"Arbeit 2020": a trade union project for the digitalisation of German manufacturing industry

By Ilaria Armaroli

As the dominant metalworkers' organisation in Germany and the largest industrial union in Europe, IG Metall boasts an undeniable role as a source of inspiration for many national and international trade unionists. In the light of current challenges such as those linked to the digitalisation, IG Metall strategies and practices are hence becoming of more interest to experts and practitioners, in and outside Germany. On October 27, 2017, the perspective of the German metalworkers' organisation regarding Industry 4.0 was, indeed, brought into the spotlight by the IndustriALL Global Union's World Conference on "Industry 4.0: Implications for Trade Unions and Sustainable Industrial Policy"[1]. From January 2018, moreover, IG Metall has been considered as a case study in the research and training activities developed by the international consortium of the project "SUNI – Smart Unions for New Industry", co-funded by the European Commission.

By and large, most interesting practices performed by IG Metall in the field of digital transformation, can be ascribed to three main projects: "Arbeit 2020", initiated in 2015 in North Rhine-Westphalia by the regional structures of IG Metall, IGBCE (a German trade union in mining, chemical and energy industries) and NGG (a German union in food, beverage and catering industry); "Arbeit und Innovation", a German-wide initiative started by IG Metall in 2016; and "Arbeit 4.0", launched in Eastern Westphalia in 2016 with the collaboration of the leading-edge cluster "it's OWL".

Among these projects, this article concentrates on "Arbeit 2020" as a sort of pilot project for the German metalworkers' organisation in the face of digital transformation. The main goal of "Arbeit 2020" is to enable works councils' members to bargain over digitalisation in workplaces. To do so, it relies on the partial financing of the regional Ministry of Labour, Welfare and Social Affairs and the European Social Fund as well as on the technical support of two consultancy firms (Sustain Consult and TBS). The project, which entered its second phase in 2017 with already 30 metalworking companies involved, is ~~also~~ under the scientific assessment of the Institute for Work, Skills and Training of the University of Duisburg-Essen, within the framework of a further research work funded by the Hans Böckler Foundation. In the following lines, I will deepen the experience of "Arbeit 2020" through the words of Patrick Loos, a trade unionist at IG Metall North Rhine-Westphalia with a Ph.D. in economics and an academic background, who I had the privilege to meet on August 23, 2018 in Düsseldorf.

Hi Patrick, as you have been involved in "Arbeit 2020" since 2015, could you explain how the project is implemented in the workplaces?

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[1] For more information on the conference and the action plan released shortly after, see http://www.industriall-union.org/industriall-sets-strategies-for-industry-40.

The first initiative to enter a company usually comes from the works council, whose members can be interested in "Arbeit 2020" and more specifically, in the intervention of IG Metall unionists and external consultants to support their company's digitalisation strategy. After meetings with the works council and management, the parties conclude a preliminary agreement through which they commit themselves to the joint development of the project. In the following step, workshops with the members of the works council and interviews with managers and IT experts (usually in charge of devising digitalisation projects) are held. The main goal of this phase is to have an idea on the company's strategy towards innovation. The next step usually concerns the organisation of workshops with employees by departments, to collect insights about? the current state of the company as well as for its likeliest future developments. Particularly, three topics are addressed: work organisation (with specific regard to the chain of command); technology (with particular emphasis on the level of digital connectedness and the level of self-control of machines); employment trends, skills and qualification measures and working conditions (in this regard, aspects such as stress and workload are carefully considered). From the information provided in the workshops and interviews, it is possible for the IG Metall unionists and consultants to outline a "Map of digitalisation" in the company, which highlights the relevant issues at stake and the critical aspects to be tackled. The map is thus presented to the works council and management, with the aim of narrowing down pivotal topics and enabling the works council to bargain with management over these topics. Via the signature of a plant-level agreement, the works council starts to have an influence in the company's development plans.

What is the content of the plant-level agreements?

The agreements generally deal with 4/5 topics, which though are different in scope. There are clauses concerning information rights or the establishment of labour-management working groups, as well as provisions regarding more substantial issues such as skills development, apprenticeship contracts, working hours and workers' data protection. In many cases, though, we realised that most relevant problems were related to the area of organisation, leadership, training and working conditions.

Well, it seems that you entered the companies by analysing their innovation and digitalisation strategies and you ended up dealing with ordinary problems …

Yes, in a way, this is true: we ended up with the old issues but, I would say, with a higher sense of urgency to address them. The rate of urgency increases because of the higher pressures that current challenges put on company organisation. More and more people, for instance, now work in projects that are running contemporarily in different departments: this calls into question the traditional business organisation composed of separate working units. Plus, the demands for better responsiveness to customers are leading many companies to shift their focus from producing goods to providing services: this entails significant changes in a company's organisation, even though in many cases, management itself does not know if and for how long these new trends will last.

Was it easy to approach management and make it committed to the shared implementation of this project? Were there other important players to get involved?

Some difficulties have been experienced, especially in the initial stage: some companies were interested in collaborating with us only provided that we allowed for a deviation from the standards set by industry-level collective bargaining, especially with regard to wages and working hours. It took time to convince management to participate in the project even though we were not willing to make concessions; and in some cases, we failed and had to give up the project. However, I must say that unlike the typical collective bargaining situation, where both parties usually hold a certain level

of distrust, the uncertain, though crucial, perspective of innovation and digitalisation, which is the backdrop to "Arbeit 2020", found management generally more open and willing to have a dialogue with us. This, though, does not mean that management easily accepted to have everyone involved in the decision-making process. But I must admit that sometimes, even works councils' members were reluctant to get involved (it happened that they thought to have the situation under control and they did not want any external help from us) and needed time (and resources) to fully embark in the project. However, it is worth specifying that the failure or success of the project comes to be strictly dependent upon whether or not the works council's members eventually change their traditional perspective and start taking up a more proactive and forward-looking approach. To be clear, we don't want blind co-management; what we do want is that works councils take the initiative and demand to be seriously involved, since they have been elected by their colleagues and they represent the entire workforce. This is the spirit that has to come out from "Arbeit 2020".

What have been the main obstacles to the conclusion of the agreements and the most delicate aspects that should not be underestimated during the implementation of this project?

Daily routine and workload can be regarded as the main deterrents to a smooth implementation of a new project: people often declare to have already too many things to do and not to have time for further activities. Another problem, once the project is initiated, usually concerns workers' expectations about the outcomes of the initiative. As people tend to think that you can improve their conditions, you must be very careful and honest during the workshops, by clearly stating that you will hear their concerns and try to convince management to make a change, but that you are not in the position to solve their problems. Moreover, we found out that it is important to maintain contact with the employees throughout the whole project's duration: this means ensuring that the information on the project's development comes back to the people, for example, during union meetings or via the distribution of leaflets. Communication is of paramount relevance to secure mutual consensus and commitment. Finally, also the interests of local and regional unionists need to be carefully balanced, especially when local unionists want us to focus on membership recruitment, but we have to make the employers trust us and reach an agreement with them. Sometimes, these different exigencies cannot be simultaneously satisfied.

What are the most positive outcomes of "Arbeit 2020" after over two and a half years from its launch?

First of all, I must say that after the conclusion of the agreements, the results regarding their implementation have been mixed: some projects continued and other ceased. In the end, I think that everything depends on the people who participate in the process. However, what we do see in most of the cases is that the employers who were originally suspicious towards the trade union, now consider IG Metall as a constructive player, able to trigger change in the company. Plus, we positively realise that more and more people start to get involved in the processes of change at company level. This is an important result, especially against the false rhetoric of the people's aversion to change. I personally don't agree with those who contend that people don't want to change. People might be afraid of insecurity or of losing their job due to automation, but they are not against change. On the contrary, they want to see that they are still important and when they are asked to change their tasks, they may resist generally because they fear that their work is not appreciated anymore. But if you are able to involve people, tell them what is happening and offer them the opportunity to have a say in their future, then you will see that people are not so reluctant anymore. In this regard, it is worth underlining that as far as I have experienced, also many digitalisation projects fail because of the lack of people involvement. In some companies, indeed, the development of new technologies is completely detached from the people who will use them, and this makes even the most modern device totally useless and unproductive.

Now let's take a step back from "Arbeit 2020" and talk about the German model of industrial relations and notably the practice of codetermination: do you think that it is still relevant in the light of current digitalisation related challenges? Are there other practices that should be promoted?

I think that as long as industrial sectors remain a backbone of our economy, codetermination will still be good. However, in the light of current transformations, I would wish for more opportunities for works councils to take the initiative and get involved in these processes. However, this is not something that a law can provide for us. Trade unions need to fight for this goal and demand a greater people involvement. In other words, we need to seriously put the worker at the centre; we need to transmit the idea that the individual is protected and enhanced by the group, not dominated by it. Because it is not all about security and, instead, it is feeling part of a group that can make you happy. For the group and for the trade union as a collectivity, this entails moving from centralised and top-down practices to a bottom-up and more open approach; and this, eventually, means that you have to give away part of the control. I experienced something similar also during "Arbeit 2020" when, after meeting management and employees, I used to come up with my own ideas about the improvement of the company and along with the consultants, I started to propose them. In some cases, though, people do not agree with you and don't want to implement your suggestions. It is in those moments that no matter how much you are convinced of your ideas, you have to acknowledge that you don't have the authority to say people what they have to do; on the contrary, you need to be flexible and learn to listen to what other people have to tell you. This is the most interesting part of the job.

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