UNIVERSITY OF AMSTERDAM

UvA-DARE (Digital Academic Repository)

All about power after all? A multi-level analysis of employers' organization membership in Europe

Lehr, A.; Jansen, G.; Brandl, B.

DOI
10.1111/bjir.12744

Publication date
2024

Document Version
Final published version

Published in
British Journal of Industrial Relations

License
CC BY-NC-ND

Link to publication

Citation for published version (APA):
Lehr, A., Jansen, G., & Brandl, B. (2024). All about power after all? A multi-level analysis of employers' organization membership in Europe. *British Journal of Industrial Relations*, *62*(2), 233-261. https://doi.org/10.1111/bjir.12744

General rights
It is not permitted to download or to forward/distribute the text or part of it without the consent of the author(s) and/or copyright holder(s), other than for strictly personal, individual use, unless the work is under an open content license (like Creative Commons).

Disclaimer/Complaints regulations
If you believe that digital publication of certain material infringes any of your rights or (privacy) interests, please let the Library know, stating your reasons. In case of a legitimate complaint, the Library will make the material inaccessible and/or remove it from the website. Please Ask the Library: https://uba.uva.nl/en/contact, or a letter to: Library of the University of Amsterdam, Secretariat, P.O. Box 19185, 1000 GD Amsterdam, The Netherlands. You will be contacted as soon as possible.

UvA-DARE is a service provided by the library of the University of Amsterdam (https://dare.uva.nl)

Download date:18 Nov 2026

Check for updates

Received: 7 July 2022 | Accepted: 21 March 2023

DOI: 10.1111/bjir.12744

BJIR An International Journal of Employment Relations LSE

SPECIAL ISSUE

All about power after all? A multi-level analysis of employers' organization membership in Europe

Alex Lehr[1] | **Giedo Jansen**[2] | **Bernd Brandl**[3]

[1]Institute for Management Research, Department of Political Science, Radboud University, Nijmegen, The Netherlands

[2]AIAS-HIS, University of Amsterdam, Amsterdam, The Netherlands

[3]Durham University, Durham, UK

Correspondence
Alex Lehr, Institute for Management Research, Department of Political Science, Radboud University, Nijmegen, The Netherlands.
Email: alex.lehr@ru.nl

Abstract

Employers' organizations (EOs) are the voice of business interests in social partnership and socio-economic policy making. Their legitimacy depends on the willingness of employers to join them as members. We examine the role of two types of power that EOs confer onto their members as drivers of EO membership: countervailing power against labour and organizational power. By analysing large-scale micro-level data on more than 30,000 business establishments across 27 EU countries in 2013 and 2019, we find that at the micro-level, company size, workplace unionization and the presence of trade unions and works councils are positively associated with membership, as is union density at the macro-level. These findings suggest that, in contrast to contemporary arguments in the EO literature, countering the collective power of labour remains an important motivation for EO membership. The positive impact of company size also suggests that organizational power, that is the ability to influence public policies and collective agreements through EOs, dominates the services provided by EOs to their members as a selective incen-

This is an open access article under the terms of the Creative Commons Attribution-NonCommercial-NoDerivs License, which permits use and distribution in any medium, provided the original work is properly cited, the use is non-commercial and no modifications or adaptations are made.

© 2023 The Authors. *British Journal of Industrial Relations* published by John Wiley & Sons Ltd.

tive for EO membership. Further tests of this argument, however, yield inconclusive results.

1 | INTRODUCTION

It is often held that the interest of business is fundamental to the shaping of socio-economic policy, making the influence of business a continued subject of study in economics, political science and sociology (e.g. Olson, 1965; Stigler, 1971; Coleman, 1974; Dahl, 1977; Lindblom, 1977). Particularly, the role of businesses as employers appears to legitimize their organizational power, as the safeguarding of employment is vital to the electoral success of governing parties. However, for employers' interests to influence political elites, these interests need to be articulated. In many countries, especially but not exclusively those with strong corporatist institutions (Sadowski & Jacobi, 1991; Sidenius, 1999; Wilts, 2001; Bell, 1995; Compston, 2003; cf. Thelen, 1994; Schneider, 1998; Moore, 2001; Alfonso, 2019; Valdez, 2021), this task is performed by employers' organizations (EOs) (Crouch, 1993; Traxler, 1993). By aggregating the interests of their members, individual employers, these special interest organizations gain legitimacy for their substantial organizational power (Coleman & Grant, 1988; Traxler, 1995; Van Waarden, 1995; Martin & Swank, 2004; Traxler, 2010; Brandl & Lehr, 2019), which they enact in their role as social partners via their engagement in bi- and tripartite institutions, negotiations with government and trade unions and lobbying activities (c.f., Bouwen, 2004). However, as EOs are voluntary membership organizations, their resources and representative legitimacy depend on the willingness of individual employers to become members. Indeed, membership is by no means universal, and there is substantial variation within and between countries. This can be problematic for the representative legitimacy of EOs if member and non-member interests clash, as they are increasingly assumed to do. It is, therefore, crucial to understand what drives EO membership in the first place.

Our analysis is, therefore, concerned with explaining why some employers choose to be EO members, while others do not. Specifically, we critically examine arguments related to two distinct but not unrelated elements of power that EOs confer onto their members: (a) the 'countervailing collective labour power' argument, which states that EO membership is motivated by companies' need for collective resources to balance against the collective power of labour, in particular, that of trade unions; and (b) what we shall call the 'representative differentials' argument, which states that differences in EO membership can be explained by differences in the quality of the organizational EO representation, in particular between small and large employers. These arguments have come under increased scrutiny.

Given the general decline in trade union membership and hence the loss of their power, it is currently commonly assumed that the 'countervailing collective labour power' argument has become much less relevant for explaining employer collective action (Barry & Wilkinson, 2011; Brandl & Lehr, 2019). That does not imply that countervailing power is no longer present as a motivation for EO membership, but rather, that the focus shifted to the role of countervailing power for employers vis-à-vis labour market rights legislation and identity-based social movements (Gooberman, Hauptmeier & Heery, 2019) and protection from predatory behaviour by the state in the form of corruption and bureaucratic pressure (Duvanova, 2007). However, collective labour power still plays a central role in contemporary theories that detail how globalization is creating divides within capital (Thelen, 2003; Thelen & Kume, 2006; cf. Silvia, 1997; Silvia & Schroeder 2007; Ibsen,

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

Ellersgaard, & Larsen, 2021). Here, it is commonly held that larger firms are more sensitive to labour conflict and, therefore, to pressure from trade unions. Thus, paradoxically, the traditional countervailing power argument appears simultaneously wholly outdated and more relevant than ever in explaining EO membership.

Relatedly, 'big business' has been assumed to dominate the internal organizational positions of EOs (Traxler & Huemer, 2007; Traxler, 2010), to the detriment of smaller employers, who would consequently 'vote with their feet' (Silvia, 1997; Silvia & Schroeder 2007). Yet, the explanatory power of this 'representative differentials' argument is unclear. Recent research (Demougin et al., 2019) suggests that EOs are increasingly engaging in lobbying activities aimed at (trans-)national policies, but also that they are increasingly shifting towards the provision of services (e.g. assistance and advice on HR, law, taxes and finance) to maintain membership. The former would presumably make EOs even more attractive to large firms looking to leverage influence on politics.

This trend has coincided with the emergence of an increasing number of specialized lobbying organizations which aim to give firms access to political decision-making (e.g. Bouwen, 2004). However, the emergence of other specialized lobbying organizations does not necessarily mean that these organizations are competitors to EOs when it comes to exercising political influence on labour market policies. These newly emerged organizations may actually be complementing EOs by focusing on different areas, such as taxation or trade. As labour and product market interests coincide, it is reasonable to assume that the newly emerged organizations are even cooperating with EOs. For example, especially when it comes to labour market issues, EOs (still) have better and sometimes even an institutionalized access to decision-making institutions and actors. Both on the European level and in some countries the national level, EOs are formally recognized representatives of business with a certain representative and democratic legitimacy (e.g. Prosser et al., 2022). This can give them more influence and access to public policymakers than other (pure) lobbying organizations. Large firms for this reason may (still) value EOs to further their interests because of EOs, while simultaneously making use of other lobbying organizations or even creating their own. Hence, this trend of emerging lobbying organizations could be an expression of an overall expansion of firms seeking influence on public policy making in different ways. The shift towards providing services, however, would clearly be particularly useful for smaller firms that have less resources and internal staff.

Empirically, these issues have not been resolved. Studies on EO membership have predominantly analysed data at the country, sector or EO level. Such aggregated data, however, provide little useful information on what types of employers are more or less likely to be members of EOs, as they do not allow us to differentiate between individual employers (see also the general problems of micro-macro correspondence described in Robinson, 2009; Kittel, 2006). More specifically, while trade union density has indeed been found to no longer be a good predictor of EO density at the aggregate country level (cf. Traxler, 2010), this does not constitute clear evidence against the 'countervailing collective labour power' argument: In these studies, aggregate EO density is defined in the standard way for country-comparative research, namely, by taking the proportion of employees working in firms that are members of the largest peak EO in a country. This implies that what is measured is not aggregate EO membership but rather aggregate membership weighted by firm size (as larger employers necessarily contribute more employees to the membership share) and that only for the largest peak organizations. Second, the exclusive focus on the role of trade unions also neglects the increasingly important role of works councils in collectively representing employees.

We address these issues by performing a multilevel analysis of EO membership using data on more than 30,000 business establishments across 27 EU countries in 2013 and 2019 from the

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

European Company Survey (ECS). These data do have their own limitations, which we aim to address in our analyses as much as possible and take into account in our conclusions. In doing so, we address the following research question:

> *To what extent can EO membership among employers in the EU be explained by collective labour power and representative differentials?*

In the remainder of this article, we first clarify theoretical arguments for EO membership and deduce hypotheses to test them. In the third and fourth parts of this article, we describe the data and methodological approach and present the results of our analyses. We then draw conclusions from the results in combination with previous findings in the literature, evaluate limitations of our study and identify future challenges and opportunities for EO research.

2 | THEORETICAL FRAMEWORK

2.1 | EO membership as a collective action problem

The core tasks of EOs have traditionally been to collectively represent the interests of their members towards trade unions and the state, for instance, through engagement in collective bargaining and tripartite decision-making. Membership with EOs is, however, not free. EOs require resources to effectively represent their members and, therefore, charge membership fees. Hence, EO membership reflects a classical collective action problem: EOs produce collective goods from which individual employers cannot be excluded, and employers, therefore, have an incentive to engage in free riding. The case of the collective representation of businesses in fact was used as an exemplar in Olson's *Logic of Collective Action* (1965).

An early point of debate in the EO literature has been the exact nature and extent of the collective action problem for employers. Rooted in a class-theoretical approach, Offe and Wiesenthal (1980) argue that the logic of collective action differs fundamentally between workers and capitalists. Collective interests of the latter would be more self-evident, homogenous and narrow (cf. Traxler, 2010). Hence, the task of collective representation is easier for business associations than for trade unions, and they are more likely to be 'encompassing organizations' (cf. Olson, 1965), whose actual membership includes a large proportion of their potential members.

This interpretation of the collective action problem for employers was prominently criticized by Schmitter and Streeck (1999[1981]). Based on neo-corporatist, organization and public choice theories, their approach is based on the premise that there is pervasive interest heterogeneity among businesses and because of that, overcoming the collective action problem is actually anything but easy. Furthermore, they introduce an analytical distinction between business associations that represent the labour market interests of employers (i.e. EOs) and those that represent product market interests, arguing that interest heterogeneity is particularly pronounced for the latter. Their most influential argument is that EOs primarily balance two competing logics in overcoming the collective action problem. The first is the *logic of membership*, which revolves around the need to tailor activities and services to the needs of employers to provide the right selective incentives for membership. The second is the *logic of influence*, which revolves around the need to act as an interlocutor towards state authorities to gain a monopoly over goods so essential to potential employers that membership becomes *de facto* necessary (e.g. certification, licensing, juridical authority, etc.). The tension between these logics arises because to gain legitimacy from the state,

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

EOs must be able to discipline their members, that is force a course of action that may not be in all of their members' interests, while in the absence of sufficient monopoly goods, gaining sufficient membership to be considered representative also hinges on following the logic of membership.

Perhaps the most important institution fostering the logic of influence is collective bargaining. EOs that are able to negotiate binding wage agreements with trade unions could function as a tool for governments to regulate wage growth while at the same time allowing employers to effectively act as a cartel on the labour market and drive low-cost competitors out (Traxler, 1993). The internal governability of EOs, their ability to keep their members in line and the existence of extension practices would hence be central to the survival of EOs. In part, this reasoning appears to have lost its applicability to current EO representation. Economic globalization, international economic competition and opportunities for transnational mobility arguably have eroded EOs' abilities to maximize membership through collective bargaining (Traxler, 2010).

EOs increasing engagement with service provision may hence reflect a prioritization of the logic of membership. On the other hand, their increased turn towards lobbying activities can be interpreted as a revival of the logic of influence. However, as argued by Schmitter and Streeck (1999[1981]), employer interests are heterogeneous, and not all interests can, therefore, be equally well represented. The question thus arises, how differences in the quality of EO representation between individual employers impact their membership.

Grounded in this theoretical understanding of EOs, in the following section, we elaborate on the central arguments related to the role of power in explaining EO membership and deduce hypotheses. For reasons of space and analytical focus, we include only hypotheses related to the characteristics we are able to measure empirically.

2.2 | Countervailing collective labour power

The core argument underlying *countervailing power theory* is that employers join EOs to balance their power against actors with interests differing from their own. The collective action problem is thus solved by EOs offering countervailing power as a selective incentive for membership. This argument is often applied to reason that both the creation of EOs and the decision of employers to join them or remain members result from efforts to counter the collective power of labour, in particular trade unions (e.g. Offe & Wiesenthal, 1980; Barry & Wilkinson, 2011; Kuo, 2015). Membership in EOs protects employers from strikes and union tactics aimed at improving wages and working conditions by playing individual employers off against each other (Sisson, 1987). By acting collectively, individual employers would hence be less vulnerable to such tactics. More generally, EO membership provides access to important resources which allows businesses to deal with a well-organized workforce, for example legal expertise and information exchange (Traxler, 1993). It then follows that the incentives for EO membership are stronger for employers facing stronger collective labour power. Traditionally, trade union density is seen as a valid measurement of trade union power at the country level. Therefore, we would expect that:[1]

Hypothesis 1 *The higher the trade union density in a country, the more likely it is that companies are EO members.*

However, trade union density at the country level does not capture the generally substantial differences in trade union representation at the company level. For this reason, the former hypothesis does not test whether the countervailing power argument can explain differences in

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

membership among companies within countries. Moreover, the singular focus on trade unions neglects the increasingly important role of works councils in representing collective employee interests. In contemporary contexts, it is more informative to distinguish between three situations of collective labour power at the company level: (1) there is/are (a) trade union(s); (2) there is no trade union, but there is a works council; or (3) there is neither a trade union nor a works council. The degree of collective labour power is highest if (1) applies and lowest if (3) applies. This is the case because trade unions generally have the right and organizational capacity to call strikes or other types of collective action that would financially harm the company. Works councils generally lack such rights and organizational capacity; however, they offer a platform for collective worker voice with accompanying legal rights and customs. Therefore, we expect the following:

Hypothesis 2 *Companies with a trade union presence are more likely to be EO members than those with only works councils, while companies with no collective employee representation are the least likely to be EO members.*

In addition to the mere presence of trade unions in the workplace, it is important to also consider the unionization of the workforce. A higher proportion of unionized employees will make companies more vulnerable to labour conflict, as unionized employees are more likely to participate in industrial action (e.g. strikes). This will increase the economic damage that industrial action would cause to business and consequently also make it more likely for trade unions to resort to industrial action in the first place, as the chances of success are then greater. Moreover, in some contexts (e.g. the Netherlands), trade union presence at the company level is very limited in exchange for more extensive union involvement and power at the sectoral and national levels. In such cases, unionization is a better measure of collective labour power than trade union presence. In sum, we expect the following:

Hypothesis 3 *The greater the proportion of unionized employees in companies, the more likely they are to be EO members.*

2.3 | Representative differentials

While employer interests are sometimes assumed to be rather homogenous, this assumption is increasingly challenged by theories that suggest pervasive and increasing interest heterogeneity among employers (e.g. Iversen; 1996; Culpepper, 1999, 2007; Flecker & Schulten; 1999; Swank & Martin; 2001; Mares; 2003; Martin, 2005; Trampusch, 2010; Plouffe, 2015; Lisi, & Loureiro, 2019; Voskeritsian et al., 2020; Bulfone & Afonso, 2020). Differences in firm size are generally considered to reflect a major cleavage within business. Theories on the impact of globalization on EO representation in particular assume that increasing transnational economic integration and openness increases conflicts of interest between small and larger employers (e.g. Silvia, 1997; Silvia & Schroeder 2007; Thelen & Wijnbergen, 2003; Thelen & Kume, 2006; Traxler & Huemer, 2007; Valdez, 2021). This divide between larger and smaller employers is sometimes attributed to underlying differences in sensitivity to labour conflict (Thelen & Wijnbergen, 2003; Thelen & Kume, 2006; cf. Silvia, 1997; Silvia & Schroeder 2007). According to this argumentation, larger employers tend to be more export-oriented and hence more subject to the pressures of international competition as well as having long, transnational supply chains. This would leave them particularly vulnerable to labour conflict. To avoid such conflict, these larger employers may

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

consent to more generous collective agreements, while smaller employers likely find it more difficult to accommodate such a strategy. Hence, smaller employers are argued to find their interests systematically opposed to those of large employers. Thelen and Wijnbergen (2003) even argue that the fragmentation due to firm-size may be wholly spurious, a point we return to in our empirical analysis.

However, to understand how these divergent interests affect EO representation, it is necessary to also consider *why* this representation may systematically differ between employers. We will refer to this as the *representative differentials* argument. Here, it is assumed that EO membership offers employers the power to influence policy. This can itself be a selective incentive for membership. EOs are lobbying on behalf of employers in different ways, they are involved in collective bargaining as well as representing the interests of employers via their involvement in tripartite meetings. This implies that EOs must take coherent positions on what the preferred content of collective agreements or public policy should be. If the interests of employers are indeed heterogeneous (cf. Schmitter & Streeck 1999[1981]) and conflicting, it follows that some employers will be better represented by EOs than others. We assume that as members, some employers will have more influence on their EOs' position than others. We also assume that the more influence an employer has, the greater the incentives for membership are, as this allows the employer to further their own interest.

Larger businesses have more resources and can, therefore, contribute more to EO resources, thus making EOs more dependent on them (e.g. Traxler, 1993, Traxler & Huemer, 2007). This is often even formalized in weighted membership fee structures, wherein fees increase with size. Moreover, the legitimacy of EOs in representing capital towards the state will be enhanced by the share of the labour force and the total economic activity that their members represent. Larger companies employ a larger workforce and hence as members contribute more to the legitimacy of EOs than smaller companies. Hence, large companies are assumed to dominate the policy positions of EOs (Traxler & Huemer, 2007; Traxler, 2010). Therefore, the incentives for EO membership should increase with company size and we expect that:

Hypothesis 4 *The larger companies are, the more likely it is that they are EO members.*

Of course, a positive association between size and membership by itself does not necessarily constitute strong evidence in favour of the *representative differentials* argument. For example, larger companies may be more motivated than smaller ones to join in order to contain compensation costs, not only due to them being able to then (disproportionally) influence collective agreements, but also due to the protection against being singled out by unions. For example, if large companies are not members of an EO, they may have to accept relatively expensive collective agreements if unions in these companies are strong. In sectoral collective agreements, trade unions may need to consider the interests of smaller companies in the sector through lower wage demands, which would be an incentive to join an EO for larger companies. On the one hand, this argument is supported by the fact that unionization is traditionally higher in larger companies. Taking the German car industry as an example (e.g. Streeck, 1984), this argument would hold especially for companies in the manufacturing industry where unions are (were) traditionally strong. On the other hand, the argument is based on strength of unions which might also be high in small(er) companies. Hence, it is not necessarily the size of companies that matters, but it is unionization and the fact that (encompassing) sectoral collective agreements exist. In this sense, it could be argued that small companies also have an advantage in joining an EO and being protected from expensive collective agreements. Whether this is (still) the case is not clear, given

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

that sectoral collective bargaining became less common and in many European countries opt-out clauses exist.

Larger companies may also be argued to have stronger incentives to join to prevent competitors from gaining a policy advantage, or to be more susceptible to pressures to signal their own importance via membership. For example, larger companies may well want to be seen as key actors within EOs in order to signal to their competitors that they are large and influential. Hence, even if companies gain no other benefits from the membership, this simple signalling effect might suffice as an incentive for joining an EO. However, this argument may conversely also apply to smaller companies which might seek to use EO membership as a means of boosting their reputation by signalling their importance or perhaps even masquerading as influential organizations.

Hence, to further probe the argument, we, therefore, also consider under which macro-contextual conditions the hypothesized size effect should be more pronounced. We consider conditions related to (a) the degree of wage-setting coordination and (b) the existence of tripartite councils that provide a channel for EO involvement in social-economic policies of particular theoretical importance. Under both conditions, EOs take a central role in articulating business interests and thereby contributing to policies that are of significant importance to employers. As EOs may be assumed to choose policy positions that reflect the interests of their members, membership can be motivated by the desire to influence these positions. This influence can thus become a selective incentive for membership. However, if the interests of larger and smaller companies indeed differ, and if larger companies are indeed able to disproportionally influence EO positions, it follows that the incentives for EO membership become relatively greater for larger companies compared to smaller companies when (a) there is substantial coordination, and (b) tripartite councils exist. We, therefore, expect that:

Hypothesis 5 *The hypothesized positive effect of company size on EO membership increases in magnitude when (a) wage-setting is more coordinated and (b) when there exist tripartite councils.*

3 | DATA AND METHODS

3.1 | European Company Survey

We use data from the two most recent waves of the ECS, as these include measurements of EO membership: ECS-2013 and ECS-2019. The ECS is a large-scale representative survey of business establishments with 10 or more employees, with surveys administered to the most senior person in charge of HR in the establishments as management representatives (the MM questionnaire). ECS-2013 was conducted by Gallup Europe via telephone interviews and targeted the whole non-agricultural economies and public sectors of all 2013 EU member states (including Croatia), plus the Former Yugoslav Republic of Macedonia, Iceland, Montenegro and Turkey. For ECS-2019, contact was established by telephone, but the questionnaire was administered by Ipsos online with a push-to-web approach, and the target population additionally excluded NACE sectors O, P, Q and T. ECS-2019 was fielded in all 2019 EU member states. For both ECS waves, stratified (by establishment size and economic sector) probability sampling was used, with specific procedures differing between countries depending on the available sampling frames. Complete technical reports and quality assessments are documented in Eurofound (2020). A separate questionnaire was fielded among employee representatives of sampled establishments in which such an employee representative was present (the ER questionnaire).

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

The ECS offers a unique opportunity to test our hypotheses. It is the only large-scale, cross-national survey measuring EO membership at the micro level as well as a host of other relevant variables. This allows us to relatively reliably estimate the hypothesized micro-level effects and explore differences between countries and time points. In particular, these data allow us to make direct inferences about company-level mechanisms without risking the fallacies associated with relying on (aggregated) national-level or EO-level data; to adjust for many company-specific confounders that capture plausible explanations for EO membership that are not consistent with our theoretical expectations; and to estimate cross-level interactions and thereby analyse context-dependence of the company size effect on macro-level coordination and tripartism. This would not be possible with data that are measured at the level of EOs or countries exclusively.

Nevertheless, some general limitations of the ECS should be noted. The reliance on management and employee representatives as a source of information about their business establishments, that is the information is self-reported, may introduce measurement error when these respondents are not able or willing to judge such characteristics correctly. In particular, while we consider social desirability and similar biases related to the sensitivity of questions of limited importance given the non-sensitive nature of our variables of interest, these biases can of course never be ruled out with certainty. Insufficient knowledge and re-call bias may be somewhat more likely, although extensive and state-of-art strategies were implemented in the data collection and screening to ensure the appropriateness of respondents and responses. We assume that any measurement error would be sufficiently small and randomly distributed (conditional on the covariates in our models) to at most lead to some inflation of the estimated standard errors and some attenuation bias, which we assume would be relatively unlikely to affect our substantive conclusions (we provide a more elaborate explanation of this issue in the online Appendix).

As is typical with such business surveys, response rates are also often quite modest (see Ipsos, 2020 for a complete overview). While this need not be problematic by itself, given the large sample size, it does increase the risk of systematic differences between respondents and non-respondents biasing our findings. These problems are particularly pronounced for data based on the employee representative's questionnaire. Employee representatives are not present in all establishments in the first place, and they need to be identified by management representatives, who may not always be willing or able to do so in the best way possible. The introduction of the GDPR further increased the difficulty in identifying and securing the participation of employee representatives for ECS-2019. Hence, analyses based on the ER questionnaire suffer from a substantial reduction in sample size and an increased risk of selection bias. The questionnaires used in ECS-2013 and ECS-2019 are also not fully identical, with some relevant variables only measured in one of the waves. It must further be noted that the ECS samples business establishments rather than entire companies. All variables for this reason principally reflect characteristics of these establishments, although it is possible to distinguish single establishments, headquarters and subsidiary sites. Finally, as the ECS measures cross-sectional and observational data, the interpretation of estimated effects as the result of causal processes relies on relatively strong assumptions that may not always be fully satisfied. While we statistically adjust our estimates to mitigate some of these limitations, as always, these adjustments may be imperfect.

We exclude Austrian data from our further analyses, as EO membership is *de facto* mandatory in this country. To allow for a direct comparison between the survey waves, we also exclude data on the public sector from the ECS-2013 and only retain data from countries measured in both waves. In our main analyses, we use data from the MM questionnaire where possible and only include the matched ER questionnaire data when the variables under consideration are also only measured by the ER questionnaire. We supplement the ECS data with country-level data from the OECD/AIAS ICTWSS database (OECD & AIAS, 2021), version 6.1. Given our goal of also testing macro-level

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

and cross-level interaction hypotheses, it is important to ensure sufficient cross-national variation. As most of the variables of interest in this study are measured in both ECS-2013 and ECS-2019, we are able to pool the data from both waves, albeit in some cases only after harmonizing the specific measurements. This results in 54 country-waves (2 waves times 27 countries) being available for analysis. However, some potentially relevant control variables are only measured in either ECS-2013 or ECS-2019. We, therefore, supplement our main analyses of the pooled ECS-2013/ECS20-19 data with additional robustness checks in which we analyse the two waves separately.

3.2 | Operationalizations

The precise survey questions and answering categories used to measure each variable are presented in online Appendix Table A1. Most variables are ordinal or categorical measurements. Our strategy for dummy-coding these variables is to retain the highest number of meaningful categories, collapsing categories only when this is necessitated by small cell counts or the need for harmonization. A full overview of the main descriptive statistics for all variables is provided in online Appendices Tables A2–A4. Here, we provide a substantive reflection on the chosen operationalizations.

3.3 | Dependent variable: EO membership

The measurement of EO membership explicitly delineates EOs as organizations involved in collective bargaining, following a standard and traditional definition (e.g. Gladstone & Windmuller, 1984; Traxler & Huemer, 2007). The advantage of this is that EOs are clearly distinguishable from other types of business associations. A potential drawback is that this excludes organizations not involved in collective bargaining but nevertheless representing labour market interests of their members. There are indications that in recent times, some EOs have moved away from involvement in collective bargaining while still fulfilling a role in representing the labour market interests of their constituents (Brandl & Lehr, 2019). Such cases, however, beg the questions of whether these organizations can still be considered EOs according to the traditional interpretation and to what extent our theoretical arguments still apply to them, if at all. We provide a more elaborate explanation of the potential limitations of this measurement of EO membership in the online Appendix.

3.4 | Independent variables at the establishment level

3.4.1 | Employee representation

Although the hypothesis calls for categorization into just three values, we take advantage of the large sample size and extended questionnaire measurement to create a five-value categorization: 0 ‘no representation’, 1 ‘trade union only’, 2 ‘trade union & works council’, 3 ‘works council only’ and 4 ‘other representation’. This allows for a more fine-grained analysis of potentially relevant differences between establishments and reduces risks of measurement error due to grouping differing establishments into the same coarse categories. However, this strategy does somewhat increase the multiple comparisons problem in traditional hypotheses tests of the effect of this

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

variable. Note that for category 1, 'no presentation', necessarily very few observations exist in the ER questionnaire data ($N = 15$).

3.4.2 | Workplace unionization

The workplace unionization rate is measured across seven categories: 0 'none at all', 1 'less than 20 per cent', 2 '20 per cent to 39 per cent', 3 '40 per cent to 59 per cent', 4 '60 per cent to 79 per cent', 5 '80 per cent to 99 per cent' and 6 'all'. This variable is only measured via the ER survey and hence only available for a smaller subsample of establishments.

3.4.3 | Size

The size of the establishment is measured by the number of employees, coded into five standard categories: 0 '10–19', 1 '20–49', 2 '50–249', 3 '250–499' and 4 '500 or more'. The main drawback of this measurement is that it does not allow us to further distinguish the size of establishments within the '500 or more' category, while it may be assumed that it is especially the very largest existing establishments that have the most influence on EOs. However, even with stratified sampling, it is unlikely that a sufficient number of these largest establishments could be sampled to allow for meaningful further distinction due to their small number in the target population.

3.5 | Independent variables at the country-wave level

We include three macro-level variables in our analysis: the *coordination* of wage-setting, the existence of *tripartite councils* engaging with socio-economic policy and trade *union density*. These variables can only vary across the 54 country-waves, and in practice will mostly vary between countries rather than over time. This sparsity limits statistical power and carries some risk of overfitting. To reduce the number of parameters that need to be estimated, we merged some categories available in ICTWSS for *coordination* and *tripartite councils* that are conceptually similar and which would otherwise cover too few country-year observations in our data to be meaningfully interpretable. For union density, values were missing for the exact survey year for some countries. In these cases, we imputed the missing values using inverse distance weighting based on the complete time series available for that country in ICTWSS. These variables are measured at the level of country-waves and can, therefore, vary between, but not within country-waves; and there is an observed mixture both of members and non-members within the levels of these variables. In particular, this means that despite the dependent variable referring to membership in organizations that participate in collective bargaining, it does not have a tautological relationship with coordination.

3.5.1 | Control variables

To test our hypotheses, we use regression adjustments to estimate the implied effects. It is, therefore, important to consider potential covariates that should be adjusted for. Along with size, economic *sector* was used as a stratifying variable in the sampling design. We hence adjust for

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

sector to ensure that the estimated effects are conditionally independent from the probability of being included in the sample. We use a more fine-grained one-digit NACE sector (rev2) classification than the broad classification used in the ECS sampling design to adjust for further sector-specific heterogeneity. Establishment *type* (0 'single establishment', 1 'headquarters' and 2 'subsidiary site') and establishment *age* are also potential sources of relevant heterogeneity and hence included as control variables. ECS-2013 only includes a categorical measurement of age: 0 'less than 2 years', 1 '2–9 years', 2 '10–49 years' and 3 '50 years or more'. For ECS-2019, the year in which an establishment started operations is measured, which we recoded to match the ECS-2013 categories for the pooled analyses. The decisions to adjust for sector, size and age appear straightforward: they are not part of the hypothesized causal processes (i.e. the adjustment does not lead to overcontrol bias), but they can be reasonably assumed to influence our dependent and independent variables while not being themselves influenced by EO membership (i.e. there appears the little risk of introducing collider bias).

This latter assumption may be argued to be less reasonable for a further set of potentially relevant confounders related to organizational complexity and the composition of the workforce. EO membership may provide establishments with services that reduce their own need for organizational complexity or allow them to retain a different workforce. While these patterns may well be insufficiently strong to lead to serious bias, this is less likely the case for the final three confounders we consider: the establishment's *financial situation*, the level of *market competition* and the *work climate*, as it is plausible that EO membership systematically influences these variables. However, not adjusting for these variables may just as plausibly lead to omitted variable bias. For instance, even though EOs generally charge smaller companies significantly lower membership fees, financial and competitive constraints may still impede membership, while organizational complexity and workforce composition are likely to affect their need for EO services. Furthermore, some of these potential control variables are only measured in either ECS-2013 or ECS-2019. For reasons of space, we will present only estimates that adjust for all the potential control variables available in both waves in our main analysis. However, we perform extensive sensitivity analyses in which we evaluate the robustness of these estimates to both the inclusion and exclusion of these potential control variables. All substantive conclusions we draw in about the hypotheses are robust in these analyses, and we summarize any noteworthy deviations or remaining uncertainties in a separate section below.

We measure two features of organizational complexity. First, we measure the number of *hierarchical levels*. For this variable, the number of observations becomes quite small above a value of seven, especially for ECS-2019. For this reason, we code this into a categorical variable with seven values, merging all establishments with seven or more hierarchical layers into one category. Second, the *share of managers* in the workforce is only available from ECS 2019. This variable is measured with the following categories: 0 'none at all', 1 'less than 20 per cent', 2 '20 per cent to 39 per cent', 3 '40 per cent to 59 per cent' and 4 '60 per cent or more'. We consider the following aspects of the workforce: the share of (a) *permanent contracts*, (b) *part-time contracts*, (c) *female employees*, (d) *older employees* (>50 years), (e) *university educated* employees, (f) employees with > 1 year of *on-the-job training* and (g) jobs that require *continuous training*. (a) and (b) are available from both survey waves, (c) to (f) are only available from ECS-2013, and (g) is only available from ECS-2019. With the exception of (d), these variables are measured across seven categories: 0 'none at all', 1 'less than 20 per cent', 2 '20 per cent to 39 per cent', 3 '40 per cent to 59 per cent', 4 '60 per cent to 79 per cent', 5 '80 per cent to 99 per cent' and 6 'all'. For (d), the final two categories are merged into the '80 per cent or more' category due to small cell counts. Measurements of the financial situation and work climate are only available from ECS-2013, and both are measured

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

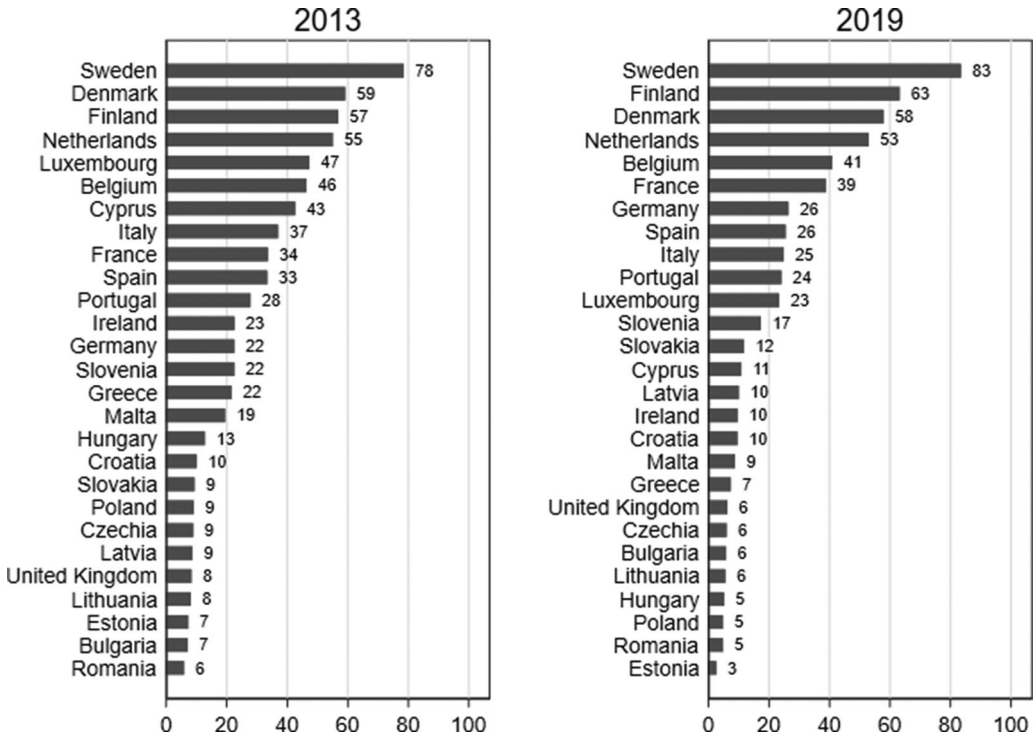

FIGURE 1 EO membership as percentage of establishments in EU countries (excluding Austria) in 2013 and 2019. Source: European Company Survey.

across five categories: 0 'very bad', 1 'bad', 2 'neither good nor bad', 3 'good' and 4 'very good'. Market competition is only available from ECS-2019 and is measured across four categories: 0 'not at all competitive', 1 'not very competitive', 2 'fairly competitive' and 3 'very competitive'.

3.6 | Analyses

3.6.1 | Preliminary analyses

We first provide an overview of the distribution of EO membership and of the raw associations between EO membership and the establishment-level independent variables observed in the two ECS samples. We find that overall, approximately 37 per cent (unweighted) and 29 per cent (weighted) of establishments were EO members in ECS-2013, dropping to 30 per cent (unweighted) and 24 per cent (weighted) in ECS-2019. As illustrated in Figure 1, EO membership in both years was particularly high in the Nordic and Low countries, that is countries with relatively strong corporatist institutions and trade unions. The lowest percentages are, conversely, found predominantly in the former communist countries and the UK.

With the exceptions of some smaller countries, in particular Cyprus and Luxembourg, changes over time are within 3–5 percentage points, similar in magnitude to other typical industrial relation variables (cf. Brandl & Lehr, 2019; OECD & AIAS, 2021; Traxler & Huemer, 2007). However, some specific levels and trends deviate from those obtained via other sources on membership,

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

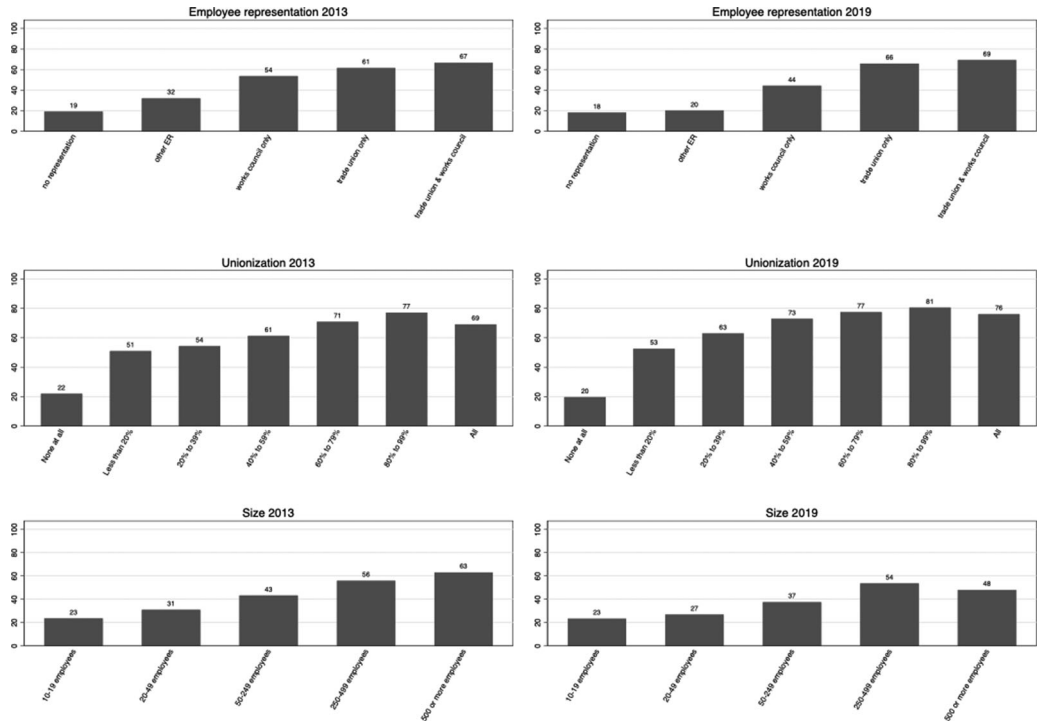

FIGURE 2 EO membership as percentage of establishments by employee representation, unionization and size in EU countries (excluding Austria) in 2013 and 2019 (unweighted). Source: European Company Survey.

such as the OECD/AIAS ICTWSS data (OECD & AIAS, 2021). This is to be expected given the fundamentally different definitions and measurements used, most obviously the difference between expressing membership as a proportion of companies as we do by using the ECS and doing so as a proportion of the relevant labour force as in ICTWSS and similar comparative sources. This can lead to substantial differences in both observed levels and trends in membership, even under the assumption that all data sources have no measurement- or sampling error. Nevertheless, these differences may also suggest issues with the data quality of either type of source. In our case, they may suggest issues with the overall representativeness of ECS 2019 as well as the representativeness for certain smaller countries and also some larger countries that show trends that deviate from those observed with other sources. Hence, we have evaluated and confirmed the robustness of our findings by additional analyses that systematically exclude countries and waves that may suffer from these issues.

Figure 2 shows the raw EO membership percentages for establishments with differing levels of employee representation. In both survey years and in line with hypothesis H2, EO membership is higher in establishments with workplace trade union representation than in establishments with no representation, with establishments that only feature a works council in between. Hypotheses H3 and H4 also find preliminary support, as EO membership increases with the size and unionization of establishments, although these relationships taper off somewhat at the largest values of size in ECS 2019 and unionization in both waves. It should be noted that the relationship between size and membership in ECS 2013 would be more ambiguous after applying unit-proportional sample weights due to a drastically decreased membership percentage to 28 per cent in the '500 or more' category. Given the small number of observations of this category in both the sample

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

and population and the discrepancy between ECS 2013 and ECS 2019, it is not unlikely that this is an artifact of the weighting rather than reflection of the true population pattern, although the latter possibility cannot be ruled out. In the following section, we use more fine-grained regression adjustments to correct for differential non-response and also take into account the role of the macro-level variables.

3.7 | Hypotheses tests

3.7.1 | Modelling strategy

We estimate a number of regression models to test our hypotheses. Two features of our data need to be taken into account. First, as EO membership is a dichotomous variable, estimating linear models is suboptimal due to the likely violation of the assumptions of linearity and normal, homoscedastic distributed errors. We, therefore, opt instead for binary logistic specifications. Second, we cannot assume the errors to be uncorrelated, as we pool data of different countries and survey waves. In our main analyses of the MM questionnaire data, we address this problem by estimating multilevel (logit) models via maximum likelihood methods. We treat the individual establishments as nested within country-waves which, in turn, are treated as cross-classified within countries and waves, thereby taking into account all potential dependencies (see Schmidt-Catran & Fairbrother, 2016). Thus, where feasible, our models include variance estimates of the error terms for, respectively, the country, wave and country-wave level, all assumed to be normally distributed. For tests of the cross-level interaction hypotheses, additional variances are estimated for the variation of the respective (dummy-)coefficients of the relevant establishment-level variables across the survey-waves. The binomial variance is assumed for the establishment level. For some model specifications, reliable estimation of the fully specified cross-classified model is not feasible due to the small size of the (conditional) wave-specific variance. In these cases, we revert to a simpler three-level hierarchical model with country-waves assumed to be nested within countries, but include a wave-specific fixed effect to adjust for any residual dependency due to systematic difference between the two survey waves. In this way, we aim for the best possible trade-off between bias and efficiency.

It may be argued that the effects of the establishment-level variables could be confounded in the presence of compositional effects (i.e. if the 'random effects' assumption of independence of the higher-level error terms from these variables is violated). However, we find that the estimates for the establishment-level independent variables are virtually identical when using (a) group-mean centring (i.e. applying the 'within'- transformation), (b) raw scores with country-wave-specific fixed effects and (c) raw scores without country-wave-specific fixed effects. We, therefore, assume that this issue does not bias our estimates. This also implies that the presented estimates can be interpreted as being virtually identical to those that are obtained when adjusting for all systematic differences between countries and waves.

The coefficients reflect the linear effects of each included variable on the predicted log-odds of EO membership, conditional on the included covariates. For ease of interpretation, we also calculate and graphically present the average predicted probability of EO membership across reasonable values of our main independent variables, that is the margins averaged over all values of the covariates. For the estimated interaction effects, we also present the corresponding average marginal changes in the predicted probability across values of the moderators. In this way, we also address the potential bias in the estimated interaction effects due to scaling the

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

coefficients consistently with the assumed binomial error variance at the establishment level (e.g. Mood, 2010).

In Table 1, we present four models. The first three models were estimated using the full MM questionnaire data. Model 1 includes no covariates and hence reflects the estimated unconditional variances associated with the country-wave-, country- and wave levels. In the following models, the effects of all establishment-levels independent variables are estimated, adjusted for all the control variables that are available in both survey-waves. These models also include estimates for macro-level *union density* and either *coordination* (Model 2) or *tripartite councils* (Model 3). The latter two variables are not included jointly, both because they are theoretical substitutes and because their empirical overlap is likely to cause unreliable and overfitted estimates. In Model 4, the effect of *workplace unionization* is estimated, which is only measured in the ER questionnaire. Note that in this model, we use the observations with 'trade union & works council' as the reference category for employee representation instead of those with 'no representation', as there are necessarily very few observations in this latter category in the ER questionnaire data. The estimates of the hypothesized interaction effects of *size* with, respectively, *coordination* (Model 5) and *tripartite councils* (Model 6) are in Table 2. For reasons of space and clarity, we omit the estimated coefficients for the control variables from the table (complete estimates are reported in online Appendices A5 and A6).

4 | RESULTS

The estimates for Model 1 indicate that of the total variation in EO membership, roughly, 70 per cent is within country-waves.[2] This highlights the importance of micro-level data and micro-level analyses of EO membership. Of the remaining (macro-level) variation, we find that membership predominantly varies across countries, much less between 2013 and 2019 overall or within countries over time. This is in line with Figure 1. The between-country variance is substantially reduced in Model 2, which is predominantly the result of conditioning on macro-level union density and coordination. The estimated effect of macro-level unionization supports hypothesis H1: EO membership is indeed more likely in countries with higher trade union membership. As illustrated in Figure 3, the magnitude of this association is substantial, of EO membership on average increasing from about 25 per cent to about 56 per cent between lowest and highest observed level of union density, conditional on the included covariates. The estimates also suggest that more extensive coordination is associated with higher levels of EO membership.

At the micro-level, we find support for both hypothesis H2, predicting that membership is more likely when trade union and/or works councils are present, and hypothesis H4, which predicts that membership increases with size. Figure 4 illustrates the effect of employee representation. The average conditional predicted probability of EO membership is about 0.24 in establishments with no representation, increasing to 0.37 when a works council is present, and to about 0.52 when a trade union is present. The impact of size, also illustrated in Figure 4, is somewhat smaller in magnitude, with the average conditional predicted probability of membership increasing from 0.31 to 0.40, comparing the smallest to the largest observed establishments. These estimates remain similar in Model 3, where the presence of tripartite councils is included as a covariate instead of coordination, albeit with a notable increase in magnitude of the union density effect. The latter is also reflected in the corresponding average marginal effect on union density, suggesting that it is not a mere artefact of scaling to the binomial variance. However, we deem bias resulting from omitting coordination in this model as the most likely reason for this increase. We

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

TABLE 1 Logit estimates of effects on EO membership in EU countries (excluding Austria).

	Model 1	Model 2	Model 3	Model 4
	β	*β*	*β*	*β*
Constant	−1.024	−3.243	−2.752	−2.545
	[0.315]	[0.352]	[0.411]	[0.796]
	(0.001)	(0.000)	(0.000)	(0.001)
Micro level				
Employee representation				
No representation		Reference	Reference	−0.382
				[0.746]
				(0.609)
Trade union only		1.616	1.616	−0.209
		[0.046]	[0.046]	[0.101]
		(0.000)	(0.000)	(0.038)
Trade union & works council		1.523	1.525	Reference
		[0.053]	[0.053]	
		(0.000)	(0.000)	
Works council only		0.809	0.814	−0.407
		[0.049]	[0.049]	[0.118]
		(0.000)	(0.000)	(0.001)
Other representation		0.447	0.445	−0.912
		[0.056]	[0.056]	[0.133]
Size				
10–19 employees		Reference	Reference	Reference
		(0.000)	(0.000)	(0.000)
20–49 employees		0.033	0.033	-0.001
		[0.041]	[0.041]	[0.132]
		(0.425)	(0.425)	(0.992)
50–249 employees		0.202	0.201	0.128
		[0.046]	[0.046]	[0.133]
		(0.000)	(0.000)	(0.335)
250–499 employees		0.510	0.508	0.291
		[0.066]	[0.066]	[0.156]
		(0.000)	(0.000)	(0.063)
500 or more employees		0.600	0.599	0.492
		[0.076]	[0.076]	[0.173]
		(0.000)	(0.000)	(0.004)
Workplace unionization				
None at all				Reference
Less than 20%				0.503
				[0.134]
				(0.000)

(Continues)

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

TABLE 1 (Continued)

	Model 1	Model 2	Model 3	Model 4
	β	β	β	β
20–39%				0.881
				[0.146]
				(0.000)
40–59%				1.033
				[0.154]
				(0.000)
60–79%				1.175
				[0.159]
				(0.000)
80–99%				1.045
				[0.164]
				(0.000)
All				0.825
				[0.193]
				(0.000)
Macro level				
Unionization (percentage)		0.022	0.041	0.022
		[0.008]	[0.009]	[0.010]
		(0.005)	(0.000)	(0.026)
Coordination				
Fragmented		Reference		Reference
Some coordination		0.401		0.155
		[0.213]		[0.306]
		(0.060)		(0.611)
Procedural guidelines		1.417		0.787
		[0.324]		[0.406]
		(0.000)		(0.052)
(Non-)binding norms		1.476		1.040
		[0.348]		[0.451]
		(0.000)		(0.021)
Tripartite councils				
No permanent council			Reference	
Tripartite or union-employer council			0.184	
			[0.326]	
			(0.572)	
Variance(wave)	0.107	0.007	0.007	
	[0.117]	[0.013]	[0.015]	
	(0.361)	(0.595)	(0.642)	

(Continues)

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

TABLE 1 (Continued)

	Model 1	Model 2	Model 3	Model 4
	β	*β*	*β*	*β*
Variance(country)	1.174	0.298	0.558	0.513
	[0.338]	[0.101]	[0.173]	[0.166]
	(0.001)	(0.003)	(0.001)	(0.002)
Variance(country-wave)	0.104	0.101	0.120	0.022
	[0.033]	[0.036]	[0.040]	[0.050]
	(0.002)	(0.005)	(0.003)	(0.657)
Log-likelihood	−22,819.9	−15,751.5	−15,760.8	−2950.3
N establishments	43,392	35,433	35,433	5896
N country-waves	54	54	54	54
N countries	27	27	27	27

Notes β: logit coefficient with standard error in square parentheses and *p*-value (two-tailed *z*-test of H_0: β=0) in brackets. The full set of control variables are included in Models 2–4 but omitted from the table.
Source: European Company Survey.

find no strong support in favour of the estimated positive effect of the presence of tripartite being anything but mere sampling variability, with a standard error estimate about 1.8 times the value of the coefficient. In light of this, including union density and coordination, as in Model 2, rather than tripartite councils as in Model 3 appears the preferable option.

The estimates of Model 5, based on the matched ER questionnaire data, suggest that EO membership is also more likely the higher the level of workplace unionization, as predicted under hypothesis H3. This effect does level off and even slightly reverse towards the highest levels of unionization. For example, the average conditional predicted probability of membership is about 0.47 when none of the employees are trade union members, about 0.69 when 60–79 per cent are union members and 0.62 when all employees are union members (Figure 4). This offers some evidence potentially supporting an inverse U-shaped effect on EO membership, as may be theoretically expected following Calmfors & Driffill (1988). However, in light of associated standard errors and the corresponding width of the confidence intervals, the evidence in favour of such a non-linear effect should be interpreted as relatively weak.

We find little support for the cross-level interaction hypothesis that the positive effect of size increases with coordination (H5a) and the existence of tripartite councils (H5b). The interaction of size and coordination is estimated with Model 5. As illustrated in Figure 5, if anything, there is even some indication that the effect of size is larger in magnitude when coordination is fragmented compared to when there exist (non-)binding norms. Nor do the estimates for Model 6 provide support for the size effect differing depending on the presence of tripartite councils at all, as also illustrated by Figure 5.

4.1 | Sensitivity and limitations

To assess the sensitivity of the results to reasonable alternative methodological choices, we perform a number of auxiliary analyses. Most importantly, these include re-estimating the micro-level effects (a) with country-wave fixed effects models in order to probe the appropriateness of relying on random effects specifications and investigating the impact of potential confounding

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

TABLE 2 Logit estimates of interaction effects on EO membership in EU countries (excluding Austria).

	Model 5	**Model 6**
	β	***β***
Constant	−3.518	−2.732
	[0.374]	[0.551]
	(0.000)	(0.000)
Size		
10–19 employees	Reference	Reference
	0.335	−0.086
20–49 employees	[0.119]	[0.081]
	(0.005)	(0.288)
	0.505	0.214
50–249 employees	[0.120]	[0.102]
	(0.000)	(0.036)
	0.696	0.719
250–499 employees	[0.159]	[0.152]
	(0.000)	(0.000)
	1.086	0.581
500 or more employees	[0.163]	[0.169]
	(0.000)	(0.001)
	0.335	−0.086
Coordination		
Fragmented	Reference	
Some coordination	0.685	
	[0.236]	
	(0.004)	
Procedural guidelines	1.720	
	[0.340]	
	(0.000)	
(Non-)binding norms	1.792	
	[0.361]	
	(0.000)	
Size × *Coordination*		
20–49 employees × some coordination	−0.355	
	[0.146]	
	(0.015)	
20–49 employees × procedural guidelines	−0.287	
	[0.158]	
	(0.069)	
20–49 employees × (non-)binding norms	−0.386	
	[0.144]	
	(0.007)	

(Continues)

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

TABLE 2 (Continued)

	Model 5 *β*	Model 6 *β*
50–249 employees × some coordination	−0.285	
	[0.148]	
	(0.054)	
50–249 employees × procedural guidelines	−0.372	
	[0.168]	
	(0.027)	
50–249 employees × (non-)binding norms	−0.361	
	[0.152]	
	(0.018)	
250–499 employees × some coordination	−0.098	
	[0.206]	
	(0.633)	
250–499 employees × procedural guidelines	−0.151	
	[0.238]	
	(0.525)	
250–499 employees × (non-)binding norms	−0.187	
	[0.215]	
	(0.385)	
500 or more employees × some coordination	−0.655	
	[0.215]	
	(0.002)	
500 or more employees × procedural guidelines	−0.529	
	[0.249]	
	(0.034)	
500 or more employees × (non-)binding norms	−0.570	
	[0.221]	
	(0.010)	
Tripartite councils		
No permanent council		Reference
Tripartite or union-employer council		0.136
		[0.341]
		(0.690)
Size × Tripartite councils		
20–49 employees × tripartite or union-employer council		0.167
		[0.096]
		(0.080)
50–249 employees × tripartite or union-employer council		0.021
		[0.116]
		(0.854)

(Continues)

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

TABLE 2 (Continued)

	Model 5	Model 6
	β	*β*
250–499 employees × tripartite or union-employer council		−0.212
		[0.170]
		(0.213)
500 or more employees × tripartite or union-employer council		0.068
		[0.192]
		(0.723)
Log-likelihood	−15,760.8	−2950.3
N establishments	35,433	5896
N country-waves	54	54
N countries	27	27

Notes β: logit coefficient with standard error in square parentheses and *p*-value (two-tailed *z*-test of H_0: β=0) in brackets. The full set of control variables and variance components are included but omitted from the table.
Source: European Company Survey.

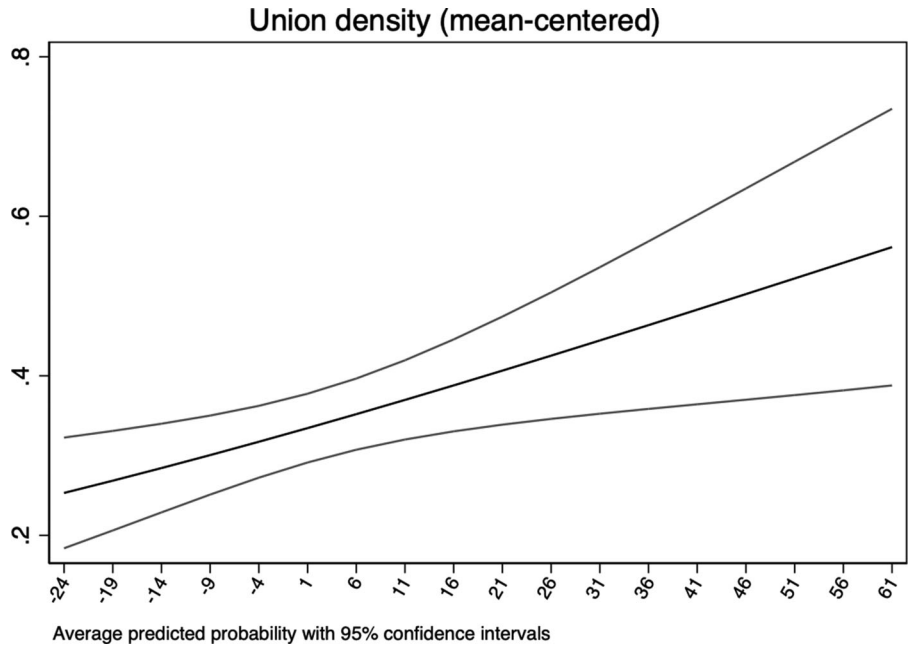

FIGURE 3 Marginal predictions by union density. Source: European Company Survey.

due to macro-level characteristics, (b) with bivariate models and models including only subsets of the covariates (to assess potential issues with overcontrol- or collider bias), (c) with the additional micro-level control variables only measured in one of the surveys, that is financial situation, market competition, work climate and employee composition (to asses potential omitted variable bias). All of these auxiliary analyses are included and discussed in the online Appendix, and they produced substantively similar results. We also considered a dichotomized operationalization of the coordination variable due to the relatively large number of parameter estimates required based

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

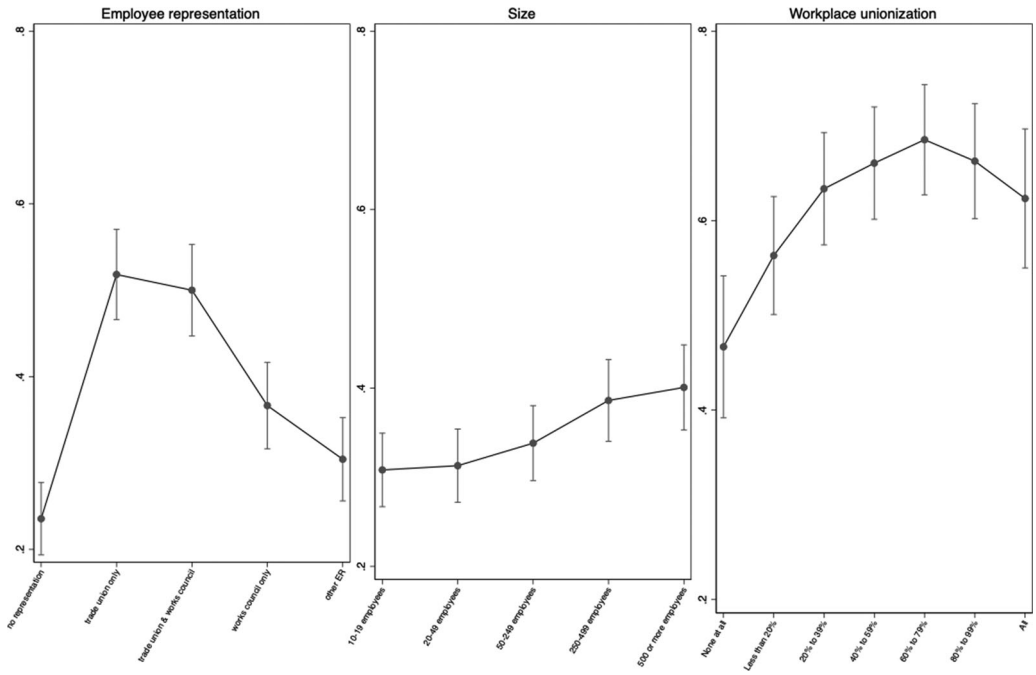

FIGURE 4 Marginal predictions by employee representation, size and workplace unionization.

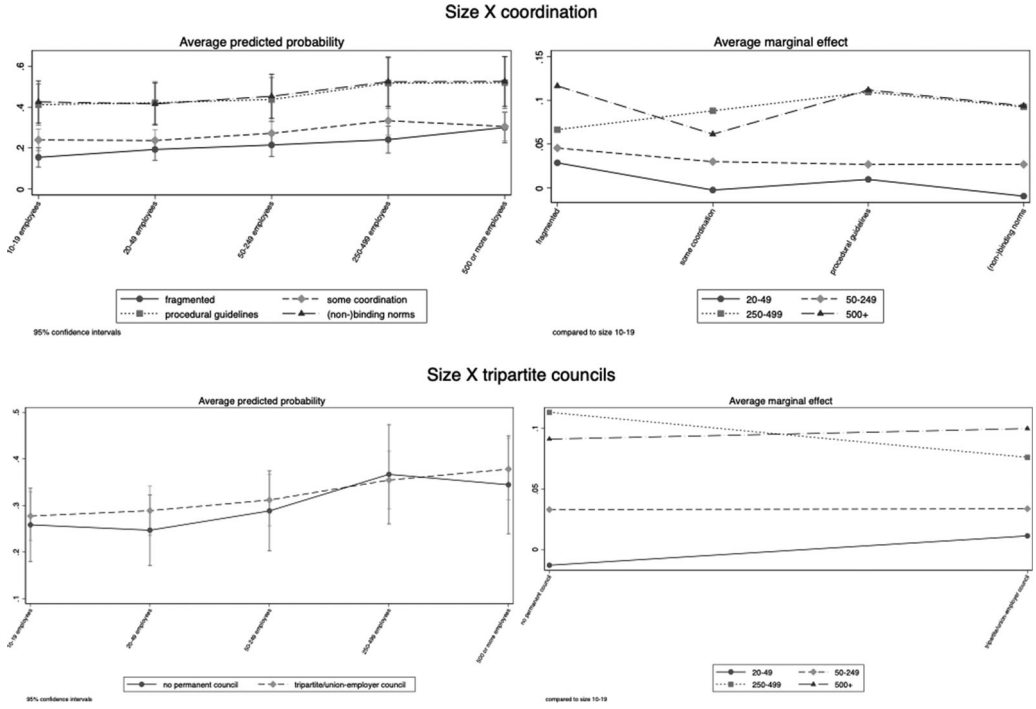

FIGURE 5 Marginal predictions and marginal effects of size across levels of coordination and existence of tripartite councils.

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

on relatively sparse data with the four-category operationalization used in the main analyses. This also did not lead to substantively different conclusions about the tested hypotheses.

In addition to the standard limitations associated with cross-sectional samples and regression adjustment with observational data, a few specific caveats should be kept in mind regarding the extent to which our findings are generalizable and represent the hypothesized mechanisms. In particular, the effect of unionization may suffer from selection bias, as it is estimated using the ER questionnaire data only. This effectively limits the sample to establishments with employee representation in place. It is, therefore, likely that the true effect of unionization is larger than estimated here. It may theoretically also be argued that the effect of unionization is more pronounced for older companies, especially in more coordinated systems, as these are more likely to maintain established structures. We find, however, little empirical evidence for this type of effect heterogeneity.

Furthermore, it may be argued that the positive effect of size is not due to the capacity for larger companies to dominate EOs' policy positions but simply a consequence of them being better able to pay membership fees due to their superior resources. However, two points would stand against this interpretation: (a) EOs generally charge lower membership fees to smaller members, so much so that it has even been argued that large companies are willing to pay disproportionate fees to subsidize the membership of their smaller counterparts to increase the representativeness of EOs (e.g. Traxler & Huemer, 2007); (b) the effect persists when we adjust for differences in establishments' financial situation and competitive pressure (of course, these adjustments may not perfectly capture all variation associated with companies' financial situation).

5 | CONCLUSION AND DISCUSSION

EOs are important players on the political stage, in light of the challenges to contemporary democracies, perhaps now more so than ever. EOs are also arguably more powerful than ever, given the declining power of their counterparts, trade unions. However, far from all employers are actually members of EOs. This raises the question of what is driving membership and hence the need for collective employer representation. We explored this matter by specifically addressing the following question:

> *To what extent can EO membership among employers in the EU be explained by collective labour power and representative differentials?*

Our findings strongly suggest that, in contrast to contemporary arguments in EO research, it would be rather premature to dismiss the 'countervailing collective labour power' argument. Across contemporary European countries, we find that business establishments in which the collective power of labour is strong, that is where trade unions and/or works councils are present and where unionization is high, are much more likely to be members of EOs, and the EO membership is higher when trade union density is higher. In this sense, the traditional power argument (e.g. Offe & Wiesenthal, 1980; Gladstone & Windmuller, 1984) appears as applicable as ever.

Our results also suggest that a different kind of power plays an important role, namely, organizational power (cf., in particular, Behrens & Traxler, 2004; Crouch, 1993; Schmitter & Streeck, 1999; Traxler, 2010). We find that EO membership increases with establishment size. Even though EOs may have increasingly relied on the provision of services as selective incentives for membership, we find that the smaller employers, who should be most in need of these services, are less likely to

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

be EO members than the large establishments that generally do not need to rely on EOs for these services. We argue that this may be because large employers are able to dominate EOs and use them to foster their interests in influencing state authorities and public policy making. Our main results and extensive sensitivity analyses show a clear positive effect of size, even when adjusting for a large set of explanations for this effect that are not related to this mechanism. Missing confounders can of course never be ruled out but this finding, based upon cross-national micro-level data that allows for adjustment to many sources of heterogeneity, does provide stronger and more generalizable evidence than previously available. However, we did not find further support for this 'representative differentials' argument when considering how variations in the effect of size across macro contexts can be explained. In particular, we did not find that the effect of size is larger in the presence of more extensive coordination or tripartite councils, that is conditions under which being able to influence EOs should be a stronger selective incentive for large companies to join EOs. Of course, this does not rule out organizational influence as a motivation to join EOs. Therefore, the role of organizational influence does remain an open question. If not due to organizational influence, why then does EO membership increase with size? Future research can contribute to this question further, evaluating more alternative explanations than possible in this analysis, for example the role of containing compensation costs, defensive strategies against competing firms and by trying to signal importance via membership.

The analysis of appropriate large-scale micro-level data is an important step forward in research on EO representation but also poses challenges, particularly regarding potential issues with non-response, measurement error, simultaneity bias and unmeasured variables. The ECS data we analysed are no exception. Given general experiences with business surveys, improving response rates will be difficult to achieve, but this problem can be mitigated through stratified sampling and statistical adjustment, provided that relevant response predictors are measured and achieved sample sizes are sufficiently large. A potentially fruitful way to improve measurement may be to implement multi-rater designs, while the collection of panel data would allow for a better modelling of effects over time. Lastly, while we attribute the size effect to representative differentials, there may be other mechanisms that make larger business establishments more likely to be EO members. To better explore whether the effect is due to a better representation of large firms, future business surveys should include measurements of the (perceived) quality of EO representation.

Assuming that the organizational power of EOs to influence public policy making is in fact the reason for the large membership among large companies, the societal implication may be substantial. The increasing orientation of EOs towards political lobbying suggests that their channels for furthering particular interest are strengthening. This suggests a potentially significant problem for the representativeness of employer representation. The intra-employer cleavages argued to intensify under the pressures of globalization imply that EOs cannot represent all employers' interests equally well. This may be particularly damaging to the interests of small and medium-sized employers (SMEs). While representing 99.8 per cent of the non-financial business sector in the EU and accounting for 67 per cent of total employment and 57 per cent of value added (European Union, 2017), SMEs may find themselves increasingly confronted with EO-sponsored policies that are harmful to them. Such internal divisions undermine the effectiveness and legitimacy of tripartite decision-making, with the potential for significant societal costs. However, this will also depend on the extent to which large businesses are able to form unified positions, as recent studies point towards a fracturing among business elites (e.g. Mach et al., 2021; Feldman & Morgan, 2021).

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

ACKNOWLEDGEMENTS

We kindly thank Gijs van Houten and Eurofound for providing access to-, and support with the European Company Survey data.

DATA AVAILABILITY STATEMENT

Analyses based on European Company Survey (ECS) 2013 ('third_ecs_er_dataset_2015.sav' and 'third_ecs_mm_dataset_2015.sav' and 2019 (early access versions 'ECS2019_MM_v2019_11-26.dta' and 'ECS2019_ER_v2019_11-26.dta'). Supplementary country-level data from the OECD/AIAS ICTWSS 2021 database (OECD-AIAS-ICTWSS.xlsx).

ECS use is restricted, please request rights and data via https://www.eurofound.europa.eu/surveys/european-company-surveys.

The OECD/AIAS ICTWSS database is publicly available at www.oecd.org/employment/ictwss-database.htm. The previous versions of the ICTWSS database (1-6.1) can be found at the following page https://www.ictwss.org/downloads.

Conditional on permission from relevant rights holders, data for replication purposes can alternatively be obtained from corresponding author, including all relevant code (Stata .do files).

ORCID

Alex Lehr https://orcid.org/0000-0002-0136-9737
Giedo Jansen https://orcid.org/0000-0002-8800-5708
Bernd Brandl https://orcid.org/0000-0002-3264-0454

ENDNOTES

[1] Following Calmfors and Driffill (1988), the relationship may also be argued to follow an inverted U shape which we consider in our empirical analysis via the consideration of different categories in the degree of unionization at the workplace. This non-linearity will be investigated further in the following and is accompanied with robustness tests, which are available in the online Appendix (Table A10).

[2] Based on the unconditional intraclass correlation with assumed binomial micro-level variance.

REFERENCES

Afonso, A. (2019) State-led wage devaluation in Southern Europe in the wake of the Eurozone crisis. *European Journal of Political Research*, 58(3), 938–959.

Barry, M. & Wilkinson, A. (2011) Reconceptualising employer associations under evolving employment relations: countervailing power revisited. *Work, Employment and Society*, 25(1), 149–162.

Behrens, M., & Traxler, F. (2004) Employers' organisations in Europe. *EIRObserver*, 3(2004), i-viii.

Bell, S. (1995) Between the market and the state: the role of Australian business associations in public policy. *Comparative Politics*, 28(1), 25–53.

Bouwen, P. (2004) Exchanging access goods for access: a comparative study of business lobbying in the European Union institutions. *European Journal of Political Research*, 43(3), 337–369.

Brandl, B., & Lehr, A. (2019) The strange non-death of employer and business associations: an analysis of their representativeness and activities in Western European countries. *Economic and Industrial Democracy*, 40(4), 932–953.

Bulfone, F. & Afonso, A. (2020) Business against markets: employer resistance to collective bargaining liberalization during the eurozone crisis. *Comparative Political Studies*, 53(5), 809–846.

Calmfors, L., & Driffill, J. (1988) Bargaining structure, corporatism and macroeconomic performance. *Economic policy*, 3(6), 13–61.

Coleman, J. (1974) *Power and the structure of society*. New York: Norton.

Coleman, W. & Grant, W. (1988) The organizational cohesion and political access of business: a study of comprehensive associations. *European Journal of Political Research*, 16(5), 467–487.

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

Compston, H. (2003) Beyond corporatism: a configurational theory of policy concertation. *European Journal of Political Research*, 42(6), 787–809.
Crouch, C. (1993) *Industrial relations and European state traditions.* Oxford University Press
Culpepper, P.D. (1999) The future of the high-skill equilibrium in Germany. *Oxford Review of Economic Policy*, 15(1), 43–59.
Culpepper, P.D. (2007) Small states and skill specificity: Austria, Switzerland, and interemployer cleavages in coordinated capitalism. *Comparative Political Studies*, 40(6), 611–637.
Dahl, R. (1977) On removing certain impediments to democracy in the United States. *Political Science Quarterly*, 92(1), 1–20.
Demougin, P., Gooberman, L., Hauptmeier, M., & Heery, E. (2019) Employer organisations transformed. *Human Resource Management Journal*, 29(1), 1–16.
Duvanova, D. (2007) Bureaucratic corruption and collective action: business associations in the postcommunist transition. *Comparative Politics*, 39(4), 441–461.
Eurofound (2020) European Company Survey 2019 - Workplace practices unlocking employee potential. Eurofound: Dublin.
European Union. (2017) *Annual Report on European SMEs* 2016/2017. Retrieved from http://ec.europa.eu
Feldmann, M., & Morgan, G. (2021) Brexit and British business elites: business power and noisy politics. *Politics & Society*, 49(1), 107–131.
Flecker, J., & Schulten, T. (1999) The end of institutional stability: what future for the 'German Model' *Economic and Industrial Democracy*, 20(1), 81–115.
Gladstone, A., & Windmuller, J.P. (1984) *Employers associations and industrial relations: a comparative study*. Clarendon Press.
Gooberman, L., Hauptmeier, M., & Heery, E. (2019) The decline of Employers' Associations in the UK, 1976–2014. *Journal of Industrial Relations*, 61(1), 11–32.
Ibsen, C. L., Ellersgaard, C.H., & Larsen, A.G. (2021) Quiet politics, trade unions, and the political elite network: the case of Denmark. *Politics & Society*, 49(1), 43–73.
Iversen, T. (1996) Power, flexibility, and the breakdown of centralized wage bargaining: Denmark and Sweden in comparative perspective. *Comparative Politics*, 38(4), 399–436.
Kittel, B. (2006) A crazy methodology? On the limits of macro-quantitative social science research. *International Sociology*, 21(5), 647–677.
Kuo, A.G. (2015) Explaining historical employer coordination: evidence from Germany. *Comparative Politics*, 48(1), 87–106.
Lindblom, C. (1977) *Politics and markets: the world's political-economic systems*. New York: Basic Books.
Lisi, M., & Loureiro, J. (2019) Employer preferences and political alignments during the Eurocrisis: evidence from the Portuguese case. *Business and Politics*, 21(3), 385–414.
Mach, A., David, T., Ginalski, S., & Bühlmann, F. (2021) From quiet to noisy politics: transformations of Swiss business elites' power. *Politics & Society*, 49(1), 17–41.
Mares, I. (2003) The sources of business interest in social insurance: sectoral versus national differences. *World Politics*, 55(2), 229–258.
Martin, C.J., & Swank, D. (2004) Does the organization of capital matter? Employers and active labor market policy at the national and firm levels. *American Political Science Review*, 98(4), 593–611.
Martin, C.J. (2005) Corporatism from the firm perspective: employers and social policy in Denmark and Britain. *British Journal of Political Science*, 35(1), 127–148.
Mood, C. (2010) Logistic regression: why we cannot do what we think we can do, and what we can do about it. *European Sociological Review*, 26(1), 67–82.
Moore, P.W. (2001) What makes successful business lobbies? Business associations and the Rentier State in Jordan and Kuwait. *Comparative Politics*, 33(2), 127–147.
OECD and AIAS. (2021) *Institutional characteristics of trade unions, wage setting, state intervention and social pacts*. Paris: OECD Publishing.
Offe, C., & Wiesenthal, H. (1980) Two logics of collective action: theoretical notes on social class and organizational form. *Political Power and Social Theory*, 1(1), 67–115.

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

Olson, M. (1965) *The logic of collective action: public goods and the theory of groups*. Cambridge, MA: Harvard University Press.

Plouffe, M. (2015) Heterogeneous firms and policy preferences. In Martin, L. (Ed.), *The Oxford handbook of the political economy of international trade*. Oxford University Press, pp. 196–212.

Prosser, T., Bechter, B., Galetto, M., Weber, S. & Larsson, B. (2022) Institutions or resources and capabilities? Explaining engagement in European sectoral social dialogue. *Economic and Industrial Democracy*, 43(3), 1420–1439.

Robinson, W. S. (2009) Ecological correlations and the behavior of individuals. *International journal of epidemiology*, 38(2), 337–341.

Sadowski, D. & Jacobi, O. (1991) *Employers' Association in Europe: policy and organisation*. Baden-Baden: Nomos.

Schmidt-Catran, A.W., & Fairbrother, M. (2016) The random effects in multilevel models: getting them wrong and getting them right. *European Sociological Review*, 32(1), 23–38.

Schmitter, P. & Streeck, W. (1999) [1981] *The organization of business interests: studying the associative action of business in advanced industrial societies*. MPIfG discussion paper.

Schneider, B.R. (1998) Elusive synergy: business–government relations and development. *Comparative Politics*, 31(1), 101–122.

Sidenius, N.C. (1999) Business, governance structures and the EU: the case of Denmark. In Kohler-Koch, B. & Eising, R. (Eds.) *The transformation of governance in the European Union*. London: Routledge, pp. 173–188.

Stigler, G.J. (1971) The theory of economic regulation. *Bell Journal of Economics and Management Science*, 2(1), 3–21.

Silvia, S.J. (1997) German unification and emerging divisions within German employers' associations: cause or catalyst? *Comparative Politics*, 29(2), 187–208.

Silvia, S.J., & Schroeder, W. (2007) Why are German employers associations declining? Arguments and evidence. *Comparative Political Studies*, 40(12), 1433–1459.

Sisson, K. (1987) *The management of collective bargaining: an international comparison*. Blackwell.

Streeck, W. (1984) *Industrial relations in West Germany: the case of the car industry*. London: St. Martin's Press.

Swank, D., & Martin, C.J. (2001) Employers and the welfare state: the political economic organization of firms and social policy in contemporary capitalist democracies. *Comparative Political Studies*, 34(8), 889–923.

Thelen, K. (1994) Beyond corporatism: toward a new framework for the study of labor in advanced capitalism. *Comparative Politics*, 27(1), 107–124.

Thelen, K. & Wijnbergen, C. (2003) The paradox of globalization: labor relations in Germany and beyond. *Comparative Political Studies*, 36(8), 859–880.

Thelen, K., & Kume, I. (2006) Coordination as a political problem in coordinated market economies. *Governance*, 19(1), 11–42.

Trampusch, C. (2010) Employers, the state and the politics of institutional change: vocational education and training in Austria, Germany and Switzerland. *European Journal of Political Research*, 49(4), 545–573.

Traxler, F. (1993) Business associations and labor unions in comparison: theoretical perspectives and empirical findings on social class, collective action and associational organizability. *British Journal of Sociology*, 44(4), 673–691.

Traxler, F. (1995) Two logics of collective action in industrial relations. In Crouch, C. & Traxler, F. (Eds.) *Organized industrial relations in Europe: what future*. Aldershot: Averbury, pp. 23–44.

Traxler, F., & Huemer, G. (2007) *Handbook of business interest associations, firm size and governance: a comparative analytical approach*. Routledge.

Traxler, F. (2010) The long-term development of organised business and its implications for corporatism: a cross-national comparison of membership, activities and governing capacities of business interest associations, 1980–2003. *European Journal of Political Research*, 49(2), 151–173.

Valdez, J. (2021) What capital wants: business interests and labor market reform in Portugal and Spain. *Comparative Politics*, 53(4), 571–596.

Van Waarden, F. (1995) The organizational power of employers' associations: cohesion, comprehensiveness and organizational development. In Crouch, C. & Traxler, F. (Eds.) *Organized industrial relations in Europe: what future*. Aldershot: Averbury, pp. 45–97.

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

Voskeritsian, H., Kornelakis, A., Kapotas, P., & Veliziotis, M. (2020) United we stand? Marketization, institutional change and employers' associations in crisis. *Economic and Industrial Democracy*, 43(2), 685–704.
Wilts, A. (2001) Europeanization and means of interest representation by national business associations. *European Journal of Industrial Relations*, 7(3), 269–286.

SUPPORTING INFORMATION

Additional supporting information can be found online in the Supporting Information section at the end of this article.

How to cite this article: Lehr, A., Jansen, G. & Brandl, B. (2024) All about power after all? A multi-level analysis of employers' organization membership in Europe. *British Journal of Industrial Relations*, 62, 233–261. https://doi.org/10.1111/bjir.12744

14678543, 2024, 2, Downloaded from https://onlinelibrary.wiley.com/doi/10.1111/bjir.12744 by Uva Universiteitsbibliotheek, Wiley Online Library on [06/07/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License