

The operations and function of European Works Councils: The case of Electrolux AB

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1. Company profile

Electrolux AB is a Swedish based, global operating consumer products company. Main products areas are white goods (refrigerators, washing machines etc), vacuum cleaners, chain saws, lawn movers and other advanced gardening products. Through acquisitions, especially in the 80th and 90th, Electrolux is now a multi-brand company with in the market well known names such as Electrolux, AEG, Zanussi, Husqvarna, Eureka, Partner.

The company's annual turnover is around 15 billion Euro (2001) where Europe stands for about 47%, North America for about 39% and the rest of the world 14%. In Europe the major production facilities are to be found in Italy, Sweden and Germany but also in a number of other countries including Hungary and Rumania outside of the EU. Total number of employees are over 80 000 world wide – over 60% in Europe, under 30% in North America and just above 10% in the rest of the world. The gender distribution is 70% men and 30% women amongst the work force. From 1991 to this date the number of employees have gone down from 130 000 to 80 000.

Electrolux AB is noted on the stock markets in London, Stockholm, Paris, Zurich and NASDAQ. 60% of the shares are Swedish owned where the Wallenberg Group (an important Swedish industrialist family) holds a major influence.

Electrolux AB was established in 1919 through the merger of two small Swedish companies Elektromekaniska and Lux. Based on the production of vacuum cleaners and refrigerators under the management of the major shareholder Axel Wenner-Gren Electrolux developed a leading position in household products in Sweden. In the 50th and 60th Electrolux strengthen its position by purchasing other Swedish companies such as Husquarna and ElektroHelios (still important brands in the company). During this period it also expanded outside Sweden by establishing or acquiring production in South America as well as Scandinavia

The company's global expansion started for real in 1974 by acquiring the north American vacuum cleaner company Eureka and continued during the 80th and 90th by acquisitions of among others Zanussi 1984, leading whiteware-.company in Italy, Paris-Rhone (1981) in France, Thorn-EMI/the UK 1987, household products from the AEG-group in Germany, white goods and a number of companies in the US (White Consolidated, DuoTherm, Poulan/weedeater, Frigidaire, Partner, Seitz et al). The rapid global expansion lead to a very diverse structure and product mixes with losses of profits as a major challenge.

¹ With the contribution of Prof. Mirella Baglioni, Italy

In **1997** the new management launched a restructuring plan to increase efficiency and lower the costs based on defining core-activities and products, streamlining production flows. Over 14 operations were disposed of with over 22000 employees worldwide.

The present development strategy for the company builds mainly on

- a yearly *growth* of 100 mil Euro mainly through organic growth, increased product development and innovation (intelligent homes, design and function, environmental efficiency and low operating costs), customer orientation and marketing focusing on the most value-generating brands and to some extent continuous acquisitions
- increasing *cost-reductions and efficiency in the use of resources* through establishing a new pan-European structure, efficiency in the production and distribution flows, lowering costs on sales and administration, new products and products platforms, out-sourcing and purchasing efficiency

Six common processes for internal development are defined for the entire organisation:

- Branding strategies
- Product development (consumer surveys, generation planning)
- Co-ordination and standardisation in the support functions
- Integrating the flows of products and information between the group, suppliers and re-sale
- Purchasing co-ordination and optimisation
- Personnel policies and processes (attractiveness, talent management, value-based reward systems)²

For the European operations the past years have contained major changes built on reducing costs and complexity. In 2001 three production plants were closed and new product platforms were introduced and the total number reduced to make the production less complex. Product development was concentrated to major plants and the brand organisation centralised to Brussels.³

The present organisation is based on two business areas; consumer products and professional products with indoor- and outdoor products in both areas. For development activities and managerial structure there is also a clear division between North America and Europe.

² MD Michael Treschow in the 2000 annual report

³ Annual report 2001

2. Method

The report is based on interviews in Sweden (Per Tengblad) and Italy (Mirella Baglioni) and on official information (annual reports 2000 and 2001, web-site material) as well as the EWC-agreement and protocols from EWC-meetings. Interviewed persons are

Manager insiders;

- HR Vice president Swedish Headquarter and chair of the EWC
- Manager of social and labour relations in Italy and member of the HRM of the group, **Secretary General** in the committee.

Union/employee representative insiders;

- Swedish member of the EWC and the steering group, also member of the board of the parent company and chair of the Swedish Metal Workers Group-committee in Sweden
- Italian member of the EWC and steering committee and member of works councils UILM

Management outsider:

- HR-director Porcia Factory

Union/employee representative outsider:

- Health & Security Officer at the Motala-factory, Sweden and member of the Swedish Metal Workers Unions steering committee in Electrolux Sweden
- Works councils member FIOM-CGIL, Porcia-factory Italy

The report has been reviewed by representatives of the company before publishing it in this form.

3. The EWC

The agreement of the Electrolux European Works Council (EWC) has been signed in accordance with article 13 on the 3rd of February 1995 and later renewed on the 23rd March 2001 and is valid through to 2007.

The general outline of the agreement is “to provide information to, and the opportunity for exchange of views....on significant issues of transnational nature. In doing so, it is hoped that an organisation with truly international perspective can be developed where diversity..is seen as an asset.. help sustain an environment which respect transparency and offers fairness of dealing for all the people working in the organisation...(1.1) The discussion must continually reflect the context, heritage, culture, competitive position and evolving organisation of the Electrolux Group...the key employment relationships is that between the individual team member and his local operating unit...(1.2) the structure should not encroach onto those subjects which are best discussed at local level.”(1.3)

The contents of the EWC is described as “..a constructive exchange on views on matters related to the Group’s industrial, economic, commercial, financial, technological, structural and human resource matters...(2.2)....Any subjects related to an individual business unit or country will not be the subject of debate..(2.4)..Issues related to remuneration, compensation, benefits or terms and conditions of employment will be excluded.... (2.5)

The EWC consists of in total the following representatives, based on number of employees in the concerned countries (one representative where the total number of employees is less than 4,000. Where there are between 4,000 and 7,999 employees in a country two representatives can be selected. In countries where there are 8,000 or more employees three representatives can be chosen to attend the EWC. Moreover, the employee representatives on the board of Electrolux AB and their official deputies will select two from their number to act as representatives on the EWC. These representatives will be additional to the representatives appointed in accordance with the standard formula for country representation.) in Europe (EU, Hungary and Romania):

EWC	Country	Employees	EWC	Country	Employees
3	Italy	11400	1	Switzerland	1000
2	Sweden	6600	1	Austria	900
2	Germany	5700	1	Belgium	800
1	Spain	3000	2	Hungary	4200
1	United Kingdom	2300	1	The Netherlands	450
1	France	2200	1	Norway	350
1	Denmark	2000	1	Finland	320
1	Romania	1100	1	Ireland	140
1	Portugal	60	1	Greece	110
1	Luxembourg	50			

Portugal, Greece and Luxembourg have not appointed their representatives, by the time of this report being written.

The meetings of the EWC are held normally once a year, if not summoned by a special occasion. The meeting consists of a one or two- day pre-meeting for the employee representatives followed by the “real” EWC-meeting for one and a half-day and half-a-day summary meeting for the employee representatives.

In order to a more efficient continuous dialogue with management and to administrate and prepare the EWC-meetings a Steering Group is stipulated in the agreement, consisting of three representatives from the employee side who are assisted by two external advisors (as a rule a representative of the EMF and a representative of the Swedish Metalworking trade union) and Group management representatives. A General Secretary is chosen from the management to take responsibility and use the Steering Group’s competence in the most efficient way. It normally meets 4-5 times a year. The current joint structure of the Steering Group is the positive experiences of the small co-operative body which was created to audit the large restructuring process between 97 and 2000. The external advisors’ main area of input concerns labour, economy and employment.

The Steering Group jointly decides upon the agenda of the EWC meeting with suggestions beforehand from the EWC-representatives. The content of the meetings is agreed upon 60 days before the meeting between the Steering Committee and its final agenda is fixed at latest 15 days before the meeting.

The main issues on the EWC-meetings are the company’s strategic development and restructuring issues. The meeting follows normally an agenda consisting of

- Information from the MD (CEO) of the Group
- Information from the presidents of the business sectors and (if relevant) heads of staff functions
- Questions from the employee representatives

Almost at the start of the EWC the Electrolux Group went into a major restructuring process where the EWC and a smaller group became important tools for dialogue between management and employee representatives on the change process. The last meetings has been much focused on continuous change in the European Electrolux Home Products as well as problems on manufacturing and divestments taken up by employee representatives. Also a Code of Conduct on social and environmental issues has been discussed.

4. Influences

The agreement lays down the Council as an arena for providing information and exchanging views – information and consultation - on transnational issues. Even if the construction is not an arena for negotiations there are of course ambitions from the employee representatives of influencing the decisions made by top management that has great implications for the employees. In that respect there is no formal influence at the general meetings on specific issues, which is also confirmed by the employee representatives. The influence is more of an informal one – through the contacts and exchanging of views – both formally at the meeting and during socialisation “outside the conference room”. Influences might be achieved not in the business decision itself but how it is carried out, as long as it does not interfere with national legislation. You can look upon the EWC as an arena in between the Groups strategic decisions and HR-management and the influences regulated in the national framework and industrial relation traditions.

Important aspects that has influenced the relations and the joint work are the company’s situation and the dominating industrial relations in the countries concerned - primarily Sweden and Italy but also Germany - where you have had the large production sites and also earlier self sufficient national companies before the great acquisition period. The EWC were introduced in a period when the company were in the midst of integrating operations in the framework of developing a global group structure. At the same time the company went into a big restructuring period. Using the EWC for dealing with these challenges was important to management (see down).

The different union and industrial relations structures can be illustrated by looking upon the Swedish and Italian situation. In Sweden you have a coherent union structure with few unions built on strong representatives of employees in the company being union representatives at the same time. There is union representation at the board of directors as well as co-determination through negotiations between management and unions. In Italy you have the situation of national and regional unions as well as company employee representatives. In the Italian company there is a participatory system of industrial relations that provides for particular means of co-operation - information, consultation, bargaining and control.

The Steering Group plays an important role in its more continuous dialogue. It plays an active role through their function of following up the restructuring process and also with many contacts through telephone and mail. Also the Swedish delegates in their roles as board members can use their information and informal contacts to push for certain issues.⁴

The Swedish representatives gain information through their board representation and can in that role influence. From the Swedish representative’s point of view the EWC therefore has had a greater added value for other representatives both on getting information and knowledge and the possibility to express their views. This is also confirmed by the Italian respondent, especially on getting information and knowledge (but not on the decision itself, see down).

⁴ At one time, for instance, the Swedish member in the SG set up a meeting between the German representatives and the top management on a restructuring issue that had great impact on the German operations.

You can identify different attitudes to the possibilities of influencing through the EWC. The Scandinavians, especially the Swedes are perceived as rather passive and co-operation oriented, resting easy with the options and purpose of the EWC. They rely more on socialisation through informal contacts and networking. While the “southerners” (Italy, Spain, France and Belgium) partly together with the UK and the Netherlands holds a more active and conflict-oriented attitude. In that they see themselves as more integrated in the EWC. At the same time the Swedish representative with close relationship to management has the ability to influence on a more informal way. Partly this mirror the differences in union and industrial relation traditions but also the fact that the Scandinavians (Swedes) are geographically and culturally “closer” to the top management. It also reflects that the Scandinavians are rather “happy” with the EWC not being a negotiation body, while the southerners are more frustrated. The difficulties in finding a joint union perspective of the EWC role, the different national and regional cultures and traditions plus the fact many of the transnational issues on restructuring almost everytime contains built-in conflicts over jobs and employment are in themselves three major drawbacks for getting influence.

The interaction and exchange of different perspectives and cultures has in itself the potential of learning and supporting the development of a joint culture. On the management side a joint culture has been developed – much more than on the employee side. In what way does the EWC influence a joint culture – an ambition that has been stated in the agreement? There is evidence as shown above that both national and regional differences play an important role in slowing down this process. The underlying problem is that the employee representatives get their mandate from the bottom. And it’s difficult to take an overall view in the Group interest when local members suffer. What is good for the Group on a European or global level doesn’t necessarily mean that it’s good for operations and jobs on the local level. Management on the other hand get their mandate from the top and has to take that consideration first hand.

In this aspect competition has been developed between different countries and sites especially during the restructuring period. According to the Italian respondents national/local agreements on productivity and flexibility helped secure Italian jobs on the sacrifice of German jobs. The same has been the case for Spanish versus British jobs. The EWC role in this matter has been to supply an arena for discussions on this – the competitive situation had arisen anyway. The question in this case is if it made any difference. According to the Swedish representative it clearly opened up the communication channels.

Has the EWC influenced the managerial behaviour, decision making and general organisational structure? From the employee side this has not been seen. The management doesn’t either see that kind of influence. It hasn’t changed where the decisions are made. During the last years a number of issues has been addressed on the European level – but that has been initiated from a business and market perspective. The EWC fitted well into that development, by using it as a suitable arena for dialogue. It has therefore more been the case of integrating new information and communication flows in the decision making. Important though for the functioning of the EWC has been the positive attitude from top management. The former MD had a very offensive and positive approach to the EWC and lay down much effort in seeking dialogue - where the handling of the restructuring process were one important evidence.

Has the EWC influenced and changed union behaviour and local industrial relations?

On a basic level there is evidence that the EWC has influenced the development of industrial relation structures in those countries with a low tradition in this area, strengthening the union and employee representatives position (examples from Hungary and Romania). For a number of employee representatives there has been an increase in information and knowledge. The use of the pre-meetings for lectures and training has also played a role. But there is no evidence that union and industrial relations have been changed as a result of the EWC-dialogue, at least not in the more “mature” countries. It is rather the opposite case – national and local traditions influence the EWC.

5. Process

The Electrolux EWC had now been running for more than 7 years. The agreement has been changed once (in 2001) mainly as a confirmation on the process developed during the first years, for instance the role of the Steering Committee. But it is also oriented towards the EU expansion and includes both Hungary and Romania.

Interaction between employee representatives and group management

The process of the EWC can be seen as a combination of

- The preparation, carrying out and wider-information of the formal meetings
- The continuous meetings between top management and major employee representatives in the steering group
- Informal contacts, telephone meetings, e-mail communication between members of the steering group and management on the one hand and steering group representatives and the rest of the EWC on the other hand.

The *preparation of the EWC-meetings* has been developed over the years. Normally the agenda is prepared jointly in the steering group. In this they also decide whom from the management that should be present. The EWC-representatives get information beforehand including minutes from the continuous steering group meeting.

During *the pre-meeting* there are reports from each county as well as preparing questions for the management meeting. Sometimes there is lectures or training – often on economy and market issues (i.e. branding) included and is then expanded from one to two days.

On *the EWC-meeting itself* the MD(CEO) of the Group always attends and gives a general view of the Groups development. Business area managers also provide information, and sometimes also the HR-manager gives a general statement on HR-issues. Talent management and social code of conduct have been two issues that have been addressed. Special questions from the EWC representatives have then been taken up. The strategy from management is to inform as much as possible, even issues that might go beyond a more strict interpretation of the agreement. An important part of the EWC meeting is a joint dinner with possibilities of more informal discussions.

The minutes of the meetings are being drawn up by the General Secretary, agreed upon by the Steering Group and are circulated to the representatives and are also available on the Group Intranet.

The Steering Group has played an increasingly important part in the process. It started up as a joint party surveillance group for the restructuring process - really in the initiative of top management. In the framework of the members of the steering committee there is a continuing discussion between representatives and management. The representatives in the group also are in continuous contact with the other EWC representatives when issues arise that need their attention.

The *restructuring process* is an illustrative example of a very systematic way of communicating on major changes.

The establishing of the EWC coincided with the ambition of the top management (MD/CEO Michael Treschow in particular) to launch a large restructuring program in the Group (see above). Treschow evidently saw the possibility of using the EWC as an arena for information and the exchange of views on the change process – not negotiations but well enough consultation (a “strong” consultation as expressed by the HR manager). By creating a surveillance mission for the steering group this group developed a more active role on a joint-party mandate.

When the restructuring plans – after being decided in the company board - were made public they were at first informed to the EWC, and after that locally and to the press. There were some leakage of information, but not too serious and the confidentiality of the EWC is now undisputed.

In the Steering Group the overall issues and transnational relocations etc were discussed and conflicting items treated. The negotiation processes were all the time handled at the local level.

Though the process of the restructuring was troublesome for many parties involved, the overall experience on how the process was driven has been positive from the concerned players. In a situation of downsizing and relocation there are almost always winners and losers. The openness and readiness for dialogue seem to have created a climate of understanding on the necessity of the actions taken – even if you can see frustration on how to get a real influence from the local perspective.

According to one of the employee representatives the restructuring process in Electrolux has been seen as a successful one in terms of social aspects and dialogue from the European Union.

Interaction among employees

On the interaction between the employee representatives from the different countries the cultural backgrounds and different industrial relations. Networking and informal contacts has developed but still they have difficulties in reaching common standpoints - especially on the important issues of restructuring. There are no actions of solidarity as everyone is aware of the limitations of the EWC on the decision making itself. At the same time the EWC creates a forum for information on the situation in the different countries and part of the company - terms of employment, productivity etc and in this benchmark opportunities. Information circulated within the EWC pushed local negotiators to pay attention to the competitiveness of their sites.

Oral *information* is spread further from the EWC-meetings depending on the national union structures. In Sweden this is done by the chair-group – an internal union group consisting of the chairs of all the sites in Sweden. In Italy there are joint committees – works councils, surveillance boards that are the fora for further information. Getting effective information on EWC matters to all employees is one issue that is of much concern for the Swedish representatives.

Interaction within management

On the management side the work in the EWC seems to be well integrated though there is no obvious arenas for managerial discussions on EWC-issues within the Group. The EWC minutes are made available on the company Intranet.

6. Outcomes and impacts

To identify outcomes and impacts you have to start with the agreement and from this listen to the evaluation made by the players in relation to their expectations.

The direct goals are: establish *arrangements*...that can *provide information* and the *opportunity for exchange of views*.

Indirect goals or effects of the above are:...an organisation with *a truly international perspective* can be developed where *diversity* is seen as an asset...*transparency* and offers *fairness of dealing* for all the people working in the organisation.

The players interviewed all seem to be very satisfied with the first set of direct goals:

- The arrangements – the EWC meetings and its participants, the role and work of the Steering Group, the informal contacts seems to be working very well
- The information – at least the ones that get it first hand – seems to be more than satisfying which also mirrors the management attitude of “better too much than too little information”
- The exchange of views seems to be working well both on the general meetings and “off record” - both the arena itself and the personal relationships established on that arena.

Employees

From the employee representatives you can identify some dissatisfaction with the outcome - more to be related to the expectations of the EWC being something more than merely an arena for information and exchange. These expectations and perceptions of outcomes differ between different unions and employee representatives. Generally speaking you can say that the Swedish didn't have that much of expectations. Through the co-operative system they already had a lot of information and informal relations for influencing the group management. They see the positive outcomes for the other countries with weaker systems for influence - employees getting information and relations they didn't have before.

The Italian employee respondents on the other hand seems not to share this view, mainly because of the higher expectations of the EWC as a real vehicle to influence company decisions. They get more information - but are uncertain what to do with it.

Management

Management on general seem to look upon the outcomes as positive. What they primarily see as positive is that it fulfils a role in the managing of human resources of sharing information in broadening the company culture. The MD(CEO), for one thing, sees and talks to people he otherwise would not. It opens channels and has an impact on corporate value.

From a managerial point of view it is working even better than stipulated in the agreement, mainly through the process of building relationship and trust.

It seems also evident that the perception of the EWC diminishes on the lower managerial levels.

Human resource management and industrial relations

The perception of the EWC impact on human resources and the relations between management and employees relates in a high degree, as stated above to how the purpose is perceived by each player based on his expectations. The different roles between trust-builder and negotiation decision-maker are here important. Management tend to prioritise the former while many, especially southern, employee representatives is more for the negotiate role.

The most evident example of the problems of defining the EWC as a trustbuilding discussion forum and/or as a forum for negotiation is the issue of the *Code of Conduct*. In dealing with this issue the employee representatives wished to try the possibility of a joint decision-making and that this document was perceived as a good starting opportunity.

The code of conduct was originally initiated by the Group in order to fulfil public and consumer demand on Electrolux holding at least a minimum standard on social issues (child labour, minimum wages, union rights etc) worldwide. When this issue appeared as an information issue on the agenda – the reaction from the council were that this should be a joint issue and declaration between the Group and the EWC. Management here took the standpoint that they were not ready for this development.

Arguments, among others, were (or could have been) that the Code

- were based on international guidelines and conventions (ILO, OECD)
- originated from external aspects (public opinion, customer attitudes)
- was to be implemented world wide and not just Europe

You could also argue that some of the areas of the code were on issues which were stipulated should not be the issue of the EWC (terms of employment etc).

The EWC, and especially its active role in the restructuring process, has had an impact on the industrial relations in the Group. In Italy you can clearly see a connection between developing local agreements on productivity and flexibility and the discussions in the EWC and among Group Management on how to restructure the company.

Another impact is a rise in the minimum standards of industrial relations throughout the European countries involved – especially important in the new EU-states.

7. Discussion and analysis

General conclusions

The Electrolux case raises a number of interesting issues concerning the developments of EWCs, many about the issues of change and restructuring, out-sourcing and acquisitions in a transnational environment. Electrolux has a history of growth through acquisitions and has in this incorporated a number of companies with different national and company cultures – not totally integrated. In that situation, to launch a very radical structural change, including selling out and/or dismissing over 20000 employees (worldwide) is of course a challenge. The management chose to actively use the EWC in this process.

The process of transnational restructuring

The challenge of getting a joint employee strategy on restructuring when you are competing of jobs, using different tools for getting influence is not that easy. An open management attitude is and was a pre-requisition but not enough. The transparent process – which every one agrees upon were open – also gave hope on possibilities “to make a difference”. For those who lost jobs and site this were not the case. The process gave them “a day in court” – the right to state their case – but not to really change the strategy. And it was also very well understood that the real negotiations were to be carried out on the national level. It also gave the representatives (in the Steering Group) continuous information and monitoring giving the opportunity if not influence what should be done, but in some ways how it should be carried out. Through this deep involvement you also enhance the possibilities of informal influence. A way of influence which is both difficult to measure and difficult to inform about.

The role of the EWC as a body for influence

Expectations on the role of the EWC together with national cultures on industrial relations create both frustrations and satisfaction on the role of the EWC as a body for influence. It is a question of negotiations versus consultations. The management perspective is to use the body as a way of information, discussion and getting acceptance. The Swedish/Nordic union perspective could in short be described as developing a (minimum) standard of union influence all over the Group (local impact) and creating a forum for informal contacts (transnational impact). The Italian/southern union perspective is both to have the possibility of raising local issues and to actually influence decisions on a transnational level. From an IR-perspective you could see it as a choice between on the one hand formal, conflict-oriented relations versus informal, co-operative relations. There is also the difference between dealing with truly transnational issues and using the EWC as a possibility to raise an issue from the national level. Putting these two aspects together you get the following matrix:

Industrial relation strategy	Formal/conflict-oriented	Informal/co-operative
Level		
National/local issues	Not an EWC-issue – national negotiations	Could be raised, listened to but formally dismissed according to the agreement
Transnational/European	Ambitions from part of the EWC	According to the agreement

Another area of problems in defining the EWC role is the issue on HR-policies. The basis is national negotiations on terms of employment, remuneration etc. At the same time the Group develops strategies and policies both on a European and a global level.

The problem is to take a European HR-perspective when

(1) Issues of remuneration and terms of employment are excluded from the agreement and national structures and legislation has to be taken into consideration

(2) The Group has an interest it goes beyond Europe and the issue is really considered as a global strategy as were the case with the Code of Conduct.

The internal procedures

In the Electrolux EWC there has been a development towards a more important role of the Steering Group – not just for agenda setting, but for a continuing dialogue between management and employees representatives.

The EWC could be looked upon as a parliament where you can identify the rising importance of government (the Steering Group) and its processes – internally and formal with management as well as connections and communications with the greater council. As an effect of the EU enlargement this will be even more obvious. But it is also an issue of getting an effective influential structure. The traditional EWC-meetings have a tendency of informing (from management) and responding (from the employee representatives) rather than an effective dialogue, where the Steering Group has better opportunity. But then you have to be very careful with the representative structure.

In order to make the dialogue more efficient there is also the problem of knowledge and training – language and economy.

Future developments

Through the experiences of the intense work in the EWC in general and on the restructuring process in particular the players in Electrolux see two important changes in the future development.

One is of course the enlargement where Electrolux already has taken steps in incorporating some of the countries in the EWC (Hungary and Romania). This will probably lead to a smooth process, but might influence the roles between the steering committee and the now even larger EWC as a whole - leading to more emphasise on the steering group.

The second issue is developing the consultation role towards negotiations. The management respondents see this as a probable development, where more "soft" issues might be considered for negotiations. Here you have different opinions among the Employee representatives where the Italian employee respondent is more eager to go on this road than his Swedish colleague is.

Summing up - key aspects

The Electrolux case is especially characterised by the following;

- A company going through major changes - cultural integration, restructuring, relocations and closures
- A management active in using the EWC in the change process
- A process characterised by building trust through socialisation and developing the consultation role of the EWC
- Making the problems of integrating different union and industrial relations evident