

Implementation of Global Framework Agreements: towards a multi-organizational practice perspective

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Summary

Over the past decade Global Union Federations have signed an increasing number of Global Framework Agreements, most of which – over 80 per cent – have been with European-based Transnational Corporations. But while Global Framework Agreements are slowly, but continually, increasing in numbers, the results of our empirical research reveal extensive deficits in their implementation. This article begins with a review of these implementation problems and challenges. Drawing on two exemplary case studies, we introduce our multi-organizational practice perspective to illuminate how the contents of Global Framework Agreements as negotiated are linked to implementation, conflict monitoring and resolution procedures. We conclude that there is a need for a systematic and integrated implementation procedure as a means of dealing with the complexity of the Global Framework Agreement process. Our proposal is built on three sets of practices – information dissemination and communication; training programmes; and operational

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measures – and encompasses both unilateral and joint policies and actions pursued by Global Union Federations and the management of Transnational Corporations.

Résumé

Au cours de la dernière décennie, les Fédérations syndicales internationales ont signé un nombre croissant d'accords-cadres internationaux, dont la plupart – plus de 80 pour cent – avec des entreprises transnationales basées en Europe. Néanmoins, alors que le nombre d'accords-cadres internationaux augmentent lentement mais de manière continue, les résultats de notre recherche empirique révèlent de profondes lacunes quant à leur mise en œuvre. Le présent article commence par analyser ces problèmes et défis liés à leur application. Sur la base de deux études de cas exemplaires, nous présentons notre approche de la pratique multi-organisationnelle en vue de mettre en lumière la façon dont le contenu des accords-cadres internationaux tels qu'ils sont négociés est lié à la mise en œuvre, au suivi des conflits et aux procédures de résolution. En conclusion, nous pouvons affirmer qu'une procédure de mise en œuvre systématique et intégrée est nécessaire comme moyen de traiter la complexité du processus d'accord-cadre international. Notre proposition repose sur trois ensembles de pratiques – diffusion d'informations et communication, programmes de formation et mesures opérationnelles – et englobe tant les politiques unilatérales et conjointes que les actions menées par les Fédérations syndicales internationales et le management des entreprises transnationales.

Zusammenfassung

In den vergangenen zehn Jahren haben globale Gewerkschaftsverbände eine zunehmende Zahl von globalen Rahmenabkommen unterzeichnet, die meisten – mehr als 80 Prozent – mit in Europa ansässigen transnationalen Unternehmen. Zwar steigt die Zahl dieser globalen Rahmenabkommen langsam, aber stetig, die Ergebnisse unserer empirischen Untersuchung zeigen jedoch umfassende Defizite bei ihrer Umsetzung. Dieser Artikel beginnt mit einer Übersicht über diese Umsetzungsprobleme. Anhand zweier exemplarischer Fallstudien entwickeln wir eine Perspektive sozialer Praktiken, die es uns erlaubt, die Ergebnisse von Verhandlungen (die Vereinbarungsinhalte) mit den Prozessen ihrer Umsetzung sowie der Bearbeitung und Lösung von Konflikten zu verbinden. Wir kommen zu dem Schluss, dass ein systematisches und integriertes Umsetzungsverfahren erforderlich ist, das die Komplexität der Prozesse globaler Rahmenabkommen berücksichtigt. Unser Vorschlag baut auf drei Gruppen sozialer Praktiken auf – Information und Kommunikation, Weiterbildungsprogramme, operative Verfahren – und beinhaltet sowohl unilaterale als auch gemeinsame Strategien und Handlungen der globalen Gewerkschaftsverbände und des Managements transnationaler Unternehmen.

Keywords

Global Framework Agreements, social dialogue, implementation, global union federation, transnational corporation, international labour standards

Introduction

Global Framework Agreements (GFAs) are still a unique and not widely recognized approach to regulating global labour relations. But they are increasingly drawing the attention of academics and practitioners as the global version of a wide range of EU-specific transnational company or

framework agreements (Telljohann et al., 2009; Rüb et al., 2011; Fichter et al., 2011; Fichter et al., 2012a; Fichter et al., 2012b; Leonardi, 2012). In contrast to the usually unilateral and voluntary character of initiatives based on corporate social responsibility (CSR), GFAs are bilateral agreements between Transnational Corporations (TNCs) and Global Union Federations (GUFs). As implied by the term ‘framework’, a GFA provides a social arena for applying the core labour standards and the basic principles of labour relations it delineates. In most cases, this arena extends beyond the formal organizational boundaries of the signatory TNC to cover all the operations of a TNC and parts of its ‘global production network’ (Coe et al., 2008). In 2000, over a decade after the first steps toward GFAs were taken (Gallin, 2008), only eight GFAs had been negotiated. By the end of 2013, however, over 100 agreements had been signed, with 92 of them functional.¹ To date, negotiating and signing of GFAs is still largely a European phenomenon, with only 17 of them having been concluded with non-European TNCs.

While the importance of this growth in numbers should not be underestimated, putting the agreed measures into practice, i.e. the implementation of existing GFAs, is arguably key to their success as a transnational trade union policy. *How do GFAs fare in practice?* was the main research question of a recently completed project conducted by an interdisciplinary and international team of academics coordinated by researchers from the Freie Universität Berlin. Our qualitative assessment of the status of implementation is based on semi-structured interviews conducted by our international project team for a total of 19 selected GFAs. In sum, we conducted over 150 interviews, 74 of them with representatives of management and labour at headquarters level and 54 at corporate production sites in India, USA, Brazil and Turkey. As such, we are able to reflect on the multi-organizational composition of ‘capital’ and ‘labour’ perspectives, respectively.

As documented in the final research report² as well as in the three country reports that we have so far published (Arruda et al., 2012; Fichter et al., 2013; Fichter and Stevis, 2013), along with several other articles in academic journals (Fichter et al., 2011; Fichter et al., 2012b; Fichter et al., 2012a; Helfen and Sydow, 2013), implementation has been limited and has proven deficits, regardless of the particular national environment. Importantly however, in each of the countries in which we conducted empirical research, we found clear evidence of at least partially successful implementation within a multi-organizational environment. In two cases in Brazil, a local trade union in a highly organized auto plant invoked the GFA signed by the parent TNC in support of union officials at suppliers to the plant who had been fired. Beside the two unions, local management of the TNC subsidiary and the two suppliers were involved. The union officials were reinstated. At another Brazilian subsidiary of a major auto supplier, local management refused to bargain collectively in good faith until the union joined forces with the responsible GUF and the home country union and pressured the TNC’s headquarters management into honouring the GFA at the local plant (Arruda et al., 2012). In the USA, we found a few cases in which there was a similar pattern of transnational union networking to put pressure on headquarters management (Fichter and Stevis, 2013). In our research in Turkey, we came across another example of such transnational union networking. This case was marked by the fact that it involved two competing local unions, two different GUFs, the local management of the supplier and the TNC subsidiary as well as the TNC headquarters management (Fichter et al., 2013). Finally, in India, a concerted transnational effort in the service sector brought together competing union federations to build a coalition for organizing and forcing the targeted TNC to comply with national law (McCallum, 2013).

1 Non-functional are those GFAs in TNCs that have merged, been acquired, or have folded.

2 <http://boeckler.de/11145.htm?projekt=S-2008-141-2%20F>

These examples are important because they all indicate that successful implementation has so far been more the result of mobilized union pressure – resulting in positive corporate responses – rather than the existence of clearly defined policies and procedures in the GFA. Union capacity building is a necessary foundation for ensuring that negotiation and implementation of GFAs will be equally effective especially when confronted by management resistance. But if GFAs are to gain more legitimacy and recognition as a means of establishing dialogue, attaining minimum standards and fostering labour relations, then there is a need for a more systematic and robust approach to implementation that is incorporated multi-organizationally into the overall GFA process of negotiation and implementation. The widespread incidence of non-implementation and the cases of partial or subsidiary-specific implementation, we would argue, provide evidence that implementation needs to be treated as part of a multi-organizational practice development process starting with the initiative to negotiate a GFA. While details may vary due to the peculiarities of a given production network and TNC, there are basic elements of this implementation process that can be generally applied, i.e. a robust set of practices and guidelines to deal effectively with the complexity in multi-organizational arrangements.

In the following sections of this article we will first present our arguments for the need for a multi-organizational practice perspective in understanding and analysing the GFA process. Then we use two very dissimilar case studies drawn from our empirical research to illustrate our arguments. Our case presentations are structured according to a general process model that we developed from our observations and evaluations. Finally, we use this model for explaining implementation in these two cases, supported by references to further cases, to derive our proposal for constructing a more robust implementation practice.

The multi-organizational practice of GFA negotiation and implementation

Our starting point is a *multi-organizational practice perspective*. From such a perspective, the implementation of a GFA is the outcome of the interaction of many organizations acting ‘on behalf’ of capital and labour; an interaction that is contested and takes place in an institutionally complex and potentially diverse environment that structures and is structured by this interaction (Giddens, 1984). The multi-organizational dynamics of GFAs are apparent from their negotiation on through to their implementation.

By definition, a GFA is an agreement signed by one (or more) GUFs and the management of a TNC. Yet a closer look at the signatures on the agreement points to the existence of a complex organizational interaction. Our analysis of the negotiation process (Fichter et al., 2011; Helfen and Sydow, 2013) and the work of others (e.g. Hammer, 2005; Stevis, 2009, 2010; Papadakis, 2011) shows that the national unions in the home country of the TNC and (European) works councils are frequently important actors on the ‘labour’ side. On the ‘capital’ side, representatives outside of central management are usually excluded. However, as a variety of workshops organized by national employers’ organizations and legal consultants in cooperation with the International Organization of Employers (IOE) show, TNC negotiating policies on GFAs do not develop in a strategic or political void.³

3 Members of our research team participated in one such workshop organized by the Confederation of German Employers’ Associations (BDA) and ACTEMP, the employers’ group at the ILO in 2010 in Berlin. We were also invited to make a presentation at a seminar conducted by the international law firm Evershed on ‘Labour Relations across Borders’. The majority of attendees at both events were corporate managers.

With the commencement of the implementation phase, the potential number of organizational actors involved is significantly increased. Beyond the signatory organizations, which remain involved via implementation and monitoring provisions, national and local representatives of capital and labour beyond the TNC home country are recognized as agents for putting the agreement into practice (Stavis and Boswell, 2007). It is true that the implementation of the GFA has been first and foremost regarded as the responsibility of the TNC with the unions attempting to fulfil a monitoring role. However, the fulfilment of central management's commitment varies greatly in terms of its interest and capacity. As our research has shown, there is a significant amount of diversity in management's implementation policies and practices, ranging from proactive efforts to non-involvement. The interplay of such factors as the degree of organizational hierarchy and the more or less active role of subsidiaries; quality of supplier relationships; information policies; available resources; and managerial prerogative may all affect corporate GFA policy, and, ultimately, the extent of management's pursuit of implementation. Simply put, just as with corporate approaches to social responsibility, such factors can conceivably generate management policies ranging from pro forma implementation to embedded implementation, with a variety of partial implementation policies and practices in between.

While the thrust of management policy is a crucial and possibly a dominant determinant, our analysis of implementation as a kind of 'micro-politics' would be too narrow if we were to restrict it to 'management' (Burns, 1961). Besides the potential multiplicity of organizational actors in the category of 'management' we have a significant spectrum of organizational actors representing labour. Based on their involvement in the negotiation phase, GUFs and other representatives of labour such as home country trade unions and (European) works councils will want to have a say in implementation. But since implementation is always local, i.e. at each workplace, host country national and local unions as well as employee representative bodies, should they exist, will be involved (Stavis and Boswell, 2007; Stevis, 2009). This range of primary actors may be extended to include state and supra-state agency and non-governmental organizations, especially if conflicts develop around the practice of implementation.⁴ Moreover, in the local context, headquarters as well as regional management may involve consultants and national and/or global employers' organizations.

To summarize our argument up to this point, the GFA process represents an interaction taking place in a complex and diverse institutional environment that, at the same time, is reproduced or transformed by this very interaction (Giddens, 1984; Barley and Tolbert, 1997; Sydow and Windeler, 1998). The result of this interaction, as much as the process itself, is contingent not only upon this environment but also upon the power relationships among the organizations and collective actors involved in the 'contested fields' (Levy, 2008; Amoore, 2002) of labour relations in TNCs.

Consequently, the scope of a GFA as well as its implementation will vary substantially, not only from one corporation to another but also within one TNC and its global production network. For example, in comparing TNCs, the extent to which headquarters management has been able to dominate the GFA negotiations based on an existing active policy towards CSR will probably be reflected in the GFA's implementation, possibly even in regard to legally independent businesses in the global production network. On the other hand, in an institutional environment with powerful and active unions, the implementation of the agreement may be more reflective of a strong input from the 'labour' side. Indeed, the complexity of the overall process, combined with its

4 The recent conflict over union recognition at the Volkswagen plant in Chattanooga USA is an extreme but also instructive example of such an involvement. See for example Elk, 2014.

| | Implementation | |
|----------|----------------------|---------------------|
| Content | “strong” | “weak” |
| “strong” | Good practice | Symbolic practice |
| “weak” | Promising practice | Bad practice |

Figure 1. Content and implementation practices.

geographical fragmentation and the involvement of a large number of autonomous and semi-autonomous organizations characteristic of many modern TNCs (Hedlund, 1986) are consistently strong enabling factors for varying outcomes within a single TNC and its global production network.

Multi-organizational practices: from GFA negotiation to implementation

We noted above that the multi-organizational dynamics of GFAs become increasingly evident as the process moves towards implementation. Given these dynamics the chances of successful implementation depend, to a large degree, on whether the *content of a GFA* has been crafted with such a dynamic in mind. A ‘strong’ GFA may go well beyond the core labour standards of the International Labour Organization (ILO), include suppliers and possibly even subcontractors, contain monitoring and sanction mechanisms, and lay out detailed procedures for conflict resolution in the TNC and its network. ‘Weak’ GFAs, by contrast, may be confined to the core labour standards, not include suppliers, abstain from monitoring and sanctioning, and not contain defined procedures for conflict resolution. While such a simple bipolar typology is inadequate for making a detailed analysis of all GFAs, it does allow for contrasting and highlighting basic differences.

Similarly, the strong-weak continuum is also applicable to implementation practices which take place in a particular institutional context and are pursued by multi-organizational actors on the basis of the negotiated agreement. Clearly, there is also the relationship between the agreement (strong-weak) and its implementation (strong-weak). Weak GFAs are not likely to result in strong implementation. And strong GFAs are not a guarantee for strong implementation in the context of complex multi-organizational dynamics.

On this basis we distinguish four generic types of practice, ranging from ‘good’ to ‘bad’. Within this range we also find ‘promising’ and ‘symbolic’ practices (see Figure 1).

We define *implementation of an GFA* as any practice that communicates, promotes, changes, transfers or at least stabilizes a certain (inter-) organizational practice that directly or indirectly improves or ensures minimum labour standards and collective labour relations agreed upon in the negotiation process of an GFA. This applies not only at the headquarters level of a TNC but also to its local subsidiaries. Although highly unlikely in the immediate future, the long-term goal is for full coverage of suppliers throughout the TNC’s global production network.

To evaluate implementation and as a proposal for a more systematic structuring of the process, we postulate implementation as three sets of practices. We define *information and communication practices* as the intra- and inter-organizational tools used to inform the public and employees (including managers) throughout the TNC and its global production network of the existence, intention and content of the GFA. Similarly, we describe *training practices* as measures used

by TNCs and GUFs individually and, ideally, jointly, to further and improve the use of the GFA by management, employees and union representatives not only at the TNC's headquarters but also at its subsidiaries. Possibly, such practices could include first-tier suppliers, which in turn may implement such programmes in their reactive or even strategic 'supplier development' policies and practices (Krause et al., 1998). In this manner, labour standards could be achieved in significant parts of the global production network.

Lastly, *operational practices* are defined as the actions taken to change local conditions and practices that provoke violations of labour standards. The development of such practices is also a clear indication of the willingness and/or capability of management (and unions, works councils etc.) actually to improve working conditions and labour relations throughout the TNC, its foreign subsidiaries and possibly even its first- or second-tier suppliers. Among these operational practices, monitoring practices rank highly. These might be distinguished between different levels of union involvement: (1) self-monitoring by management, (2) monitoring by external agencies, (3) participation of union representatives in the monitoring process, and (4) monitoring by employees, i.e. union members.

Based upon our multi-organizational perspective we have constructed an implementation scheme with three sets of practices (Table 1 below) that captures the recurrent activities of the GFA implementation process in the TNC and its global production network and may be used for assessing or comparing GFA implementation in or across individual cases. In the following presentation of two case studies we will evaluate the GFA process along the lines of this proposal.

Exemplary evidence from case studies

The two cases we have selected for presentation in this article, MetalCorp and SecureCorp⁵, represent what might be regarded as 'good practices' of negotiation and implementation (see Figure 1 above) within an overall situation of rather weak implementation across all the 19 cases we have studied in more detail. For this reason, they offer far more possibilities to evaluate instruments of actual practice and paths only partially taken or envisioned but not started than most of our other cases.

Information on GFA implementation was collected at the headquarters level and at the subsidiaries in all four countries of our study. Both companies are global market leaders in their respective industries with relatively large multinational production, supply and service networks respectively. Besides operating in different industries, they differ markedly in the ways in which their GFA was negotiated and has been implemented. As such, both companies might be said to be exceptional as well as exemplary cases for lessons to be learned regarding implementation practices.

How negotiations affect later implementation practices

The multi-organizational dynamics of the GFA process were evident from the very beginning. MetalCorp is one of the very few companies in which union representatives from the most important subsidiaries (USA, Brazil) were officially involved in negotiating the agreement. This was facilitated by a corporate world council structure for union and employee representatives backed by a strong national union and a culture of co-determination in the home country of MetalCorp. The responsible GUF, the International Metalworkers' Federation, was not involved directly in the

5 The case study research was conducted on the basis of anonymity for the TNCs.

Table 1. Implementation practices.

| Transnational Corporations (TNCs) | Global Union Federations (GUFs) | Joint Initiatives |
|--|--|---|
| <p>Set 1. Information and communication practices</p> <ul style="list-style-type: none"> • Internet/intranet • Translations • Distribution of commentated version to employees • Distribution to suppliers with commentaries • Reference in social reporting • Publication of evaluation reports and criteria | <p>Set 1. Information and communication practices</p> <ul style="list-style-type: none"> • Internet/intranet • Translations, commentaries to affiliates • Publications for media, NGOs • Public presentations | <p>Set 1. Joint I & C Practices</p> <ul style="list-style-type: none"> • Press conferences • Joint web page • Roundtables • Reporting of evaluation criteria • Commentaries • Communication channels |
| <p>Set 2. Training practices</p> <ul style="list-style-type: none"> • Manager training, group/individual all levels • Special country-specific training • Special product division training • Subsidiary – supplier training | <p>Set 2. Training practices</p> <ul style="list-style-type: none"> • Inter- and Intra-GUF training • Country-specific training with affiliates • Cross-country training workplace reps • Training TNC and supplier unions | <p>Set 2. Joint Training practices</p> <ul style="list-style-type: none"> • HQ management, GUF, home country union • Country-specific management-union training • Product and supplier specific training |
| <p>Set 3. Operational practices</p> <ul style="list-style-type: none"> • Integration into operations, organizational restructuring, resources • Formalized complaint procedures, monitoring • Hotlines • Incentive schemes • Supplier contracts • Quality-Management • Capacity building subsidiaries, suppliers | <p>Set 3. Operational practices</p> <ul style="list-style-type: none"> • Organizational restructuring around GFAs • Redistributing resources • Transnational union networks • Support for local union organizing • Monitoring and reporting procedures | <p>Set 3. Joint operational practices</p> <ul style="list-style-type: none"> • Joint task forces • Joint roll-out programme • Joint monitoring • Joint evaluation • Joint revision procedures |

negotiations because of management's unwillingness to deal with an 'outsider'. As a result of this organizational constellation on the labour side, the GFA has not been used systematically to organize and build unions (Helfen and Fichter, 2013). However, the GFA standards have been incorporated by MetalCorp into its master contractual agreement with suppliers.

The GFA that resulted from these negotiations is a case of 'strong' content. Although MetalCorp management was selective in its recognition of organizational representatives of labour and the ILO core labour standards are not referred to by name but only in general terms, the agreement uses appropriate language to define these standards. And it goes beyond most GFAs in its inclusion of corporate and managerial neutrality during union organizing campaigns. Suppliers are strongly urged to comply with the principles of the agreement and a well-defined procedure for its dissemination and monitoring as well as for reporting violations and for conflict resolution is included.

While MetalCorp management was favourably disposed towards negotiations over a GFA, the situation at SecureCorp was by comparison highly contested and acrimonious. In this case, a US affiliate of the global union, facing intransigent opposition from local management, devised and initially led a strong campaign for union recognition at the US subsidiary. The global union (UNI Global Union) subsequently became involved in order to campaign for a global agreement. After a drawn-out battle, the national union at TNC headquarters came in to mediate and to overcome strong resistance from a management team that felt it was being forced into an agreement. No works council was involved, and UNI affiliates only played an indirect role with a range of solidarity actions during the campaign.

The SecureCorp GFA is also a ‘strong’ agreement. Representatives of labour and management are fully and mutually recognized. The ILO core labour standards are included and listed by name. Regarding union rights, the GFA is very explicit regarding freedom of association, union access to workplaces and union recognition. While the issue of extension to suppliers is hardly mentioned, the GFA contains detailed procedural language on implementing and monitoring.

A major difference between the two cases is that neither labour nor management at MetalCorp regarded the GFA as being critical for improving labour standards within the company. Instead it is the supplier level, and particularly, the suppliers of the second and the third tier which are of primary concern. That is not to say that there are no problems at the subsidiary level; however, these are thought of as being taken care of by procedures and bodies already in place (e.g. the world council). For SecureCorp, the situation is totally different in this regard because it is at the end of the supply chain (by providing auxiliary services to large corporate and public customers) and has no global structure of employee representation, so that – with the exception of some specialized suppliers – the subsidiaries themselves are the focus of concern.

Implementation I: Information and communication practices

In both cases, corporate headquarters informed the public and disseminated the GFA through normal internal channels of organizational communication. Moreover both companies have translated their GFA into several languages relevant to the locations of their production subsidiaries. Neither company has published the agreement on their public website, although a reference to the agreement may be found on the SecureCorp website. While standards and principles embodied in the MetalCorp GFA may be found in its basic CSR statements, the GFA itself is not referenced. MetalCorp has also initiated a biannual conference programme on sustainability at its headquarters location to which external stakeholders (academic experts, media and NGOs) are invited to discuss the company’s performance.

However, both TNCs lack, although to differing degrees, a comprehensive communication strategy for presenting the GFA internally or publicly as a joint labour-management policy statement. At MetalCorp, local management in Turkey and the local union in Brazil took the initiative on their own to inform employees and to communicate the GFA. In Turkey, the agreement was translated and a printed copy distributed to all subsidiary workers. Local management also translated MetalCorp’s ‘code of conduct’, into which the content of the GFA had been incorporated, into Turkish⁶ (Fichter et al., 2013). Our research turned up nothing similar on the part of local management at MetalCorp subsidiaries in India, Brazil and the US. Two further aspects of this case are

6 [MetalCorp] Davranış Kuralları’ in Turkish, of which we have a copy. This document includes the clauses of the GFA, without naming it as such.

interesting. First, headquarters management apparently made no effort to present the GFA as a joint labour-management policy agreement. Rather, this corporate document was introduced to the management in Turkey as ‘a new management style’ and ‘placed at the centre of the future management plans of the company’ (Interview MetalCorp, HR Director Turkey, 2010). Secondly, the Turkish subsidiary is unionized, but the union is not GUF-affiliated and has stated that it had no interest in the GFA. That stands in sharp contrast to the active engagement and the use of the GFA by the Brazilian union representing workers at the main MetalCorp plant in that country (Arruda et al., 2012; Fichter and Helfen, 2011).

Importantly, both companies are without an explicit bottom-up communication process in which local actors have to confirm their knowledge of the agreement. In the Turkish case, such an opportunity is limited to management since the local union is neither affiliated with the relevant GUF nor does it have any strong ties with European unions in the metal sector. Therefore the union has not been informed by the management or by the GUF. That was also the case at MetalCorp in India, where local union representatives told our research team that they were unaware of the existence of the GFA. To what extent local management at MetalCorp India was informed of the GFA remained unclear. When the question was raised, management was at first hesitant to respond, but then claimed to be following MetalCorp’s code of conduct, including the labour provisions referencing the GFA, to the letter.

As for a joint labour-management information and communication policy, both the MetalCorp and the SecureCorp case match our findings for all of our cases. Typically, the first press releases and announcements of the GFA signing were published simultaneously, but not jointly. SecureCorp, and UNI as the signatory GUF, did differ from procedures in the other cases as they agreed upon a series of joint local meetings for the initial target countries (South Africa, India), but not, for example, for the USA where the campaign for recognition and for a GFA had been so acrimonious. At MetalCorp, there is no indication that this sort of joint communicating was ever under consideration.

Implementation II: Training practices

In both cases, we found no evidence of explicit training initiatives or comprehensive programmes jointly developed by management and the unions and targeting GFA-related activities. But there were vestiges of unilateral training activities in the MetalCorp case: in Turkey by management and in Brazil by the local union (see above); and in the SecureCorp case on the union side (India). In Turkey, the HR manager of MetalCorp reported that he continuously emphasizes the significance of the GFA document and makes it an indispensable part of all the training sessions he holds with blue- and white-collar employees alike. In addition, subsidiary management runs training programmes for its local suppliers to raise awareness regarding the labour standards that are expected by MetalCorp to be applied. In the case of SecureCorp, we found that UNI was working with local unions in India to build the necessary organizational capacity. In agreement with SecureCorp headquarters, union representatives were then trained in collective bargaining with the intention of developing dialogue with SecureCorp local management. However, at the time (2010), local management was proving to be uncooperative, which led to tensions between UNI and SecureCorp headquarters as well as between UNI and local union representatives in India, who expected UNI to be able to resolve the issue at the headquarters level.

Implementation III: Operational practices

Both MetalCorp and SecureCorp have created special bodies for CSR at their headquarters, designated as ‘CSR board’ and ‘CSR committee’, respectively. Both companies also have extensive

internal auditing programmes for subsidiaries. At MetalCorp, this also applies to suppliers, who are in addition bound by MetalCorp's purchasing contracts to respect the labour standards of the MetalCorp GFA. In Turkey, for instance, when allegations of basic employment rights violations by local suppliers are reported, the subsidiary HR Director has to investigate them and report the findings to MetalCorp headquarters (Fichter et al., 2013).

A major issue in nearly all of the implementation cases we investigated was the recognition of trade unions and the pursuit of collective bargaining. All GFAs make reference to the ILO core labour standards which include freedom of association and the right to collective bargaining. But in those subsidiaries without recognized union representation, we generally found that local management had taken no steps, neither strategic nor operational, to revise organizational procedures according to these provisions of their GFA. In the US, for example, unions disputed MetalCorp's claim that its local management was following a clear policy of neutrality in the face of union organizing efforts (Fichter and Stevis, 2013). In Turkey, the presence of a union not affiliated to IndustriALL was detrimental to joint implementation at MetalCorp, leaving the initiative to management. On the other hand, we found two related cases at suppliers in Turkey where the MetalCorp GFA played a role because of its incorporation into the company's master supplier contract and the disregard of these provisions by these suppliers (Fichter et al., 2013).

On the other hand, SecureCorp headquarters management has recognized UNI's commitment to increasing unionization across countries. Together with UNI, it has defined target countries as testing grounds for developing and implementing adequate organizational policies in this direction. As reported above, this policy has been pursued in India, and to some extent in other countries as well where UNI and its local affiliates have been proactively invoking the GFA (McCallum, 2013). The rationale for SecureCorp management is that it can benefit from supporting UNI in its efforts to enable local workers to organize a union. Once the unions can show that they are representative of the workforce, they can expect to get recognition from local management to conclude collective agreements. However, at present, in the majority of countries this is not the case.

Finally, in regard to conflict resolution and the operational handling of alleged violations of the GFA, MetalCorp has an internal investigative unit and has established a standing committee that is attached to the corporate global council of employee representatives. In this constellation, discussions on resolving disputes and correcting violations take place between employee representatives and management on an institutionalized basis. But the overall approach is reactive, i.e. it is based on dealing with individually reported cases instead of proactively developing policies to prevent violations. A more proactive approach could however be in the making in conjunction with the inclusion of GFA labour standards in MetalCorp's master purchasing contracts.

In contrast, SecureCorp and UNI have defined a joint implementation strategy that has focused on two countries (India, South Africa) as testing grounds. However, this process is only just beginning. Individual reports of violations are not regularly discussed within a formal labour-management body – except for the biannual meetings of the GFA review committee – since the focus of joint roll-out activities is primarily on finding ways further to increase local unionization.

Discussion: towards a systematic approach to GFA implementation

Let us recapitulate the lessons from our cases and identify the emergent practices and evident gaps that have led us to our proposal of implementation guidelines. In the case of MetalCorp, information and communication practices were short of being comprehensive and organizationally embedded; their effectiveness was determined more strongly by local actors. By contrast, the practices of this stage at SecureCorp were more institutionalized and priority-based in line with the

jointly agreed roll-out strategy. With respect to training practices, the case of SecureCorp suggests that they may be more effective and better managed when based on a prioritizing of the countries, in this case India, in which the agreement is to be implemented. This would enable implementation techniques and processes to be tested and evaluated, and would focus resources more efficiently. Similar arguments could also be made for setting up a priority schedule based on product divisions or individual plants. In the case of MetalCorp, there was no strategic approach to developing this stage of implementation as the focus in this TNC was remedial. Only in the local Brazilian union, whose leader had been a representative of labour in the negotiation of the GFA, did we find a concerted effort to train union officials at MetalCorp in the use of the GFA.

The MetalCorp GFA is a good example of both the deficits and the successes in realizing the operational practices of implementation. While the organizational recognition of trade unions and trade union rights – although explicitly delineated in the GFA – proved to be attainable only by pressure and conflict at the local level, MetalCorp headquarters readily incorporated GFA standards into its master supplier contracts, thus recognizing its social responsibility for labour rights beyond its own organizational boundaries. The changes in operational practices brought about by the SecureCorp GFA are possibly even more far-reaching, inasmuch as this TNC had previously condoned virulent anti-union management policies in its operations outside of its home country base. The practices, especially the joint activities in rolling out the agreement, that have developed out of the negotiated provisions, are further indications of wide-ranging and long-term organizational changes.

These cases of limited and uneven implementation, combined with lessons from our other cases, have helped us conceive of a ‘full scale’ implementation covering the complete TNC and its key suppliers. We would argue that for a ‘full scale’ implementation of a GFA, apart from a strong content, all *three sets of practices* involving all relevant actors are necessary. The first set concerns the information dissemination and communication practices. The second set is marked by training practices while the third is operational, referring to the introduction of routines, rules and procedures as well as related organizational and inter-organizational structures (e.g. an inter-organizational team in charge of coordinating the monitoring process). Furthermore, in line with the multi-organizational practice perspective, implementation should be conceived as a process of combined and joint activity and decision-making by management *and* labour at all levels and stages of the TNC and its global production network. To illustrate possible activities towards realizing these three steps of implementation, we have proposed specific policies for each set of practices as examples that reflect the particular roles of the representatives of ‘capital’ and ‘labour’, either separately or jointly (Table 1 above). Changes internal to the organization (e.g. setting up or increasing the size of a respective department, overcoming cross-departmental communication barriers) may accompany respective changes in inter-organizational practices – in firms as much as in unions.

Apart from the importance of company-specific adaptation of implementation guidelines we need to take into account the process character of implementation and the fact that this process spans many national borders and systems of labour relations (Bamber et al., 2011). Regarding its process character, we argue that, in effect, implementation commences already during the initiation of negotiations, even if its ultimate nature has yet to be defined (Helfen and Sydow, 2013). As for its multinational dimension, local actors, local rules and local practices are determining factors, representing different situations in which implementation is meant to take place. These two conditions clearly interact in our case studies, as can be illustrated by the ones we discuss in this article. To give an example, in India the system of industrial relations is highly fragmented; national unions exist alongside plant unions that are often employer-dependent. Moreover, formal

employment relations are only a small portion of the labour market as a whole, which is dominated by the informal economy. In such a situation, the implementation of a GFA requires different instruments and a different approach from that of a country such as the US in which internal plant *Ersatz*-unions are banned and the majority of employment relationships are in some way legally defined and regulated – but nevertheless reflective of local practices (Fichter and Stevis, 2013).

Concluding remarks

The number of Global Framework Agreements is continually growing; in the past 20 years over 100 GFAs have been negotiated and signed. While this may be taken as a signal of success, as our research has shown, GFAs are still ‘work in progress’. And the modest successes in implementation we have presented are not even guaranteed for long; they require continual input and support to mature and institutionalize. For GFAs to be truly effective and contribute to establishing a basis for comprehensive labour standards, mounted and concentrated efforts by both unions and employers are required. GFAs are an instrument for facilitating the establishment of working relationships across globalized production networks towards raising standards and addressing problems that result in violations. For employers it seems that the greatest challenge is in enforcing recognition throughout their operations both of GFAs internally as corporate policy and of unions as legitimate representatives of employees. Management’s failings – and unwillingness – on this account is certainly a major obstacle facing unions in strengthening GFAs. At the same time, GFAs present an opportunity as arenas for unions to develop the organizational presence and transnational links that are essential to effective interest representation and dialogue with management. The framework of transnational labour relations has been erected, but since GFAs are clearly a policy instrument of unions, its relevance and effectiveness will depend primarily on how unions are able to develop it further. Finding the right approach to negotiations with a TNC, bringing relevant union affiliates on board (ownership), creating viable transnational union networks to ensure implementation, and linking GFA policy with other policies around TNCs (see Fairbrother et al., 2013) will be necessary towards that end.

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