



# Europe: Better, Worse, or Merely Different? Living with WoCos

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# Agenda

- 1 WoCos: Introduction
- 2 Inter-relationship WoCos/trade unions
- 3 2 micro case studies to describe the type of WoCo engagement you may be familiar with
- 4 What features of WoCos do non-European businesses find most unusual?
- 5 WoCos as a cornerstone of Europe's workplace engagement model
- 6 2 micro case studies to describe the type of WoCo engagement you may be familiar with
- 7 Seeing things in the round...
- 8 Conclusion





## Works Councils: introduction

- Defining feature of the European (EU) workplace
- Where does the Works Council come from?
- What is the Works Council?
- The Works Council agenda
- Is a Works Council the same in each country?
- Terminology
  - Works Councils and European Works Councils – are they the same?
  - What's a Supervisory Board?



## Inter-relationship WoCos/trades unions

- What are the differences between the two?
- What are the similarities between the two?
- Is there a 'typical' interaction between the two where they both exist within the same business?



## Micro case studies A & B

### Case study A (Bid/ transaction process)

- Does the Works Council need to be informed?
- Does it have a say in who the successful bidder is?
- What does it have a right to know?

### Case study B (rolling out a new global policy)

- Works Council right to be informed or need to be agreed?
- Does the policy put obligations on employees or give a right to discipline them? Does it require them to follow a specific process? Does it collect their personal information?
- Alternatives: make the policy voluntary. Or do not rely on enforcing it.



## **What features of WoCos do non-European businesses find most unusual?**

- Funding?
- Full time staffing?
- Dedicated work space?
- Co-determination?
- A right to see confidential information?
- Protection of WoCo members?
- Election process?
- Right to engage experts (in some countries) at the employer's cost?



## **WoCos as a cornerstone of Europe's workplace engagement model**

- Employee engagement forms a more significant part of European workplace culture and engagement than in the US
- Information, consultation and co-determination
- WoCos are the enablement mechanism that allow European employers to discharge their employee engagement obligations





# Micro case study C

## Case study C (Introduction of Workday)

- Triggers for Works Council agreement
  - Testing with employee data – Germany, Austria
  - Privacy – new processing, transfer of data outside the European Union/ UK
  - Introduction and use of technical equipment that is capable of monitoring employee performance and behavior. This includes HRIS systems, as well as capturing compensation information which could track to performance – Germany, Austria
  - Other countries e.g. France, Italy – information/ consultation only
- What does this involve?
  - Presentation, meeting, agreeing and signing an agreement (Germany, Austria)
  - Presentation and information note (other countries)
  - Prior to roll out



## Micro case studies D

### Case study D (collective downsizing)

- Notification needed even for individual terminations e.g. Germany
- But for a collective downsizing, much longer process and required steps
- Requires agreement in some countries (positive opinion Netherlands, agreement in Germany), which will invariably include negotiation of severance payments and benefits, effectively before the Works Council agree (known as a social plan, under a balance of interests agreement)
- In parallel – need to notify unions of which employees are members (typical in Netherlands, Sweden, Italy among others)
- Can take 3-6 months before starting individual employee notice periods
- No fixed time period in some countries (Germany, Netherlands). In others, process ends after a fixed period, whether or not agreement is reached (Italy).



## Seeing things in the round...

- Availability Bias
- Never too hard to find examples of challenging WoCo behavior
- Is it fair to assume that all WoCos behave crazily, everywhere and all of the time?



## Conclusion

- Better, worse or simply different?
- WoCos are a fundamental element of the 'house rules' of the largest single trading block in the world.
- Is WoCo avoidance and/or being 'WoCo free' a legitimate strategy in Europe?

# thank you

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