In the UK, the debate about board-level employee representation is likely to increase as companies seek to incorporate worker representation into their governance structures. This is partly due to the crisis in the banking sector, which has led to widespread support for new forms of corporate governance. The government has also been reinvigorating discussions on UK corporate governance, including proposals for changes to the board-level representation of employees.

The debate about board-level employee representation in the UK will have to address the wide range of variation in existing European systems, including:

- sectoral coverage: in some countries, board-level employee representation applies to all companies irrespective of sector, whereas in others it is restricted to the public sector.
- legal status of companies: in most countries board-level employee representation applies to both private and public limited companies, but in the Czech Republic, France, Luxembourg and Slovenia the regulations are restricted to public limited companies.
- company size: the range of workforce size thresholds within which board-level employee representation is mandatory varies from companies with 25 employees in Sweden to those with 1,000 employees in Luxembourg and Spain.
- eligibility criteria: in most countries board-level employee representatives must be employees of the company. In Austria, board-level employee representatives are elected employees of the company or non-union representatives chosen by the works council, whereas in Italy they are restricted to employees of the company or trade unionists with interests in the company; normally those viewed as sympathetic to the labour movement.
- the proportion or number of board-level employee representatives: this provision is not always specified in company’s articles of association.

In addition to these sources of variation in European systems, the research suggests that further dimensions for debate are:

- quality of the rights available to employee representatives: it is clear that a substantial minority of European board-level employee representatives do not have the necessary skills to influence board-level decision-making. Any UK legislation would thus have to specify the precise form of rights available to employee representatives on the board.
- training provisions: if employee representatives are to participate meaningfully in board-level decision-making, training is necessary to inform them of relevant legislation and to equip them to influence board-level decision-making.
- the form of information made available: both the timing and the form in which information must allow board-level employee representatives to make appropriate decisions.

The debate about board-level employee representation in the UK will have to address the wide range of variation in existing European systems, including:

- sectoral coverage: in some countries, board-level employee representation applies to all companies irrespective of sector, whereas in others it is restricted to the public sector.
- legal status of companies: in most countries board-level employee representation applies to both private and public limited companies, but in the Czech Republic, France, Luxembourg and Slovenia the regulations are restricted to public limited companies.
- company size: the range of workforce size thresholds within which board-level employee representation is mandatory varies from companies with 25 employees in Sweden to those with 1,000 employees in Luxembourg and Spain.
- eligibility criteria: in most countries board-level employee representatives must be employees of the company. In Austria, board-level employee representatives are elected employees of the company or non-union representatives chosen by the works council, whereas in Italy they are restricted to employees of the company or trade unionists with interests in the company; normally those viewed as sympathetic to the labour movement.
- the proportion or number of board-level employee representatives: this provision is not always specified in company’s articles of association.

In addition to these sources of variation in European systems, the research suggests that further dimensions for debate are:

- quality of the rights available to employee representatives: it is clear that a substantial minority of European board-level employee representatives do not have the necessary skills to influence board-level decision-making. Any UK legislation would thus have to specify the precise form of rights available to employee representatives on the board.
- training provisions: if employee representatives are to participate meaningfully in board-level decision-making, training is necessary to inform them of relevant legislation and to equip them to influence board-level decision-making.
- the form of information made available: both the timing and the form in which information must allow board-level employee representatives to make appropriate decisions.

The debate about board-level employee representation in the UK will have to address the wide range of variation in existing European systems, including:

- sectoral coverage: in some countries, board-level employee representation applies to all companies irrespective of sector, whereas in others it is restricted to the public sector.
- legal status of companies: in most countries board-level employee representation applies to both private and public limited companies, but in the Czech Republic, France, Luxembourg and Slovenia the regulations are restricted to public limited companies.
- company size: the range of workforce size thresholds within which board-level employee representation is mandatory varies from companies with 25 employees in Sweden to those with 1,000 employees in Luxembourg and Spain.
- eligibility criteria: in most countries board-level employee representatives must be employees of the company. In Austria, board-level employee representatives are elected employees of the company or non-union representatives chosen by the works council, whereas in Italy they are restricted to employees of the company or trade unionists with interests in the company; normally those viewed as sympathetic to the labour movement.
- the proportion or number of board-level employee representatives: this provision is not always specified in company’s articles of association.

In addition to these sources of variation in European systems, the research suggests that further dimensions for debate are:

- quality of the rights available to employee representatives: it is clear that a substantial minority of European board-level employee representatives do not have the necessary skills to influence board-level decision-making. Any UK legislation would thus have to specify the precise form of rights available to employee representatives on the board.
- training provisions: if employee representatives are to participate meaningfully in board-level decision-making, training is necessary to inform them of relevant legislation and to equip them to influence board-level decision-making.
- the form of information made available: both the timing and the form in which information must allow board-level employee representatives to make appropriate decisions.

The debate about board-level employee representation in the UK will have to address the wide range of variation in existing European systems, including:

- sectoral coverage: in some countries, board-level employee representation applies to all companies irrespective of sector, whereas in others it is restricted to the public sector.
- legal status of companies: in most countries board-level employee representation applies to both private and public limited companies, but in the Czech Republic, France, Luxembourg and Slovenia the regulations are restricted to public limited companies.
- company size: the range of workforce size thresholds within which board-level employee representation is mandatory varies from companies with 25 employees in Sweden to those with 1,000 employees in Luxembourg and Spain.
- eligibility criteria: in most countries board-level employee representatives must be employees of the company. In Austria, board-level employee representatives are elected employees of the company or non-union representatives chosen by the works council, whereas in Italy they are restricted to employees of the company or trade unionists with interests in the company; normally those viewed as sympathetic to the labour movement.
- the proportion or number of board-level employee representatives: this provision is not always specified in company’s articles of association.

In addition to these sources of variation in European systems, the research suggests that further dimensions for debate are:

- quality of the rights available to employee representatives: it is clear that a substantial minority of European board-level employee representatives do not have the necessary skills to influence board-level decision-making. Any UK legislation would thus have to specify the precise form of rights available to employee representatives on the board.
- training provisions: if employee representatives are to participate meaningfully in board-level decision-making, training is necessary to inform them of relevant legislation and to equip them to influence board-level decision-making.
- the form of information made available: both the timing and the form in which information must allow board-level employee representatives to make appropriate decisions.

The debate about board-level employee representation in the UK will have to address the wide range of variation in existing European systems, including:

- sectoral coverage: in some countries, board-level employee representation applies to all companies irrespective of sector, whereas in others it is restricted to the public sector.
- legal status of companies: in most countries board-level employee representation applies to both private and public limited companies, but in the Czech Republic, France, Luxembourg and Slovenia the regulations are restricted to public limited companies.
- company size: the range of workforce size thresholds within which board-level employee representation is mandatory varies from companies with 25 employees in Sweden to those with 1,000 employees in Luxembourg and Spain.
- eligibility criteria: in most countries board-level employee representatives must be employees of the company. In Austria, board-level employee representatives are elected employees of the company or non-union representatives chosen by the works council, whereas in Italy they are restricted to employees of the company or trade unionists with interests in the company; normally those viewed as sympathetic to the labour movement.
- the proportion or number of board-level employee representatives: this provision is not always specified in company’s articles of association.

In addition to these sources of variation in European systems, the research suggests that further dimensions for debate are:

- quality of the rights available to employee representatives: it is clear that a substantial minority of European board-level employee representatives do not have the necessary skills to influence board-level decision-making. Any UK legislation would thus have to specify the precise form of rights available to employee representatives on the board.
- training provisions: if employee representatives are to participate meaningfully in board-level decision-making, training is necessary to inform them of relevant legislation and to equip them to influence board-level decision-making.
- the form of information made available: both the timing and the form in which information must allow board-level employee representatives to make appropriate decisions.

The debate about board-level employee representation in the UK will have to address the wide range of variation in existing European systems, including:

- sectoral coverage: in some countries, board-level employee representation applies to all companies irrespective of sector, whereas in others it is restricted to the public sector.
- legal status of companies: in most countries board-level employee representation applies to both private and public limited companies, but in the Czech Republic, France, Luxembourg and Slovenia the regulations are restricted to public limited companies.
- company size: the range of workforce size thresholds within which board-level employee representation is mandatory varies from companies with 25 employees in Sweden to those with 1,000 employees in Luxembourg and Spain.
- eligibility criteria: in most countries board-level employee representatives must be employees of the company. In Austria, board-level employee representatives are elected employees of the company or non-union representatives chosen by the works council, whereas in Italy they are restricted to employees of the company or trade unionists with interests in the company; normally those viewed as sympathetic to the labour movement.
- the proportion or number of board-level employee representatives: this provision is not always specified in company’s articles of association.

In addition to these sources of variation in European systems, the research suggests that further dimensions for debate are:

- quality of the rights available to employee representatives: it is clear that a substantial minority of European board-level employee representatives do not have the necessary skills to influence board-level decision-making. Any UK legislation would thus have to specify the precise form of rights available to employee representatives on the board.
- training provisions: if employee representatives are to participate meaningfully in board-level decision-making, training is necessary to inform them of relevant legislation and to equip them to influence board-level decision-making.
- the form of information made available: both the timing and the form in which information must allow board-level employee representatives to make appropriate decisions.

The debate about board-level employee representation in the UK will have to address the wide range of variation in existing European systems, including:

- sectoral coverage: in some countries, board-level employee representation applies to all companies irrespective of sector, whereas in others it is restricted to the public sector.
- legal status of companies: in most countries board-level employee representation applies to both private and public limited companies, but in the Czech Republic, France, Luxembourg and Slovenia the regulations are restricted to public limited companies.
- company size: the range of workforce size thresholds within which board-level employee representation is mandatory varies from companies with 25 employees in Sweden to those with 1,000 employees in Luxembourg and Spain.
- eligibility criteria: in most countries board-level employee representatives must be employees of the company. In Austria, board-level employee representatives are elected employees of the company or non-union representatives chosen by the works council, whereas in Italy they are restricted to employees of the company or trade unionists with interests in the company; normally those viewed as sympathetic to the labour movement.
- the proportion or number of board-level employee representatives: this provision is not always specified in company’s articles of association.
The research

Existing European practice

The questionnaire-based study was distributed between 2009 and 2012 to 15,450 board-level employee representatives in their native language and of which 1,024 returned the questionnaires, constituting a rate of return of 6.8 per cent. For each survey, the respondents were asked to describe how board-level employee representatives in their member state (in the vast majority of cases, this was the national level) operate in their companies, and how they intervene in the companies’ decision-making processes.

Further, the results of the survey were grouped into eight clusters: all EU/EEA countries; Germanic; Nordic; Mediterranean and South Europe; French-speaking European countries; English-speaking European countries; the Benelux countries; Italy, Croatia, Slovenia, and the NMS; and the IGS countries. The individual scores of the company-level employee representation are then compared across these clusters. The cluster analysis is repeated with regard to board-level employee representation.

The headline point from Table 2 is that, with the exception of the IGS, all clusters display a majority of ‘positive’ scores, i.e., scores above zero. The highest scores are reported in the three major parties have expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level employee representation in the country. However, enthusiasm for the proposal among the three major parties has expressed their support for the proposal, and the UK government to implement a system of board-level Employee representation.