

TCAs in practice

Cooperation of company-based and trade union employee representatives for the implementation and monitoring of international framework agreements in multinational companies

1st Transnational Project Workshop

February 29th to March 2nd, 2012 in Hamlin (Germany)

National and European union representatives and works council from the companies Pfeleiderer, Wilkhahn, Schwan-Stabilo and Staedler met for their 1st transnational project workshop in Hameln. The focus of the meeting was put on the exchange of information, experiences and practices between the company-based and union actors from Germany, Poland and Sweden about the status of the TCA implementation and monitoring in the involved companies.



The participants of the 1st Workshop at the Wilkhahn site in Bad Münden

➔ Presentation of the Project, the involved companies and their interest representations

In the introduction to the workshop, Gisbert Brenneke of Arbeit und Leben Bielefeld informed about the backgrounds, approaches and objectives of the project. The title of the action “TCAs in practice” alone emphasizes its focus on the Europe-wide manifestation, implementation and monitoring of company-wide agreements in the company-specific and trade union practice. The TCA acronym stands for “Transnational Company Agreements”. These include globally applied “International Framework Agreements” in the enterprises listed above.

In comparison to the project's predecessor (Pfleiderer AG Social Charta), the current PASOC-project includes two essential additions:

The first one is targeted at the contents and political focus: for the effectiveness of the agreements, it is necessary that they are acknowledged and systematically applied throughout the company. This requires that the works council and trade unions are actively involved in the TCA management. Therefore, company-specific and Europe-wide coordinated measures for the implementation and monitoring of the IFAs on the example of Pfleiderer are a central aspect of the cooperation.

The second addendum concerns the model of partnership: The new element consists of the project-related cooperation with the works council of the furniture producer Wilkhahn. Like Pfleiderer, Wilkhahn has agreed on an international framework agreement, but already did so in 2009. The cooperation model is based on the idea that it is unnecessary to make all experiences of the IFA implementation at Pfleiderer new, as it is advantageous to make good use of existing practical knowledge of works council from other



enterprises with IFAs, like Wilkhahn, Staedtler, Schwan-Stabilo. Insofar, the project is more concerned with the continuous exchange and spread of best practice models.

The prerequisite for this cooperation is that the enterprises and the forms of company-based and union-based interest representation on the European locations are mutually known amongst each other. For this purpose, the colleagues Reinhard Deckwer (Pfleiderer AG), Olaf Stender (Wilkhahn) and Jürgen Schlicht (Staedtler) informed with short profiles about the situation of employee interest representation in their specific companies. *(Also compare the enterprise presentations on the PASOC website)*

➔ **Company visit to Fa. Wilkhahn**

Due to the location of the Meeting in Hamelin, it was possible to combine theory and practice of TCA implementation through a field trip to the close-by Wilkhahn production site in Bad Münster. Wilkhahn (Wilkening & Hahne, GmbH & Co. KG) is a worldwide active premium enterprise in the field of office furniture, with a main production site in Bad Münster and additional ones in Spain and Australia as well as worldwide active distribution companies and franchisees in Japan, Morocco and South Africa.

Globally, Wilkhahn employs 545 staff members, 466 of whom live and work in the EU27, 417 in Germany. In 2010, Wilkhahn had a consolidated sales volume of roundabout 81 Million € and an export share of 75%. The enterprise is family-run, and about 25% of the shareholder capital is held by active or former employees who share a part of the profit as silent associates. The enterprise has an advisory board where the silent associates are involved with one representatives.

Wilkhahn has committed itself to a social and ecologic responsible business policy and is a member of the Global Compact since 2007. In 2009, an international framework agreement was drafted as a base for the socially responsible cooperation with the employees and their

interest representation. In total, 11 shop stewards (elected in compliance to German law) are active in the German production site.

The works council led through the site (which is impressive with the modern and awarded architecture of the company building and the workspace) and the accompanying talks with the employees showed that the shop council and the company management already have made several steps for the active implementation of the IFA. These include

secured standards (such as reliable employment relations, payments according to collective wage agreements, employee participation, company-based retirement benefits, further training and education), modern labour organisation (group and project-oriented work), a company culture of suggestions and improvements, ergonomic workspace design, investments in work security and environment protection measures and ecologic responsibility (such as pollutant-optimized production, transport, package and waste management). The monitoring and further development of these standards resolve in annual audits with the involvement of the shop council and IG Metall representatives.



The following discussion with Wilkhahn managing director Jochen Hahne showed, that “Corporate Social Responsibility” in medium enterprises are not a widespread practice. International framework agreements based on ILO norms are usually not implemented. As such, Wilkhahn is still an exception in the German furniture industry. According to Mr. Hahne, the company decided for the agreement as “voluntary commitments alone are insufficient, and binding regulations in the sense of the IFA standards are necessary.“ For Wilkhahn, the IFA is an important step for the implementation of sustainable standards in the filed of employment, social issues, production standards and environment protection for the benefit of all involved parties.

➡ TCA's in practice: Status of the Implementation in the companies

One of the topical focuses of this 1st workshop was the systematic exchange of information about the current status of the TCA implementation in the involved companies.

Based on a structured criteria catalogue, the handling of the agreements by the management and the shop stewards in the involved enterprises and countries were collected in summary reports by the colleagues Frank Bergmann (Pfleiderer AG, EBR), Piotr Morta (Pfleiderer AG Poland), Peter Andersson (Pergo/Pfleiderer AG Sweden), Olaf Stender (Wilkhahn), Gustav Meier



(Schwan-Stabilo) and Jürgen Schlicht (Staedtler). These reports were supplemented by the presentation of the IFA coordinator of the IG Metall Board, Bert Roemer.

In the summary, the following corner points of the implementation status are currently implemented:

- The IFA's were presented in the media, reports and business documents. (Wilkhahn, Stabilo, Staedtler)
- Periodic audits of the national and transnational production sites have been implemented Wilkhahn, Stabilo, Staedtler)
- Social checklists for the implementation and monitoring of the IFAs have been developed and are applied (Wilkhahn, Stabilo, Staedtler)
- A catalogue of measures for the step-by-step implementation of the agreements has been developed (IG Metall)
- The preparation of the implementation of the Pfeiderer IFA has not yet made specific progress; country-specific issues still need to be dealt with; in Sweden (Pergo/Pfeiderer AG), these are primarily problems of cultural and language barriers, in the Polish Pfeiderer production sites, the site management has shown little readiness for the implementation of the agreement.
- The cognizance for the national / International TCA management in the works council is concentrated on the person of the council's chairman, there are no specific boards or IFA appointees of the shop council;
- The information and involvement of the staff is a continuous task even in those enterprises with several years of practice with the IFAs. For the most part, the employees show little interest in the agreement and the details of the agreements are not fully known even to the union workplace representatives.



- The IFA-related exchange between the shop council and the IG Metall administration needs to be made more reliable and steady.
- The direct correlation and usefulness between the IFAs and interest representative measures (at least at the German and European locations) is not yet sufficiently visible.
- A direct use and the greatest impact will result from the IFAs at the non-European locations when the ILO core norms are implemented. For the trade unions, the right of free assembly and free association as well as the right of independent wage agreements are particularly important (ILO Nr. 87 und Nr. 98).
- The systematic IFA monitoring process (evaluation of the standards in audits) can lead to the discovery and acknowledgment of problems and relevant issues within the enterprise which then can be dealt with, e.g. through a company agreement. Insofar, there is a direct connection between the IFA practices and the interest representation in the companies.



The project partners agreed on a continuation of the activities with an emphasis on the following topics: information about the IFA at all company sites, preparation and implementation of an (example) audit for Pfeleiderer; survey of the works council, union representatives and employees about the importance and effectiveness of the TCAs in the companies.

All materials from this 1st workshop are available at the PASOC website at www.pasoc.innopas.eu

March 13th, 2012 / Arbeit und Leben Bielefeld / GB