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Broadening the spectrum of employee voice in workplace innovation

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BroadVoice

Broadening the spectrum
of employee voice
in workplace
innovation

National Report - Netherlands

Deliverable 3.1

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1. Executive Summary

This report discusses the role of workers' participation in the Netherlands in the context of work- and organisation-related innovations. The research is based on analyses of academic literature, policy documents, collective agreements, a preliminary workers' survey, four case studies (15 in-depth interviews) and some observations from a workshop with 25 stakeholders.

In retrospect, we see fluctuating social partners' attention in issues of technological and social innovation in the Netherlands, and the effect of this on employment, jobs and work processes. In recent years, this academic and social relevance has increased (again) in the context of digitisation, robotisation and Artificial Intelligence (AI). A recent survey shows that there is strong support among the working population for more collective bargaining and social dialogue on work-related AI regulations. Nevertheless, we do not see too much in the way of regulations on worker participation during technological and social innovations in collective agreements. AI and its effects on working conditions and jobs might be a driving force for collective bargaining parties to do more. As a consequence of the low presence of unions at company and workplace levels in the Netherlands, the main representative bodies for workers in the Netherlands to discuss technological and social innovation are the works councils. In addition to that, several forms of direct worker participation are always important, including for influential and well-functioning works councils, as an instrument to keep workers involved, motivated and well prepared in times of organisational and technological change in the workplace.

Although co-determination legislation in the Netherlands does give works councils formally and in principle quite strong consultation rights in case of the introduction of and/or change in new technology in the company, three of the four case studies in this report show that works councils are not prioritising this task, but that they are slowly searching for new roles in this field, such as in discussing work related risks of AI. Compared to earlier technological innovations, controlling AI seems extra challenging because of its gradually introduction into work processes, including by some (white collar) employees themselves. The first case study (Solvay) is a best case of an active European Works Council that agreed on a 'Global Framework Agreement on Digital Transformation' in order to stimulate regular technology assessments by management and workers' representatives in all the companies. This multinational is also preparing new regulations on discussing work-related risks of AI. The other cases show more limited involvements of works councils, HR managers and IT specialists in integrating new technologies with social and organisational policies. Regarding direct participation, we found in all cases quite ad-hoc patterns of different direct worker participation, largely dependent on the initiative of management. Interestingly, one of the case studies, namely the one in the care sector, provides some evidence on the possibility for (sectoral) collective bargaining parties to promote direct employee voice within companies.

2. Introduction

This is the national report from the Netherlands in the European research project BroadVoice: broadening the spectrum of employee voice for workplace innovation, coordinated by Adapt, Italy

(see project website: https://workplaceinnovation.eu/broadvoice/). One of the main objects of the project is to investigate the role of worker representatives - in collective bargaining, co-determination and consultation - in promoting and supporting workplace innovation via direct employee voice. Besides analysing the interplay between representative/indirect and direct forms of worker voice, the research project aims to understand the conditions and the ways through which representative and direct employee voice contribute to addressing current organisational and technological challenges in European workplaces, thus enabling fair and inclusive transitions.

We used mixed research methods in an integrated way. We started with a review of relevant academic literature, research reports, statistical sources, social partners' policy documents and collective agreements in the Netherlands. Keywords in our search were (combinations of) the Dutch translations of 'direct employee voice', 'worker participation', 'co-determination', 'worker consultation', 'HRM', 'technological innovation', 'social innovation', 'job quality', 'job autonomy', 'works councils', 'trade unions', 'collective bargaining', 'social dialogue', 'employee driven innovation' etc. Secondly, we developed a case study design of two manufacturing companies and two companies in the welfare and public administration sectors. To have consistency in the kind of organisational transitions to form the basis for studies in the case studies, we focused on digital change in the workplace, including the running discussions and practices of Artificial Intelligence (AI). The third phase consisted of doing 15 interviews in the four companies, at least with a top manager, HR manager and the chair of the main representative workers' body in each company. In the final phase, in a national workshop on 19 September 2025 in Amsterdam, AIAS-HSI involved social partners at national, sectoral and company levels in high-quality discussions with national scholars and researchers to reflect on the findings, in order to come to better co-design and co-management of innovation and direct worker participation though collective bargaining and through earlier and higher quality consultative practices within the companies. Results of these discussions are integrated in this report as well. The workshop with 25 participants enlarged the project scope and disseminated BroadVoice findings in the Dutch context.

The report is structured according to the following chapters. Chapter 3 reviews the literature and surveys from the Netherlands on direct worker participation and the role of industrial relations. Chapter 4 discusses the national institutional framework and the role of social partners at different levels on (direct) worker participation during organisational and technological change and its effects on employment, jobs and work processes. Chapter 5 analyses the manufacturing sector (5.1) and welfare services and public administration (5.2) more generally regarding employment, industrial relations and direct worker participation. This section develops in detail four case studies: two pharmaceutical multinational companies (one with a Belgian parent and one with an Northern-American parent), one care organisation and one municipality. In the last chapter we present the overall conclusions and some recommendation points.

3. National literature review on direct workers' participation and the role of industrial relations

3.1. Diffusion of direct worker participation in companies

Table 1 shows the shares of companies that practised specified forms of direct workers' participation in 2023 in the Netherlands, according to employers. It shows that 'work-consultations' are most widespread among business locations with and locations without having appointed a works council. 'Work consultations' (*werkoverleg*) in the Netherlands are mostly regular, quite informal, meetings among the (local) manager and his team or group of employees in a department or unit. Also 'informative meetings' and 'temporary project-groups' are widespread practices in the Netherlands. Further it seems that workers' participation is initiated more by management than by employees or workers' representatives (Works Council). 'Temporary project groups', 'informative meetings' and 'digital discussion platforms' are all forms of direct workers' participation which are more often initiated by management than by the works council or employees (see table 1). Finally, one can conclude that there is no trade-off relationship between representative and direct form of workers' participation regarding its practices. The sample of business locations with works councils seems even to have established more forms of direct workers' participation than the sample of locations without works councils.

Table 1. Forms of direct workers participation in the Netherlands, 2023 (N=3,328)

Forms of workers' participation	Business locations with Works Council	Business locations without Works Council
Work consultations (teams/departments)	89	93
Improvement teams/quality circles	48	38
Temporary project groups initiated by management	64	36
Informative meetings from management	63	50
Digital discussion platforms initiated by management	12	5
Temporary project groups initiated by the Works Council/employees	21	24
Informative meetings from the Works Council/employees	26	27
Digital discussion platforms initiated by the Works Council/employees	4	6

Source: SEO, 2023 (self-reporting employers)

Unfortunately it is difficult to say anything reliable about trends in the diffusion of direct worker participation over time. In 2008, companies were also asked about direct workers' participation practices (Visée & Mevissen, 2009), but the methodologies in 2008 and 2023 were different.[1] The percentages in 2008 were higher than in 2023, but as mentioned before, we cannot make any form claims about trends. Despite differences in methodologies, the 2008 data also shows, however, that 'Work consultations' and other more or less regular meetings were the most prevalent form of direct participation. And also at that time, this form of participation was found not to be a substitute for representative participation by works councils.

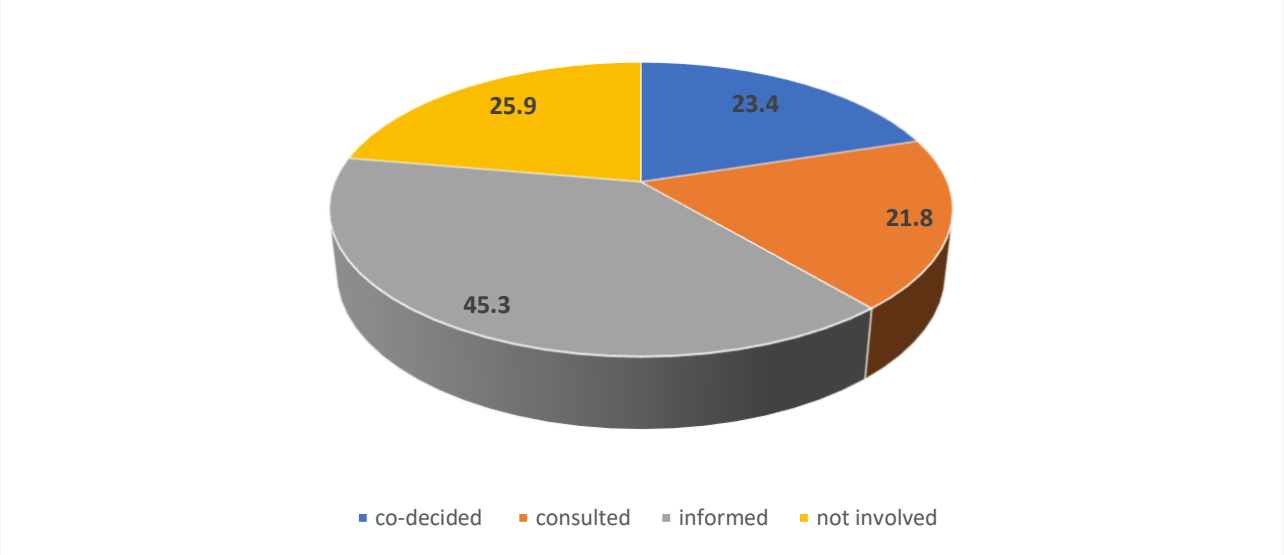
3.2. Involvement of workers about change at work

In the large representative survey among the working population about working conditions in the Netherlands (NEA), workers are asked whether they have had to deal with changes at work, the kind of changes and whether they were involved in these changes by their employers. More than half of the workers (55.3%) responded that they had indeed had to deal with changes at work in the past year (NEA, 2023: 67). There is cross-sectoral variance with higher intensity of changes in IT and Finances and lower degrees of change in Agriculture and the Hospitality industry. Most commonly mentioned are 'technological changes', such as 'machines or IT' (34.8%), as opposed to 'changes in the way you do your work or how you are managed' (29.2%) and by some distance 'changes to the products/services you help to create or deliver' (18.4%) and 'changes in the amount of contact you have with customers (or patients, students or passengers, etc.)' (14.3%).

In the same survey, it appeared that a quarter of those workers who had to deal with such changes at work were NOT involved in these changes by their employers. Figure 1 shows that most involvements were limited by information-sharing, just 23% were involved in direct co-determination.

[1] There were also some investigations in the years between 2008-2023, but with varying sample designs and methodologies.

Figure 1. Were you involved in changes by your employer? (N=15,894 employees



Source: Nationale Enquête Arbeidsomstandigheden 2023 (TNO, CBS, 2024: 67)

3.3. Involvement of workers about technological change at work

Technology

In 2019, Frank Pot published an article in Tijdschrift voor Arbeidsvraagstukken, based on an extensive overview of literature and investigations in the Netherlands in recent decades about technology and employee participation. He concludes that workers in the Netherlands in general have a low level of voice, involvement and influence about issues of technology and work. Also Dutch trade unions do not have that much power in this field. It is the management, the suppliers of technology and the consultants that take more advantage of the opportunities in the 'organisational choice' in decisions regarding technology. The decreasing power of trade unions has led to the situation where employee participation nowadays is dependent, even more than in the past, on the willingness and skills of management (Pot, 2019: 249). However, there are and have been always positive exceptions in the Netherlands that have also received public and academic attention.[2] Pot's assumption is that the influence of employees in the Netherlands will be mainly through 'work consultations' although no empirical research is known on this (Pot, 2019: 249). In table 1, we see indeed that practices of work-consultations are wide spread, but this doesn't say anything about the quality of these consultative meetings or the employees' influence. Generally speaking, works councils and trade unions just play a moderate role in social dialogue on work and technology; they do not make a strategic theme from these issues. They are not focused in the design and implementation of work, organisations and technology other than the *effects* from new technologies and restructuring on employment, job evaluation, working hours, job quality and occupational health and safety (Pot, 2019: 249). Further, Pot (2019) concludes that worker participation about work and technology only can be a success in a co-creational context of mutual

[2] https://www.kennisbanksocialeinnovatie.nl/

trust and a joint future perspective between management and employees. Worker participation where employment relations are conflicted is hopeless.

In their qualitative study on the effects of robotisation and automation in the labour market, Freese & Dekker (2018) focus on the position and perception of the workers who are involved: how can they gain more control over technological developments and the consequences for their work? Based on interviews and case studies, the authors find that it is important to involve employees and their representatives at the company/workplace levels at an *early stage* in decision-making about technology, to ensure that technology is better aligned with the needs and capabilities of employees, but also to make the introduction of new technology a success. Based on organisational case studies and interviews, they conclude that employees are not involved at all in the decision to introduce technology. Also HR managers are very little involved in discussing the (possible) introduction of robotisation; HR managers do not even see a role for themselves in this field (Freese & Dekker, 2018: 52). It appears that there is mostly a crucial missing link in the translation of technological innovations towards the situations for workers, both on the part of HR and also on the part of works councils. HR and the works council only start to get involved in the final stages, when jobs seem to disappear or change through robotisation or when workers have to work with the new technologies.

Survey research among employers (WEA) and employees (NEA) in the Netherlands gives a more representative picture about workers' involvement in technological change (see also TNO/Rathenau Instituut, 2024: 43). In the WEA in 2021, 34 percent of those employers in the Netherlands who had to deal with technological change in their organisations, said that they never had conversations with workers about the effects of new technologies in the organisation. Just 31 percent discussed the implementation of technology with their workers (and 35% did not know if this had been discussed or not).

The workers' survey (NEA) in 2022 showed that 74 percent of the workers were involved in the decision-making or consultation, or had been informed about innovations in technology and/or supervision at the workplace. 25 percent were not involved. Comparing WEA with NEA seems to indicate that workers in larger companies are more involved than those in smaller companies.

3.4. Perceptions about direct worker participation

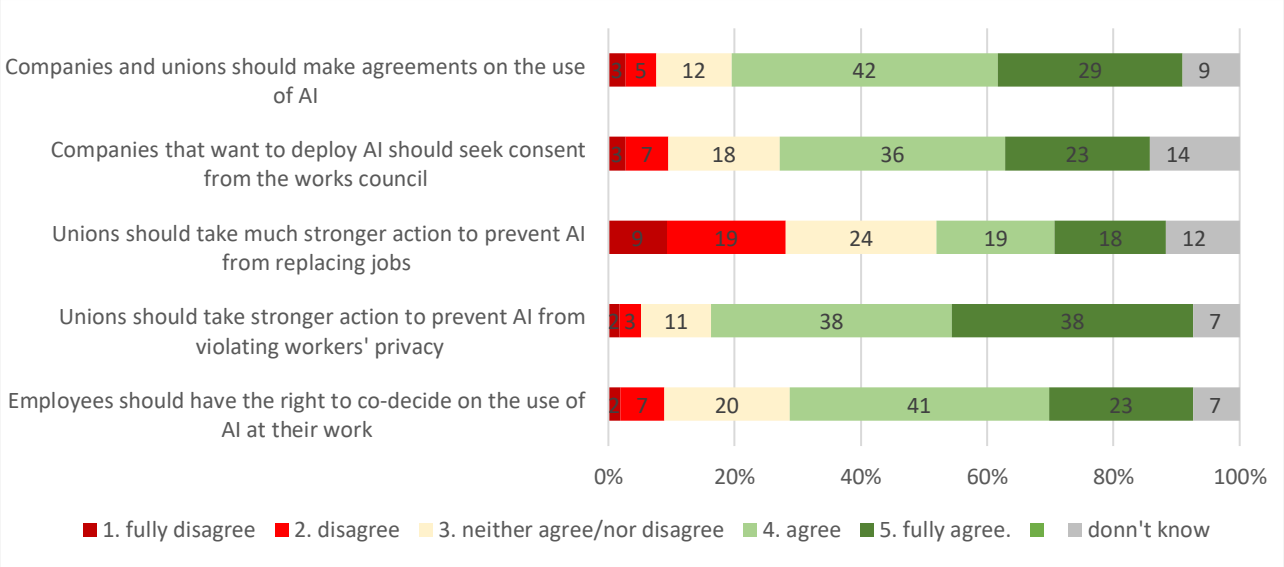
Management attitudes

Remarkably, because of quite positive attitudes regarding social dialogue at a centralised level, the 2019 European Company Survey found that managers in the Netherlands were not particularly positive about direct worker participation within companies. On average, 70% of managers in Europe reported in 2019 that, in their opinion, 'involving employees in work organisation changes gives the establishment a competitive advantage to a moderate or great extent' (Eurofound & Cedefop, 2020: 103-110). Managers in Denmark (90%) and Portugal (88%) responded most positively on this statement, while managers in the Netherlands (43%) were the least positive among the European countries.

Employee attitudes towards direct and indirect representation on AI regulation

There is little information available on how employees think AI should be regulated and what the role of employee representation should be. Jansen and Labussière (2024) recently conducted a survey among Dutch employees on this matter. Their preliminary results in Figure 2 show that there is strong support for collective bargaining and social dialogue on AI regulation. A large majority of employees (71%) agrees or fully agrees with the statement that companies and unions should reach agreements on the use of AI. Regarding the role of the works council, a smaller majority (59%) agrees that companies that want to deploy AI should seek consent from the works council. Furthermore, attitudes regarding trade union representation differ per topic: although there is strong support (76%) for unions taking a stronger stance again AI violations of workers' privacy, there is less support (37%) for union action to prevent AI job replacement. Finally, asked whether employees should have the right to co-decide on the use of AI at their workplace, nearly a two-third majority (64%) agreed with this statement.

Figure 2. Employee attitudes towards direct and indirect representation regarding AI regulation



Source: Jansen & Labussière, 2024, preliminary results

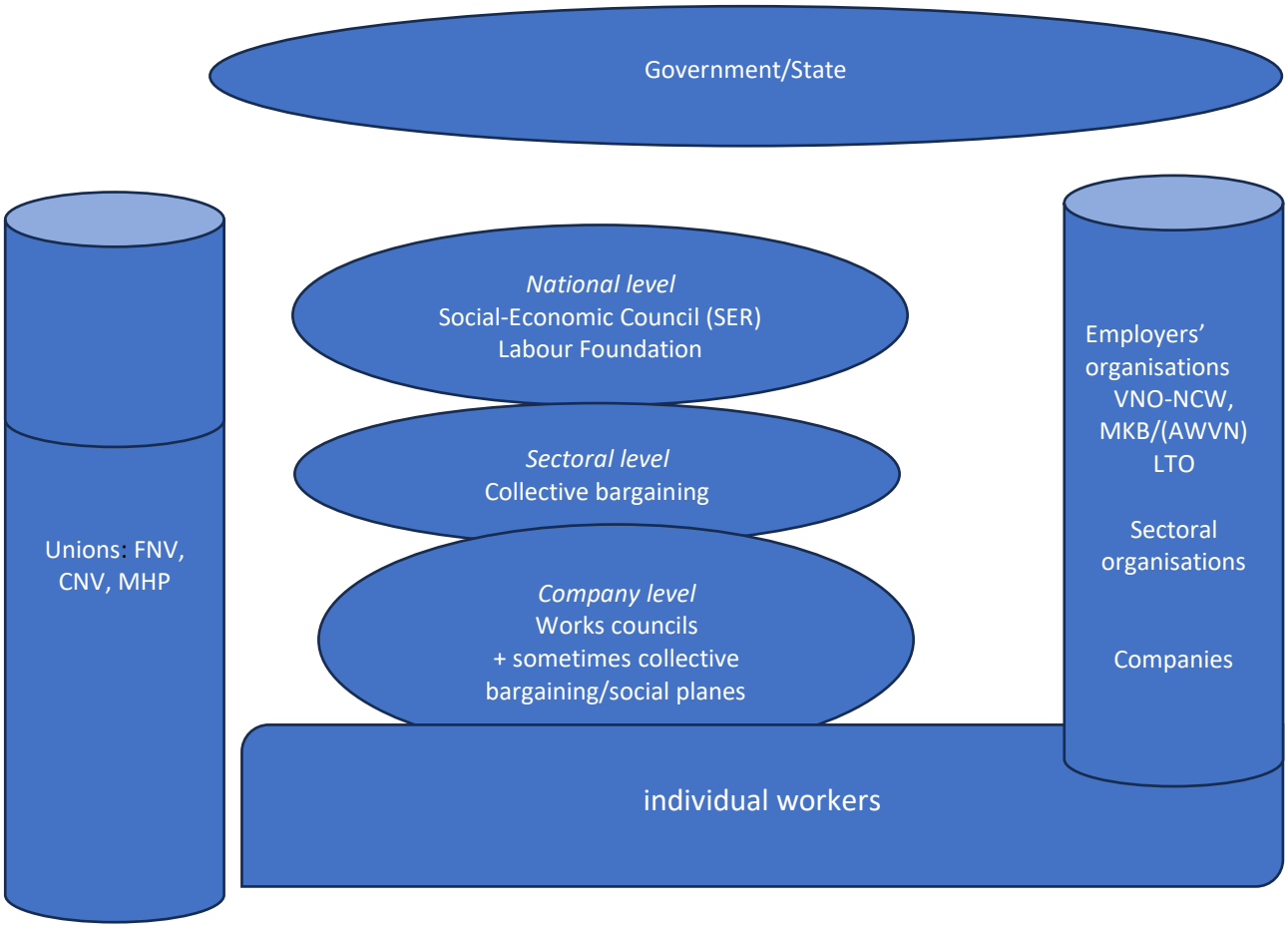
4. National institutional framework on direct worker participation and the role of industrial relations

4.1. IR model in the Netherlands

Before providing an in-depth discussion of the rules and policies regarding worker participation in the Netherlands, it is important to show here a figure about the IR model of the Netherlands (Figure 3). All actors mentioned at all levels can be considered stakeholders in the field of worker participation by shaping the institutional framework to promote and to structure employee

participation. Let us begin with the State. In the Netherlands there is no individual workers' right to be involved in work-related management decisions other than that the employer has to behave according to the rule of 'good employment and employer practices'. More specifically, and not included in this study, is the Dutch Whistleblower Protection in case of individual workers' complaints about suspected wrongdoing within their organisation. Nevertheless, Dutch law regulates collective workers' rights, such as the right of workers to associate in unions, the right to strike, and the right of unions in collective bargaining (see Figure 3, middle level). At the more national level, directly after WWII, the State appointed the tripartite consultation body the 'Socio-Economic Council' with representatives from trade unions (one third), employers (one third) and independent experts/'crown members' (one third). Interestingly, this council also includes a committee on the 'Promotion of employee participation', including the service to mediate in legal conflicts between the Works councils and the Director of the company. The Works Councils Act (since 1950, strengthened since 1979) is relatively strong, regulating an obligation for companies with 50 or more employees to appoint a Works Council with elected employees as the representatives of the workers in the company and with several rights to co-determination, consultation and information.

Figure 3. Labour relations in the Netherlands



National level

Pot (2024) argues that there is an up and down movement in socio-economic history regarding the attention within policy to related issues like worker participation, social innovation and job quality in the Netherlands. There were peaks in the 1960s ('automation'), 1980s ('industry 3.0'), and also around 2020. The tripartite socio-economic council (SER) has been quite active in recent years in publishing reports with recommendations to companies, unions, works councils and other stakeholders in issues like 'social innovation', 'professional autonomy' and 'worker participation' (SER, 2023b). The bipartite Labour Foundation is more silent on this issue[3], although unions call for decent work and better job quality (FNV, 2020) and employers call for more workers' responsibilities, job autonomy and human-centred technology (AWVN et al, 2024). The socio-economic effects of AI were debated in 2024 in the SER, (int FNV1).

The double transitions – 'digital' (incl. AI) and 'green' – are the current topics in policy reports from the Dutch government and from the social partners at the national and European level (e.g. ETUI publications).

Collective bargaining

Worker participation and social innovation are (still) far from being hot topics for collective bargaining parties. Negotiation agendas in regular collective bargaining rounds are prioritised on issues like wages, (flexibility in) working hours and (early) pensions. Nevertheless, the SER (2023) refers to two cases in collective bargaining. In the Collective Agreement for 50+ companies in the Metal and Technology sector 2019–2021, it was agreed that, in collaboration with the Training and Development Funds (O&O), the possibilities for stimulating social and organisational innovation would be investigated. A social innovation course for employees is also to be developed. The Strategic Agenda for the Metal and Electrical Industry 2022–2027 contains new intentions: "This can only succeed if employees are actively involved in the development, implementation and use of new technologies, and not just experience the consequences. This requires a different view of people in the organization."

A recent, more concrete rule comes from the CBA in the long-term care sector (CAO VVT). Here, CA clause 8.1 states 'Employee participation in proposed changes in the organisation': 'You may expect your employer to be genuinely interested in your opinion and to enable you to give your opinion at an early stage if there is a proposed decision that will affect the organisation and performance of your work or your profession. This applies regardless of the job level at which you work: whether you work in a support or staff function, as a household helper, assistant, care worker, (home area) nurse in a treatment function or nursing specialist (CA VVT 2022-2024, p. 36). In a specific table, the CBA tries to define what is meant under 'employee participation' (in Dutch: '*meespraak*') in the field of organisational development: *'you are invited to think along and give your opinion and this will be taken seriously*'. Added to this, the CBA regulates that 'during the term of this agreement, the parties will develop instruments and programs that promote and facilitate opportunities for influence, (co-)determination and participation'.

[3] In 2011, three years after the shock of the financial crisis, social partners called jointly for the importance of commitments and trustful relationships between employers/managers and employees; 'social innovation' and 'co-creation' were keywords in this manifesto, called 'Towards new labour relations'.

It is unclear what progress in worker participation practices in these sectors, mentioned above, have been made in the last years. These kind of regulations can be seen as quite 'soft' and evaluation is mostly non-existent.

Company level

Apart from the regular collective bargaining rounds, trade unions in the Netherlands can be involved in negotiating 'social plans' with individual company level about the *effects* of organisational/technological change in case of loss of employment and the related financial compensation in case of (collective) dismissals, and extra training and job-to-job policies.[4] '*Because of this situation, trade unions in the Netherlands in general are informed just at the end of restructuring processes and are therefore reactive and not pro-active in their responses'* (int FNV1). *'The case Solvay is an exception… than we are talking about good labour relations where the union is involved in earlier phases of technological developments in a company to solve problems'* (int. 'FNV1). See further case 1 in section 5 of this report.

Trade unions can also initiate contact with their rank and file to share experiences about the effects of technological change. Two years ago, FNV organised sessions with members and 'kaderleden': one of the conclusions was that '*many people are not that afraid of job loss but of higher workloads, short-cycle tasks and less autonomy in their jobs*' (int FNV1).

Another recent initiative is with the national employers' association AWVN and a smaller union federation CNV, promoting innovation in the organisation of work in the context of sustainable employability.[5]

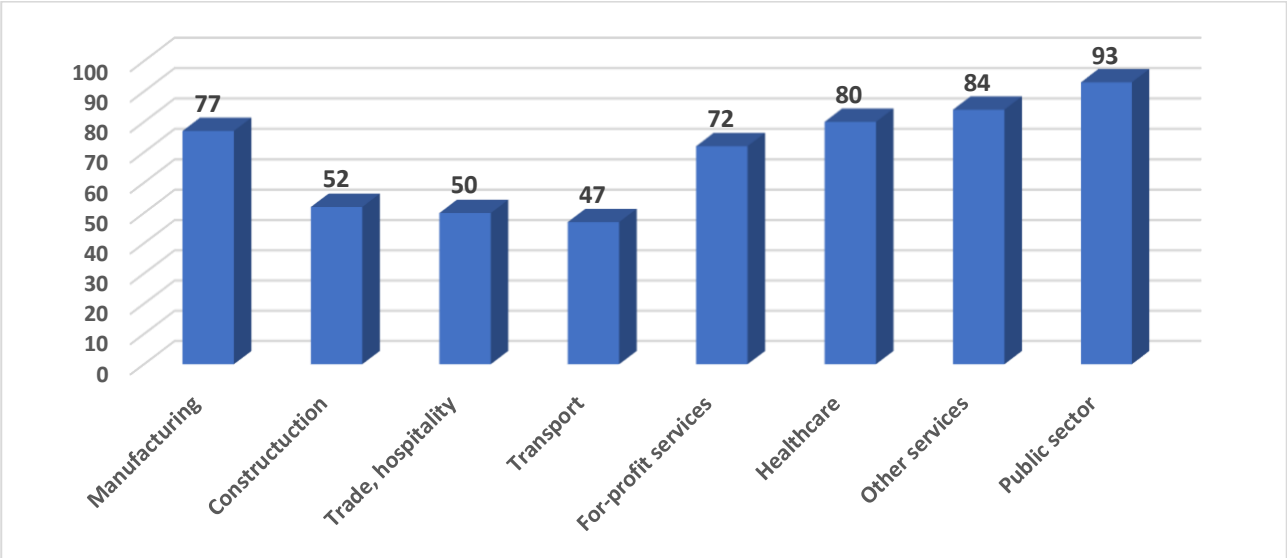
Works Councils

Works councils in the Netherlands have the right to advise on the introduction or change of important technological provisions in the company and in case of organisational restructuring (WCA, Sec. 25). The Works Council even has the right to approve when it comes to personnel tracking systems/registration systems, occupational health and safety, training and remuneration/appraisal of new functions (WCA, Sec. 27). These rights in the WCA are an important opportunity for workers' representatives to address the issue of technological change in companies. Nevertheless, many companies have not appointed a works council, despite legal obligations to do so in case of enterprises with more than 50 employees. Figure 4 show high sectoral variations in the establishment of these councils: from 47 percent in the transport sector to 93 percent in the public sector. Further, the councils are more distributed among 200+ companies (89%) than among companies with 100-200 employees (78%) and with 50-100 workers (58%).

[4] According to legislation (WMCO), unions have at least to be informed of collective dismissals.

[5] Organisatie van werk - SPDI (duurzaamaanhetwerk.nl). We interviewed AWVN as well: this will be incorporated in this report later.

Figure 4. Share of establishments with works councils by sector, companies with more than 50 employees (2023, the Netherlands)



Source: SEO (2023)

As already mentioned in section 3, the works councils' activities in practice are a bit 'disappointing' compared to their legal potential. There are barriers in the limited management involvements in consultation and co-determination practices, and the councils' use of their rights and their functioning in organisations. Studies from the times of automation in the 1980s in the manufacturing and service sectors showed that management was not always asking works councils for advice, and if they did, work councils' positions appeared mostly as weak (Pot, 2024). This weakness was also a barrier for unions that tried to collaborate with works councils. Further, the focus was on the social effects and not on technological design as such (Pot, 2019). Collective bargaining by unions appeared not to be the right instrument to promote works councils' influence during technological change. Despite some individual best cases (like at Tata Steel) unions lacked a position at the workplace level to be involved in the stages of introducing and applying technological developments, other than at the very end when collective dismissals were involved. Nowadays, works councils seems to be even more dependent on the willingness of management, more focused on short-term issues and more conflict-averse (Tros, 2022). One of the scarce studies on technology rights of works councils is the dissertation by Coenmans (2023). He analysed the use of works councils' rights and the council's influence in the field of technology in the care sector. He concluded that the quality of relationships between the director and the council was a more important success factor than the strict and formal council's rights to advise and to approve.

In 2018, the SER drew up a guideline for works councils to use their consultation rights (Sociaal-Economische Raad, 2018). This guideline not only focuses on the effects of technological developments on work, but also on the rights of works councils to discuss matters to which they must be alert. Furthermore, in this guideline, the SER formulates concrete example questions to equip works councils to be proactive. Remarkably, there are no substantial studies about works councils' activities in technology (other than Coenmans, 2023), but we assume this activity is low.

Even the serious issue of using AI in personnel tracking systems seems not to have been sufficiently considered by a works council (WRR, 2021: 420).

It is important to note that works councils and trade unions do not always support technological changes. This depends on the aims of management: do they want to support workers and improve job quality? Management can also choose to use new technology to narrow down functions and introduce short-cycle work; one recent example comes from call-centres in the Netherlands. '*The company can still make a profit in such a strategy, but that becomes more difficult in the tight labor market in which employers have to be attractive to workers*' (int FNV1).

FNV finds direct participation to be important in the case of organisation and technological developments in the companies, but they also know that this is not always going well: are the right people being heard? Is the right thing being done with the input of workers? Etc. This is all difficult to control by a trade union. What they can do is to promote communication between 'kaderleden', who can discuss things further at the workplace level (int FNV1).

5. Case study development

5.1. Manufacturing sector

Employment

Compared to other European countries, the Netherlands has relatively low shares of employment in manufacturing and these have dropped quite substantially in recent decades, namely from 16.8 percent in 1995 to around only 9.5 percent in 2023 (see table 2).

Companies in the manufacturing sector in the Netherlands are faced with a challenging economic position, but also with a tight labour market in which companies compete with each other for employees (UWV, 2023). Focusing on retaining staff, attracting young people and investing in sustainable employability is important to have a future-proof workforce.

Table 2. Main economic sectors in NL and EU, 1995-2023

	Agriculture, forestry and fishing		Manufacturing (excl. construction)		Consumption		Smart growth		Public administration and welfare service	
	1995	2023	1995	2023	1995	2023	1995	2023	1995	2023
EU-27	8.4	3.1	23.2	16.3	31.3	36.3	14.7	17.3	22.1	26.4
Netherlands	3.7	1.8	16.8	9.4	30.8	34.1	17.8	20.9	27.8	31.7

Source: our own elaboration on Eurostat online database

IR-features

Trade union membership in manufacturing is 4 percentage points above average in the Netherlands: 19.4% as opposed to 15.4% (NEA 2023). On the employers' side, we see in the manufacturing sector one of the highest membership levels among employers in business organisations in the Netherlands (Tros, 2022: 11). The organisation density among all companies with 2 or more employees in the manufacturing sector is 40 percent, while the national average is at the level of 25 percent.

Multi-employers' *sectoral* agreements are dominant: 647,000 workers are covered by sectoral CAs and 107,700 workers are covered by company agreements in the manufacturing sector (SZW, 2024). 19 percent of the workers covered by sectoral agreements are employed by unorganised employers through the legal effects of the public extension mechanism (national average is 17%).

77 percent of the companies in the manufacturing sector that are legally obliged to appoint a works councils (establishments with at least 50 or more employees), have also done that (SEO, 2023). In the context of the risk of the manufacturing sector in the Netherlands becoming marginalised, social partners in the metal and electro-technical industry organised a joint lobby for implementing a 'Strategic Agenda to promote competitiveness, innovation and employment' in 2022. Labour productivity, VET and lifelong learning among technical professions were key issues.

Direct worker participation

According to large scale, representative workers' surveys (NEA 2023: 67), workers in the manufacturing sector are as much involved by the employer during organisational or technological changes than in other sectors: 25 percent were not involved at all (compared to the national average of 26 percent). Workers in manufacturing encountered more or less the same changes as the average workers in the country (NEA 2023, 67).

The picture that we sketched in section 3.3 about the low level of voice, involvement and influence on issues of technology and work in the Netherlands and the relative high level of passivity in trade unions' actions and actions for the works councils are very strongly applicable in the manufacturing sector because most of the experiments, pilots and other research projects in this field in the last four decades have been done in the manufacturing sectors.

5.1.1. Case 1: Solvay

Quotes from 4 interviewees (checked and agreed):

- Labour Relations Officer (int LRO)
- Secretary of the European Works Council (int EWC)
- Human Resources Manager in the Netherlands (int HR)
- Advisor industrial policy, restructuring, workplace innovation union FNV (int FNV1)

Company characteristics and innovation

Solvay is a multinational company in the chemical industry with its headquarters in Brussels. 85 staff members are employed in the Netherlands, especially in production units in shift work (24/7). The average age is 43 years; there are 9 nationalities among the personnel; and there few rarely working women (only in administration and in a laboratory). One third of the employees in the Netherlands are members of a trade union, especially FNV, which is far more than the national average in manufacturing. FNV is the only trade union that is party to the collective agreement. Officially, the white collar union 'de Unie' is part of it as well, but due to limited members they have delegated to FNV. Solvay in the Netherlands has a company agreement (in the chemical industry in the Netherlands, there is no sector agreement for the chemical industry). The Dutch site has also appointed a works council. According to the HR manager in the Dutch plant: '*employee participation has a central role within our organisation, both globally and locally in the Netherlands. The relationship is more than good and the transparency in our actions keeps it that way. Technological changes are discussed with the body at all times*.'

Throughout Solvay, AI is used in some sites to manage technological maintenance and in administration. In the relatively small Dutch site, AI is not used that much ('*we are not a forerunner in AI*', int HR); AI is mostly introduced by employees who use ChatGPT for communication tasks. The HR manager in the Netherlands thinks that AI will have more impacts in the coming years. He is already seeing more and more data-driven applications in his field of HRM, such as in sickness absence analysis and strategic personnel planning.

Solvay in the Netherlands has experience in other technological innovations, such as robotisation around 6 years ago in production and recently, the installation of security cameras (int HR). Because this change did not lead to fewer jobs, it was not an important subject for the works council. Since this robotisation, production processes in the Dutch (and other) factories have been under ongoing change to make processes smarter and more sustainable. Also, HR departments are dealing with digital innovations, for example through the campaigns for recruitment and for employee satisfaction surveys. This is driven by the headquarters in Brussels. One issue more controversial for the works council was the installation of security cameras two years ago. The assurance of the management that camera images would not be used to track employees satisfied the works council (int HR).

Representative worker participation in digital innovation

Initiative and process of the Global Framework Agreement on Digital Transformation

The main initiator of social dialogue on technological change in this company is the European Works Council (EWC), although the main person behind this is the former chair of the Dutch Works Council, who later became the Secretary of the EWC. The secretary of the EWC tells us: '*in 2016/2017 in the context of the council's refresher sessions we got a number of digital innovations in front of us and it all started to gain momentum…. We started thinking about 'how can we make sure that we don't fall behind and that we start to participate a bit proactively in the whole story?*' (int. EWC). The EWC and the works council in the Netherlands sought support from FNV. They all played an important role in the preparation of a framework for the specific company situation; 'we *wanted to go beyond a kind of copy-paste of existing frameworks'* (int FNV1). One of their ideas was to include the impacts on job quality in new technology assessments, for which they used the Eurofound skills and

discretion index (see Eurofound, 2021). Another main wish was the involvement of the workers' representatives in an early phase, to have the opportunity to anticipate risks or problems as a result of the implementation of technology. '*Generally speaking in the Dutch labour relations, works councils and unions are just informed in case of restructuring*' (int FNV1). *'Solvay is one of the positive exceptions in the Netherlands because it also deals with the introduction of technology and not only with the effects of technology'* (int FNV1). It is also quite exceptional for the trade union FNV and works councils to be working so closely together. In general, '*FNV has somewhat phased out the collaboration with works councils*' (int FNV).

After having picked up the issue in 2016/2017, it took time and internal discussions to come to an agreement with the management. '*The first ideas met with quite some resistance from management, who feared that every time they wanted to do something with technology, they would have to go through the work council … today there is still some resistance, internationally outside Europe and strangely enough also within the councils in some countries and in local sites (id). Works councils are not always willing to be involved because it costs a lot of time to be sufficiently informed (int EWC).* They have less time to get information and to have enough time for self-study, which is different from the EWC, where the secretary has a full FTE for his work and the two other councillors have both 50% time to do this councillors' work. Another issue that took a long time in dialogue was the enforceability of the regulations in such an agreement. '*We also need to be able to check whether what we agree on is actually being done'* (int EWC). The EWC was initially not so convinced about being prudent/modest in what to write into the agreement, but later this became more clear for them. It had nothing to do with unwillingness of management, but with practical reasons of not being able to check everything (int EWC). Nice words are not enough on their own; they also have to be implemented (id). Finally in 2019, the European Works Council (EWC) together with Solvay Global Forum agreed the 'Global Framework Agreement on Digital Transformation' with Solvay's management. Implementation was also perceived to be difficult from the management perspective. The Labour Relations Officer tells us that after signing the agreement it remained unimplemented for the first two years: "*It is a good intent, and I will be transparent with you, it is not that easy to implement, completely" (int LRO).*

It is explicitly named 'Global' and not 'European' because of its application throughout the whole world where Solvay operates. Solvay Global Forum is represented by 1 member of the European Works Council, 1 workers' representative from the USA, 1 from Brazil and 1 from China.

Content of the agreement in a nutshell

This agreement begins with the general statement that social dialogue is key to shaping the digital transformation: 'employees and their representatives have to be involved from the beginning of the implementation of new technologies and organizational change'. New technology assessments have to be an integral part of any project preparation and implementation will include any potential and significant impact on OH&S (especially the mental health of employees), employees with physical disabilities, workload, monitoring or surveillance functions, working time, work content, organisation, job quality and financial implications (agreement, p.6). Training, education and competence development are seen as key to managing the impact of digitisation in a social way, where Solvay provide the necessary resources (p. 7). In a section on employment/repositioning, Solvay declares that redundancies are only considered to be the very last resort in the context of (future) restructuring (p. 7). Further, the agreement re-emphasises good practice when it comes to

using electronic communication (and to disconnecting), so as to contribute to greater effectiveness at work and respect for the work/life balance (p. 8-9). Another section is dedicated to the ethical aspects of privacy and data protection (p. 9) and the implementation and monitoring of the agreement in Solvay's locations in the countries (p. 10). *IndustriAll Global Union* is included in observing the correct implementation of this agreement during their annual on-site missions. During these site visits, IndustriALL has conversations with the unions or the representative bodies of employees, including without the presence the Global Forum delegates and management. Solvay's Labour Relations Officer (LRO) calls these visits 'the moment of truth' in checking how far the company has progressed in its social commitments (int LRO). In the interview, the Labour Relations Officers also confirmed that this year *IndustriAll* is even going to the sites in China and that *IndustriAll* can ask any question of the workers there (int LRO).

In practice, this agreement means that at every meeting of the European Works Council, the issue of technology is set on the agenda (int EWC). '*Unfortunately, we do not yet have this on the agenda in every country… it is actually the goal that it all starts at the local level of company sites*'. The objective is that the works council should talk about new technology every month or every two months: *'what is it? what are the consequences? what does it cost? and that kind of things, to get a bit of a picture of it all*' (int EWC). The HR manager at the Dutch site, already 9 years working there, tells us that this agreement has not led to changes in social dialogue in the Netherlands (int HR): '*it applies more to the non-European countries where the social dialogue is less well organized … so this hasn't had a lot of impact in the Dutch context'.*

The EWC makes no apologies for loss of jobs because of digital changes in the organisation. Some jobs will become redundant, but Solvay has committed to retraining these employees or looking for another job (see section 5, p.7 in the framework agreement). Massive collective dismissals are not expected at Solvay (int EWC). However, especially for workers outside Europe, such as in Latin America, it is not that easy for redundant workers to find new jobs or to retrain for them because of their lower education level (int EWC).

One of the reasons why the agreement proved difficult to implement in practice, mentioned by the Labour Relations Officer, is that the digital transition has diverse effects on different segments of the company's workforce. In manufacturing, for example, the shift towards sensor technology for predictive maintenance – and therefore a reduction of maintenance costs – requires upskilling of employees in the control room. Regarding non-manufacturing jobs of administrative personnel or employees in research and innovation, one of the major technological changes at hand is the shift towards working from home. Yet in both cases, the interview highlighted that from the HR perspective, the main technological concerns had to do with technology changing the content of work or the way work is performed, rather than reducing jobs by replacing them with technology.

Developing an addendum about AI

The European Works Council recently initiated brainstorming sessions to develop an addendum about the application of AI at Solvay and possible problems that might occur in this field (July 2024). Again the EWC is supported by FNV, the Dutch trade union that cooperated during the preparation of the agreement in 2019. All topics in the 2019 Agreement will be reviewed in the context of AI and only those topics that need be adapted will be listed in a new draft text. After reviews by the full EWC, the EWC will send this draft text to the management of Solvay who will ask legal experts to look at it. The EWC hopes to set its signature at the end of 2025. The management has been already

involved in earlier phases of this project on AI. Cooperative relationships and transparency between EWC and Solvay's management is at a high level. *We are involved quite a lot in things that we do not have to be involved in according to the letter of the law* (int EWC). *These mature employment relations have been built-up in the last 15/20 years* (id).

But why a new addendum about AI? Formally and strictly speaking, AI might be just covered by the agreement in 2019. This position was also expressed by the Labour Relations Officer, who also called "*AI a bit premature for the moment*" (int LRO) for which the foreseeable effects on the workforce are still uncertain. Yet, according to the EWC, an AI addendum is relevant '*because AI developments are moving so quickly and because it poses quite a few additional dangers, the EWC believes that we should say something extra about this*. Especially in regard to the topics of protection of personal data and protection of sensitive information of a company. '*Everybody should follow training in AI, not only regarding AI skills needed in the current jobs, but also for those who do not (yet) work directly with it'* (int EWC). The Labour Relations officer, talking about Generative AI specifically, also mentioned the importance of making employees aware of how to use this technology, and risks associated with it, including the development of protocols. Another, very simple reason to put this on the agenda is 'that AI is a modern topic that cannot be missed' (int FNV1/EWC/HR). Further, the EWC wants to initiate dialogue and put things on paper now that the quality of the relationship and understanding between Solvay management and EWC is at a high level: '*once we will be gone or once there will be new management… We also want to record for the future that we will continue to do so'* (int EWC). As with other workplace innovations, the rise of AI might be perceived differently by employee and employer representatives. Solvay's Labour Relations Officer also recognised that management, more than employee representation, might focus on competitiveness and productivity. According to the LRO, employee representation primarily wants to be informed about the company's intent on what it wants to do with AI.

Direct worker participation practices in digital innovation

The EWC works top-down in the process of making an addendum. The brainstorming sessions for a new addendum take place at the European level and without the involvement of individual employees from the sites. In general, the EWC informs the national ('central') workers' representative bodies about their activities and the idea is that these central bodies in the countries inform the local sites. *So we try to reach all employees, but it's really hard to get everything to land on the work floor*' (int EWC). The EWC is aware of the importance of having links with the local sites. '*In the past we had our meeting in Brussels, nowadays we go to local sites to have our meetings there and to talk with employees in the sites'* (int EWC). However, the dialogue seems to be more with local management than with workers. Also the Labour Relations Officer stressed that – at the moment there is little bottom-up direct employee participation regarding AI development and implementation. AI Technology implementation "*is more top-down*" and "*It is not really co-creation*" (int LRO). This is confirmed by the interview with the HR manager at the Dutch site: he was informed about a discussion at the European level, but without knowing details (int HR). One of the reasons he gives for this is that AI is too technological for co-creation. Employee perspectives and concerns would be most likely expressed via the works council.

Forms of direct worker participation are not mentioned in the Global Framework Agreement on Digital Transformation (2019). However in the regulation on the EWC itself, the option of inviting employees with special expertise or tasks is mentioned, and this is also used in case of AI (int EWC).

The HR manager at the company in the Netherlands tells us that there are several forms of direct worker participation, such as structural work consultations every morning in the context of shift transfers and the culture to make it possible for every worker to suggest improvement in e.g. safety, technology and social matters. Workers give these suggestions to their direct managers who will put them in on the agenda for the management team, to check their feasibility. '*We stand for ownership and involvement of our employees and that is what we try to do: we try to give employees the option to think along'* (int HR). The practice of other forms of direct participation, like job autonomy, '*depends greatly on the individual managers who have different leadership styles'* (int HR). Some managers want to keep control and are micromanaging, while others give their workers a lot of freedom. This factor is independent from the characteristics of the employee groups. Sometimes lower educated workers have higher job autonomy than higher educated ones: it depends on the style of the specific managers. In answering the question how Solvay related to other companies in the field of direct worker participation, the HR manager answers that *Solvay is quite unique in how human- and social responsible the company is in the chemical sector*, *although companies in the care sector are much further in this* (int HR). The HR manager relates the field of worker participation with good and modern terms and conditions of employment (like paternity leave in a tough, masculine industry like chemical manufacturing) and also with a committed union leader who has already been walking around in the plant for many years (int HR).

Conclusion

The company being studied is Solvay, a multinational chemical company. In 2019, the company signed a Global Framework Agreement on Digital Transformation with the European Works Council (EWC) and the Global Forum, a representative body for the company's employees outside Europe. Regular technology assessments, in consultation with workers' representative at several levels, on work-related impacts are key in this approach. The initiator of this agreement was the EWC, with support from the trade union movement in Europe, especially from the Netherlands. In 2024, the same parties started to talk about a possible 'addendum' to the agreement about the risk and opportunities of Artificial Intelligence (AI). This case represent a top-down approach in the channel of representative worker participation, with little direct connection to practices in direct worker participation in the Netherlands. Nevertheless, both forms of worker participation (representative and direct) are developed to a relatively high level and profit from good labour relations in the company.

5.1.2. Case study 2: Pharma2

Quotes from 3 interviewees (checked and agreed):

- Human Resources Director (HR)
- Chair of the works council (WC)
- Executive Director Business Technology (BT)

Company characteristics and innovation

Pharma2 is part of a multinational company that employs around 10,000 people. Its headquarters are in the USA. In the Netherlands, Pharma2 runs a production facility with a total of 1,400 employees. Pharma2 has long historic roots in the Netherlands: it just celebrated the centenary of its existence in the Netherlands. Pharma2 played a role in the development of the contraceptive pill. After being part of several successive owners, in 2021 Pharma2 became an independent company focusing on women's health. R&D activities are no longer part of Pharma2 as in the past, but these activities are being further developed in pharmaceutical start-ups near Pharma2's production sites. The Dutch sites of Pharma2 are active in production, packaging and distribution. Business processes include high-quality technological production and more simple packaging operations as well (and other operations).

Pharma2 works according to the principle of continuous improvement of business processes and every plant in the Netherlands has its own 'Improvement Engineer'. The company can be characterised as a 'professional organization that continuously reflects about opportunities in process innovations in the triangle 'Systems – Processes – People' (interview Pharma2 HR). During the last three years, Pharma2's IT department ('Business Technology', BT) focused on the implementation of Pharma2's own basic IT system, independently from the (old) systems of the former owner. Now, the company can think more about IT innovations in the longer term, specifically in the field of AI. One of the innovations is the use of advanced camera systems for visual inspections of the quality of the products. '*This does not mean that the human inspectors / laboratory technicians are redundant but that they can be employed in better ways in less monotonous working conditions* (interview Pharma2 BT). Another AI example is a machine learning tool for reporting malfunctions in the factories, initiated centrally in the multinational. Employees encounter AI in everyday work, such as the works council which reads minutes of the meetings between the management and the European Works Council, prepared with AI support.

Recently the headquarters in the USA disseminated a short AI Policy document with basic global guidelines for using AI in the company, including considerations of transparency, human orientation, privacy, robustness and regulatory compliance. This document differentiates between AI in 'low risk' and AI in 'high risk' environments. Pharma2 in the Netherlands was not involved in the development of this policy. This top-down initiative and its centralised policy assurance is linked to the highly regulated environment of the pharma business (interview Pharma2 BT). The main guidelines do not mention the assessments of AI impacts on employment, jobs or professions.

Workforce characteristics and labour relations

Pharma2 in the Netherlands negotiates with two trade unions about the collective agreement on the terms and conditions of employment;[6] with FNV, the largest general trade union federation in the Netherlands, and with VHP2, a small professional union for white collar workers. Union membership in the business establishments in the Netherlands reflects the national picture of the Dutch manufacturing sector (interview Pharma2 HR): so around 10 percent, and on a declining trend.

[6] In the chemical industry in the Netherlands, there is no sector level bargaining nor other forms of multi-employer bargaining.

Reflecting the Dutch *dual channel* system of workers' representation, separate from unions, there is a works council in Pharma2. A minority of the members in the works council are also union members, but '*we do not have a very warm relationship with the union, I must admit quite honestly… that also has to do with a certain style of FNV … that is not our style, so to speak*' (interview Pharma2 WC). The unions do not intervene in the agenda and work of the works council. In this, the company is no different from most other companies in the Netherlands. The works council at Pharma2 showed in the past an active approach in topics like working time management and insourcing and outsourcing. Nevertheless, the council is less visible on the issue of technological innovation (interview Pharma2 WC). Both HR and the works council are aware of the consultation right of the works council in case where new technology is introduced. But both find is difficult to define 'when is it new?' Mostly '*new technology is creeping in'* (interview WC). On the management side, the HR manager supports the director and is present at the consultation meetings with the works council. The relationship between management and the works council is based on '*transparency, mutual trust and cooperation*' (interview Pharma2 HR). A barrier for the Dutch works council is that Pharma2 is an American corporation that is not used to involving workers' representative bodies: '*so you sometimes see that things are determined by "corporate" and that the Dutch Works Council must go along with it.. or is too late involved*' (interview Pharma2 WC).

Worker participation practices

Employees at Pharma2 are constantly busy with optimising processes. Every process operator is able to suggest improvements in methods, processes or quality. '*This kind of employee involvement is very well organized, and deeply in the organization*' (interview Pharma2 HR). The organisation works with the standard method that employees use to solve problems. One of the instruments is to ask the '5 times why' after being confronted with the same consecutive malfunctions or other problems in the process. Pharma2 works with the 'Lean Six Sigma Belts' in supporting process innovations among its staff. Improvement engineers are key players in listening to operators about problems and their suggestions and in organising smaller or bigger projects among the personnel to improve or to innovate. '*In our company there is a lot of room for employees to contribute their own ideas, but only through a method that everyone knows, so that it doesn't go in all directions*' (interview Pharma2 HR).

The works council is not structurally involved in the above-mentioned methods of direct worker participation innovations, nor with technology innovations. The chair of the works council, already a works councillor for 10 years, tells us that technology was sometimes on the agenda, but that at in this field '*we could never come to a conclusion as a works council and director together… the dialogue always came down to the fact that we just have to go along with it … that we are just a part of "corporate"*...' (interview Pharma2 WC). Nevertheless, the chair of the council also says that '*it is important as a works council to be involved in technological developments as much as possible… in the past I have often seen that a new process is started in which we are not included and that it turned out afterwards that it does not work or did not have the intended results. It can be that employees themselves can raise issues, but the works council can better test the whole process to see whether it will have an impact somewhere in the organisation*' (interview Pharma2 WC). A recent example where the council raised its voice was after the previously mentioned introduction of an app for the reporting of malfunctions in the factories, where they addressed the problem that not all workers had a modern phone or were able to install the app. According to HR, people should be supported in new digital skills instead of continuing to work '*in the old analogue world*' (interview

Pharma2 HR). More generally, the works council worries whether there is enough knowledge, skills and attention in the organisation to keep an eye on the human aspects and to assess whether AI development are not going too fast for the personnel.

In the past three years, the management did not involve the works council in the previously mentioned installation of a large company-wide basic IT-project on data management and automation, other than to give them information. '*In retrospect, we could have pointed out the impact on employees and the need for training and time for education for the people*' (interview Pharma2 WC). The council could have raised the issue that employees in production do not have enough laptops and computer places to be trained. More generally, '*when new technology is rolled out globally, people are too quick to say 'oh well, just accept it'... which is a shame, because I think there are opportunities there to discuss this with each other*' (interview Pharma2 OR).

Pharma2 worked with a couple of 'central value teams' for all manufacturing sites in the implementation of the new Business Technology system. The management in Oss organised training and education sessions for the users of this software and some workshops in several implementation phases, beginning with early field tests by the employees who had to use this technology. The Business Technology department gave practical support to employees in the factories. The department worked through the questions which came from workers on an ad-hoc basis (bottom-up), and also on a more structured basis through work meetings ('werkoverleg') between managers and operational coaches. But the scope for change in making local tailored business technology systems was limited. '*It is policy to equip standard processes with standard systems, which is more efficient and cost-effective*' (interview Pharma2 BT).

Future prospects

The interviewed BT specialist, HR manager and works councillor all see that AI is already a change factor for Pharma2. According to the BT specialist *'AI developments are there, but that does not include radical changes in the coming years…. if there is business interest in more AI applications, we can look if we can organize a small experiment…'*. The Dutch sites seem to have a more wait-and-see attitude and more initiatives in AI are expected from the headquarters in the USA in the context of the broader business needs.

The works council is ambivalent about investing in knowledge acquisition and coordination in the area of technological innovation and AI. On the one hand, these topics are not the most urgent. An upcoming restructuring or the introduction of new working time schedules or something like that would have more priority (interview Pharma2 WC). On the other hand, the council is looking for a role to be involved earlier and more actively in discussions about AI, for example in making risk assessments for workers and the organisation. One of the scenarios is to consider the installation of a temporary working group among councillors (and maybe additional employees who are not on the council) who have an affinity with AI and who can have a dialogue with Business Technology about human and social issues. Another scenario is to address AI as an issue for the European Works Council of Pharma2, although the chair of the Dutch council (involved in the EWC as well) doubts whether the management at European level can be persuaded to go along with this.

The HR manager can imagine that the works council might function as 'extra eyes and ears' in the organisation to solve technological problems in the business organisation. A problem in formal procedures in the context of the co-determination legislation in the Netherlands ('Wet op de

Ondernemingsraden' – the Works Councils Act) is that AI applications are part of a continuous process. So, '*at what time exactly do we consult a works council?*' (interview Pharma2 HR).

5.2. Welfare services and public administration

Employment

Compared to other European countries, the Netherlands has relatively high shares of employment in public administration and welfare services. This share has also increased in the last three decades (see table 2). The 'real' public sector and numbers of civil servants are relatively low, because organisations in the health and care sectors are not included in the public sector and are private sector organisations; mostly not-for profit, such as hospitals and nursing homes, but sometimes also for-profit, like childcare organisations.

IR features

Trade union membership in welfare services and in the public administration is relative high: 18.3% and 26.9% respectively, compared to a national average of 15.4% (NEA 2023). On the employers' side, we see relatively high membership levels among employers in the health and care sector in the Netherlands (Tros, 2022: 11). The organisational density among all companies with 2 or more employees in this sector is 42 percent, while the national average stands at 25 percent (Tros, 2022: 11). 15 percent of the workers covered by sectoral agreements in this sector are employed by unorganised employers and are legally bound by the sector agreements because of the effects of the public extension mechanism (national average is 17%). In public administration, employers are automatically all bound by the sector agreements.

80 percent of the companies in the health and care sector which are legally obliged to install a works council (establishments with at least 50 or more employees), have also done that (SEO, 2023). In public administration, regulations on representative worker participation deviate for some sectors, such as the education sector.

Direct worker participation

According to large-scale representative workers' surveys (NEA 2023: 67), workers in the welfare services and public administration are not that different regarding the extent to which they are involved by the employer during organisational or technological changes compared to other sectors: 27.3 percent in the health and care sectors were not involved at all and 23.5 percent in public administration were not involved at all in 2023 (compared to a national average of 26 percent). Workers in both sectors were less involved with changes than the average workers in the country: namely 40.5 percent in the health and care sector and 26.6 percent in public administration (NEA 2023, 67).

Remarkably, the public sector seems to have been less studied by experiments, pilots and other research projects in the field of technological and social innovation in the last four decades. Frank Pot's retrospective analyses since the 1970s showed more studies from the manufacturing sector and, to a lesser extent, the private service sector, but rarely the public and health and care sector.

Remarkably, since 2023, the sectoral agreement in the sector of nursing homes and homecare regulates that the parties will develop instruments and programs that promote and facilitate opportunities for employee participation (workers' consultation, co-determination, and influence in decision-making by management). An important background of this intention is to promote good labour relations and good job quality as mechanisms for attracting new people to work in the sector and preventing too many workers from leaving the sector. The scarcity in the labour market, together with high workloads among employees in the sectors of welfare services, education and public administration, are seriously problematic in the Netherlands. Therefore technological innovations like digitisation and AI applications are being considered as methods for labour saving and reducing workloads, alongside the aims of improving service provisions.

AI in the care sector

Nowadays, the health and care sector is confronted with many and intense digital innovations. The largest employers' association in the care sector ActiZ is sharing the idea that the use of AI is becoming more and more commonly identified as one of the promising factors for addressing major challenges facing organisations in long-term care, in their responses on an ageing population, increasing complexity of the demand for care, a relative decrease in the number of (informal) caregivers and major shortages in the labour market.[7] The main stakeholders in the health and care sectors have also declared that AI can have positive impacts on not only objectives like access to health and care services, service quality and financial affordability, but also on reducing the workers' administrative burdens.[8] Clients might benefit through the creation of more tailored personal care and more autonomy.

5.2.1. Case study 3: Care3

Quotes from 3 interviewees (checked and agreed):

- business operations manager (BM)
- chair of the works council (WC)
- head IT department (IT)

Company characteristics and innovation

Care3 provides long-term care and elderly care in the Province of South Holland, the Netherlands. They manage six locations for intramural care (nursing homes) and provide homecare in the region. Care3 has Protestant Christian backgrounds and is a private, not-for-profit company.

Several innovation processes are going on in the organisation. A first, recent example, is the introduction of 'smart sensors', a digital monitor to check if inhabitants of nursing homes fall or get out of their beds. There are also bed mats that raise an alarm when the patient sits on the edge of the bed. This has led to some efficiency in labour saving, e.g. on the night shift, where 1 person is

[7] www.actiz.nl

[8] https://www.rijksoverheid.nl/documenten/rapporten/2022/09/16/integraal-zorgakkoord-samen-werken-aan-gezonde-zorg

enough to check the patients with support of the cameras and alarm systems, while in the past 2 persons were needed during the night. Some employees have difficulties in trusting these new technologies that ask them to change their behaviour and to do the opposite of what they learned at school, namely '*always to check things yourself'* (interviews WC, IT). Some workers are concerned that their mistakes in doing their tasks will be monitored, and that they will be directly dismissed for that reason. The IT manager: '*then we start a conversation about it to explain that technology is not meant for that … that IT is meant to make life easier for you instead of more difficult'* (interview IT).

Another example some years ago was the introduction of 'life circles', areas where residents are allowed to be. Residents wear a wristband or transmitter and in the building there are sensors (beacons) that recognise these channels. As soon as a resident is too far from his or her safe area, the system reacts to this and doors that are normally open to everyone remain closed. The life circle is larger or smaller depending on the personal situation of the resident. Thanks to this innovation, residents can move much more freely. As a result, they feel more comfortable and they are also calmer. Interestingly, at Care3, a broadly composed group of employees chose the system and the supplier. These involved employees turned out to be very interested in the possibilities of technological innovations.[9] Nevertheless, the chair of the works council says that there has been not enough time for implementation by the care workers who were not part of this project group. It needed extra training in technology and in its tailored application to individual residents: *'after all, some are allowed to move more freely than others, so they need other transmitters, and residents are not allowed to give their own transmitter to someone else*' (interview IT). Implementation of new ideas and new technology always turns out to be a barrier.

Care3 has formulated a new 'Innovation Agenda 2025', including topics like digitisation. The business operations manager sees that the AI innovations in the organisation have just started. For a sector that suffers from scarcity in the labour market, a main consideration is whether new technology can lead to labour saving. According to all three respondents, direct labour saving rarely happens in practice. The chair of the works council says: '*If it's a 5 percent improvement, that's already great…the approach of innovation is more to prevent the need for more employees'.* Another consideration is whether technology can increase the quality of care provision. A third consideration concerns job quality, such as workloads. Lowering the physical and mental workloads of employees, and occupational health and safety in general, are high priorities for the works council when assessing new technologies. A general barrier in the care sector is that technological innovation is very expensive and seldom leads to a sufficient return on investment. Practical and privacy factors also play a role when discussing new technology. An example is given in a recent discussion about 'voice reporting' with the help of AI. This can speed things up nicely for doing administrative tasks, but not all employees speak fluent Dutch. And patient information needs to be very well protected in such AI systems, and employees speaking to the computer must not be heard by other patients.

Workforce characteristics and labour relations

Care3 employs in total around 1200 people, mostly women (90 percent). The number of employees has grown in recent years, and it is expected that the organisation will grow further in terms of numbers of workers and locations in the coming years. The organisation's structure includes a

[9] P. 51 in ActiZ 2019

Supervisory Board, 1 director, 4 top managers, 1 manager per location/establishment, around 10 team leaders, and then directly, without further hierarchy, the employees at the workplace (including 10 'innovation experts'). The staff can be categorised into 6 educational levels with academic personnel at level 6. Level 2 of '*verzorgende*' with maximum level MBO-3 Nursing (vocational college) is the predominant staff group. Care3 employs many workers with migrant backgrounds, so communication and cultural differences are challenging factors. The organisation provides internal training and basic education in Dutch language acquisition. Furthermore, a general challenge in the whole care sector is that care workers have low digital skills (interview IT), the more so among older workers than younger workers. Another generational inequality is that older workers often need more hierarchy, guidance and appreciation from their manager or team leader.

Care3 is covered by the sectoral collective agreements for nursing homes and homecare ('*VVT-CAO')* and is a member of the employers' association ActiZ, the main collective bargaining party on the employers' side. The general trade unions FNV and CNV, together with smaller professional unions, are the collective bargaining parties on the workers' side. A remarkable innovation in the sector agreement was the introduction of a chapter called 'A good conversation' ('*Een goed gesprek'*), aiming to promote and support better worker participation practices in nursing homes and homecare organisations. An important background for this new set of regulations is the growing shortages in the labour market in the care sector. Through the recommended conversations between managers and workers, employees are given more attention, aiming for greater employee engagement and prevention of workers leaving the care organisations.

Unionisation in Care3 is low, estimated at under 10 percent, which is lower than the sectoral average. Just a couple of works councillors are members of FNV (no other unions). According to the chairman of the works council, the dialogue with the director has improved in the last six years because the council is nowadays involved earlier in policies and decision-making processes. The council has also become more accessible for Care3's personnel. The works council has a legal right to have 15 councillors in the organisation, but the council itself chooses for fewer formal seats. This means that there is capacity left to involve employees with special expertise in specific topics relating to management's requests to the council for advice and consent. For example regarding policy reports in the domain of care quality, because nobody from that department is represented on the council. The council was just '*little by little*' involved in technological innovations like the previously mentioned introduction of sensors, cameras and 'lifecycles' some years ago (interview WC). ' *Mostly, the council is only informed about innovation projects …. innovation processes run outside the council*' (interview WC).

Worker participation practices

Homecare and nursing homes in the Netherlands do have some tradition in self-management and autonomous teams (see e.g. Alders, 2015), but according to the chair of Care1's works council this has become an *outdated concept* (interview WC). Care organisations have learned that leaders and a certain level hierarchy are needed (id.). The chair of the works council is critical about Care1's structure being still too flat, with too few team leaders: a span of control of 50 workers is too large. An extra problem according to the council is that some leaders are too practically educated to be good managers: employees coming from higher professional education have learned more about management than those from vocational education.

Care3 started a process two or three years ago of introducing new leadership styles, according to the principles of 'the Rhineland leadership model'. In this model, responsibilities are set as low as possible in the organisation: '*the specialist may say it*' (interview Care3 BM). The 'Rhineland model' prescribes '*that you deliver performance together as a team'* and that initiatives for conversations comes from both sides. Before this process, Care1's organisational structure and culture was more top-down. Employees regularly sighed: '*here comes the middle management again with all those plans that we have to implement again'* (interview BM). An external consultant helped with this transformation. The management agreed not to make decisions before having heard the 'portfolio holder', someone who has a managerial position in the workplace. This 'portfolio holder' has to agree with this proposal by the management after having heard the team of workers who are involved, and having heard the other team leaders. Enjoyable work, lower workloads and a realistic time schedule for implementation are all important considerations for these dialogues (interview BM). By practising this 'Rhineland leadership model', the organisation is trying to secure the employee involvement, although the chair of the council points to the fact that this consultation culture '*does not land well with everyone because they do not understand it or too difficult words are used'* (interview WC).

Another important form of direct participation in Care1 is the regular conversations between the executives and supervisors with all the employees. This previously mentioned introduction of regulation in the sector agreement about 'A good conversation' and better worker participation have improved and intensified Care1's structure in the conversation cycles. Before 2 or 3 years ago, there were few annual appraisals with employees at Care3. The HR department has recently developed guidelines for managers and team leader to give feedback and to achieve a higher quality of individual and team conversations. Also employees are supported to give their opinions to managers and to give feedback in workers' teams. It turns out that most of the conversations address employees' problems in work-life balance, workload, sustainable employability (especially among the older workers), and training and career issues (interview BM). The works council is in favour of these talks, preferably once every six months, to monitor the arrangements agreed in the annual talks. '*We believe that care workers should become more professional and independent and should develop, but we don't really guide them in that'* (interview WC). The regular consultations give a better supportive structure for this.

The relative well developed practices in direct worker participation in Care3 are also visible in the domain of technology, digitisation and AI. Firstly, policies and measures – also regarding the 'Innovation Agenda' – are discussed with 'portfolio holders' and team-leaders in the workplace regarding implementability (interview BM). Secondly, innovations are tried out as a pilot in a team, so that in a way the employees have some influence at an early stage before spreading it out to other teams (interview BM). Thirdly, some year ago the organisation worked with 'digi-coaches', care workers with an affinity with digitisation, to support the employees at department and team levels. This lowered the threshold among care workers in asking for help and doing a course in IT to improve their digital skills. Nevertheless, this has its limits: delivering human care comes first and care workers don't have so much time for extra training (interview IT). Nowadays the 'digi-coaches' are being replaced by professional IT-employees who work in the same workplaces than the caregivers, instead of in a separate office: '*In the past, an Information Technologist was seen as a scary person, now he or she has become a familiar face and the threshold for asking help has been lowered'* (interview IT). Finally, the IT manager has once a month consultations with managers and team leaders about the progress of how IT aspects are going in the organisation.

Future prospects

Care2 has developed new and interesting structures in *direct* worker participation, but does that mean that *representative* workers' participation is less needed? The works council can also adopt a more active role in companies' strategies and discuss innovative processes at earlier phases. '*I would like it if the works council were not only reactive, but also addressed major issues, such as technological developments in relation to personnel*' (Interview BM). According to the Business Operation Manager, the works council can challenge the organisation, more than it does now, with questions for the director like 'what are your plans?' and 'what are the consequences for personnel?'. The Business Operation Manager acknowledges that such social dialogue on longer-term issues is a reciprocal process. The director can also give more early information about plans or ideas to ask the works council for a response. The IT manager appreciates discussions with the works council because care workers know better what is 'good care' and these consultations engender more support for technological innovations among the staff. A condition however is that councillors need to have a good understanding of what is going on in professions, work processes, and with the employees themselves. In that respect, the works council wants to intensify the contacts with its rank and file by visiting the different locations more often with the aim of gaining more information from the workplace.

5.2.2. Case study 4: Municipality4

Quotes from 3 interviewees (checked and agreed):

- team manager policy and organisational advice (PA)
- chair of the works council (WC)
- data officer (IT)

Company characteristics and innovation

With more than 200,000 inhabitants, Municipality4 is one of the largest municipalities in the Netherlands. In the Dutch system of local politics and governance, municipalities have a wide range of responsibilities, ranging from public order and safety to social and health policy (unemployment, youth care) to land use planning and waste management. Financially, Municipality4 primarily derives its revenue from central government contributions, which account for approximately two-thirds of its income. Additional funding mainly comes from local taxes and land development. The largest budget items, accounting for more than half of the local budget, consist of social and health policy. To serve its residents, the municipality has a sizeable organisation with approximately 2,500 employees. Organisationally, Municipality4 consists of 18 different departments, including a large "Data, Information and Technology" department consisting of approximately 250 FTEs. This department has a diverse mix of individuals with technical backgrounds (e.g. in data science, former programmers), service staff for IT workplace support, and operational employees handling essential data registrations (e.g. property valuation). Municipality4 profiles itself as an innovative city. As an example of innovative work practices, the municipality was among the first in the Netherlands to implement data-driven work practices. Another example of digital innovation is what is termed

'omnichannel' strategy implemented by the municipality to improve service delivery, allowing residents to contact them through various channels such as telephone, service desk, email, WhatsApp, and chatbots (interview municipality4, PA).

With respect to recent technological innovations in the field of AI, the Data, Information and Technology department of Municipality4 has set up an AI Lab, in which they examined three AI pilot cases, "*purely to look at the technology, so the relevance of the case was not always ripe enough to actually apply"* (interview Municipality4, data officer). The first two pilots were narrow in scope and aimed at improving the efficiency and accuracy of specific operational processes, such as optimising an internal ticket system, or for mail selection. The latter - for example – was designed to determine where incoming mail should be routed within the municipality. The pilot sought to evaluate if AI could provide a certain level of accuracy in this task, but practical application of this tool was found to be of limited additional benefit. The third pilot involved the implementation of Microsoft 365 aimed at exploring the wide-ranging applications of its AI tool Copilot across the entire municipality. The municipality acquired pro licences for Microsoft 365/Copilot, allowing different departments to propose their own use cases. This exploratory approach sought to understand how AI could assist with various tasks and functions. Despite the significant scalability potential, the Data officer explains that "*We received a lot of feedback indicating that it wasn't yet mature enough for our needs. What we infer from this is that we ourselves are not yet ready to implement it in that way*" (interview Municipality4, data officer). This pointed to a knowledge gap within the organisation, highlighting the need for further education and development to integrate AI successfully. Also from the perspective of HR, the primary focus with these and other digital innovations is on learning and development, such as securing financial resources for training, setting up learning programs, and choosing suitable methodologies. "*The biggest challenge is keeping your people trained and ensuring they can keep up with all the flexibility and changes*" (interview municipality4, PA). The policy adviser give an example from the civil affairs department where some tasks are fully digitised, but also the remaining cases have become much more complex. "*What you need to do is assess people to see if they can rise to that higher level and then expect different things from them, focusing more on cognitive capacities rather than just doing capacities*." Furthermore, in Municipality4, digitisation is also one of the key priorities in strategic workforce planning. Laid down in a vision on digitisation, digital initiatives such as robotics and artificial intelligence are highlighted to improve and optimise processes, aiming to work more efficiently and better meet the needs of citizens and the organisation. The organisation recognises the importance of investing in knowledge, skills, and competencies, particularly in 21st century skills like digital literacy, robotics, and prompting. However, there is a noted need for specialised knowledge to leverage technology fully: "*Some people think, oh, this will yield a lot of efficiency. Yes, maybe in one area, but on the other hand, you see that much more is needed, for example, more people with IT specializations*." (interview Municipaly4, PA). Additionally, enhancing digital security awareness among employees is believed to be crucial.

Municipality4 has developed AI architecture principles focusing on trust, transparency, and robustness, inspired by European standards. These principles include ensuring human-centric AI design (the '*human dimension'*, interview data officer), conducting risk assessments for personal data processing, restricting AI from direct communication with residents, and mandating system robustness. These guidelines were established by the internal AI Lab, driven by architects with data science expertise, also following on from personal interest of individual employees in AI (interview Municipaly4, data officer). Although primarily a technology-driven initiative from the IT department, the principles were shared across the organisation to ensure broad awareness and understanding.

Also the policy adviser mentions that privacy concerns and managing fake information are significant risks, along with maintaining information security (interview municipality4, PA). Also the chair of the works council raises the issue of privacy when discussing other technical innovations, such as the use of body-cams by public enforcement officers, where it has been agreed that such recordings will not be used for performance reviews (interview Municipality4 works council).

Workforce characteristics and labour relations

Like other Dutch municipalities, the collective labour agreement 'Dutch municipalities' (*CAO gemeenten*) applies in Municipality4. The most recent collective agreement was negotiated between on the one hand the Association of Netherlands Municipalities (VNG), the advocacy organisation and knowledge platform for all Dutch municipalities, and on the other hand the trade unions FNV and CNV and the professional association for public employees CMHF. The largest union, FNV, has nearly 300 members at Municipality4. In accordance with the collective agreement, periodic meetings between management and trade unions take place in the 'local consultation'. The role of the unions has been significantly reduced since the introduction of the 'Legal Status of Civil Servants (Standardisation) Act (WNRA, in Dutch) (interview Municipality4, PA). There is also a collaboration with the works council. Digitisation, however, is not a major topic during these meetings (interview Municipality4 works council).

The works council consists of 17 members who can spend 6 hours per week on their representatives duties. The works council has monthly meetings with the municipal secretary ('gemeentesecretaris' in Dutch), who, in Municipality4, is also general manager of the civil service organisation. These meetings typically take place in a harmonious and transparent way, exemplified by the works council chair who states that "*I also feel that that is appreciated and so those conversations are open. And if there is anything, I can also just call or send an app*" (interview Municipality4, works council). To focus its activities, the works council has defined several 'spearheads'. As well as 'social safety', 'mobility' and 'visibility and communication' 'digitisation' is also a spearhead topic for the works council (interview Municipality4 works council). The 'digitisation' spearhead involves four works council members. Regarding technological innovations, the works council plays a role in procurement processes, where they have the right of consent and when changes have major impacts on employees. The chair of the works council would urge HR to be somewhat more reflective about signals that not everyone can keep up with technological changes, stating that "*[HR] should also occasionally be allowed to take a little more advice from the works council that those signals are real*" (interview Municipality4, works council).

The works council was included in the implementation of M365 but did not organise a separate constituency consultation. A barrier to works council participation in responding to technological innovation may be the timing in the process when the works council is involved. Reflecting a broader issue, the chair of the works council remarks that "*Not just with the issue of digitisation, but also in a somewhat broader context we noticed that that indeed happened quite often that we were involved late*". Also in receiving input from departments, '*it sometimes happens that they include you late in a process*' (interview Municipality4, works council).

Worker participation practices

The function of the works council, according to its chair, is to keep people on board with organisational changes. A typical consideration for the works council is whether employees are sufficiently equipped and prepared for technological innovations on the work floor (interview Municipality4, works council). The structure of the works council incorporates a system of "linking pins," which are used for maintaining effective communication and representation throughout the organisation. These linking pins are not works council members themselves, but individuals from each of the 18 departments who act as connectors between their departments and the works council. They ensure that the works council remains aware of the developments, needs and questions arising from different departments. These linking pins gather signals about what is happening in each department and discuss these signals with works council members. Individuals volunteer for the role of linking pin, based on their own interest. The works council in Municipality4 has been using this system of linking pins for a long time, and also from the management perspective '*this works really well*" (interview Municipality4, PA). An example of how these linking pins inform the works council regarding technological innovation is with the implementation of M365. To prepare employees to work with M365, online training was initially provided. On the instigation of the works council, more on-site training was provided later (interview Municipality4, works council). Also directly, with the implementation of M365, the works council received a lot of emails with questions from employees, expressing both fundamental issues (e.g. related to privacy or data retention periods) and more practical concerns that things were not working as they should.

The aforementioned vision of Municipality4 on digitisation in strategic personnel planning was initiated by management and was formed through a series of strategic workforce planning sessions conducted across the municipality. Initial sessions involved executive directors identifying long-term priorities, including digitisation. Subsequent sessions gathered input from departmental heads and team managers. Discussions were then held at the team level, facilitated in various formats such as regular work meetings, special sessions, or team-building days (interview Municipality4, PA).

Future prospects

All interviewees could see the applications of AI in the municipal organisation increasing in the future. The HR and policy advisor expects that technological developments, particularly AI, will advance much faster than anticipated, based on the rapid progress seen in recent years. There are concerns about whether employees and the IT department can keep up with these changes, given that municipalities often have slow, bureaucratic structures (interview Municipality4, PA). This could be a significant dilemma for the municipality, as it affects both public services and internal work processes. Regarding the role of the works council in this context, the policy advisor emphasises the importance of an effective feedback system such as is already in place, facilitated by linking pins.

Also the works council chair already sees AI (e.g. ChatGPT) managing agendas and writing texts, and foresees that this could eventually take over tasks from the Communications Department, for example. '*I think this is really underestimated'(…) 'it could all go very fast all of a sudden* ' (interview Municipality4, works council). The way in which the works council responds to technological changes might also change. *"I notice within the works council, well, there are just some people who are somewhat of the older generation who say yes, it can't be done. We just shouldn't do that and they just put their foot down. And some somewhat younger people who more easily deal with that*

who said yes, you also have to move with the times and you can do wrong things with all the data even now" (interview Municipality4, works council)

The data officer pointed to the crucial need to educate employees on understanding their roles and the risks associated with their tasks, especially as increased reliance on sensors and technology puts the human-centric approach under pressure. To address this, Municipality4 has developed a data learning platform or "*data academy*" and an ethics program (interview Municipality4, data officer) aimed at making employees aware of what they are doing, the importance of cautious data collection and the necessary skills for data interpretation. This program is in its early stages and will be expanded in the coming years.

5.3. Discussion of the case studies

Interrelations between representative and direct worker participation

Table 3 shows the variations in constellations of representative and direct worker participation practices in the four cases, in the context of organisational and technological innovations. We can differentiate between three kinds of interrelations between direct and indirect worker participation in companies (see also Franca, Kirov & Tros, 2024). Firstly, a trade-off or substitute relationship (zero-sum game). Secondly a synergetic relationship (positive sum-game). Thirdly, a non-existent relationship, like autonomous developments of two different types of worker participation. Looking at the four case-studies in the Netherlands, we do not find support for the trade-off hypothesis. In the two Pharma cases, there is direct collective bargaining with trade unions and there are practices in direct worker participation as well. Also in the case of the Municipality we see simultaneous representation by the works council and union-based representation. The structure and scope of action with unions is quite stable and not a subject for substitution with other forms of workers' participation. In all cases we see consultation practices with works councils combined with forms of direct worker participation.

An interesting case in this respect is the case study in the care sector. In this case we see support for the synergetic hypothesis. Collective bargaining parties at the sectoral level are promoting practices of direct worker participation, which is one of the reasons why individual work consultation has been structured and intensified in our case study in this sector. An important condition is that the scope and quality of direct workers' participation in this case was already at a relative high level, thinking about the 'local digi-coaches' and 'Rhineland model' way of implementing innovations at the workplace level. Also the Pharma1 case study supports the synergetic hypothesis, although less directly. Here it is more the general climate of having constructive relationships with the unions at the European and company level that supports trust relationships needed in direct worker participation. Case study Pharma2 shows a less developed combination of both types of workers' participation. In this American multinational, the union and the works council at the Dutch site function within a narrower scope and more in a reactive way. Also in Municipality4 there is collaboration between the unions and the works council in local consultation, although the role of unions has diminished in recent years since the standardisation of employment relations in the public sector.

Table 3. Constellations of representative and direct worker participation

	More representative worker participation	**Less representative worker participation**
More direct worker participation	Care3 Pharma1	
Less direct worker participation	Municpality4	Pharma 2

Works councils

The case studies show that works councils in Dutch companies do play a role in discussing organisational and technological innovation. However, the cases confirm the general picture in the literature about a quite passive role of works councils during innovations at what are already late phases of decision-making. We asked them explicitly about new discussions in digital innovations, like AI, to check how far they are in thinking about its possible consequences for organisations and employees. All works councils see the relevance of being involved in information and consultation about AI. However, with some variation, works councils do not have that much experience in the field of technological and digital processes, and their knowledge about AI is limited. Typically, AI expected is gain prominence in the near future. Yet, priorities are shared at best and often given to (other) HR and social policies, while the reasoning in works councils is more like 'we will take action when real problems arise on the work floor' in the case of AI and other technological issues. Importantly, the same conclusion can be made regarding HR managers: they do not have a close relationship with policies and changes in technology either, nor with IT departments. Yet, an important factor that is hindering consultations with works councils is that AI is an insidious process, in which it is difficult for the director of the company or HR manager to begin or end a consultation procedure with the works council. Pharma1 is a positive exception of an active and early intervention by the European Works Council in the dialogue on the human and social risks of AI in the company, a consequence of an already running Framework Agreement with the multinational about digital transformations.

Direct worker participation

The case studies show clearly a general characteristic in labour relations in the Netherlands about practices in direct worker participation. There are forms of direct workers' participation like work consultations, involvement of employees in work processes and opportunities for workers to make suggestions for improvements in the organisations. However, we can conclude that practices in direct participation are quite ad-hoc, are initiated by and dependent on management, and aim for better production or service delivery. The best structured and integrated are the practices in the case study in the care sector, a sector in which the social partners, through collective bargaining, have recently promoted better opportunities for individual workers to give their opinions and to consult with their direct managers at the workplace. This case (Care3) can be interpreted as *employee-driven innovation*, in contrast to other cases where direct workers' participation is more geared towards the efficiency and quality of the business management.

6. General conclusions and recommendations

Main conclusions

In recent years we can see more social partners paying attention to policy on issues of technological and social innovation in the Netherlands. In 2018, the tripartite Socio-Economic Council published guidelines for works councils to be involved earlier and better during technological change (informed, consulted and co-decided). In 2023, the same body published a report supporting and recommending to social partners and companies greater professional workers' autonomy and worker participation in the context of more social and smarter ways of organising work ('social innovation'). A recent survey shows that there is strong support among the working population for more collective bargaining and social dialogue on work-related AI regulations. Nevertheless, there is not that much activity or results in these specific areas of technological and social innovations in sectoral collective bargaining, although social partners in many sectors are paying more general attention to the importance of job quality in a context of investing in sustainable employability. In cases of company-level bargaining (around 15% of the total collective bargaining coverage), trade unions are – as in sector-level bargaining – limiting their scope of action to primary terms and conditions of employment such as wages, working hours and pensions. Furthermore, unions negotiate about the conditions in case of collective dismissals resulting from restructuring (so, only at a late phase of organisational change). Because of the low presence of unions at company and workplace levels and their priorities on issues of financial terms and conditions of employment, the main collective power resource for workers in the Netherlands for discussing technological and social innovation is works councils. These councils function independently from trade unions because the Dutch model of workers' representation is a *dual* one. According to co-determination legislation in the Netherlands, work councils do indeed have consultation rights in cases of the introduction and/or change in new technology in the company. The case studies in this report show that it is difficult to see the beginning of technological change and that it is mostly introduced gradually in work processes. When a works council only functions formally through 'a request for advise', then these gradually processes are difficult to catch. This can be illustrated well in the case of AI, which is even more complicated by reality, with some individual (white collar) workers already initiating for themselves the use of AI in writing and communication tasks in their jobs. Three of the four case studies in this report show low involvements of works councils and HR department in this new field because of low expertise in the field of technological change, little knowledge about digital and AI issues, and other priorities of more direct and short-term related terms and conditions of employment. The first case is an exception: here the European Works Council (EWC) initiated a framework agreement on digital change in the multinational as far back as 2019. In the same case, and related to the earlier agreement, AI and its risks for the company and the employees were also recently discussed between HR and the EWC.

Research on direct participation in the Netherlands is scarce. There are some surveys asking about the involvement of workers during organisational change and the diffusion of forms of direct worker participation in companies. This report contributes to the literature by qualitative case studies. These show quite ad-hoc patterns of direct worker participation, dependent on the initiative of management. One of the case studies in the care sector shows that it is possible to structure direct work consultations at individual workers' and teams' levels if the employer wants to this. It also illustrates the impact of a recent initiative of the collective bargaining parties in the care sector to

promote the opportunities for employees to ask for better job quality, career support and working conditions, and more generally to give their opinions at work and to expect managerial responses to workers' voices.

Recommendations

Based on our findings in the literature and interviews held in the case studies, we recommend the following for stakeholders in workplace innovation:

- Better training and knowledge acquisition for trade unions and works councils in the field of technological innovation, especially in these times of fast upcoming possibilities and the use of AI.
- More early involvement of employees' representatives in innovation processes in collective bargaining and works council consultations to increase their effective influence. Awareness of the importance of being involved early in innovation processes, making assessments of technology, and negotiating about social/HR effects.
- Making direct worker participation practices in the workplace more structured, integrated and robust by a promoting the role of trade unions and works councils (in the context of improving job quality) and through a key role for management in the companies (in the context of productivity).
- More involvement of HR managers in technological change in the companies, more cooperation between IT departments and HR departments and better integrated 'socio-technical' innovation strategies.
- Awareness that innovation can easily be initiated unilaterally and processed by management or technology. More research needed in practices of, mechanisms in and results of 'Employee-driven innovation'.

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