

Identification of the goals of AgirE research (Basis of the methodological approach)

Preparatory document

The research project is founded on analysis and **proposals** (P), already validated by previous researches (P), which must be checked and which returns to open ended **questions** (Q). The answers to these questions must make it possible to achieve certain **goals** (G) and to build our results.

I. GENERAL FRAMEWORK OF RESEARCH

A. Proposals

1. The multiplication of the restructuring(s) is closely related on the globalization of the economy and its specific impacts on the European market.
2. The restructurings are the result of the choices operated by the companies, while articulating their strategies, in their sphere and sector(s) of activity.
3. Their strategies are linked to the global context and to the national or European context: strategies of specialization, location and establishment, rationalization, including very sophisticated/elaborated modalities/methods either to reduce/rationalize the costs or to get into new markets.
4. This context explains at the same time the immediate causes called upon to justify the restructurings and its methods/modalities.
5. The institutional, political and legal construction of the European market, since the Enlargement, creates the framework of the restructurings' development based on factors (i) which support the restructurings (liberalization of the activities, play of economic freedoms, competition of national legislations including social dumping), (ii) which accompany them (including social directives, competition law), (iii) and others limiting them (structural funds, future globalisation shock absorption fund).

B. Questions

1. Is it possible to identify through general criteria the enterprise's strategies in the European market in order to identify the factors on which the EU policies can intervene (policies, hard law, soft law)?
2. What is the role of the factors of changes (e.g.: technologies, communications) in the various sectors? Is it possible to conceive actions/reactions (responses) at EU level in order to frame them, to limit them, and to allow adjustments on the plan of their social effects?

C. Goals

1. To show the links between globalization and restructuring, firms' choices on the European market according to different types of restructuring (see typology).
2. To identify the role and place played by the justifications of restructurings.
3. To identify policies, place and criteria of the decision-making process which conditions the strategic choices of the companies on the European market (according to zones, countries, sectors...).
4. To identify consequently which margin of operation the EU can have to center its policies to direct the firms 'strategies and to limit the restructurings (in number, scope etc...).

II. RESTRUCTURING OPERATIONS

A. Proposals

We are vis-à-vis with :

1. A great diversity of restructuring process
2. An evolution which tends to show that the restructurings become a permanent phenomenon of very fast adaptation of the companies according to their own requirements as external (sector, market) or internal (profitability, profit...)
3. Restructurings which always involve deep organizational changes in the more or less short term

B. Questions

1. How to classify these modalities and the factors leading to this permanent adaptation ?
2. Which is the relevance of the approaches by general criteria: by sector, region, and size of the restructuring ? , object and form of the restructuring, process ...
3. What is the position of the organisational changes in the typology of the restructurings ?

C. Goals

1. To build a typology of restructurings, in order to identify clearly how to articulate the decisions influencing, directly or indirectly restructurings' development/limitation.
2. **Proposal to establish the typology** : Four general criteria seem to emerge from current research:
 - Restructurings related to a change in the structure of the company (corporate changes).
 - Restructurings related to a change in the **organisation** of the company.
 - Restructurings related to a change in the organization of the **power (decision-making in the network)**.
 - Restructurings related to a change in rationalization process.

III. SYNERGY OF THE ACTORS INVOLVED IN THE RESTRUCTURING

A. Proposals

1. The legal and institutional framework, at both national and Community levels, predetermines the action of the actors.
2. The social culture of the group and its identity play a role in the restructuring process (announcement, procedure, processing), which is dependent on the place of the shareholders.
3. It emanates a social and economic identity of the restructuring due to the attitudes of the actors and their strategies while facing the change.
4. During the restructurings, some features are a condition for this action, it is possible to identify them:
 - Role of the employment area or of the territorial context.
 - Role of the employee representatives according to their mode of representation.
 - According to the social conflicts existing or latent.

- Role of the organization of management and of the shareholding vis-à-vis the workers representatives.
 - Faculty to apprehend the change for the employees and their representatives.
 - Position of public actors vis-à-vis the companies.
5. The development of "innovative" actions, the concept of innovation being necessarily local and relative. They merit to be identified, in particular when their purpose is to anticipate the restructurings (provisional methods of management), methods of negotiation (procedural approach, negotiation of framework agreements).
 6. The constitution of alliances or common actions at trade-union level is a condition for the workers representatives' reaction capacity vis-a-vis the restructurings

B. Questions

1. What is the role played by these "innovative practices"?
2. Can they be useful in the field of the regulation of restructurings at EU level?
3. Within which institutional, unionist, legal framework? In which conditions?
4. What is the link between the methods of the management's organisation (shareholders, managers) and the action of the workers' representatives/and the choice of "innovative" practices?

C. Goals

1. To identify the key factors which make it possible to the employees to accept an anticipation of the restructuring.
2. To identify **the mechanisms of anticipation of the restructuring** and the mechanisms which underlie them in terms of action of the actors and in terms of institutional and legal framework.
3. **To identify the key players** and factors which facilitate their action at the national, international/European level and the key actors at the territorial level
4. To identify the key factors permitting a territorial action vis-à-vis the restructurings.
5. To identify the connexions existing between the management and shareholding structure and the restructuring operation.
6. To show the role of the European actors and the partnerships useful to create "innovative" actions.

Ideas to explore and to detail

1. The attitude of the actors regarding the capacity to face changes is in evolution (acceptance/new reactions)
2. Strategic and operational informations can be used for creating an internal mechanism of anticipation
3. A new "architecture" is being created involving national and European social partners, or even international ones.
4. Development of new forms of negotiation well adapted to the restructurings.
 - With mainly a procedural aspect.
 - This development is subject to certain conditions which can be identified.
5. Corporate governance rules, stock exchange and financial market rules play an important role which is necessary to identify at the EU level.

6. The type of corporate governance's model is related to the action/reaction of the stakeholders while facing the restructuring.
7. It is a condition for the relations with employees' representatives, particularly with the European Works Council.
8. A new territorial field is being created. It is linked to the networks and schemes of organisation of the company in front of the global context (hub/"pole" of competitiveness, industrial district, labour market region, clusters).
9. This territorial framework is developing more especially since the social actors are more involved in the decision-making/governance places within the company.
10. It is possible to identify elements/conditions which advantage a territorial processing of the restructurings (of restructuring)
11. It is possible to identify elements/conditions which advantage the actors/players action which aim to implement anticipation mechanisms of restructuring

IV. IMPACT OF THE NATIONAL AND EUROPEAN POLICIES ON THE RESTRUCTURINGS

A. Proposals

1. The legal obligation, which consists in the implementation of a forward policy, has little impact if it does not come together with an economic policy which incites the enterprise to anticipate.
2. The mechanisms implemented at the regional/territorial level represent a necessary condition for the territorial processing of the restructuring.
3. European policies play an important role for inciting to the restructurings because of regulatory competition between the Member States: tax law, social law, corporate law.
4. European policies play an important role to inciting to the restructuring because of regulatory change in the sector by :
 - the opening up of markets (liberalization)
 - external trade agreements
 - intellectual property rules
 - the rules on economic freedoms
5. The European policies can have a role of limitation of restructurings process thanks to:
 - state aids policies
 - a policy of anticipation of the changes in the fields of research and industrial policy
 - an adjustment policy (structural funds/research/employability)
6. The role of the "Open Method of Co-ordination" (OMC) is ambiguous regarding the restructurings: measures related to the processing (adaptability, employability) and favour for competitiveness (to be detailed).

B. Questions

1. Which measures, adopted at the national level, can improve the restructurings' anticipation?
 - o With which relationship to the typology?

- With which relation with the actors?
- With which kind of management?
- With which kind of enterprise organisation?
- 2. Which measures could be adopted within the framework of the European policies?
 - On the basis of which modification (decision criteria, procedure) for each field (tax, industrial policy, research& development, state aids, structural funds)?
 - On the basis on which institutional grounds?
- 3. Which policies of adjustment can be proposed? (Shock absorption fund? Flexicurity?)

C. Goals

1. To propose measures in favour of anticipation at the institutional level:
 - Measures which can be included in the OMC
 - Measures which can be implemented within the framework of the current competences
2. On the basis of which incentives/obligations we can propose measures in the line of supporting anticipation within the company?
3. To propose measures enabling the adjustment of policies to changes.
4. To identify the decision criteria and the places of decision which have a direct or indirect effect on the trigger to start restructuring (link with the typology)

Ideas to explore and to detail

1. Anticipation supposes that there should be built a “social mainstream” e.g. a transversal policy which aim is to review all political decisions on the basis of their impact on restructuring, in order to enable/permit :
 - ○ an anticipation whenever it is possible in order to flex the decisions of the companies;
 - ○ to envisage a device of adjustment systematically.
2. This social mainstream supposes that the places of decision are identified and that a proposal can be made to connect them.
3. This social mainstream supposes that the possibilities of action of the actors are also specified.
4. It is necessary to very precisely identify the role of the OMC to support the mechanisms of anticipation and adjustment.
5. It is necessary to very precisely identify the role of fundamental rights and their incidence on the national and Community policies

V. PROCESSING OF RESTRUCTURINGS

A. Proposals

1. The processing of the restructurings is conditioned by various factors: legal (national and Community level), the power of the workers representatives in the location, within the company, their alliances, social and media pressure, involvement of the political actors.
2. The processing of the restructurings is related to the culture of the company.
3. The processing of the restructurings is related to the involvement of the social actors in the decision-making/governance processes.

4. The alternatives can be built from a rebuilt analysis of the justifications of the restructuring.

B. Questions

1. How to qualify practices as innovative?
 - With which actors, which means, which synergy, which results, which efficiency?
2. Which measures can be useful in order to anticipate the succession of restructurings or the different steps of a permanent process ?
3. How can they be articulated/combined with the reasons put forward to justify the restructurings?

C. Goals

To propose methods of constructing for “innovative practices” at the European level, not only the national level.

1. To detail how they can be combined according to the typology.
2. To detail how they can be combined according to **the institutions** (competences, hard law/soft law, social dialogue, OMC)
3. To the **involved forces** (political, trade unions), others (media ...), detail the means of action the can use
4. According to the kind of management and the enterprise’s organisation/ model of organisation
5. To **procedural mechanisms** (judicial, arbitral ...)
 - To propose mechanisms/procedures making possible new alternatives.

To propose measures to enhance the development of alternatives

Linked to the global or the European strategy of the enterprise and the specificity of the sector.

Ideas to explore

1. New role of the international framework agreements for the restructurings.
2. Central role of the OMC for the development of these innovations.
3. Is the role of social dialogue in the processing of the restructurings to be renewed?
4. Construction of a territorial social dialogue / cross-border social dialogue
5. To link the requirements of adaptability and employability to a policy based on adjustments – proposals to be identified
6. Follow up on employability measures – what becomes the worker/employee who leaves the firm?
7. About the means of action: (to be specified) : starting from the following factors – acceptance of change by the social actors, acceptance of a cooperation/ collaboration with the management on the changes’ control/process)
8. More generally, to create a permanent Observatory of restructurings in Europe to link the cases’ evolution, the research and the national/European policies. A methodology will be proposed to organize the following of the evolutions in terms of economic and social impact of the restructurings’ treatment and of the national and European policies having an influence on enterprises’ strategies on the European market.