹⁰

Flexible working hour arrangements at establishment level are reported, on average, by 54% of employee representatives in this study. The effect attributable to the relationship between management and employee representatives is again significant: 55% of employee representatives who assess their relationship with management as cooperative also report that flexible working hour arrangements are present in their company, compared with 46% of employee representatives in a strained management relationship.

Employee discretion and importance of employee representations

The enquiry into the importance of industrial relations at establishment level for working time arrangements that provide employees with a certain amount of discretion over their working hours revealed clear-cut patterns. Table 11 summarises the results for various working time features, which may be relevant for the discretion of workers. It includes some working time features that have not been presented thus far.

Looking at the influence of the quality of the management–employee representation relationship as perceived by employee representatives, the differences are significant between establishments with a cooperative relationship and those with a strained relationship. For all eight elements of working time organisation under examination, the incidence of discretion-friendly working time arrangements is higher in establishments whose employee representatives report a cooperative management relationship than in those with a strained management relationship. Indeed, to some extent, the quality of this relationship at establishment level and the country-specific influence on working time organisation by the employee representation are interdependent. On average, the relationship between employee representatives and management is more cooperative in countries where employee representations have a stronger influence on the organisation of working time. However, this association is not strong enough to fully account for the obtained differences ($r^2 = .015$).

Table 11: *Employee representatives' perception of working time forms relevant to employees' discretion over individual working hours, by management–employee representation relationship (%)*

	Cooperative relationship	Strained relationship	Evaluation
Switching from part-time to full-time work	57	51	+
Switching from full-time to part-time work (skilled workers)	54	42	+
Switching from full-time to part-time work (unskilled workers)	52	40	+
Switching from changing working hours to regular hours	34	23	+
Phased retirement	40	25	+
Selection of overtime workers	19	29	+
Possibility to refuse overtime	76	66	+
Flexible working time arrangements	56	46	+

Note: + = in favour of cooperative relationship establishments.

Base: All establishments (employee representative interviews)

Source: ESWT, 2004–2005

¹⁰ See the typology of working time practices present in European establishments, developed by Chung, Kerkhofs and Ester (2007).

Discretion of employees: the view of management

The preceding analysis of employee representatives' statements on elements of working time that are relevant to workers' influence on their own working hours can be cross-validated by looking at the manager responses. Given the methodological considerations outlined in Chapter 1, no direct comparison will be made of the manager assessments and those of employee representatives. Nonetheless, the following section seeks to go beyond a mere description of the answers given by management. In principle, only indirect ways exist to assess how management appraises the quality of social dialogue at establishment level, since the particular construction of the survey did not permit the inclusion of this issue in the management questionnaire. To examine the nature of the social climate at establishment level and its impacts on working time regulations, the answers of managers were compared by grouping establishments into three clusters based on the character of industrial relations at company level – establishments with no employee representative body, establishments where employee representation exists but management refuses to make access available, and establishments where an employee representative exists and the manager permits access.

In line with the previous elaborations and being aware of possible pitfalls, the following analysis is based on the assumption that management refusal can be considered as an indicator for a comparatively strained relationship with employee representatives. Conversely, relationships between management and employee representatives might be interpreted as being more cooperative in cases where managers agree to the employee representative being interviewed.

For all working time arrangements analysed in the previous section, similarly worded questions exist in the management part of the ESWT questionnaire.

However, one particular feature should be highlighted as it could not be covered when analysing the information provided by employee representatives. Unlike the employee representatives, managers were asked about different types of working time flexibility practised in their establishment. Thus, drawing on managers' information, it is possible to distinguish more advanced schemes of flexibility, in particular those which allow taking time off in lieu for overtime hours, notably full days or longer time periods. These types of advanced flexibility schemes are practised in not more than one quarter of European establishments.

The results of the cross validation are summarised in Table 12. Taking all mentioned constraints into account, it may be concluded that, by and large, the results obtained by employee representatives' assessments are validated by those of managers.

Table 12: Working time forms relevant to employees' discretion over individual working hours, by character of industrial relations at company level (%)*

	No employee representative at establishment	Employee representative present, but management refused employee representative interview	Employee representative present and available
Switching from part-time to full-time work	51 (3)	53 (2)	55 (1)
Switching from full-time to part-time work (skilled workers)	37 (3)	47 (2)	55 (1)
Switching from full-time to part-time work (unskilled workers)	35 (3)	42 (2)	51 (1)
Switching from changing working hours to regular working hours	23 (3)	30 (1)	26 (2)
Phased retirement	34 (2)	35 (2)	45 (1)
Selection of overtime workers	23 (1)	24 (1)	23 (1)
Possibility to refuse overtime	71 (1)	71 (1)	65 (2)
Flexible working time arrangements	46 (2)	46 (2)	54 (1)
Advanced working time arrangements	23 (2)	20 (3)	33 (1)
Evaluation (summation index)	20	16	11

Note: * Rank order in brackets.

Base: All establishments (manager interviews)

Source: ESWT, 2004–2005

To facilitate comparison, establishments have been ranked according to their respective distribution among the three groups in relation to any working time arrangements in place, with low figures indicating higher employee discretion (see figures in brackets). Finally, a simple summation index totalling the ranks for each group of establishments was computed (last row of Table 12). The results are clear-cut regarding the implementation of 'work–life balance friendly' working time arrangements: establishments where an employee representation body exists and management agreed to an employee representative interview stand out significantly, compared with establishments where management refused any contact with employee representatives and those where no employee representation body exists at all. Only when it comes to issues associated with overtime, establishments with no employee representation and those where management do not agree that the representative is interviewed appear to leave more discretion to employees over their working hours.

Indeed, interpreting management refusal of an employee representative interview as an indicator of a poor relationship with employee representatives and assuming a cooperative relationship when the contact was made available might at least in some cases be stretching things and results should be treated with caution. However, data clearly show that establishments where no employee representation body exists have poorer working conditions when it comes to workers' discretion over their working time arrangements than is the case in establishments with an employee representation body, irrespective of the social climate associated with it.

Role of industrial relations

The present chapter has provided extensive evidence that the quality of industrial relations and the social climate at establishment level are influential when it comes to the implementation of working time arrangements and working time practices. This has been shown using both management and employee representative data. The influence of the quality of industrial relations and the social climate at company level could be assessed for various forms of working time arrangements. The determinant factor of these two aspects is particularly true for those working time arrangements that are widely assumed to be relevant to employees' latitude in making decisions regarding their individual working hours, such as switching from full-time to part-time work and vice versa, the possibility of refusing overtime, the presence of flexible working time arrangements and of phased retirement schemes. However, since the analyses have been primarily descriptive and only bivariate thus far, the following items remain to be tested or assessed:

- to what extent the presence, absence or quality of industrial relations at the establishment influence working time arrangements in European companies;
- the ranking of these effects within a systematic hierarchical order.

To this end, a series of stepwise logistic regression analyses were computed, relying on management data only. The employee data set is considered as too small for this kind of regression analysis: only country, sector and other variables were controlled, thereby leading in many cases to too few cell allocation numbers. The stepwise logistic regression analyses used the respective working time arrangement as the dependent variable. For the predictor variable, the character of employee representations at establishment level was used (absence of representation body at establishment, management refusal for employee representative interview, management's granting of such an interview). In addition, possibly influential variables were controlled for, such as country, sector affiliation, establishment size, existence of collective agreements related to working time, financial situation of the establishment (quite good to very good vs. quite bad to very bad) and the proportion of trade union members among the staff (low proportion vs. medium vs. high proportion). For the sake of keeping the model parsimonious, no other important variables, such as the incidence of unusual hours, were included in the regression analyses.

Table 13 provides an overview of the order in which variables were selected by the procedure of stepwise logistic regression analysis and more specific details regarding the quality of the social climate at company level (see Annex 3 for an outline of the coefficients and odds ratio results after all the variables have been inserted into the equation). First, it should be noted that the degree of joint variance explained by the six chosen variables is unsatisfactorily low, except for 'phased retirement'. At this stage of the analyses, it is not apparent why the selected factors are better predictors when it comes to phased retirement. Ad hoc, it can be argued that phased retirement is not only a measure of employees having greater discretion over their working time, but is also frequently used as a tool to reduce staff numbers. On the other hand, one might take into account the fact that phased retirement – other than opportunities to switch work patterns or flexibility schemes – is an irreversible measure. This result may indicate that other important predictors of the incidence of working time arrangements that enhance work–life balance have not been identified. Correspondingly, the computation reveals that the overall strength of influence exerted by industrial relations is far from being dominant.

Yet, what is equally or probably even more important for the present endeavour is the analysis of the ranking of the variables according to the degree of variance that they explain in addition to the others. In order to facilitate this comparison, a simple summation index was computed. The summation index was derived by summing up the rank that each factor achieved in the stepwise regression procedure across the various variables (Table 13, last column), thus indicating the overall importance of each variable in predicting the incidence of working time schemes. As can be drawn from this index, the morphological variables – country, sector affiliation and with some distance establishment size – again come first and appear to be crucial determinants of working time arrangements. This makes sense when taking into

account the results described in Chapter 3, which have shown that the incidence of employee representatives at an establishment and also the decision of managers to permit the interviewing of employee representatives was associated with these variables. The variable ‘quality of social dialogue’ comes in fourth position. This indicates that the fact whether an employee representative is present in an establishment, as well as the quality of the relationship with management, does impact on establishments’ working time practices that are relevant to employees’ discretion over working hours, but to a comparatively moderate extent. The financial situation and the existence of collective agreements on working time at company level appear to play only a minor role in this regard.

Table 13: *Importance of predictors of working time arrangements, management data*

	Switching from part-time to full-time work	Switching from full-time to part-time work (skilled workers)	Switching from full-time to part-time work (unskilled workers)	Switching to regular working hours	Flexibility measures	Refuse overtime	Selection of overtime workers	Phased retirement	Index (summation of ranks)
R²	.15	.13	.12	.12	.80	.13	.07	.21	
Steps									
Sector	3	1	1	2	2	2	2	2	15
Country	1	2	2	1	1	1	1	1	10
Industrial relations	5	4	3	4	5	4	5	5	35
Size	2	3	4	3	3	3	4	3	25
Financial situation	4	5	5	5	6 (n.s.)	6	6	4	41
Collective working time agreements	6	6	6	6	4	5	3	6	42

Note: Numbers in cells indicate the order in which a factor was inserted into the logistic regression model; n.s. = not selected into regression equation.

Base: Establishments with management and employee representative interviews

Source: *ESWT, 2004–2005*

Although the overall effect of industrial relations proved to be only modest when it comes to working time organisation, it is worthwhile analysing the statistical results in greater detail to obtain more information on how establishments differ across the three categories – establishments without any employee representative, those where management refuses an employee representative interview and those in which management permits such an interview. The odds ratios of the logistic regression analysis are outlined in Table 14. Odds ratios indicate the likelihood of an event occurring, compared against a defined reference category. Odds ratios greater than 1.0 mean that an event is more likely to occur in that category compared with the reference category and vice versa.

Table 14: Odds ratio for the likelihood of the implementation of various working time arrangements, by company group

	Switching part-time to full-time (0 = possible; 1 = not possible)	Switching full-time to part-time (skilled) (0 = possible; 1 = not possible)	Switching full-time to part-time (unskilled) (0 = possible; 1 = not possible)	Switching to regular hours (0 = possible; 1 = not possible)	Flexibility measures (0 = no; 1 = yes)	Refuse overtime (0 = no; 1 = yes)	Selection of overtime workers (0 = selected, 1 = not selected)	Phased retirement (0 = no; 1 = yes)
Odds ratio: category ref No employee representative body at company								
Management refuses employee representative interview	1.60	0.88	0.94	0.74	1.03	0.93	0.99(ns)	1.05
Management permits employee representative interview	1.13	0.76	0.70	0.71	1.22	0.81	0.95	1.28

Note: ns = not significant, all other figures $p < .01$ (at least).

Base: Establishments with management and employee representative interviews

Source: ESWT, 2004–2005

The detailed analyses of the effects of the character and quality of industrial relations at establishment level show that the likelihood of an establishment implementing so-called ‘work–life balance friendly’ working time arrangements increases with the presence of employee representations. Only a few exceptions exist in this regard, namely switching from part-time to full-time work, the possibility of refusing overtime and the mode of selection of overtime workers. Moreover, data indicate that, by and large, the probability of an establishment having a worker-friendly working time organisation in place increases even further in companies where it can be assumed that the relationship between management and worker representatives is less strained.

To sum up, it is true that neither the mere presence of employee representation nor the actual quality of cooperation between management and employee representatives are ultimately the decisive determinants in predicting the incidence of working time arrangements that facilitate the work–life balance of employees. According to the ESWT results, however, it is fair to assume that both the mere existence and the actual character of the relationship are important factors that impact significantly on employees’ discretion over their working time at the establishment level.

Information on the nature and quality of social dialogue in Europe and in particular at establishment level is scarce. The ESWT is among the first surveys to bridge this gap by providing data on working time arrangements and working conditions at establishment level coming from both management and employee representatives. The present report used this opportunity and focused on attitudes and assessments of employee representatives on various working time issues, while also examining the incidence and determinants of the presence of employee representatives at establishment level. Working time issues are widely assumed to impact on the work–life balance of employees. In this respect, the research examined the extent to which the quality of social dialogue is important for implementing working time arrangements and working time practices designed to help workers reconcile their work and personal responsibilities. This question has been approached from two angles. First, the analysis looked at the incidence and influence of employee representation at establishment level in relation to its importance in the country-specific structures of industrial relations systems; secondly, the study examined the possible impact of the quality of the social climate at establishment level.

Data show that the incidence of employee representation in establishments varies widely across Europe, with the highest incidence in the Nordic countries, and the lowest in Greece and Portugal. Likewise, incidence varied greatly between sectors of activity: for instance, employee representatives were most prevalent in establishments in the education and electricity sectors, while they were much less common in establishments in the hotels and restaurants sector. Moreover, as was expected, the incidence of employee representation was higher in larger establishments. With these results, a logistic regression that took into account a series of variables associated with the presence of employee representatives showed establishment size, country and sector affiliation as being by far the most important predictors of the presence of employee representation at establishment level. The heterogeneous nature of the variables explains a variance of about 40%.

The same factors, most prominently the country, also tend to be crucial when it comes to the quality or climate of social dialogue at establishment level. The survey results show that the relationship between management and employee representatives is perceived to be more cooperative in countries with a comparatively strong influence of employee representations on the organisation of working time and other working conditions, compared with countries where this influence is only limited.

Overall, data reveal that both the fact of whether an employee representative body exists at the establishment and, if so, the quality of the relationship between management and employee representatives are important factors when it comes to the organisation of working time arrangements in companies. Furthermore, data show reasonably clearly that measures that arguably enhance workers' ability to reconcile their work and private life responsibilities – such as switching from full-time to part-time work and the availability of phased retirement and flexible working time arrangements – are more likely to be implemented in establishments where employee representation bodies exist and where there are indicators that this relationship is not strained. These effects are similar or even more pronounced when taking the relationship between management and employee representation into account. These findings were supported by both management and employee representative data.

Although the descriptive analysis has resulted in findings that are fairly clear-cut, the multivariate analysis that focused on the magnitude of the obtained effects indicates that the quality of social dialogue has a relatively limited influence on working time arrangements at establishment level. On the other hand, the ranking of a series of possible predictor variables indicated that industrial relations do matter and are an important parameter regarding working time organisation. Thus, it is possible to conclude that although the connections between the nature of industrial relations and various working time arrangements are only modest, they are nevertheless systematic.

In summary, the ESWT provides ample evidence that the extent to which industrial relations at establishment level are institutionalised impacts on employees' opportunities to exert a degree of influence on their own working hours. Codetermination and bargaining rights of employee representations at company level provide a favourable environment for working time arrangements that are 'work–life balance friendly'.

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Annex 1: Social climate and its importance for working time organisation

The method used was a stepwise forward logistic regression (LR) analysis. This method estimates the likelihood of a certain incidence occurring, by selecting variables according to the amount of variance they are able to explain. When interpreting the results, this means that a variable with the highest degree of explained variance was selected first, followed by the variable that is providing the highest amount of *additionally* explained variance, and so on. The method of stepwise logistic regression analysis is not an appropriate instrument for theory-driven analyses, but it is the method of choice when it comes to getting a deeper insight into the way in which a series of variables relate to each other. Moreover, due to the specific way in which the amount of variance is assessed, it limits the risk of obtaining results spoiled by multicollinearity. Dependent variables are generally required to be dichotomous (where: 0 means that the event does not take place and 1 means that the event takes place); independent or predictor variables usually can take any form.

The method used here selects first the predictor variable that is able to explain the largest proportion of variance and then adds (step by step) those predictors whose coefficients are further adding significantly to the explained variance. Stepwise regression is a tool that is in general designed for exploratory phases of research.

Data related to Chapter 3

Table A1 outlines the results of the logistic regression performed to determine what influences employee representatives' perceptions regarding their company's efforts to facilitate employees' work-life balance (see Table 7).

Variables entered into the equation:

Dependent variable

- Possibilities to combine work demands with obligations outside work
0 = very easy to quite easy, 1 = quite difficult to very difficult

Predictor and control variables

- National systems of industrial relations (entered as a dichotomous variable)
0 = strong influence of industrial relations, 1 = limited influence of industrial relations
- Sector (entered as a dichotomous variable)
0 = industries, 1 = services
- Night work (dichotomous)
0 = no incidence, 1 = night work takes place
- Saturday work (dichotomous)
0 = no incidence, 1 = Saturday work takes place
- Sunday work (dichotomous)
0 = no incidence, 1 = Sunday work takes place
- Changing hours (dichotomous)
1 = no incidence, 0 = changing hours are worked
- Incidence of overtime (dichotomous)
0 = overtime hours worked, 1 = overtime hours do not occur

- Incidence of part-time work (dichotomous)
0 = yes, 1 = no
- Flexibility measures (entered as a categorical variable)
No flexible working time arrangements vs. flexitime vs. compensation of hours vs. compensation with full days off vs. compensation with longer periods off (reference category: longer periods off)
- Establishment size (entered as a categorical variable)
Small establishments (10–99 employees) vs. medium establishments (100–299 employees) vs. large establishments (>300 employees) (reference category: large company size)
- Relationship between management and employee representative as perceived by employee representative (dichotomous)
0 = cooperative relationship, 1 = strained relationship
- Collective agreements (dichotomous)
0 = yes, 1 = no
- Economic situation of establishment (dichotomous)
0 = very to quite good, 1 = very to quite bad
- Measures of early retirement (dichotomous)
0 = yes, 1 = no
- Measures of phased retirement (dichotomous)
0 = yes, 1 = no
- Establishment offers special services to support employees:
 - company kindergarten or crèche 0 = no, 1 = yes
 - other forms of professional help for childcare 0 = no, 1 = yes
 - professional help for household management 0 = no, 1 = yes

Table A1: *What determines the perception of employee representatives that their company tries to facilitate balancing work and life outside work demands? Results from a stepwise forward logistic regression**

	B	Df	p <	Exp(B)
R² = .14				
Country dichotomy	-.105	1	.000	.900
Relationship management–employee representative	.935	1	.000	2.546
Flexible working time arrangements		4	.000	
No flexibility	.511	1	.000	1.666
Flexitime	.684	1	.000	1.981
Flexitime: compensation with hours	.217	1	.000	1.242
Flexitime: compensation with full days off	.065	1	.000	1.068
Working nights	.278	1	.000	1.320
Working Saturdays	.258	1	.000	1.295
Working Sundays	-.148	1	.000	.863
Changing hours	-.666	1	.000	.514
Overtime hours	-.133	1	.000	.876
Collective agreements	.087	1	.000	1.091

Table A1: *What determines the perception of employee representatives that their company tries to facilitate balancing work and life outside work demands? Results from a stepwise forward logistic regression* (cont'd)*

	B	Df	p <	Exp(B)
R² = .14				
Economic situation	.167	1	.000	1.182
Kindergarten	-1.407	1	.000	.245
Professional childcare help	-1.301	1	.000	.272
Household management	.170	1	.001	1.185
Part-time work	.164	1	.000	1.178
Phased retirement	.501	1	.000	1.650
Early retirement	.045	1	.000	1.046
Sector	.288	1	.000	1.333
Company size (reference category: large size)		2	.000	
Small-sized companies	-.290	1	.000	.748
Medium-sized companies	-.029	1	.140	.972
Constant	-1.400	1	.000	.247

Note: * Results given in table show the final results after all selected variables have been included in the equation.

Base: All establishments (with manager and employee representative interviews)

Source: ESWT, 2004–2005

Table A2 shows the results of the stepwise logistic regression to determine the factors that make the nature of work have a negative influence on work–life balance (see Table 8).

Variables entered into equation

Dependent variable

- What makes it difficult for employees in a particular establishment to combine work and life outside work
0 = nature of work, 1 = employer's attitude

Predictor and control variables

- Country (entered as categorical variable; reference category: Slovenia)
- Sector (entered as a dichotomous variable)
0 = industry, 1 = services
- Company size (entered as a trichotomous variable)
Small establishments (10–99 employees) vs. medium establishments (100–299 employees) vs. large establishments (>300 employees) (reference category: large company size)
- Weekly working hours (metric)
- Collective agreements (dichotomous)
0 = yes, 1 = no
- Economic situation of establishment (dichotomous)
0 = very to quite good, 1 = very to quite bad

- Employees development (entered as categorical variable, reference category: stayed the same):
1 = increased, 2 = decreased, 3 = stayed the same
- Night work (dichotomous)
0 = no incidence, 1 = night work takes place
- Saturday work (dichotomous)
0 = no incidence, 1 = Saturday work takes place
- Sunday work (dichotomous)
0 = no incidence, 1 = Sunday work takes place
- Changing hours (dichotomous)
1 = no incidence, 0 = changing hours are worked
- Incidence of flexible working time arrangements (dichotomous)
0 = present, 1 = not present
- Relationship between management and employee representative as perceived by employee representative (dichotomous)
0 = cooperative relationship, 1 = strained relationship

Table A2: *What makes the nature of the work have a negative influence on work-life balance? Results from a stepwise forward logistic regression**

	Regression coefficient B	df	Sig.	Exp(B)
Country (reference category: Slovenia)		20	.000	
BE	-1.928	1	.000	.145
DK	-7.407	1	.000	.001
DE	-.064	1	.537	.938
EL	-8.377	1	.006	.000
ES	-.792	1	.000	.453
FR	-1.122	1	.000	.325
IE	-.078	1	.680	.925
IT	-2.252	1	.000	.105
LU	1.865	1	.000	6.457
NL	-.335	1	.005	.715
AT	-1.519	1	.000	.219
PT	-1.008	1	.000	.365
FI	-.829	1	.000	.436
SE	-.244	1	.033	.784
UK	-.855	1	.000	.425
CZ	-2.587	1	.000	.075
CY	-7.187	1	.588	.001
LV	-2.084	1	.000	.124
HU	-3.471	1	.000	.031
PL	1.036	1	.000	2.818

Table A2: What makes the nature of the work have a negative influence on work–life balance? Results from a stepwise forward logistic regression*(cont'd)

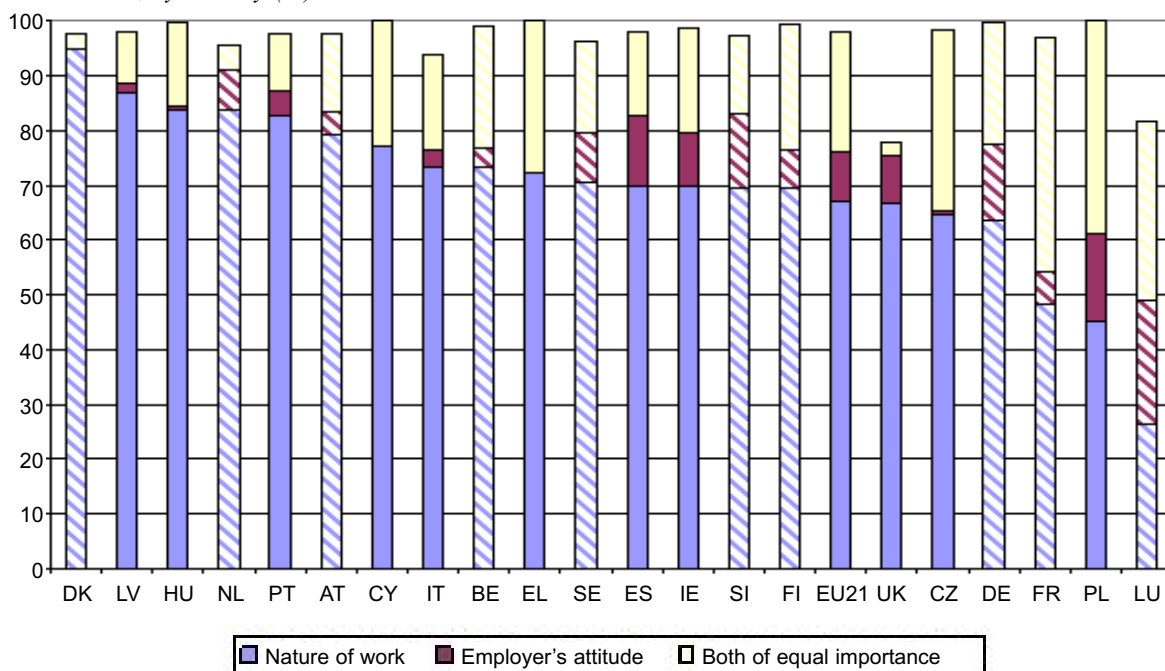
	Regression coefficient B	df	Sig.	Exp(B)
Services sectors (NACE G–O)	-.581	1	.000	.559
Company size (reference category: large)		2	.000	
10–99 employees	-.463	1	.000	.630
100–299 employees	.670	1	.000	1.955
Weekly working hours	-.012	1	.040	.988
No collective agreements	.758	1	.000	2.134
Bad financial situation	-.922	1	.000	.398
Size of workforce (reference category: stayed about the same)		2	.000	
Increased	-.002	1	.958	.998
Decreased	.426	1	.000	1.532
Night work occurs	-.454	1	.000	.635
Saturday work occurs	.177	1	.000	1.194
Sunday work occurs	-.621	1	.000	.537
Changing hours occur	-.283	1	.000	.753
Flexible working time agreement: yes	.458	1	.000	1.581
Relationship management–employee representative strained	1.857	1	.000	6.402
Constant	-2.300	1	.000	.100

Notes: * Results given in table show the final results after all selected variables have been included in the equation.

Base: All establishments (with manager and employee representative interviews)

Source: ESWT, 2004–2005

Figure A1: Employee representatives' opinions on factors making it difficult for workers to reconcile work and life outside work, by country (%)



Notes: Employee representative answers to the question 'what is the main reason that makes it difficult for employees to reconcile work and life outside work? The totals do not necessarily equal 100%, since missing values and 'do not know' answers are not displayed.

Base: All establishments (employee representative interviews)

Source: ESWT, 2004–2005

Annex 2: Working time arrangements and role of employee representatives

Overview of overtime schemes

Table A3: *Principal features of overtime schemes*

Country	Maximum working time (1) (minimum daily rest period, where no maximum daily hours)	Threshold marking beginning of overtime (2)		Specific maximum overtime limits	Conditions for use of overtime (procedures, justifications)	Enhanced pay rate and/or time off in lieu
		Method of setting threshold	Threshold level			
AT	10 hours a day, 50 hours a week (maximum under certain conditions)	Legislation	8 hours a day, 40 hours a week, which is above the average collectively agreed working time	5 hours a week, and additional 60 hours a year	No conditions	+50% pay rate or +50% time off in lieu
BE	8 hours a day, 38 hours a week	Legislation and agreements (at sector or company level)	8 hours a day, 38 hours a week	None	May only be used on specific grounds – exceptional peaks of work, force majeure, unforeseeable needs Authorisation procedures vary according to reason	+50% pay rate (+100% at weekends and public holidays) – may be converted into time off in lieu if provided for by collective agreement
DE	8 hours a day, 48 hours a week	Agreements (at sector level)	Varies between sectoral agreements	Varies between sectoral agreements	Agreement of works council required, except where sectoral agreement includes specific provision	Increased pay rate and/or time off in lieu, by collective agreement
DK	48 hours a week (minimum daily rest period of 11 hours)	Agreements (at sector or company level)	37 hours a week (industry sector agreement)	12 hours over 4 weeks (industry sector agreement)	Notice period required (industry sector agreement)	Companies with agreement – increased pay rate, then time off in lieu for overtime hours over a threshold (8 hours in 4 weeks in industry sector agreement); companies without agreement – mostly time off in lieu
EL	9 hours a day, 43 hours a week (assuming five-day working week)	Legislation	40 hours	3 hours a day over 43 hours (in case of emergency, no limits on the first day, and 4 hours on the next 4 days); annual limits, varying by sector and region set every six months by Ministry of Labour and Social Affairs	Over 43 hours a week requires justification, notification of authorities and record-keeping	From the 40th to the 43rd weekly hour – +50% pay rate; from 44th hour – +150% pay rate

Table A3: *Principal features of overtime schemes (cont'd)*

Country	Maximum working time (1) (minimum daily rest period, where no maximum daily hours)	Threshold marking beginning of overtime (2)		Specific maximum overtime limits	Conditions for use of overtime (procedures, justifications)	Enhanced pay rate and/or time off in lieu
		Method of setting threshold	Threshold level			
ES	9 hours a day, 40 hours a week	Legislation	40 hours a week, which is above average collectively agreed working time	80 hours a year	Requires collective agreement or agreement by employee	Increased pay rate (average +18%) or time off in lieu, by collective agreement
FI	8 hours a day, 40 hours a week	Legislation or agreement	40 hours or collectively agreed working time	138 hours over a 4-month period, 250 hours a year over statutory threshold of 40 hours, raised by 80 hours a year if the 138 hours over a 4-month period is complied with	Individual agreement of the employee required for work over 40 hours a week	+50% pay rate for the first 2 hours a day, +100% above that; may be converted into time off in lieu by agreement
FR	10 hours a day, 48 hours a week	Legislation	35 hours a week	180 hours a year or set by collective agreement	No conditions; permission from authorities required for exceeding annual limits.	Between 35th and 43rd weekly hour – minimum pay rate of +10% (+25% without agreement) or time off in lieu by agreement. From 44th hour – +50% pay rate
HU	12 hours a day, 48 hours a week	Legislation	8 hours a day, 40 hours a week	200 hours a year, may be raised to 300 hours by agreement	Reasons required, notice to be given, record-keeping compulsory	+ 50% pay rate (or time off in lieu by agreement), +100% pay rate for work on a holiday (or +50% if time off in lieu granted)
IE	48 hours a week (minimum daily rest period of 11 hours)	Agreements	Varies between (mainly company) agreements (average 39 hours)	2 hours a day, 12 hours a week, 240 hours a year, or 36 hours over 4 consecutive weeks; limits can be exceeded with permission from the authorities	No conditions	+25% pay rate (agreements often lay down higher rates)
IT	48 hours a week (minimum daily rest period of 11 hours)	Legislation and agreements (at sector level)	40 hours a week	250 hours a year (may be lower by agreement)	Collective agreement required (sector or company level)	+10% rate (in absence of agreement on higher rate)
LU	10 hours a day, 48 hours a week	Legislation	8 hours a day, 40 hours a week	None, but overall statutory daily and weekly working time limits (see first column)	Permitted only on specific grounds (for example, exceptional cases), permission from the authorities required	+25% pay rate for blue-collar workers, +50% for white-collar workers; may be converted into time off in lieu at +50% for all workers

Table A3: Principal features of overtime schemes (cont'd)

Country	Maximum working time (1) (minimum daily rest period, where no maximum daily hours)	Threshold marking beginning of overtime (2)		Specific maximum overtime limits	Conditions for use of overtime (procedures, justifications)	Enhanced pay rate and/or time off in lieu
		Method of setting threshold	Threshold level			
NL	12 hours a day (11 hours if no agreement), 60 hours a week (54 with no agreement), 624 hours per 13-week period (585 without agreement)	Legislation and agreements	Varies between collective agreements (no fixed level)	None, but overall statutory daily, weekly and quarterly working time limits (including 'incidental hours'), which may be extended within limits by agreement (see first column)	Must be 'incidental' and not 'structural'. Collective agreements often require agreement of works council and/or employees concerned	Increased pay rate and/or time off in lieu, by collective agreement
NO	9 hours a day, 48 hours a week	Legislation	9 hours a day, 40 hours a week, which is above average collectively agreed working time (37.5 hours a week)	200 hours per year (overtime between 200 and 400 hours a year allowed by individual agreement)	Permitted only on specific non-permanent grounds (for example, unforeseen events or volume of work); subject (if possible) to discussion with (elected) staff representatives and (for overtime between 200 and 400 hours) to agreement with employee	+40% pay rate (usually +50% by agreement, and +100% after 21.00)
PL	10 hours a day, 40 hours a week	Legislation	8 hours a day, 40 hours a week (over 5-day week)	4 hours a day, 150 hours a year	Permitted only on specific grounds (for example, employers' special needs or rescue operations), monitored by the authorities	+50% pay rate for the first 2 hours, +100% for further hours (and work at night, on Sunday and holidays); may be converted into time off in lieu at request of employee and with employer's agreement
PT	8 hours a day, 44 hours a week (up to 10 hours a day and 50 hours a week, by agreement)	Legislation and agreements	8 hours a day, 44 hours a week (up to 10 hours a day, 50 hours a week by agreement)	2 hours a day, 200 hours a year	Permitted only on specific grounds (for example, unscheduled increased workload or force majeure), record-keeping required	+50% pay rate for first hour, +75% thereafter, +100% on rest days and holidays; plus time off in lieu at 25% of the hours worked

Table A3: *Principal features of overtime schemes (cont'd)*

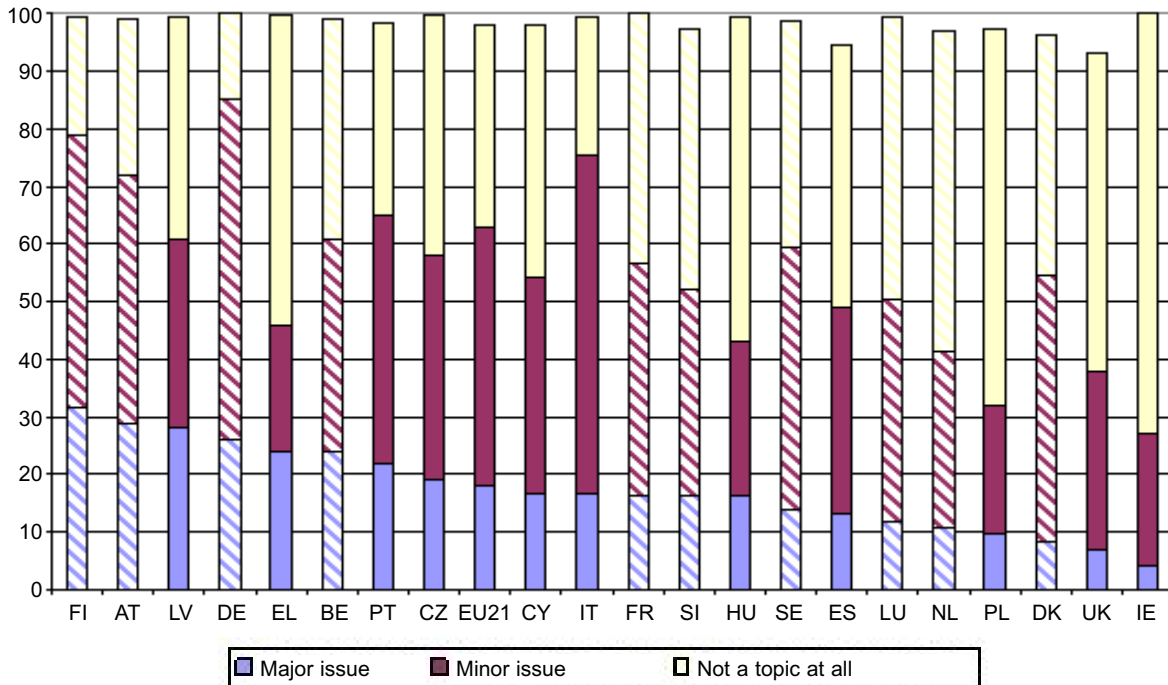
Country	Maximum working time (1) (minimum daily rest period, where no maximum daily hours)	Threshold marking beginning of overtime (2)		Specific maximum overtime limits	Conditions for use of overtime (procedures, justifications)	Enhanced pay rate and/or time off in lieu
		Method of setting threshold	Threshold level			
SE	8 hours a day, 40 hours a week	Legislation	40 hours a week, which is above average collectively agreed working time	None, but overall statutory weekly working time limits (see first column); temporary exemptions possible by (company or workplace-level) agreement	Must be justifiable (for example, special needs, or employers' requirements) and often subject to agreement (company or workplace-level); record-keeping compulsory, monitoring by staff representatives	Increased pay rate (usually +50% to +100%) or time off in lieu, by collective agreement
SK	58 hours a week (exemption available by collective agreement and permission from the authorities)	Legislation	40 hours a week over 5-day week ('regular' working schedule – daily minimum of 3 hours and maximum of 9 hours)	18 hours a week, 150 hours a year (excluding certain overtime, such as in the event of disasters); up to 300 hours in special cases by company-level agreement and with authorities' permission	No conditions for up to 150 hours a year	+ 25% pay rate (higher by company-level agreement)
UK	48 hours a week (minimum daily rest period of 11 hours)	Agreements (company-level)	Varies between (company-level) agreements	None, but overall statutory weekly working time limits (from which individuals may 'opt out')	No conditions	Increased pay rate or time off in lieu, by agreement

Notes: (1) However it is described (maximum or standard) in the national regulations; (2) Threshold beyond which increased pay rate or time off in lieu for overtime begins, either called 'maximum working time' or 'statutory period', or equivalent to the collectively agreed working hours, depending on the country.

Source: Freyssinet and Michon, EIRO, February 2003

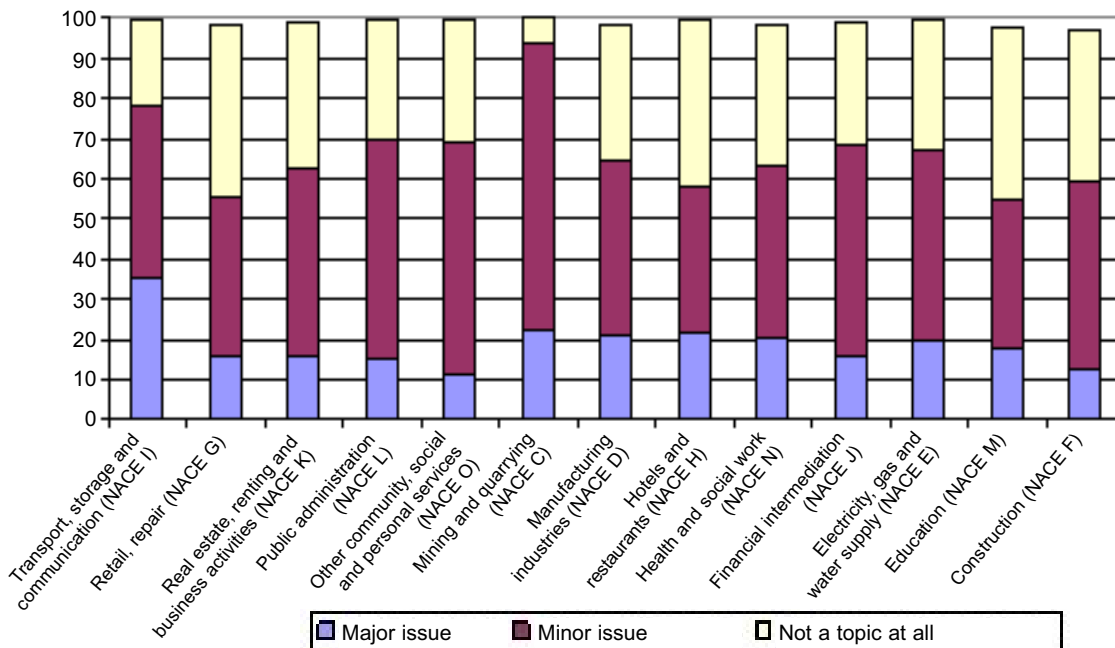
Data related to Chapter 4

Figure A2: Overtime hours being a major or minor issue, or no topic at all at establishment level, by country (%)



Notes: Employee representative answers to the question 'overtime hours: are they a major, a minor issue or no topic at all at establishment level?' The totals do not necessarily equal 100%, since missing values and 'do not know' answers are not displayed.
 Base: All establishments (employee representative interviews)
 Source: ESWT, 2004–2005

Figure A3: Overtime hours being a major or minor issue, or no topic at all at establishment level, by sector (based on NACE classification) (%)



Notes: Employee representative answers to the question 'overtime hours: are they a major, a minor issue or no topic at all at establishment level?' The totals do not necessarily equal 100%, since missing values and 'do not know' answers are not displayed.
 Base: All establishments (employee representative interviews)
 Source: ESWT, 2004–2005

Table A4: Negotiation issues between management and employee representative, by country (%)

Country	Necessity to work at these hours	Selection of employees	Organisation of work at these hours	Compensation for work at these hours	Negotiating: other issues	No answer
BE	51	38	18	75	11	
DK	48	15	34	45	26	11
DE	54	42	58	64	34	
EL	29	8	27	82	8	5
ES	35	15	30	78	10	5
FR	39	55	67	73	35	0
IE	30	10	5	71		
IT	24	26	52	71	1	
LU			34	34		66
NL	54	22	31	65	19	
AT	65	41	58	36		
PT	22	4	31	61	27	4
FI	23	34	56	44	27	2
SE	17	25	35	53	29	10
UK	32			18		50
CZ	82	26	70	87	41	3
CY	29	31	33	49	7	15
LV	16	25	30	54	14	21
HU	52	68	56	88	24	4
PL	25	20	25	45	33	1
SI	19	15	39	30	28	

Note: Employee representatives were allowed to give more than one answer.

Base: All establishments (employee representative interviews)

Source: ESWT, 2004–2005

Data related to Chapter 5

This section provides detailed information and results regarding the importance of various variables in predicting the incidence of decision latitude granting working time arrangements. The method used here was a stepwise forward LR analysis (see Annex 1 for more information on this procedure).

Variables entered into the equation:

Dependent variable (entered in different equations):

- Equation: Switching from full-time to part-time
0 = possible, 1 = barely/not possible
- Equation: Switching from part-time to full-time work (skilled worker)
0 = possible, 1 = barely/not possible
- Equation: Switching from part-time to full-time work (unskilled worker)
0 = possible, 1 = barely/not possible

4. Equation: Switching from changing to regular hours

0 = possible, 1 = barely/not possible

5. Equation: Flexibility measures

0 = possible, 1 = barely/not possible

6. Equation: Possibility to refuse overtime hours

0 = possible, 1 = barely/not possible

7. Equation: Incidence of phased retirement

0 = possible, 1 = barely/not possible

Independent variable (entered in each equation)

- Industrial relations at establishment level (entered as a categorical variable)

0 = no employee representative present at establishment, 1 = employee representative present but management refuses contact, 2 = employee representative present and management agrees to contact

Control variables (entered in each equation)

- sector (entered as categorical variable; reference category: Other services)

- country (entered as categorical variable; reference category: Slovenia)

- company size (entered as a categorical variable), reference category: >500 employees)

- collective agreements (dichotomous)

0 = yes, 1 = no

- financial situation of establishment (dichotomous)

0 = very to quite good, 1 = very to quite bad

Table A5: *Employees' decision latitude to switch from part-time to full-time work, results from a stepwise forward logistic regression*

	Regression coefficient B	Df	Significance	Exp(B)
Country (reference category: Slovenia)		20	.000	
AT	-1.517	1	.000	.219
BE	-1.654	1	.000	.191
DE	-.495	1	.000	.609
DK	-1.267	1	.000	.282
EL	-1.688	1	.000	.185
ES	-2.072	1	.000	.126
FI	-1.173	1	.000	.309
FR	-1.315	1	.000	.268
IE	-1.853	1	.000	.157
IT	-1.959	1	.000	.141
LU	-1.805	1	.000	.165
NL	-1.349	1	.000	.259
PT	-1.367	1	.000	.255
SE	-1.498	1	.000	.224

Table A5: Employees' decision latitude to switch from part-time to full-time work, results from a stepwise forward logistic regression (cont'd)

	Regression coefficient B	Df	Significance	Exp(B)
Country (reference category: Slovenia)		20	.000	
UK	-1.591	1	.000	.204
CZ	-1.362	1	.000	.256
CY	-2.152	1	.000	.116
LV	-1.178	1	.000	.308
HU	-.671	1	.000	.511
PL	-.284	1	.000	.753
Sector (reference category: Social and personal services)		12	.000	
Mining and quarrying	-.496	1	.000	.609
Manufacturing industries	-.574	1	.000	.563
Electricity, gas and water supply	-.546	1	.000	.579
Construction	-.362	1	.000	.696
Retail, repair	-.504	1	.000	.604
Hotels and restaurants	-.569	1	.000	.566
Transport, storage and communication	-.827	1	.000	.437
Financial intermediation	-1.227	1	.000	.293
Real estate, renting and business activities	-.588	1	.000	.555
Public administration	-.117	1	.000	.889
Education	-.300	1	.000	.741
Health and social work	-.596	1	.000	.551
Company size (reference category: > 500 employees)		9	.000	
10–19 employees	1.615	1	.000	5.029
20–49 employees	1.288	1	.000	3.624
50–99 employees	1.163	1	.000	3.201
100–149 employees	.696	1	.000	2.005
150–199 employees	.811	1	.000	2.249
200–249 employees	.819	1	.000	2.269
250–299 employees	.365	1	.000	1.440
300–399 employees	.119	1	.001	1.127
400–499 employees	-.089	1	.044	.915
Bad financial situation	.445	1	.000	1.561
No collective agreement	.106	1	.000	1.112
Industrial relations at company (reference category: no employee representative at establishment)		2	.000	
Management refuses	.468	1	.000	1.597
Management agrees	.125	1	.000	1.134
Constant	-.829	1	.000	.437

Base: Establishments with management interviews

Source: ESWT, 2004–2005

Table A6: Decision latitude of skilled employees to switch from full-time to part-time work, results from a stepwise forward logistic regression

	Regression coefficient B	Df	Significance	Exp(B)
Country (reference category: Slovenia)		20	.000	
AT	-1.373	1	.000	.253
BE	-1.477	1	.000	.228
DE	-1.037	1	.000	.355
DK	-1.120	1	.000	.326
EL	-.557	1	.000	.573
ES	-1.069	1	.000	.343
FI	-1.004	1	.000	.367
FR	-.989	1	.000	.372
IE	-1.287	1	.000	.276
IT	-1.093	1	.000	.335
LU	-.726	1	.000	.484
NL	-1.523	1	.000	.218
PT	-.638	1	.000	.528
SE	-1.916	1	.000	.147
UK	-1.665	1	.000	.189
CZ	-1.233	1	.000	.291
CY	-.408	1	.000	.665
LV	-.875	1	.000	.417
HU	-.313	1	.000	.731
PL	-.630	1	.000	.533
Sector (reference category: Social and personal services)		12	.000	
Mining and quarrying	.757	1	.000	2.131
Manufacturing industries	.592	1	.000	1.808
Electricity, gas and water supply	.780	1	.000	2.182
Construction	1.157	1	.000	3.180
Retail, repair	.319	1	.000	1.376
Hotels and restaurants	-.128	1	.000	.880
Transport, storage and communication	.473	1	.000	1.605
Financial intermediation	-.089	1	.000	.915
Real estate, renting and business activities	.242	1	.000	1.273
Public administration	-.164	1	.000	.849
Education	-.612	1	.000	.542
Health and social work	-.766	1	.000	.465

Table A6: Decision latitude of skilled employees to switch from full-time to part-time work, results from a stepwise forward logistic regression (cont'd)

	Regression coefficient B	Df	Significance	Exp(B)
Company size (reference category: > 500 employees)		9	.000	
10–19 employees	1.114	1	.000	3.047
20–49 employees	.827	1	.000	2.286
50–99 employees	.574	1	.000	1.776
100–149 employees	.536	1	.000	1.709
150–199 employees	.587	1	.000	1.798
200–249 employees	.538	1	.000	1.712
250–299 employees	.453	1	.000	1.573
300–399 employees	.311	1	.000	1.365
400–499 employees	.119	1	.001	1.126
Bad financial situation	.229	1	.000	1.258
No collective agreement	.093	1	.000	1.098
Industrial relations at company (reference category: no employee representative at establishment)		2	.000	
Management refuses	-.123	1	.000	.884
Management agree	-.277	1	.000	.758
Constant	-.352	1	.000	.703

Base: Establishments with management interviews
Source: ESWT, 2004–2005

Table A7: Decision latitude of unskilled employees to switch from full-time to part-time work, results from a stepwise forward logistic regression

	Regression coefficient B	Df	Significance	Exp(B)
Country (reference category: Slovenia)		20	.000	
AT	-.889	1	.000	.411
BE	-1.372	1	.000	.254
DK	-.665	1	.000	.514
DE	-.954	1	.000	.385
EL	-.771	1	.000	.463
ES	-1.075	1	.000	.341
FI	-1.396	1	.000	.248
FR	-1.322	1	.000	.267
IE	-1.569	1	.000	.208
IT	-1.287	1	.000	.276
LU	-1.400	1	.000	.247
NL	-1.075	1	.000	.341
PT	-.897	1	.000	.408
SE	-2.221	1	.000	.108

Table A7: Decision latitude of unskilled employees to switch from full-time to part-time work, results from a stepwise forward logistic regression (cont'd)

	Regression coefficient B	Df	Significance	Exp(B)
Country (reference category: Slovenia)		20	.000	
UK	-1.768	1	.000	.171
CZ	-1.371	1	.000	.254
CY	-.664	1	.000	.515
LV	-.868	1	.000	.420
HU	.048	1	.147	1.049
PL	-.988	1	.000	.372
Sector (reference category: Social and personal services)		12	.000	
Mining and quarrying	1.267	1	.000	3.552
Manufacturing industries	.204	1	.000	1.226
Electricity, gas and water supply	.209	1	.000	1.233
Construction	.741	1	.000	2.098
Retail, repair	.051	1	.000	1.053
Hotels and restaurants	-.455	1	.000	.634
Transport, storage and communication	.220	1	.000	1.246
Financial intermediation	-.538	1	.000	.584
Real estate, renting and business activities	-.178	1	.000	.837
Public administration	-.432	1	.000	.649
Education	-.425	1	.000	.653
Health and social work	-.951	1	.000	.386
Company size (reference category: > 500 employees)		9	.000	
10–19 employees	1.067	1	.000	2.905
20–49 employees	.807	1	.000	2.241
50–99 employees	.448	1	.000	1.566
100–149 employees	.460	1	.000	1.584
150–199 employees	.459	1	.000	1.582
200–249 employees	.653	1	.000	1.922
250–299 employees	.287	1	.000	1.332
300–399 employees	.329	1	.000	1.390
400–499 employees	.101	1	.008	1.106
Bad financial situation	.106	1	.000	1.112
No collective agreement	.064	1	.000	1.066
Industrial relations at company (reference category: no employee representative at establishment)		2	.000	
Management refuses	-.064	1	.000	.938
Management agree	-.363	1	.000	.696
Constant	.064	1	.111	1.064

Base: Establishments with management interviews

Source: ESWT, 2004–2005

Table A8: Logistic regression results for switching from changing hours to regular ones

	Regression coefficient B	Df	Significance	Exp(B)
Country (reference category: Slovenia)		20	.000	
AT	-1.057	1	.000	.347
BE	-.172	1	.005	.842
DE	.309	1	.000	1.361
DK	-.143	1	.029	.867
EL	-.005	1	.943	.995
ES	-.892	1	.000	.410
FI	.058	1	.347	1.060
FR	-.251	1	.000	.778
IE	-.750	1	.000	.473
IT	-.770	1	.000	.463
LU	-.349	1	.004	.706
NL	-.596	1	.000	.551
PT	-1.671	1	.000	.188
SE	-.419	1	.000	.658
UK	-1.290	1	.000	.275
CZ	-.065	1	.274	.937
CY	-.259	1	.067	.771
LV	-.585	1	.000	.557
HU	-.102	1	.093	.903
PL	-.158	1	.006	.854
Sector (reference category: Social and personal services)		12	.000	
Mining and quarrying	.072	1	.180	1.074
Manufacturing industries	-.797	1	.000	.451
Electricity, gas and water supply	-1.324	1	.000	.266
Construction	-1.016	1	.000	.362
Retail, repair	-.967	1	.000	.380
Hotels and restaurants	-.562	1	.000	.570
Transport, storage and communication	-.640	1	.000	.527
Financial intermediation	1.011	1	.000	2.748
Real estate, renting and business activities	-1.181	1	.000	.307
Public administration	-.272	1	.000	.762
Education	-.958	1	.000	.384
Health and social work	-.157	1	.000	.855

Table A8: Logistic regression results for switching from changing hours to regular ones (cont'd)

	Regression coefficient B	Df	Significance	Exp(B)
Company size (reference category: > 500 employees)		9	.000	
10–19 employees	.454	1	.000	1.574
20–49 employees	.530	1	.000	1.699
50–99 employees	.477	1	.000	1.611
100–149 employees	.106	1	.000	1.112
150–199 employees	.714	1	.000	2.041
200–249 employees	.367	1	.000	1.443
250–299 employees	.014	1	.759	1.014
300–399 employees	.075	1	.041	1.078
400–499 employees	.223	1	.000	1.250
Bad financial situation	.042	1	.000	1.043
No collective agreement	-.235	1	.000	.791
Industrial relations at company (reference category: no employee representative at establishment)		2	.000	
Management refuses	-.296	1	.000	.744
Management agrees	-.344	1	.000	.709
Constant	1.894	1	.000	6.643

Base: Establishments with management interviews
Source: ESWT, 2004–2005

Table A9: Incidence of flexible working time arrangements, results from a stepwise logistic regression

	Regression coefficient B	Df	Significance	Exp(B)
Country (reference category: Slovenia)		20	.000	
AT	.659	1	.000	1.932
BE	.021	1	.401	1.021
DE	.550	1	.000	1.733
DK	.585	1	.000	1.796
EL	-.370	1	.000	.691
ES	.201	1	.000	1.222
FI	.863	1	.000	2.370
FR	.433	1	.000	1.541
IE	.760	1	.000	2.139
IT	.149	1	.000	1.161
LU	.691	1	.000	1.995
NL	.275	1	.000	1.316
PT	-.503	1	.000	.605
SE	1.129	1	.000	3.093
UK	.934	1	.000	2.544
CZ	.852	1	.000	2.345

Table A9: Incidence of flexible working time arrangements, results from a stepwise logistic regression (cont'd)

	Regression coefficient B	Df	Significance	Exp(B)
Country (reference category: Slovenia)		20	.000	
CY	-.909	1	.000	.403
LV	1.271	1	.000	3.565
HU	.069	1	.005	1.071
PL	.965	1	.000	2.626
Sector (reference category: Social and personal services)		12	.000	
Mining and quarrying	-.609	1	.000	.544
Manufacturing industries	-.351	1	.000	.704
Electricity, gas and water supply	-.118	1	.000	.888
Construction	-.795	1	.000	.452
Retail, repair	-.445	1	.000	.641
Hotels and restaurants	-.230	1	.000	.795
Transport, storage and communication	-.505	1	.000	.603
Financial intermediation	-.229	1	.000	.796
Real estate, renting and business activities	.427	1	.000	1.532
Public administration	-.089	1	.000	.915
Education	-.763	1	.000	.466
Health and social work	-.392	1	.000	.676
Company size (reference category: > 500 employees)		9	.000	
10–19 employees	-.444	1	.000	.641
20–49 employees	-.588	1	.000	.555
50–99 employees	-.609	1	.000	.544
100–149 employees	-.311	1	.000	.733
150–199 employees	-.085	1	.000	.919
200–249 employees	-.286	1	.000	.751
250–299 employees	-.294	1	.000	.745
300–399 employees	-.155	1	.000	.856
400–499 employees	.198	1	.000	1.219
No collective agreement	-.217	1	.000	.805
Industrial relations at company (reference category: no employee representative at establishment)		2	.000	
Management refuses	.031	1	.000	1.032
Management agrees	.199	1	.000	1.221
Constant	.509	1	.111	1.663

Base: Establishments with management interviews

Source: ESWT, 2004–2005

Table A10: Possibilities to refuse overtime, results from a stepwise logistic regression

	Regression coefficient B	Df	Significance	Exp(B)
Country (reference category: Slovenia)		20	.000	
AT	.083	1	.024	1.086
BE	.231	1	.000	1.260
DE	-.705	1	.000	.494
DK	.231	1	.000	1.260
EL	.337	1	.000	1.400
ES	.446	1	.000	1.561
FI	1.250	1	.000	3.489
FR	.023	1	.498	1.023
IE	.119	1	.005	1.126
IT	.680	1	.000	1.974
LU	.027	1	.738	1.027
NL	-.175	1	.000	.840
PT	1.109	1	.000	3.031
SE	-.241	1	.000	.786
UK	.978	1	.000	2.658
CZ	1.105	1	.000	3.019
CY	.318	1	.000	1.374
LV	.278	1	.000	1.321
HU	-.629	1	.000	.533
PL	.888	1	.000	2.430
Sector (reference category: Social and personal services)		12	.000	
Mining and quarrying	.259	1	.100	1.295
Manufacturing industries	.312	1	.000	1.366
Electricity, gas and water supply	-.177	1	.000	.837
Construction	.223	1	.000	1.250
Retail, repair	-.132	1	.000	.876
Hotels and restaurants	-.258	1	.000	.773
Transport, storage and communication	-.404	1	.000	.667
Financial intermediation	-.077	1	.000	.926
Real estate, renting and business activities	-.327	1	.000	.721
Public administration	-.418	1	.000	.658
Education	.141	1	.000	1.151
Health and social work	-.456	1	.000	.634

Table A10: Possibilities to refuse overtime, results from a stepwise logistic regression (cont'd)

	Regression coefficient B	Df	Significance	Exp(B)
Company size (reference category: > 500 employees)		9	.000	
10–19 employees	-.329	1	.000	.720
20–49 employees	-.164	1	.000	.849
50–99 employees	-.331	1	.000	.718
100–149 employees	.106	1	.001	1.112
150–199 employees	-.055	1	.113	.946
200–249 employees	.092	1	.035	1.096
250–299 employees	-.267	1	.000	.766
300–399 employees	.103	1	.019	1.108
400–499 employees	-.164	1	.001	.848
Bad financial situation	.054	1	.000	1.056
No collective agreement	-.051	1	.000	.950
Industrial relations at company (reference category: no employee representative at establishment)		2	.000	
Management refuses	-.076	1	.000	.927
Management agrees	-.206	1	.000	.814
Constant	1.299	1	.000	3.664

Base: Establishments with management interviews

Source: *ESWT, 2004–2005*

Table A11: Selection of overtime workers, results from a stepwise logistic regression

	Regression coefficient B	Df	Significance	Exp(B)
Country (reference category: Slovenia)		20	.000	
AT	1.293	1	.000	3.643
BE	1.406	1	.000	4.079
DE	1.111	1	.000	3.037
DK	1.702	1	.000	5.483
EL	-.528	1	.000	.590
ES	1.041	1	.000	2.831
FI	2.462	1	.000	11.729
FR	1.393	1	.000	4.026
IE	.787	1	.000	2.197
IT	.573	1	.000	1.773
LU	1.451	1	.000	4.269
NL	1.094	1	.000	2.985
PT	.455	1	.000	1.576
SE	1.617	1	.000	5.038
UK	1.404	1	.000	4.072
CZ	1.107	1	.000	3.026

Table A11: Selection of overtime workers, results from a stepwise logistic regression (cont'd)

	Regression coefficient B	Df	Significance	Exp(B)
Country (reference category: Slovenia)		20	.000	
CY	-.152	1	.023	.859
LV	.861	1	.000	2.366
HU	.432	1	.000	1.540
PL	.540	1	.000	1.717
Sector (reference category: Social and personal services)		12	.000	
Mining and quarrying	-.218	1	.000	.804
Manufacturing industries	.270	1	.000	1.310
Electricity, gas and water supply	-.045	1	.141	.956
Construction	.189	1	.000	1.208
Retail, repair	.329	1	.000	1.390
Hotels and restaurants	.250	1	.000	1.284
Transport, storage and communication	.400	1	.000	1.491
Financial intermediation	.668	1	.000	1.951
Real estate, renting and business activities	.414	1	.000	1.513
Public administration	-.091	1	.000	.913
Education	.065	1	.000	1.067
Health and social work	.822	1	.000	2.276
Company size (reference category: > 500 employees)		9	.000	
10–19 employees	-.284	1	.000	.753
20–49 employees	-.397	1	.000	.672
50–99 employees	-.410	1	.000	.664
100–149 employees	-.193	1	.000	.825
150–199 employees	-.392	1	.000	.675
200–249 employees	-.118	1	.003	.889
250–299 employees	-.129	1	.003	.879
300–399 employees	.144	1	.000	1.154
400–499 employees	.068	1	.140	1.071
Bad financial situation	-.019	1	.001	.981
No collective agreement	.046	1	.000	1.047
Industrial relations at company (reference category: no employee representative at establishment)		2	.000	
Management refuses	-.014	1	.121	.987
Management agrees	-.049	1	.000	.952
Constant	-.442	1	.000	.643

Base: Establishments with management interviews

Source: ESWT, 2004–2005

Table A12: *Phased retirement, results from a stepwise logistic regression*

	Regression coefficient B	Df	Significance	Exp(B)
Country (reference category: Slovenia)		20	.000	
AT	1.967	1	.000	7.147
BE	2.249	1	.000	9.475
DE	1.778	1	.000	5.919
DK	1.564	1	.000	4.780
EL	-.274	1	.000	.760
ES	.322	1	.000	1.381
FI	2.016	1	.000	7.506
FR	1.003	1	.000	2.726
IE	1.646	1	.000	5.187
IT	-.160	1	.000	.852
LU	.789	1	.000	2.202
NL	2.348	1	.000	1.467
PT	-.244	1	.000	.784
SE	1.675	1	.000	5.337
UK	2.238	1	.000	9.375
CZ	1.390	1	.000	4.013
CY	.804	1	.000	2.233
LV	1.363	1	.000	3.908
HU	.570	1	.000	1.768
PL	1.351	1	.000	3.861
Sector (reference category: Social and personal services)		12	.000	
Mining and quarrying	-1.285	1	.000	.277
Manufacturing industries	-.263	1	.000	.769
Electricity, gas and water supply	.021	1	.435	1.021
Construction	-.544	1	.000	.580
Retail, repair	-.071	1	.000	.931
Hotels and restaurants	.224	1	.000	1.251
Transport, storage and communication	-.067	1	.000	.935
Financial intermediation	.422	1	.000	1.525
Real estate, renting and business activities	-.071	1	.000	.931
Public administration	.045	1	.000	1.047
Education	.304	1	.000	1.355
Health and social work	.842	1	.000	2.322

Table A12: *Phased retirement, results from a stepwise logistic regression (cont'd)*

	Regression coefficient B	Df	Significance	Exp(B)
Company size (<i>reference category: > 500 employees</i>)		9	.000	
10–19 employees	-.661	1	.000	.516
20–49 employees	-.500	1	.000	.607
50–99 employees	-.439	1	.000	.645
100–149 employees	-.279	1	.000	.756
150–199 employees	-.213	1	.000	.808
200–249 employees	-.096	1	.001	.908
250–299 employees	-.093	1	.004	.911
300–399 employees	.023	1	.404	1.023
400–499 employees	.254	1	.000	1.289
Bad financial situation	-.295	1	.000	.744
No collective agreement	-.051	1	.000	.951
Industrial relations at company (<i>reference category: no employee representative at establishment</i>)		2	.000	
Management refuses	.049	1	.000	1.050
Management agrees	.249	1	.000	1.282
Constant	-.847	1	.000	.429

Base: *Establishments with management interviews*
 Source: *ESWT, 2004–2005*

Annex 3 – Regression analysis: Management refusal and employee representative assessment

A closer look was taken at the determinants of management refusal and of the employee representative assessment by performing a binary logistic regression analysis. First, the analysis looked at management's refusal to permit an interview with the employee representative, which can be explained in different ways. However, it is possible to presume that some of the managers who refuse an employee representative interview do so because they do not want the employee representative to be interviewed on the establishment's working time policies.

Table A13 below shows the results of the logistic regression regarding management's refusal for an employee representative interview. The reference category consists of establishments where a formal employee representation body exists and where the manager does not refuse an employee representative interview. Higher coefficients thus indicate a higher refusal rate in the establishments in the considered category. As was the case for the analysis of the incidence of formal employee representation bodies, the regression analysis will be performed in different steps, by gradually adding explanatory variables. Staff characteristics are not included in the analysis. It is difficult to imagine how these characteristics would interact decisively and, indeed, when they were included as explanatory variables in the analysis, no significant results emerged.

In general, it can be concluded that the overall explanatory power of all three models for both indicators – management refusal and employee representative assessment – is not entirely convincing. This means that the variance in management refusal or in employee representative assessment can only partly be explained by the establishment characteristics of our models and that obviously other determinants, not investigated in this study, play a role.

Table A13: *Management refusal of employee representative interview (reference category: employee representative identified and no management refusal), results from a binary logistic regression analysis*

	Model	1	2	3
	N	10451	10451	10451
	R ²	.064	.067	.075
Constant		-0.970	-0.896	-0.856
Company size (number of employees)		-0.108	-0.102	-0.102
Sector (reference category: Manufacturing industries (NACE D))				
Mining and quarrying (NACE C)		.179	.227	.219
Electricity, gas and water supply (NACE E)		-.537	-.455	-.477
Construction (NACE F)		.317	.317	.295
Retail, repair (NACE G)		.044	.080	.038
Hotels and restaurants (NACE H)		-.094	-.058	-.107
Transport, storage and communication (NACE I)		.062	.126	.112
Financial intermediation (NACE J)		.015	.080	.042
Real estate, renting and business activities (NACE K)		-.027	.013	-.023
Public administration (NACE L)		-.853	-.670	-.755
Education (NACE M)		-.284	-.122	-.162
Health and social work (NACE N)		-.518	-.373	-.411
Other community, social and personal services (NACE O)		-.152	-.066	-.109
Establishment social dialogue typology (reference category: TU voluntary system; limited influence)				
WC dominant; strong influence		-.172	-.177	-.165
WC dominant; limited influence		-.529	-.604	-.577
Mix WC/TU; strong influence		-.203	-.244	-.243
Mix WC/TU; limited influence		.416	.386	.357
TU nationally coordinated; strong influence		-.947	-.940	-.933

Table A13: Management refusal of employee representative interview (reference category: employee representative identified and no management refusal), results from a binary logistic regression analysis (cont'd)

	Model	1	2	3
	N	10451	10451	10451
	R ²	.064	.067	.075
Constant		-0.970	-.896	-.856
Type of establishment (reference category: A single independent company or organisation)				
Headquarters of a number of different establishments			-.225	-.229
Subsidiary of a number of different establishments			-.231	-.237
No answer			.148	.091
Type of ownership (reference category: Private sector)				
Public sector			-.201	-.203
No answer			-.348	-.368
Financial situation (reference category: Quite good)				
Very good				.173
Quite bad				-.034
Very bad				-.360
No answer				.528
Evolution in employment (reference category: stayed about the same)				
Increased				-.013
Decreased				-.215
No answer				.559

Base: All establishments (management interviews)

Source: ESWT, 2004–2005

A first clear relationship that emerges is that the incidence of management refusal decreases as the size of the establishment increases. This supports an earlier interpretation in this study that managers in smaller organisations may refuse an interview because the social relations at the establishment are less formal and because the management considers to be able to express both the management views as the employee views.

The relationship between the management refusal and the establishment's sector of activity is not very strong. Public administration, and health and social work on the one hand and construction on the other seem to differ significantly from the reference category (manufacturing industries). The incidence of management refusal is much lower in the public administration, and health and social work sectors, while managers in construction refuse an employee representative interview significantly more often than managers in all other sectors, even independently of the establishment size.

With regard to the country typology of the social dialogue bodies at establishment level and its relationship to the incidence of management refusal, most results are significant; however, it is difficult to identify a clear pattern. The Scandinavian Member States (Denmark, Finland and Sweden) – classified as 'trade union representation, nationally coordinated strong influence' – have a lower probability of refusing an employee representative interview. In contrast, Greece, Italy, Portugal and Spain – clustered in the 'Mix works council/trade union system with limited influence' group – show the strongest probability for management refusing an interview with the employee representation. Again, the dichotomy emerges regarding management refusal between countries in which formal employee representation bodies

can exert a strong influence on the establishment’s management and countries where this is not the case. Nonetheless, the opposition is not so clear, since Hungary – considered as ‘works council dominant with limited influence’ – recorded significantly less management refusal of an employee representative interview than the reference category. The country dichotomy, however, is incomplete, since the countries with strong works councils – Austria, Germany, the Netherlands and Slovenia – statistically do not differ from the reference category (‘trade union representation voluntary system with limited influence’) – that is, Cyprus, the Czech Republic, Ireland, Latvia, Poland and the UK.

Regarding the type of organisations, management refusal is significantly higher in single independent organisations than in other organisational structures. The results regarding the ownership type are in line with what was reported in the descriptive overview: management refusal is significantly lower in public sector establishments.

A final set of explanatory variables describes the financial situation of the establishment. Concerning management refusal for an employee representative interview, the social relationships are rather counter-intuitive. The only unsurprising result is that managers who are not willing to answer the question on the financial situation of the establishment, also more often refuse an employee representative interview. However, what is surprising is that establishments in which management reports the financial situation to be very good are also more likely to refuse an employee representative interview, and that in establishments where employment has declined over the past years, management is less inclined to refuse an employee representative interview. In this latter case, managers are significantly less inclined to refuse an employee representative interview. The authors would have assumed the contrary, namely greater willingness to permit interviews where the financial situation is better. This result only confirms that there are most probably many factors explaining why management refuses an interview with the employee representative, which are not included in the present study’s explanatory model.

Table A14 outlines the logistic regression results of the analysis of the employee representative assessment of their relationship with management. The figures are to be interpreted as follows: higher coefficients indicate a higher incidence of strained relationships between employee representatives and management, since the reference category in this analysis is composed of employee representatives who indicate that their relationship with management is ‘quite to very’ cooperative.

Table A14: *Employee representative assessment of management relationship (reference category: cooperative management relationship), results from a binary logistic regression analysis*

	Model	1	2	3
	N	5166	5166	5166
	R ²	.085	.089	.100
Constant		-2.228	-2.243	-2.298
Company size (number of employees)		.053	.046	.050
Sector (reference category: Manufacturing industries (NACE D))				
Mining and quarrying (NACE C)		.080	.010	.064
Electricity, gas and water supply (NACE E)		.160	.167	.265
Construction (NACE F)		-.155	-.149	-.110
Retail, repair (NACE G)		-.350	-.372	-.301
Hotels and restaurants (NACE H)		-.110	-.142	-.061
Transport, storage and communication (NACE I)		.010	-.018	.013
Financial intermediation (NACE J)		.050	.003	.095
Real estate, renting and business activities (NACE K)		-.218	-.228	-.156
Public administration (NACE L)		.061	.073	.095
Education (NACE M)		-.604	-.590	-.567
Health and social work (NACE N)		.114	.097	.156
Other community, social and personal services (NACE O)		.383	.402	.452

Table A14: *Employee representative assessment of management relationship (reference category: cooperative management relationship), results from a binary logistic regression analysis (cont'd)*

Model	1	2	3
N	10451	10451	10451
R²	.064	.067	.075
Constant	-0.970	-0.896	-0.856
Establishment social dialogue typology (<i>reference category: TU voluntary system; limited influence</i>)			
WC dominant; strong influence	.323	.273	.248
WC dominant; limited influence	-.280	-.266	-.327
Mix WC/TU; strong influence	.767	.671	.701
Mix WC/TU; limited influence	1.378	1.346	1.395
TU nationally coordinated; strong influence	-.213	-.287	-.277
Type of establishment (<i>reference category: A single independent company or organisation</i>)			
Headquarters of a number of different establishments		.230	.245
Subsidiary of a number of different establishments		.232	.223
No answer		.726	.749
Type of ownership (<i>reference category: Private sector</i>)			
Public sector		-.038	-.092
No answer		-.009	.005
Financial situation (<i>reference category: Quite good</i>)			
Very good			-.014
Quite bad			.432
Very bad			.290
No answer			.101
Evolution in employment (<i>reference category: stayed about the same</i>)			
Increased			-0.265
Decreased			.019
No answer			.603

Base: *All establishments (management interviews)*

Source: *ESWT, 2004–2005*

A first conclusion is that there is no significant relationship between establishment size and social climate as assessed by the employee representative. Establishment size does not have a significant influence on whether the employee representative considers the relationship with management to be strained. The relationship between the employee representative assessment and the establishment's sector of activity is not strong either. Although the first regression table indicated that management in the construction sector refused an employee representative interview significantly more often than managers in all other economic sectors, the coefficient of the employee representative assessment of the social climate is not significant for this sector. Therefore, it cannot unequivocally be assumed that the management refusal and the employee representative assessment of a strained relationship go hand in hand. A positive assessment of the employee representative and management relationship is found in the retail and repair sector, and even more markedly in the education sector. As no clear relationship emerges between the employee representative assessment of

a strained relationship and the establishment's basic characteristics (namely, its size and sector of activity), this points to the fact that other factors (such as company-specific local circumstances) play an important role.

In contrast to the explanation of the variance of management refusal, the social dialogue country typology does not follow a clear pattern in explaining the employee representative assessment either. There are no statistically significant differences between the reference category (TU voluntary system; limited influence) and the works councils cluster (both strong and limited influence), and between the reference category and the other trade union cluster (strong influence), as in the Scandinavian countries. Contrary to the findings regarding management refusal, countries with formal employee representation bodies at establishment level with only limited influence do not appear to have a worse social climate according to the employee representative assessment. Thus, in countries where employee representation bodies have only a limited influence, managers are more inclined to not permit employee representatives to give their opinion; however, when asked, the employee representative does not consider the social climate to be worse than elsewhere. The two clusters that combine works councils and trade unions at the establishment – with strong or limited influence on management – share high levels of dissatisfaction among the employee representatives regarding their relationship with management. Establishments in Greece, Italy, Portugal and Spain seem to have a greater tendency for employee representatives to assess the relationship with management as strained.

The establishment type appears to be quite a strong factor, both in predicting management refusal of an employee representative interview and the employee representative assessment. For instance, management refusal is more prevalent in single independent organisations. At the same time, for establishments where there was no management refusal and an employee representative interview did take place, the employee representative assesses the social climate to be better in these single independent organisations. The combination of these two indicators – management refusal and employee representative interview – pointing in different directions makes it difficult to draw any conclusions regarding the social climate at the establishment. Probably, it also confirms that the two variables cannot be linked. In more complex organisations, with both headquarters and subsidiary sites, the combination of low management refusal and a more negative assessment by the employee representative can be found. The results for the ownership type are completely in line with what was reported in the descriptive overview: the employee representative assessment of the quality of the relationship with management does not differ between public and private sector establishments.

With regard to the employee representative assessment and the establishment's financial situation, the survey results reveal the expected patterns: strained relationships between employee representation and management are found more often in companies where the financial situation is poor and less often in companies where employment has increased over the past years.