



Implementation of global framework agreements in transnational value-creation networks: A collaborative approach?

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Advertisements

- Helfen, M., Schüßler, E. & Sydow, J. (2018). How can employment relations in global value networks be managed towards social responsibility? *Human Relations*, doi.org/10.1177/0018726718757060.
- Sydow, J., Fichter, M., Helfen, M., Sayim, K.D. & Stevis, D. (2014). Implementation of global framework agreements: Towards a multi-organizational practice perspective. *Transfer*, 20(4): 489-503.
- Helfen, M. & Fichter, M. (2013): Building transnational union networks across global production networks: Conceptualising a new arena of labour–management relations. *British Journal of Industrial Relations*, 51(3): 553-576.

Transnational value-creation networks and industrial relations: Background

Situation:

A progressing network-based reorganization of value creation challenges the enforcement of labor standards.

Research question:

How can global framework agreements contribute to enforcing labor standards in value creation networks?

Thesis:

Global framework agreements support the enforcement of labor standards if they create a space for management-union negotiations on implementation.

Overview

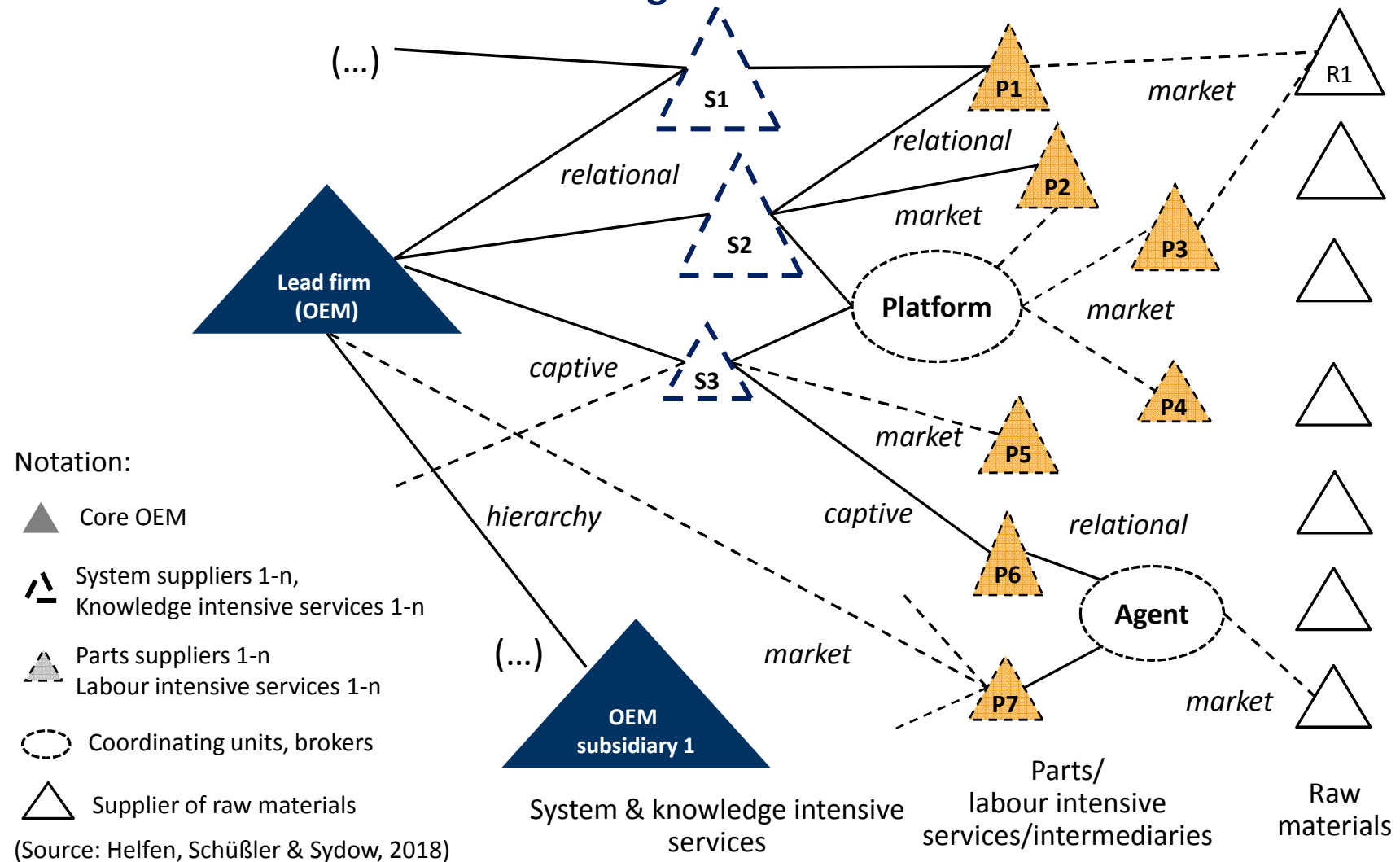
1. Transnational value-creation networks

2. Global framework agreements

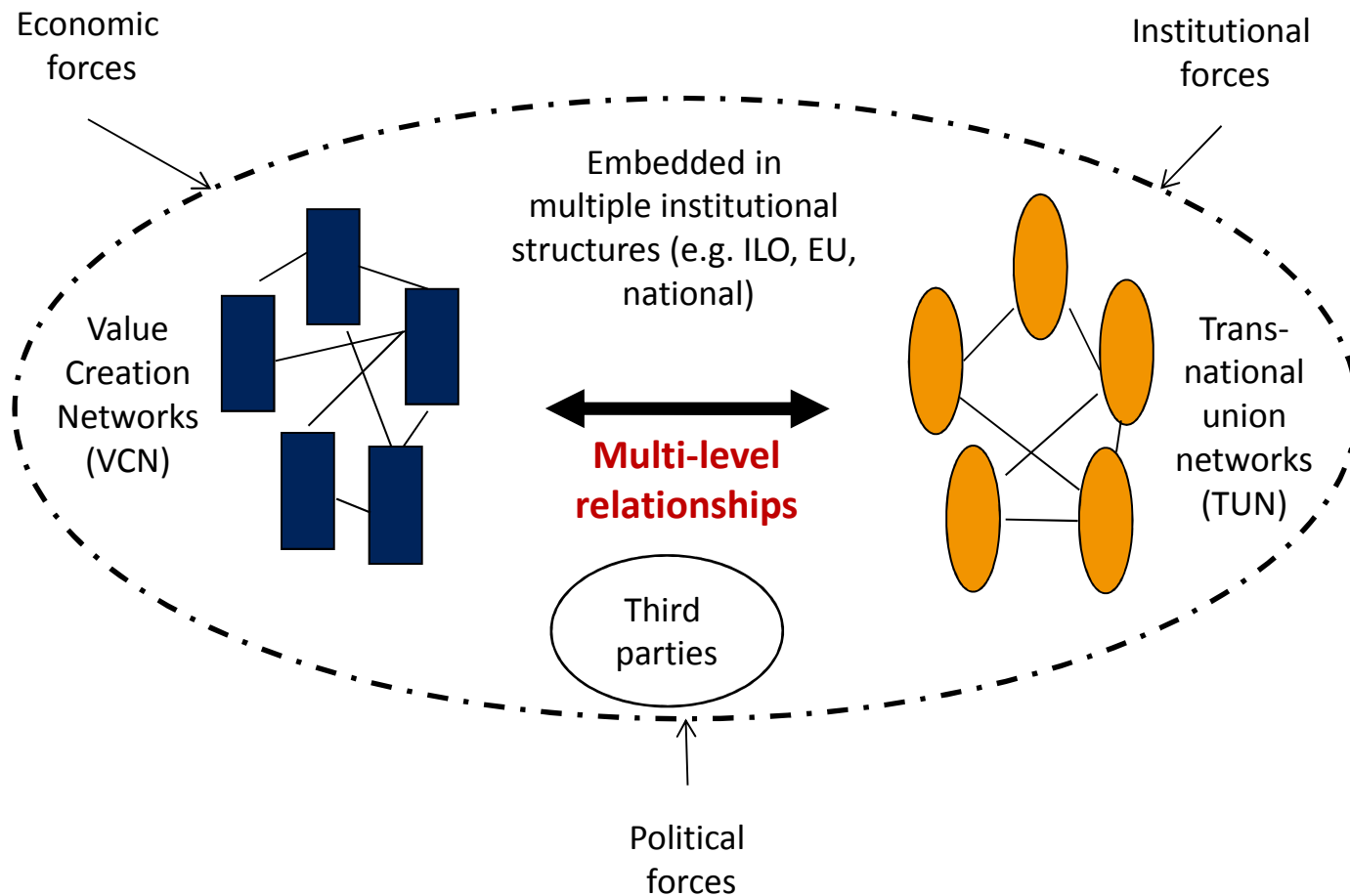
3. Challenges and options



Transnational value creation networks: Illustrative case car manufacturing



Transnational value creation networks: A transnational arena of employment relations?



(Source: Helfen & Fichter, 2013)

Overview

1. Transnational value-creation networks

2. Global framework agreements

3. Challenges and options



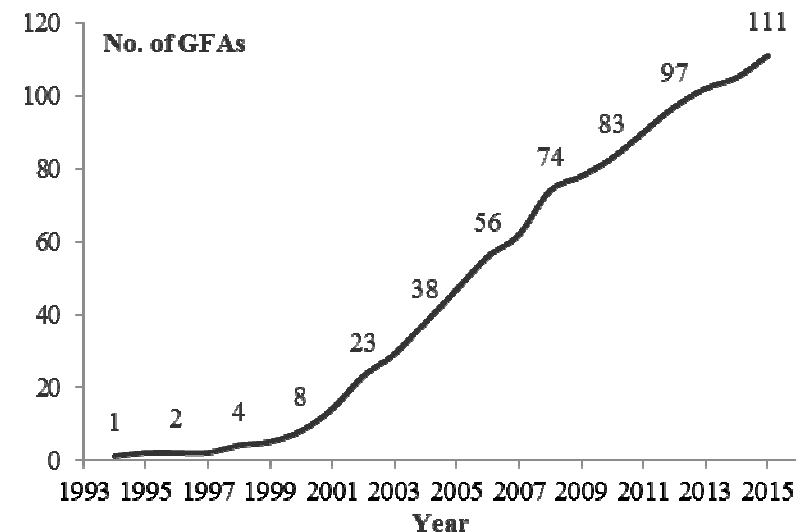
Global framework agreements are...

...agreements between Multi-National Corporation (MNC) and the Global Union Federations (GUF) that

- imply a mutual recognition as negotiation partners of both parties,
- specify the rules of a regular social dialogue and conflict resolution mechanisms regarding
- a set of standards according to ILO conventions,
- within a defined organizational domain.

GFAs are an regulatory instrument between unilateral self-restriction and international law (ILO).

Global framework agreements



Total number of MNCs with a global framework agreement, 1994-2015



But: there is only a relatively small number of GFAs (73+), compared to ~103,000 MNUs (UNCTAD 2011) or 994 EWCs for example (ETUI 2015)

Global Framework Agreements:

FU Berlin research on GFA implementation, 2008-2011



Core data: 22 multinational firms from the European Union in the domain of BWI, UNI and IndustriAll with locations in Brazil, USA, India & Turkey, 146 interviews (headquarter and local level actors: management and labor representatives)

- Implementation and resources rarely an issue in the negotiations
- GFAs in subsidiaries and unions at local sites often unknown
- Where GFAs are known, actors lack an understanding of how to use the agreement locally
- Attempts to use the GFAs often problematic, because connections to other unions are missing or GFA is used for corporate CSR
- But: Single cases and instances of a successful and innovative implementation of GFAs
 - global multi-location bodies,
 - Support in in union organizing and recognition,
 - Resolution of local disputes,
 - Joint implementation initiatives.

Overview

1. Transnational value-creation networks and labour standards

2. Implementation of global framework agreements

3. Summary



Summary

Value-creation networks provide considerable problems for the functioning of traditional approaches in employment relations

Implementation deficits of global framework agreements:

1. Multiplication of negotiation relationships, variety of actors with common, but also diverging goals according to position in the networks, ...
2. Institutional distances have often a negative effect: Local regulation, HQ-subsidiary relationships, industry and union cultures,...
3. Organizational reasons: Few changes in business operations, weak monitoring and lack of enforcement,...

Not a mere transfer of practices by a single actor, but a negotiated „translation“ (Sahlin-Andersson & Engwall 2002) into multiple contexts for a collaborative implementation

Global framework agreements: Research project FU Berlin, 2008-2011

Region of
origin



MNCs from the
European Union
(~ 90% of all active
global agreements)

Sector and global union
federations (GUFs)



3 GUFs:

- IndustriAll (IMF + ICEM)
- UNI
- BWI

Production
sites



Four countries:
Brazil, India,
Turkey, USA
(according to FDI,
economic development
and system of industrial
relations)

Core data: 22 multinational firms, 146 interviews (headquarter and local level actors: management and labor representatives)

Global framework agreements: Implementation practices

<i>Transnational Corporations (TNCs)</i>	<i>Global Union Federations (GUFs)</i>	<i>Joint Initiatives</i>
Information and Communication Practices • internet/intranet, translations, distribution to employees - commentaries, other publications	Information and Communication Practices • internet/intranet, translations, commentaries, other publications	Joint I & C Practices • Press conferences • joint web page • roundtables
Training Practices • manager training, group/individual (HQ, Divisions, Subsidiaries, Suppliers)	Training Practices • joint GUF training • affiliates, union workplace reps • supplier unions	Joint Training Practices • HQ, Subsidiaries • Country-specific • Suppliers
Operational Practices • organizational restructuring • formalized complaint procedures • incentive schemes • supplier contracts • Quality-Management	Operational Practices • organizational restructuring around IFAs • redistributing resources • company networks • support for local union organizing	Joint Operational Practices • Joint task forces • joint rollout program • joint evaluation

(Source: Sydow et al., 2014)

Outlook & trends: New developments in global agreements



(Quelle: bangladeshaccord.org 2017)

Rana-Plaza-Agreement (2013)

- Implementation:
Material and legal resources
- Multi-Stakeholder-Agreement

Siemens Agreement (2012)

- Decentralized coordination of local activities
- Local implementation agreements (USA, China)



(Quelle: siemens.com/press/photo/sosep200618-01d)



Asos Agreement (2017)

- New type of corporate party:
electronic retail platform (2017)