



LL.M Labour Law and Employment Relations, Master Thesis

**Implications of Reorganization Plans in the Banking Sector's
Employment Relations**

A comparative analysis of Greece and the Netherlands

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This thesis was written through dystopic times for human life and education because of Coronavirus. Even if the master programme I followed at Tilburg University was not an online one, this thesis was written without any physical contact with the supervisor or the educational environment, something disappointing for initial expectations.

The main idea was to compare a state that has gone through many significant developments in the field of labour law regulation such as Greece (my home country) with a wealthy and robust economy such as the Netherlands (where I studied in). Writer's scientific interest was triggered because of the Greek financial crisis and the massive reorganizations that happened in the banking sector, affecting the bank employees profoundly. I then wondered if that was only a Greek phenomenon resulting from the poor performance of the Greek economy, but after completing this thesis, I realized that this is not the case. I realized that is the same research problem with different treatment and policy view. The last feature that drove me to deep into this subject was the elitist character that this sector has in terms of employment rights and salaries. I wanted to know more about the potentials of the social dialogue in an exclusive sector, such as the banking sector in two extremely diverse socioeconomic environments such as the Greek and Dutch ones.

I want to thank my mother and my husband for all the love and support that gave to me to write this paper under extremely adverse personal circumstances. Also, I would like to thank my supervisor Dr Irmgard Borghouts for the comments and the supervision of this thesis. Finally, I hope that this research will be useful and inspiring for its audience.

Abbreviation List

CFA: Committee on Freedom of Association
CFEU: Charter of Fundamental Rights of the European Union
CME: Coordinated Market Economy
CSO: Civil Society Organizations
DFI: Development Finance Institutions
EBA: European Banking Authority
ECB: European Central Bank
ECHR: European Convention on Human Rights
EFSF: European Financial Facility Stability
EIOPA: European Insurance and Occupational Pensions Authority
ERM: European Restructurings Monitor
ESC: European Social Charter
ESMA: European Securities and Markets Authority
EU: European Union
EWC: European Works Council
GDP: Gross Domestic Product
HBA: Hellenic Bank Association
ILO: International Labour Organization
IMF: International Monetary Fund
LME: Liberal Market Economy
LLER: Labour Law and Employment Relations
M&A: Mergers and Acquisitions
MME: Mixed Market Economy
OECD: Organization for Economic Cooperation and Development
PES: Public Employment Service
TFEU: Treaty on the Functioning of the European Union
VoC: Varieties of Capitalism

Chapter 1 Introduction

1.1 Problem Description and Societal Relevance

The financial and banking sector supports employment directly by providing high-quality jobs and indirectly by supporting the employment of other sectors through credit. An efficient and robust financial sector is a necessity for both economic and social prosperity, and it can be argued that a well-functioning banking system is equivalent to a public service necessity (Hupkes 2005). European banks have a significant economic contribution in the EU economy by strengthening the liquidity of EU companies and constitute one of the most important employers for a wide range of highly qualified professionals and experts in the economy's private sector.

The social dialogue in the banking sector has always been developed widely at the national and European levels as a substantial component of the European Social Dialogue. Due to the sector's employment stability, the social dialogue prospered and covered broad aspects of work life apart from core labour standards. The retail banking industry has ever been a major employer of labour and a highly regulated sector all over the EU, connected with lifetime employment. It gradually became a strict and competitive industry sales and performance-oriented with significant implications for careers and working environment (Regini et al. 1999).

The milestone of the financial crisis of 2008 that was triggered by the collapse of the financial institution of Lehman Brothers and then transferred in the real economy could not leave unmarked the banking sector. During the crisis, the European banking sector lost 590.000 employees among the years 2008-2019, while the number of branches fell by 27% or by almost 65,000 full-time employees since 2008 (EBF, 2019). This downward trend in the number of personnel and the credit institutions had its causes in the restructurings of the banking industry's business model that had already started before the economic crisis. The pre-crisis choices in the banking industry were driven under the pressure of a sub banking grey sector, also known as shadow banking¹, and the digitalization of the banking services. The staff decrease was accomplished mainly through voluntary redundancy schemes or early compensated leaves, and other means of flexible human resource management that focused replacements by the cheaper

¹ According to ECB Working Paper (2014) “*Shadow Banking activities are banking activities such as credit, maturity and liquidity transformation that take place outside the regulatory perimeter without having direct access to public sources of liquidity*”.

and more flexible workforce. The liberalization of the markets worldwide and the new technological improvements in the banking sector eventually led to a merger - acquisition and off-shoring operating model making the restructurings the primary operational model in the last decades (Eurofound Info Sheet, 2011).

While different restructuring attempts had been made in the sector, the global financial crisis put extra economic pressure and uncertainty on social dialogue regarding employment issues. In periods of growth, there is usually the implementation of best practices with mutually beneficial win-win organizational decisions like corporate responsibility initiatives and inclusive choices in human resource management. Corporate labour relations tend to be based on peaceful and equally beneficial negotiations and agreements. Whereas in periods of economic constraints, workers' position becomes weaker and industrial democracy tends to be fragile within the companies. In the banking sector's example, flexible work contracts, reduced remuneration but still long hours of working, and general uncertainty around future decisions created a hostile working environment. Pressing collective bargaining with the threat of job losses made a status of limited bargaining power of workers in the forthcoming changes in the sector.

Overall, the EU banking sector's development up to 2010 was characterized by extensive restructurings, acquisitions, and mergers (trend aimed at the sector's numeric concentration), which created significant surpluses of staff (Georgakopoulou 2012). In the euro area from 2000 to 2007, the number of consolidation movements and restructurings in the sector followed an upward trend from 40 to 80 transactions every year (Heukmes & Guionnet 2018). The liberalization, expansion, and development of new domestic and international activities in the banking sector prioritized the growing profitability and the need for new job roles. Until the outbreak of the economic crisis of 2008, the progress of employment in the banking sector in each EU country was primarily a correlation between the combined effects of these two opposite trends (Georgakopoulou 2012).

In the post-crisis period, the developments in employment in the EU banking sector mainly depended on governmental decisions administering the customers' bad debts. This policy was a result of the financial resistance of each national banking sector in the financial pressures. Directly linked also are the systems of the banking sector's support by the corresponding government (or broader interstate support programmes EU-ECB-IMF-EFSF) with funds like it happened in the Greek case during the crisis. In that instance, the economic support conditions

introduce commitments that affect organizational decisions for people's management. Namely are restructuring plans, off-shoring, restriction or concession of activities, the division into good-bad banks, mandatory acquisitions-mergers, clauses for the existence or not of guarantees for the staff. In the post-financial crisis period, the resolutions adopted during the crisis period but still influence the banking sector's industrial relations constitute a topic for a more detailed study.

1.2 Research Goals and Research Question (s)

The first research goal of this thesis is to investigate the effects of the reconfiguration of the operational model of the Greek and Dutch banks on employment relations.

The second research goal is to compare the welfare regime of two European countries regarding the social dialogue in the Greek and Dutch banks during business restructurings.

The research question of this master thesis is: **What is the impact of bank restructurings in employment relations in the banking sector in the two selected countries: Greece and the Netherlands?** The selection of the countries was made under the prism of the Varieties of Capitalism (VoC) theory of Hall and Soskice (2001) that will be analysed below.

Subquestions that will give insights to answer the main research question of this thesis are:

- What is the legal framework at the European and national level for business restructurings?
- What is the role of International, European, and National legislation in social dialogue and restructurings in the banking sector in Greece and the Netherlands?
- What is the role of the social dialogue and employee involvement in restructurings in the banking sector in the levels of the EU and the national level?
- What is the role of institutional factors like regulatory framework and trade unions in the changes during and after restructurings made in employment relations?
- Are there any other drivers for change like banks' multinational operation and globalization in the operational decisions taken regarding restructurings and employment relations in the banks?

1.3 Approach and Methodology

Every researcher of labour law and employment relations develops a multidisciplinary analysis method to answer the main research questions. For this thesis, the banking sector's employment relations will be investigated under the scope of social sciences, law, and economic data. Multiple legal pieces and legal texts will form the regulatory framework of the EU social dialogue procedures in the banking sector, (bank) restructurings in the EU, and the international law framework of banking operations. Social science theory will offer the theoretical framework for analysis for every country. An independent section of the social policy regime's description in the introductory part of chapters is dedicated to each state. This study's economic perspective remains significant, and the primary driver of employment relations changes, especially in firms operating under strict profit criteria like banks. Economic parameters of this subject are central and are approached in each step of the analysis as a fundamental reason for restructurings in the banking sector.

This thesis' research questions require the literature analysis of legal, social, and economic texts since the research problem has multiple dimensions to cover. The study will be based on a literature review and an in-depth text analysis. Different data sources will be reviewed from databases like Google Scholar, WorldCat, TiU, and Curia.Europa.eu. This thesis's starting point is the master programme (LL.M) of Tilburg University (Labour Law and Employment Relations) and the syllabus of courses that it contains. Relevant information from the courses' material, the textbooks, and the law collection are indispensable to structure this text's main reasoning. Also, the knowledge provided by this programme forms a necessary basis for the completion of its final part, which is this master thesis. Wrapping up all the material given in this educational programme will result in more in-depth research. The method of snowballing technique will reveal more articles and data on the subject. The Dutch and Greek legislation will be reached through secondary sources of information, like articles and national reports of international bodies like ILO or EU agencies (e.g. Eurofound) and OECD. Some examples of key phrases that will be used for research are “business restructurings,” “effects of the crisis in the banking sector’s employment,” “social dialogue in the Greek banking sector,” “Dutch banking sector during the crisis” “EU law for business restructurings” “multinational operation of banking operations.”

Statistical data will be found to support the numerical evidence of impacts of restructurings on employment relations and strengthen the main arguments. Official statistical websites will be

accessed like Eurostat, OECD, ECB, and data released by European or national banking associations.

1.3.1 Comparative Framework of Selected Countries

The selection of the countries aims to give further insights about the inner diversity features found in their general socioeconomic and economic environment. Greece is a state of the economically weakened and fragile European south. The Netherlands belong among the central and powerful nations at the heart of Europe that influence the EU social policy based on its economic wealth. The Netherlands and Greece belong to different clusters in the EU according to Eurofound (2017) since the Netherlands belong to the centre-west cluster of the “social partnership” model with high integration of trade unions, and Greece belongs in “state-centred” In this case, the state is highly involved in social dialogue and collective bargaining procedures. The selection of these two states aims to analyze and compare these differences between countries' clusters when trying to interpret the law and social phenomena in the banking sector.

The global perspective of the companies involved in the analysis should not be underestimated. On the contrary, it should be tested if the transnational perspective of banking operations has affected the industrial relation decisions. Even though restructuring plans are shared across the EU banking sector, the separate elements of the European social model are distinctive and are categorized by the sub-systems of social policy elements and industrial regulation levels among the countries (Fitoussi et Cacheux 2002).

The reorganizations have their interconnection with the European and National legal framework for (bank) restructurings that form the basis of the social dialogue within the sector. Based on specific evidence and policy analysis of relevant texts, the scientific interest is focused on the “negotiation regime” that the social partners in the banking sector followed in Greece and the Netherlands. That regimes have their own “path dependency” according to the historical roots and the tradition of each country’s social development. One can recognize that the two welfare and economic regimes have diverse contrasting elements between them. The methodological approach or the comparative literature research is relevant and serves as a fundamental structural component of this analysis. Multidisciplinary literature review from the law, social or economic sciences will build the analysis's contextual framework and address the research questions.

Comparative research emphasizes comparative aspects on the banking sector level following “country by country descriptions,” identify homogeneity or differences between countries and evaluate elements that do not systematically differ. Comparative industrial relations are a systematic investigation method relating to two or more countries with analytic rather than descriptive implications (Bean, 1994).

For this thesis, an analysis is based on a cross-sectional approach where the investigation time remains constant, but the different settings will vary. For the sake of the comparative method used here, the two different states constitute the separate fields of the iterative description. The iterative approach is more suitable for cases of comparison of industrial relations issues. (Hyman, 2001). In more detail, the iterative approach combines nomothetic and idiographic methodologies. Nomothetic analysis generates generalizations of abstract and law-like character, and idiographic study contains a holistic understanding of contextual uniqueness. In idiographic comparison, the interrelationship among elements of society makes this inescapable context bound. Also, according to Hyman, comparison analysis may entail institutions, functions, or issues (Hyman 2001) that show similarities or not among them.

It is argued that the Hall & Soskice (2001) framework can be a suitable explanatory framework for the comparative analysis in retail banking because it provides evidence from a broad range of factors that form the types of Varieties of Capitalism (VoC). It also gives insights into the relationship between globalization and employment relations in the sector (Blanpain, 2007). The VoC theory is firm-centred because the analysis is based on the coordination problems that firms confront. The Coordinated Market Economies (CMEs) and Liberal Market Economies (LMEs) models identify more than one way for capitalism to organize and to solve market-related problems based on different spheres; industrial relations; vocational training and education; corporate governance; inter-firm relations and relations with employers (Hall & Soskice 2001). Social policy matters in firms' cases because it solves (or does not) coordination problems in Coordinated or Liberal Market Economies.

The following table will demonstrate the main differences between a Coordinated and a Liberal Market Economy based on the VoC theory of Hall and Soskice (2001). The focus will be on the components that are relevant for the analysis of this thesis

Table 1 Subsystem Indicators for VoC Theory

Subsystems	Coordinated Market Economy	Liberal Market Economy
Coordination Mechanism	Coalition of State-Market-Associations	Competition of the Market
Employment Protection	Strong	Weak
Work Flexibility	Internal Numerical Flexibility/Functional Flexibility	External Numerical Flexibility and Wage Flexibility
Industrial Relations	Unitary, Cooperative between capital and labour	Pluralist, Market Oriented
Non-market Actors	Strong Importance	Weak Importance
National Social Dialogue	Corporatist and Consensual	Market-Based and a few Collective Agreements
Unions	Stronger Influence	Weaker Influence
Equality in the Labour Market	Lower	Greater

*Own elaboration from the Hall and Soskice Theory (2001) of Varieties of Capitalism (VoC).

Based on the general scheme in Table 1 and the indicators that are mentioned of VoC, we assume as a starting point that Greece is a paradigm of a Liberal Market Economy and the Netherlands as a Coordinated Market Economy. Below in the dedicated chapters for restructurings in the banking sector, there will be an extensive analysis of each country's characteristics according to the VoC classification. Based on this analytical framework, there will be insights after a more sophisticated description of the banking sector's employment relations in the two countries during restructurings in the economic crisis. The banking sector in each selected country will be examined according to each country's industrial relations regime, the union's power, and the national social dialogue features.

1.3.2 Scope of the Research

The scope of this research will only be the Commercial Banks that provide banking services to businesses, institutions, and individuals and not the Development Finance Institutions (DFIs) or other Central Banks of Governments. Commercial Banks operate under the same private sector's regulatory framework all over the EU, while DFIs (e.g. the World Bank) constitute

worldwide diplomat economic agencies with multiple roles. Central Banks of Governments are public financial entities of the governments that are operating under public law.

The analysis of this complexed public-private and diplomat status of the banks goes beyond a master thesis's purposes and demands more thoughtful elaboration and explanatory tools. Furthermore, by the meaning 'financial services', it is not implied any kind of investment-insurance companies or real estate firms but only retail commercial banking. Moreover, important issues such as the EU regulation of financial markets, including establishing effective monitoring institutions for the global or EU financial market, will not form part of this analysis. The focus will be only on changes in the banking industry, employment relations practices, and the sector's social dialogue. Some of these can entail changes in the sector's job security, in remuneration, work organization, or other flexible people management arrangements.

1.4 Scientific Relevance

The scientific importance of the investigation of a prosperous and well-organised sector as the banking sector might be questioned. This concern probably exists due to the more urgent need for a scientific discussion about sensitive groups of workers. Namely, these might be flexible or insecure workers in terms of remuneration, employment stability or working conditions. Some examples can be the platform workers, unskilled migrant workers or zero-hours contract workers. However, there is a research perception advocating that the sectors that are well protected and represented might serve as a reference point for negotiations about other "under-privileged" group of workers. The working rights and conditions of the typical workers are usually set as a standard for the working conditions of the non-typical workers.

This thesis is also seeking the application of the fundamental theory in the social sciences, the Hall and Soskice (2001) analysis of the welfare regimes of different Varieties of Capitalism, in a dynamic and competitive sector like the banking sector. Besides, the scientific interest was triggered by the profound reorganization of the banking sector in Greece in the years of the recent economic crisis and the possible concurrence of this phenomenon with foreign banks. In this thesis, the utilization of the VoC theory through the comparison of the southern liberal regime of Greece with a northern coordinated country as the Netherlands sought to build a practical example of the VoC theory in the relevant literature.

1.5 Outline Structure

The rest of this thesis is organized as follows. In the second chapter, there will be reviewed the EU social dialogue framework and the EU business restructurings and collective dismissals framework. International regulations of social dialogue affecting bank operations and EU regulations for the stability of the financial system are also included. Besides, the chapter contains information about the systems of workers representation in the EU and the selected countries and Greek and Dutch dismissal law elements as well. The chapter ends with a description of the types of bank restructurings and their effects on employment relations in EU banks.

The third chapter is dedicated to the analysis of the Greek case. It starts with a theoretical framework explanation for the Greek welfare regime and the collective bargaining system. The chapter provides information about the restructurings in the Greek banking sector and the effects on employment. The changes in the Greek banking sector are described through the institutional and legal framework analysis during the economic crisis and the role of the Greek trade unions.

The fourth chapter zooms in the Dutch banking sector's restructurings and the changes in employment relations. It investigates some of the leading Dutch banks' reorganization plans and their effects on employment. The analysis of the polder model and the legislative framework of the Dutch banks is included. The chapter focuses on trade union responses in the Dutch banking sector in the period of reference. Finally, the chapter integrates an interesting paradigm of a social agreement in the Dutch banking sector.

The fifth and final chapter of this thesis depicts the comparative findings for the selected countries in a table. It discusses the answers to the main research questions and the sub questions set in the introductory section. Moreover, it gives insights about the limitations of the research and some suggestion for future studies.

Chapter 2 Setting the Scene: Regulating the Social Dialogue in the EU Banking Sector in cases of business restructurings

2.1 Regulatory Framework of EU Social Dialogue in the Banking Sector and Relevant Provisions

Social dialogue is a powerful policy tool and a vital issue of the European Union Policy. It is one of the central EU pillars and part of the ‘Acquis Communautaire’ and of the Treaty of Amsterdam. Social dialogue serves as a catalyst to ensure that the measures addressing work problems are well designed. (ILO, 2009). Overcoming change challenges in organizations through social dialogue is a ‘softest’ tool than hard law that seeks the best and suitable solutions for balancing economic and social development. As was stated in ILO’s Director-General Report, Decent Work, “*Social Dialogue is a powerful tool that has helped solve difficult problems and foster social cohesion...It also needs social partners that have the capacity and will to engage in the process responsibly and the strength and flexibility to adjust to contemporary circumstances and exploit new opportunities.*”²

Social Dialogue manages the effects of reorganizations and fundamental changes that impact the world of work and is internationally suggested by institutions as ILO and EU in their public legal texts. From 1992 onwards, provisions for social dialogue and industrial democracy rights are registered in legislative texts. Primary sources of legislation for the European Social Dialogue are art. 152, 154, 155 of TFEU. The basis of the art. 152 stipulates that “*the Union recognizes and promotes the role of the social partners at its level, taking into account the diversity of national systems. It shall facilitate dialogue between the social partners, respecting their autonomy*”. Respectively under art. 154 it is stated that “*Before submitting proposals in the social policy field, the Commission shall consult management and labour on the possible direction of Union action. If after consultation the Commission considers Union action advisable, it shall consult management and labour on the content of the envisaged proposal. Management and labour shall forward to the Commission an opinion or... a recommendation*”.

Two forms of social dialogue as a co-lawmaking instrument can be distinguished:

² ILO: Decent work, Report of the Director-General, International Labour Conference, 87th Session, Geneva, 1999, p. 1

-Bilateral social dialogue between the European employers and trade union organizations can take a half-autonomous road or an autonomous one, meaning that the Commission may or may not be involved in the social dialogue procedures. In the case that they lack EU law status, they are called transnational company agreements and may not have necessarily a binding legal form. Still, they might have the title ‘join texts, guidelines, or codes of conduct’ and generally with weak enforcement (Jaspers et al., 2019).

-Tripartite, three-way dialogue while public authorities are actively involved on the European level, mainly the Commission but this kind of dialogue is a consultation tool between social partners and the Commission on social policy issues (Ibid.).

Also, under art. 155 TFEU *“Should management and labour so desire. The dialogue between them at Union level may lead to contractual relations including agreements. Agreements concluded at Union level shall be implemented either in accordance with the procedures and practices specific to management and labour and the Member States, or in the matters covered by art. 153, at the joint request of the signatory parties, by a Council decision on a proposal from the Commission. The European Parliament shall be informed.”* Under art. 155 agreements are called Framework because they aim to provide general guidelines rather than strictly regulating the field and can gain an EU Law status if a Council decision adopts the agreements, usually a Directive.

2.1.1 The role of the EU social partners in the banking sector

Overall, the EU social partners can have a triple role in the law-making process: consultant role under art. 154 TFEU, negotiation partner under art. 154-155 TFEU, and can co-sign Framework Agreements under art. 155 TFEU. Agreements between social partners at the European level can be all-industry agreements or sectoral agreements that address a specific sector's needs and particularities.

In the finance sector, the sectoral social partners in the European Level are Uni-Europa and the branch of Uni-Finance as the worker’s organization representation. Employers’ organizations are the European Banking Federation-Banking Committee for European Social Affairs (EBF-BCESA), European Savings Banks Group (ESBG), and European Association of Co-operative Banks (EACB). One of the social partners' focus areas, as it is noted in the official website of the Commission, is the mapping of the impact of banking regulation in the employment in the banks.

Challenges posed from the reformed legislative framework are the outcome of the financial crisis in the Eurozone. The recent joint declaration by the EU social partners in the banking sector that was adopted at 7 May 2020 was focused “*in the sectors of regulatory compliance, employee training, information and communication among social partners, healthy working conditions and work/life balance, professional values, sustainability, data protection and privacy and social dialogue*” (EU Social Partners in the Banking Sector, 2020, page 2-4).

The level and the outcomes of social dialogue between social partners, as described above, can be cross-industry, sectoral, or company level and can also lead to co-lawmaking or information and consultation rights. Trade unions and Work Councils may cover common topics of negotiations between management and labour. At the EU law level, that distinction is not always clearly made (Jaspers et al. 2019). In some member states, work councils can be as developed as trade unions and cover topics, especially with information and consultation authorities at a company level. On the other side, trade unions are responsible for the binding form of social dialogue, i.e., collective bargaining within the company and sectoral level. In the banking sector, this is a typical example where trade unions officially represent the employees in the collective bargaining process at a national and EU level.

2.1.2 Systems of employees' representation in the EU and in the selected countries

The levels and the quality of worker's participation in the managerial decisions in the enterprise indicate the level of industrial democracy in each country. The historical background of the trade unions and employee's associations has evolved from repression to recognition and integration since 1945 (Jacobs, 2011). The high degree of integration of the social partners in the socioeconomic organization of the state is enshrined in art. 145-155 TFEU but practically differs among the EU states. Additionally, ILO sets high standards of integration due to its structure based on the principles of tripartism (ILO Constitution and Convention for Tripartite Consultation C144).

Only recently, the right to worker's participation and representation in the enterprise has been considered as a fundamental right. It is recognized in the EU Charter of Fundamental Rights (EUCFR) art, 28 (an article of collective bargaining and action). Besides, art. 5,6, 22 of Revised European Social Charter (ESC) stipulate rights of protection of workers' economic and social interests via employees organizations. Furthermore, art. 22 of the ESC enhances the meaning of worker's participation with the term of “*improvement of the working conditions and working environment in the undertaking.*”

In the EU, the single and dual systems of worker's representatives are distinctive in communication channel system with the employer. The single-channel system functions only with trade unions as workers representatives, whereas the dual system is operating with trade unions and work councils as two kinds of workers representatives. Sometimes there can be triple channel systems, for example, in France or Italy³ (Jacobs, 2011). Countries that have a dual system of representation show a variety of sorts of work councils. The differences are identified in the relationship's spheres with the trade unions, the competences, and the scope of mandatory application.

Different systems of workers representative at the company level exist in the selected countries. Greece has barely enforced the law about work councils, and trade unions are the only responsible for worker's representation at the enterprise level. On the other hand, the Netherlands belong in the group of countries with a dual system of representation while work councils are well developed along with the trade unions. Despite those differences, industrial relations in the banking sector are mainly regulated by national systems keeping each system's specificities in the bargaining structures and processes.

The company-level remains crucial for restructuring decisions, but the sectoral social dialogue is the main bargaining level in both countries where agreements are legally binding for the whole sector. From a comparative framework perspective, Greece is one small country of southern Europe without a long tradition in social dialogue practices and other industrial relations areas than the central and well-socially developed country of the Netherlands. This discrepancy is a crucial component in the analysis.

2.2 Multinational Dimension of EU banks and Relevant Regulations

Many European Banks are part of large multinational corporations and are covered by relevant provisions for multinational actors. European Works Council (EWC) Directive (Directive 94/45/EC now 2009/38/EC) sets a framework for the industrial democracy in international banking activities. Information and consultation rights in a spirit of cooperation for community-scale of undertakings, even if central management is situated outside the EU for private and public companies (art. 2). Given the existing EU legislative framework for industrial democracy in the workplace, the international banking sector is covered mostly by the EWC

³ In France there are also the “délégués du personnel” and in Italy the “consiglio di fabbrica”.

Directive and, if not, then the Directive concerning Information and Consultation Rights in the workplace (Directive 2002/14/EC).

The 2002/14/EC Directive sets the legal framework for information and consultation rights within the workplace to strengthen workers' position preventing adverse impacts of future risks such as restructurings and collective dismissals that could jeopardize their employment position. The rights enshrined by that Directive (art. 4) confers to employee's representatives (but even in individuals if there is a lack of official representation) rights of information and consultation about the probable development of the undertakings and its economic situation. The most important aspect is the provision of relevant information in good time about decisions that are likely to change the work organization or the contractual relations.⁴

At an international level of the legislative framework, ILO, with its tripartite structure, remains unique in regulating global social dialogue issues. ILO has categorized the Freedom of Association and Protection of the Right to Organize Convention (Convention 87) and the Right to Organize and Collective Bargaining (Convention 98) among the Fundamental Principles and Rights at Work in the relevant 1998 ILO Declaration. Both Greece and the Netherlands have ratified those legally binding international treaties that may not be 'hard law' in terms of their weak international enforcement. Still, they are considered highly influential texts for the European legislature and the policymaking. ILO has highly integrated those rights in the social agenda and has categorized them as fundamental trade union rights. They guarantee labour standards that are necessary conditions for other rights (ILO 2002).

Fundamental trade union rights are also covered in separate articles of the European Social Charter (ESC) (art. 5, 6), the CFEU (art. 12,28), and the most forceful document, the European Convention on Human Rights (ECHR). ECHR does not explicitly cover the right to bargain collectively, but Article 11 mentions 'the right to form and join trade unions for the protection of these interests.'

⁴ The rights for information and consultation in the enterprise level are also found in Article 27 of the Charter of Fundamental Rights (CFEU). The asymmetrical relationship between art. 27 CFEU and art. 16 CFEU that protects the freedom to conduct a business are interpreted by the ECJ (AMS case C-176/12) where that art. 27 does not have horizontal effect and cannot be invoked among private parties in case of incomplete implementation of the Directive 2002/14/EC. This comes to the center of interest of EU labour law, revealing the lower impact of art. 27 than art. 16 and balancing the tensions in the asymmetric relationship between economic and social rights in EU

ILO instruments that affect the international status of social dialogue in the banking sector are also the Conventions for Tripartite Consultation C144 and Employment Policy Convention C 122. These are texts that are ratified by the Netherlands and Greece and suggest specific regulations and obligations regarding the social dialogue and the employment policies. The Convention for Tripartite Consultation is posing obligations to the member states operate procedures that ensure effective consultations and that employers and workers shall be represented on an equal footing on any bodies through which consultations are undertaken (art. 2,4).

Employment Policy Convention C 122 also has a potential contribution to making in the financial' s sectors Merger and Acquisition (M&A) plans and minimizing the adverse effects on employment (ILO, 2001). The Convention adopts an integrated approach for employment policies in member states. Employment objectives and other economic and social objectives shall be pursued by methods appropriate to national conditions and practices under the view of promotion of full, productive, and freely chosen employment (art.1). Consultation with representatives of employers and workers for employment policies suggested is needed to formulate policies that are appropriate for all parties involved (art.3)

The multinational dimension of banking activities should be examined because banks are operating in a highly globalized economic environment that makes them responsible for labour rights protection at an international scale. Banks belong to the broader financial sector, including insurance, real estate, and business services, as defined by NACE⁵ (ILO, 2009). Activities with international exposure, such as financial activities have immense exposure to worldwide economic risks, leading to disproportionate peril for employment. In this context, banks are only one part of a chain of organizations facing tough competition and unpredictable circumstances. Social partners in the banking sector acknowledged that ILO's legal framework of social dialogue has a key role in mitigating the crisis's effects, giving suitable solutions (EU Social Partners in the Banking Sector, 2014). They also suggested corporate social responsibility initiatives like training, learning and development, equal opportunities, and protecting core labour standards.

In that context, the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) adopted by the Governing body of ILO in

⁵ According to Eurostat's site NACE is "a term referred to the Statistical classification of economic activities in the European Community and the term is derived from the French Nomenclature statistique des activités économiques dans la Communauté européenne".

1977 and updated in 2017 is relevant to M&As in banking and financial services. This public, voluntary ILO instrument provides direct guidance to enterprises, governments, and social partners on social policy and inclusive and sustainable workplace practices in multinational corporations. The Declaration reflects a consensus between the parties of the tripartite social dialogue to contribute through the operations in multinational enterprises in the realization of the Decent Work Agenda. Recommendations and direct guidance in employment make the MNE Declaration unique as a global instrument on corporate social responsibility that was elaborated and adopted by governments, employers, and workers around the world. The MNE Declaration is also aligned with the OECD Guidelines for MNEs, which is another primary instrument of international labour policy that offers guidance for employment and industrial relations in cases of transfer of undertakings, collective dismissals, transnational social dialogue, and collective bargaining via the national contact point system.

EU social partners have broadly discussed the legislative framework of M&As in the banking sector and the descriptive characteristics of the phenomenon. They have also funded a large-scale project about the Impact of Banking Regulation on Employment (final presentation at 2018). Conclusions and main points of the final report will be discussed in detail below. ILO and the Governing Body have also extensively discussed in a Tripartite Meeting the issue of the Employment Impact of Mergers and Acquisitions in the Banking and Financial Services Sector (2001). ILO has also published several working and discussion papers in its sectoral activities programme.

Concluding, the significance of the externalization of trade union activities at an international level is evident in Strategic Framework Planning for Uni Europa Finance for the years 2019-2023. Planning of trade union activities in the sector is focused on the externalization of Trade Union Alliances and motivation of the European Works Councils to encourage management to enter negotiations for a Global Framework Agreement in the sector (Uni-Europa Finance 2019).

2.3 EU legislative framework for business restructurings and collective dismissals

EU has developed a legislative framework and relevant policy initiatives for business restructurings that can mitigate possible adverse effects for employment. These effects usually derive from the uncertainty and the downsizing of employment that is caused by restructurings.

For the European Union, the intersection between EU economic integration and economic freedoms to labour and social rights is proved a demanding zone to regulate. Directly linked is the so-called social dumping with situations of business restructurings. The labour costs are a substantial and inescapable expense for enterprises. In cases of restructurings and competition, these costs are diminished without always a social parameter in the decisions taken. The meaning of social dumping is not an official definition in the relevant literature. However, it describes “*a set of practices on a national, international or inter-corporate level, aimed at gaining an advantage over competitors, which could have negative consequences on economic processes and workers’ social security*” (European Parliament’s Think Tank Portal).

According to Eurofound (2018), based on the evidence of the European Restructuring Monitor data, employees understand a dual meaning in the ‘restructuring’ term. The first is linked with an administrative dimension of reconfiguration of work organization, and the other is the ‘downsizing’ dimension that is directly associated with negative employment shifts. However, even for the stayers, Eurofound’s (2018) evidence suggests that restructuring and downsizing were associated with work intensity, negative social behaviour, and low work satisfaction levels. Minimum harmonization rules of the EU labour law create a standard safety net for workers over restructuring plans. On the contrary, reality suggests that member states usually struggle to balance workers’ protection and market liberalization in cases of business restructurings.

Other European policy initiatives to mitigate the adverse economic and social impacts of company restructurings were the recommendations formulated by two European Commission communications on this topic in 2002 and 2005. The first Communication in 2002⁶ focused on the social partner’s role aimed to initiate a social dialogue regarding the challenges of restructurings and called for joint actions. The Communication of 2005⁷ highlighted the inescapability of the phenomenon and underlined responsible corporate management’s role and labour market policies for job transitions. The Green paper of the Commission drafted in 2012 entitled *Restructuring and Anticipation of change: What lessons from recent experience?* (COM, 2012, 7 final) and the Communication from the Commission for an EU Quality

⁶ With the title “*Anticipating and managing change: A dynamic approach to the social aspects of corporate restructuring.*”

⁷ With the title “*Restructuring and Employment-Anticipating and accompanying restructuring in order to develop employment: the role of the European Union*”, Brussels, 31.3.2005 COM (2005) 120 final

Framework for the anticipation of change and restructuring (COM, 2013, 882 final) are the most critical non-binding tools in the field.

The Green Paper aimed to analyze best restructuring practices and policies to address the economic and social demands and adapt to the changes. Besides, the Green Paper intended to create broader alliances among stakeholders by starting a social dialogue. The primary approach of the paper was the questioning about crucial issues to other liaising actors and the evidence-based analysis on different ways to adjust industrial relations in the competitive globalized environment.

The non-binding guidelines of the EU quality framework proposed for the anticipation of change and restructuring in 2013 substituted a possible updated Directive for restructurings. The framework suggests specific measures and actions to social partners, national and regional authorities, and to employers and employees to support and promote the implementation of a cohesive policy plan for restructurings. The Commission states in the framework that the non-legislative actions are equally important to establish a culture of social dialogue at the company level and to enforce information and consultation rights in the event of non-compliance (COM, 2013, 882 final).

In cases of business restructurings, the EU or national dismissal law is an essential employment protection tool against the individual or collective dismissals. In many European countries, there is a distinction of dismissal protection for regular and temporary workers. Furthermore, the comparison of employment protection legislation between countries brings evidence of the different industrial relations systems in Europe. EU labour law is a blend of measures safeguarding job and employment security, two distinctive notions. Job security is focused on maintaining one's job, and employment security is a broader sense that is linked with the lifelong employability of the person and the resilience in the changes of the labour market (Zekic, 2016). According to the philosophical orientation and background of the national dismissal law of each EU country, the member states focus more on their social policies in job protection or the employability.

The employment protection in cases of collective redundancies is stipulated as a social right in art.29 and 24 of the European Social Charter (ESC). According to the provision of the ESC, employers shall inform and consult worker's representatives in good time before the dismissals with the view to avoid, limit, or mitigate the occurrences of collective redundancies. In article 24 is enshrined the universal right of dismissal protection of workers. Furthermore, the Charter

suggests social measures for the reemployment or retraining of workers affected by redundancies.

The Termination of Employment Convention C158 is the ILO legal instrument for protection against dismissals that even though has only 36 ratifications influence many EU and international legal texts. The Convention stipulates the justification for a valid reason for dismissals. The dismissal can be grounded on the capacity of the worker or operational requirements of the undertaking (art.4). In cases of individual dismissal, the Convention protects rights to be heard, to appeal, to a reasonable period of notice, severance pay and unemployment benefits (art, 7-8, 11-12). In cases of collective dismissals, information and consultation rights of the workers' representatives are enshrined by art. 13 of the Convention. The notification of a competent authority according to national law and practice is among the obligations of the employer when contemplates collective dismissals (art. 14).

Three Directives have their roots from Social Action Programme 1974-1976 and based on Article 115 TFEU about the internal market form the main EU legislative body for dismissal protection in cases of business restructurings in the EU. First, the Directive 98/59/EC sets quantitative criteria for collective dismissals in multinational companies and its subsidiaries. Furthermore, collective dismissals should be monitored by a competent authority. Workers' representatives retain their rights to information and consultation in good time to reach an agreement.

The Directive 2001/23/EC about the transfer of undertakings or business constitutes an essential piece of legislation regarding employees' obligation in cases of legal transfers of companies involved in contractual agreements and public procurement procedures. Specifically, under certain criteria, the workers' employment relationships in cases of transfer of undertakings should be protected, and the working conditions should remain unchanged. Finally, the Directive for the insolvency of the employer 2008/94/EC ensures employee's claims in case of insolvency or bankruptcy of the employer because employees are very considerable creditors. It also requires the Member State to set up an authority to regulate the quantitative ceiling and guarantee the claims' payment.

2.3.1 Basic Components of Dismissal Law in Greece

In Greece, the employment protection legislation is weaker than before crisis because EU, IMF & ECB supported that strict employment legislation increased unemployment rates and

destroyed the Greek economy's competitiveness. Under Greek law, an individual's open-ended contract can be terminated by rescinding it without any prior justification or conversation with the employee. Also, there is no official obligation of administrative authorities to control the motive or the procedure of individual dismissal. In case of the termination of employment, compensation is payable specified by law based on the duration of employment and the length of the period of notice given to the employee. In cases of dismissal without prior notice, the compensation for the employee is double. After austerity measures imposed in Greece and under Greek law N. 4093/2012, the compensation for dismissal was sharply decreased in both cases (with or without notice).

Collective dismissals in Greece followed until 2017 a stricter procedure under the art. 3 of the Greek law 1387/1983. Under that provision, collective dismissals should be justified and follow tripartite information and consultation procedures coordinated by the tripartite body of the Greek Ministry of Labour, the Supreme Labour Council. Before the judgement of the ECJ in the AGET Iraklis case ECJ C-201/15 (C-201/15), the Greek Minister of Labour was authorized to annul collective dismissals. The ministerial authority was legitimate only if collective dismissals were grounded on numeric evidence about the enterprise's economic situation or were contrary to the general socio-economic situation and the rates of unemployment in Greece.

After the preliminary ruling of ECJ about the compatibility of the Directive 98/59/EC with the national legislature, the law reform of art. 17 law 4472/2017 stipulated that collective dismissals do not need ex-ante ministerial permission. The provision was harmonized with the rationale of ECJ ruling that promotes economic freedoms of the undertaking than the social rights in employment protection of AGET Iraklis workers. The dismissal procedure after 2017 should only follow information and consultation proceeding and the submission of the consultation abstract by the employer to the Supreme Labour Council. The law reform of 2017 increases the burden of employment protection to the trade unions. It indicates that the information and consultation procedures are the sole resolution for mutually beneficial agreements and the avoidance of collective redundancies.

According to the Employment Protection Legislation Database of OECD, the procedural requirements for individual dismissals of regular workers counted on a scale 0-6, Greece scored extremely low around 1. At the same time, the Netherlands was found first on the list in terms of procedural requirements and scored more than 4 (OECD, 2020). The legal framework for

collective dismissals is stricter in the Netherlands than in Greece according to OECD (2020) indicators but not with the substantial difference like in individual dismissals (2 for Greece and around 2.7 for the Netherlands).

2.3.2 Basic Components of Dismissal Law in the Netherlands

Conversely, in the Netherlands, individual dismissals of a regular contract are justified, and the dismissal law is governed by a dual system of ex-ante control. The first route is the termination of employment with permission via the Public Employment Service (PES), and the second is via a request to the Court. Both procedures serve as a preventive check to the reasonableness of the intended dismissals; otherwise, the employer can be denied a permit to dismiss (OECD, EPL Database, 2019). The permit is granted when grounded on reasons of fair dismissal like the unsuitability of the employee for the position or proved exceptional technical and economic reasons (Ibid.). The Dutch Civil Code contains rigid provisions for unreasonable dismissals linked with discrimination of workers (art. 7:670, Dutch Civil Code).

The Dutch Work and Security Act of 2015 brought labour market reforms to simplify the national dismissal law. Under the Act, the dismissal procedure is determined by the reason for dismissal. Employers are not free to choose the preferable route for terminating employment relations (via the Public Employment Service or the Sub-district Court). The notice period was prolonged to the termination via the Sub-district Court and the transition budget in cases of individual and collective dismissals via the Public Employment Service (PES) (Countouris et al. 2016).

The Balanced Labour Market Act introduced from 1st January 2020 aimed to create more equality in employment termination, between fixed and flexible employment, that the Work and Security Act had failed to achieve in practice (Borghouts & van Drongelen 2020). Under this Act, transition payment is reduced for permanent employees to come in line with fixed-term employees' payment. The spirit of this provision is the increase in the number of permanent employees. Lastly, under the new reform of dismissal law, the Dutch legislature introduces a new cumulative ground for dismissal, meaning several reasons that contributed to the dismissal of the employee other than economic reasons or disability. In cases of cumulative reasons for dismissal, the Court can grant up to 1.5 extra compensation to the employee (Ibid.).

According to the Collective Redundancy Notification Act (Wet Melding Collectief Ontslag), collective dismissal procedures must be followed in the Netherlands, when the employer

dismiss at least 20 employees within one specific region of the public PES during a period of three months for economic reasons (Eurofound, 2019 European Restructuring Monitor). The law dictates (art. 4) that the employer is obliged to inform in advance the Dutch PES (UWV) for collective redundancies and follow rigid consultation procedures with the trade unions. Disputes are resolved by the PES or the collective agreement committee (cao-commissie) (OECD EPL Database, 2019). According to art. 5, the PES postpones the procedures to receive the notifications of collective dismissals and the consultation with worker's representatives. After an employee's request, the Court can declare void the dismissals in cases that articles of the Act are violated (art.7).

In the Netherlands, the Work Councils have a key role for intended collective redundancies. The employer must request the advice of the Work Council in advance. Suppose there is a disagreement after the formal information and consultation meetings between the parties. In that case, an appeal can be lodged with the Commercial Chamber of the Amsterdam Court (art. 25 of the Works Council Act). The management maintains the prerogative to complete the collective redundancies plan even if the Commercial Chamber decides that the complaint is well-founded but only if a new round of negotiations with the Work Councils ends up successfully (Ibid.). Article 26 of the Work Council Act states that the court may block the restructuring if there are inconsistencies with procedures included in art. 25,27, and 35 (Eurofound, 2019 European Restructuring Monitor).

Collective dismissals were an outcome of bankruptcy and closure in the post-crisis period (2008-2013) in Greece and internal restructurings of businesses in the country (Contouris et al. 2016). Whereas in the Netherlands, in the same period, the factor of internal restructurings was equally important, but the factor of bankruptcy and closure of businesses was not relevant (Ibid). This picture is explained by the deterioration of the macroeconomic factors in Greece in the period of reference.

2.4 EU Regulations for the Financial System during the economic crisis

The worldwide banking system was affected profoundly by the global financial crisis of 2008-9 and the subsequent 2010-12 sovereign debt crisis. The evidence of deleveraging, especially for the banks that received state aid, the cross-border flow, and the banks' level of capitalization, impacted EU banks differently in terms of credit supply and competition

(OECD, 2014). Even before the outbreak of the crisis, banks had already experienced significant changes in their operational model in the preceding 30 years because of structural changes in the world economy, globalization, and technological improvements (Eurofound, 2011b). Besides, EU banks had to deal with the intra-community challenges of the European integration process and the European Single Market creation with diverse trends in employment dynamics (Ibid.).

It is far beyond this study's purposes the technical description of Europe's regulatory regime in EU banks during the crisis. Still, a general reference is considered appropriate here to provide essential insights. EU developed integrated crisis management and resolution framework to strengthen the financial stability within the EU financial sector and in 2011 were founded three (3) European supervisory authorities. According to official information extracted by the website for European Legislation (eur-lex.europa.eu) these are the European Banking Authority (EBA), which deals mainly with the bank supervision about recapitalization, the European Securities and Markets Authority (ESMA), which supervises the capital markets, the credit rating agencies, and trade repositories and the European Insurance and Occupational Pensions Authority (EIOPA) which deals with insurance supervision. Also, a European Systemic Risk Board was established to deal with macroeconomic, financial threats and provide financial stability. EIOPA provides monitor and assessment along with a Joint Committee of the European Supervisory Authorities and the national supervisory authorities.

Hard EU law was adopted with two (2) Directives, the Bank Recovery and Resolution Directive (Directive 2014/59/EU) and Deposit Guarantee Schemes (DGSs) Directive (2014/49/EU). The first piece of law was provided with a mandatory package of obligations of the EU member states to improve bank crisis tools across the EU. Recovery plans failed bank plans, and Single Resolution Fund are among the most important tools. The DGS Directive provided a universal guarantee of deposits, a robust financing regime, and depositors' quality information.

In the aftermath of the banking crisis period, it is accepted that the financial crisis brought multileveled reforms in the relevant EU regulatory framework. The main elements of the reforms are the prevention of the crisis, improvement of supervision of the financial sector, strengthening the bank resilience, bringing under or unregulated sector under regulation, and reducing opaqueness in financial transactions (ECB, 2011). The regulation also meant increased costs for the banks since the documentation requirements and the obligations for

customer and account data disclosure (imposed by the Directive PSD-EU 2015/2366) augmented investment in Fintech solutions.⁸

2.5 Types of Restructurings in the Banking Sector

The design of the bank restructuring strategy can use various reorganization schemes and techniques. According to an IMF (1997) classification, these schemes are versions of standard bank management mechanisms and procedures. Specifically, IMF suggests some standard restructuring techniques are the establishment of specialized departments to manage problems of loan collection (in banking terms asset management), merger with other banks, reorganization of the core business unit through splitting products or branches, and by twinning methods of using consulting services to advance bank operations. Privatization in banks where the state is involved might also be used for improving efficiency.⁹ Overall, operational restructuring and managerial decisions regarding the bank's workforce are positively correlated with the return to profitability and sustained solvency in the banking sector.

Outsourcing or sub-contracting of banking activities can also constitute a restructuring choice of banks in their core business. For the banking sector, outsourcing, under the definition given by the European Banking Authority (2019), can be an arrangement of any form of an institution and a service provider to undertake a (critical) function that can entail sub-outsourcing or chain-outsourcing with third parties entities as service providers of the main contractor. Many banking activities can be outsourced like human resources, marketing, sales, but most importantly, information technology and data (IT) operations and financial technologies (fintech) operations are the prevalent outsourced activities. Dedicated cloud services (like public, private, community, and hybrid cloud) can be a service provided by a contractor. The main driver of these organizational decisions is the improvement of flexibility and efficiency and decreased operational costs. Due diligence process is listed among the guidelines for outsourcing by the EBA, meaning the obligation of the banking institution to check if service providers are socially responsible according to international standards of working conditions and human rights law (EBA, 2019).

⁸ For an extensive review for Legislation impacting on the EU banking and financial sector see Eurofound's report "*Recession and social dialogue in the banking sector: A European Perspective 2011.*"

⁹ Some other instruments of restructuring according to the same report can be: central bank involvement as restructuring agency or source of liquidity support, closure, creation of loan workout units, enterprise restructurings, bonding, new equity, deposit instruments, incentives to managers and owners.

2.6 Description of the effects of the crisis in the EU banking sector's employment

According to the European Restructuring Monitor (ERM) of the European Foundation for the Improvement of Living and Working Conditions (Eurofound), the announced job loss in financial services between 2008-2017 reached its peak in 2016. That year, the equilibrium between job gains and job losses was -67.940 jobs (Eurofound, 2018). The job loss that followed the mergers in the EU28 indicated a total loss of 440,200 employees from 2007 to 2016 in the banking sector and followed mainly the pattern of “internal restructurings” (EU Social Partners in Banks, 2018). The main factors of bank restructurings are generated by mutual interdependencies of these four (4) main factors, financial crisis, market forces, digitalization, regulation.

According to the survey carried out by Kantar Live for the social partners in the banking sector (EU Social Partners in Banks, 2018), market forces and digitization are the primary triggers after regulation. Market forces mainly describe the turbulent economic environment of low GDP growth among the EU28 with low-interest rates that pressured financial institutions to adopt new retail strategies. Digital era in which artificial intelligence and other relevant technological innovations have also downsized the impact of human factor and labour intensive tasks (Ibid). Also, a reconfiguration of the roles needed is evident during restructurings since roles have become redundant like traditional cashier roles. The pervasiveness of self-service and online banking services have caused the cut down of high-street branches (Eurofound, 2016).

An indicative example is Lloyds Banking Group, which announced a big scale digital transformation in its operations after investing 3,35 billion euros in technology to improve digital services. Resultingly over 6,000 exiting positions were predicted that will be lost, but 8,000 new technology-oriented roles will be created filled mainly by employees of the bank. They will undertake technical training (Eurofound for Lloyds Banking Group, 2018). Overall, according to the ERM, Lloyds' digitization plan mirrors a negative trend in the banking world that illustrates a change in the occupational profile of employees of the financial sector. The big picture of the banking sector can support the head title “the changing world of banking” since there is not only a decline in the employment numbers (-14%) as mentioned above between years 2007-2016 but also a more substantial reduction in the bank branches (-22%) (EU Social Partners in Banks, 2018).

The role of the social dialogue and employee involvement is stressed in many studies as crucial to achieving successful restructurings both for management and employees. The participation in the decision making for the organizational changes can positively affect the building of trust and consent (Eurofound 2009; Broughton 2009). For the banking industry, the sectoral and company collective bargaining has been proved useful for the relationship between unions and employers.

Still, one of the significant challenges for industrial relations in the sector is the more effective regulation in information and consultation processes at the European level (Eurofound 2011a). The declining levels of trade union membership and the fragmentation among unions hold worker's representatives back (Kirov & Thill, 2015), while the ongoing restructuring and far-reaching reorganization of the sector with a high number of job losses poses the challenge of effective control and participation (Glassner, 2009). Roadmapping processes in different areas¹⁰ as a collaborative approach can adopt the knowledge of society's challenges and improve social dialogue in the sector (Ioannou et al. 2009).

¹⁰ Findings from EU funded project Dialogos+; Roadmapping areas can be: Union Density Rates, Collective Bargaining and Union Impact, Public Support and Industrial Actions, Working Life in the Banking Sector, Foreign Ownership, Mergers and Acquisitions, European Union Dialogue and Convergence.

Chapter 3 Restructurings in the Greek Banking Sector; The impact on employment relations

3.1 Theoretical Framework of analysis for the Greek Banking Industry

Greece belongs among the countries in the “grey zone” between Coordinated or Liberal Market Economies (CME or LME) because the Greek capitalist organization has specific features not permitting for a precise categorization (Featherstone, 2008) in the Varieties of Capitalism (VoC) theory. Based on the Hall and Soskice framework (2001) Greek market economy is even thought that can support a third category of Mixed Market Economy (MME) with the central presence of the state in the economy and society and the prevalence of small firms in the production model (Hancke et al. 2007). The interconnection between corporate governance and industrial relations in the VoC theory is central to characterize capitalisms, corporate status, and how firms solve employment issues through collective bargaining or other market or state forces. According to Zambarloukou (2010), the change of corporate governance (ownership and management) in the Greek banks has impacted openly the sectoral bargaining and employer’s priorities regarding the labour force.

Greece cannot also be categorized in the main typology of conservatist-corporatist or liberal welfare states of Esping-Andersen (1990) but instead belongs in the Southern European or Mediterranean welfare model described by Ferrera (1996). The most important characteristics that support this division are the strong familiarism in social security, welfare, and market organized with clientelism and nepotism, strong segmentation, and large undeclared part of labour market (Karamessini 2008). The Greek labour market was characterized even before the crisis of 2008 by a dualism for the insiders with strong dismissal protection of permanent (white-collar mainly) employees and, on the other side, extensive informal, flexible or casual work with low entitlements in labour or social security protection. The unions controlled wages in Greece with the basic cross-sector (national) collective agreement setting a minimum wage threshold and the state intervention in the sector level of declaring generally binding sectoral agreements to non-unionized employees and employers (Ibid.) The industrial relations regime of the country was defined by that dualism and the presence of the small, mainly family firms with weak enforcement of labour regulation on the one hand and large public sector on the other hand. Strong unions cover exclusive and elitist labour demands of premium sectors (Zambarloukou 2007); an example of that is the Greek banking sector.

According to Edwards (2009) classification for types of employment relations, Greece probably belongs in the pluralist view and not in the unitary as it is the Netherlands' case. In the case of the pluralist view, the conflict is considered inevitable, and the interest of employers and employees is also thought in advance that they differ. In this case, the dialogue must always be distributive, and the employment relationship is viewed as a bargaining problem (Budd et al. 2004). In the unitary view, the employment relationship is seen through the identity of interest between employer and employee. The possible conflicts that may arise under this view are perceived because of possible “misunderstanding.”

Based on Eurofound's (2017) and Visser's (2009) analysis in the south industrial relation cluster where Greece belongs, the industrial relation's regime is state-centred through regular intervention in employment relations issues. The role of social partners is politicized, and employee involvement is union-based. At the same time, the predominant level of bargaining can be sectoral or company level, also leading to a “decentralized organization,” especially in crisis years.

3.1.1 Collective Bargaining in the Greek banking sector

Collective agreements in the Greek banking sector are concluded at a sectoral level. On the employee's side representative is the Greek Federation of Employee Organizations (OTOE) and on the employer's side is the Hellenic Bank Association (HBA) even though according to its statutes, HBA is operating as a trade bar association and not as an employer's association. The sectoral collective agreement covers 70% of the sector employees but extends with a Ministerial Decision to 100% of the employees. In Greece, the multi-employer bargaining prevails in the banking sector (Eurofound, 2019). The sectoral collective agreements regulate the minimum wage in the banking sector, working hours and transaction schedule in branches, annual paid leaves, labour protection in technological developments, work and safety, and gender equality issued within the sector. Some company labour agreements have the type of procedural rules of the company's operations that regulate special allowances, extra benefits, and productivity bonuses.

3.2 Restructurings in the Greek banking sector

In Greece, the banking sector has two main characteristics after the post-war era: profound restructurings starting from ownership and corporate management changes because of the large

privatization schemes in the 1990s. As a result of the sector's past public character, there is a powerful union organization in the company and sectoral level.

Overall, in Greece, there has been no national institutional framework for restructurings, but the European Directives are applied for M&As in the banking sector. Until the 1990s the state-controlled the largest banks in the country and their subsidiaries directly or by public pension funds through representation in shareholder meetings (Gortsos, 1998), but decisions taken did rest mainly on political or other public interest criteria and not on the market and profit-oriented ones. Banks in Greece up until the '90s formed a broader public sector, and the trade unions of the industry were able to achieve agreements with advanced and protective employment clauses. This trend confirmed the semi-public status on the professionals working in the banks (insiders and privileged personnel reproducing the dual model of the Greek labour market).

While the EU had already started privatizations in banks from the '80s, in Greece, they only began at the end of the '90s and especially the period 1998-2000. Then fourteen (14) M&As were made that mostly involved state-owned banks that made private. In that period also, foreign banking investments appeared in the Greek financial system (ex. Credit Agricole, Société Générale). Still, in the end, only a few stayed in the Greek market (Communicate Programme, 2007). In 2006 the state involvement in Greek banks declined even more. It was limited in a small percentage of the Agricultural Bank of Greece (Agrotiki Bank) and the National Bank of Greece (Ethiniki Bank). It is that time when the banking system was transformed into a highly competitive privatized system with an ever-increasing participation of foreign, supranational interests and institutional investors that targeting new operations in the Balkan area. At that time, Greek banks also started their penetration in new markets like Turkey, Ukraine, and Cyprus.

Trade Unions of the sector tried to adopt a more realistic position in banking privatizations after a period of strict opposition, but their role in private banks declined (Pagoulatos, 2003). Surprisingly, trade union density remained high, and 85% in 2010 (EurWork, 2011). In 2007 the second wave of bank acquisitions happened with main characteristics the “silent” changes in shareholder ownership with placements of foreign investors with funds of unknown purpose and origin.

These developments in the corporate governance of banks in the mid-2000's changed the management's bargaining position towards the decentralization of collective bargaining at a company level that was considered that is a level accompanying better the needs of the privatized sector. Sectoral bargaining was deemed to be undesirable, and privatizations shifted the power

balance towards the employer's side. This shift is due to the shareholders role and the management's changed organizational attitude since they had to report to private investors than the government. It was the moment where the social and political influence in the Greek banks was minimized (Zamparloukou 2010). Two times, in 2006 and 2008, the state had to intervene to achieve social peace in the banks, balancing the tensions between employee's and employer's demands supporting sectoral versus company-level bargaining, respectively (Lampousaki, 2008).

M&As in the Greek banking sector up until the outbreak of the economic crisis of 2008 had already profoundly impacted the employment relations of the sector. According to ECB's (2007) data, the Greek banking system's degree of concentration was already exceptionally high: the five (5) largest Asset-Based Banks account for 66.4%, compared to the EU, where the average asset-based banking system amounts to 53%. According to ECB data, Greece owns a fifth place in the sector ranking concentration, a feature that posed a threat to competition rules in the Greek banking system. Privatizations and M&As affected the employment relations in the sector, and from 1998-2001 the numbers of employees were slightly steadily increasing by +2,74 % while from 2000-2005 had a slight decrease of -0,46% (Communicate, 2007).

In the Greek case, M &As were even before the crisis, correlated to job loss through mandatory schemes of early retirement, discrimination, and inequalities between the personnel of the new and the old bank, insecurity of employee rights, and wage destabilization. Moreover, unilateral changes in the management system and hegemonic behaviour of the executives of the acquiring bank to the staff of the acquired were diagnosed. Investment in third countries like Turkey and Balkans jeopardized the Greek banks' employment relations by shifting the centre of decisions in these countries where lower standards of employment relations applied, creating downward pressures in labour rights overall (Communicate Research Programme, 2007). Findings also about outsourcing practices in the banking sector showed that they are used to circumvent the high wages of the sector's basic labour collective agreement with temporary agency workers, working with flexible types of work. (Ibid.) Greek trade unions always supported the coverage of the needs by in-house banking staff and demanded information and consultation procedures before every outsourcing agreement with an external provider.

3.2.1 Restructurings in the Greek banking sector and effects on employment

According to Gortsos (2017), the Greek banking system was a victim of the Euro area's fiscal crisis and not of the international financial crisis of 2007-2009. Public finances by the end of

2009 were the worst in the EU area regarding public debt, fiscal, and current account deficits (Bank of Greece, 2009-2010). The Greek banking sector faced unprecedented capital, and liquidity pressures imposed complete restructuring, resolution of failed banks, and consolidation procedures to survive, supported by the Greek authorities and the Eurosystem liquidity help (World Bank, 2015). The data given below about the Greek banking sector's serious makeover are a direct result of the imposed management of the Greek banking crisis by the EU.

The Greek banking landscape was profoundly transformed in 2007-2016 following the resolution of 25 credit institutions through M&As of the bulk of medium and small banks. Banks in operation decreased from 64-39¹¹, while almost all foreign banks with customer service in Greece left except for HSBC (HBA, 2017). Moreover, branches declined by 1,736 (-42,5%) and ATMs by 2,350 (-26%) (Ibid.). Three recapitalization rounds followed for the banks that have been described as “systemic” for the national economy¹², and their assets account for more than 95% compared with 67,7% at the end of 2007 (Ibid.). In Greece, under the virtue of the “European Banking Union,”¹³ an EU initiative launched in 2012, the four (4) systemically important institutions became directly under the supervision of ECB under the Regulation No. 1024/2013 (Gorstos, 2017) meant that they would operate under strict and unavoidable rules regarding (among others) and employment issues.

The concentration of the banking operation in four banks and the shrinkage of banking activities directly and profoundly affected the number of bank employees and the trade union power. Bank employees reduced from 65.682 in 2009 to 37.734 in 2019 or by 27.939 employees (37%) (HBA, 2019). Among them, 1100 were employees of foreign banks, that left the Greek market. Simultaneously, internet and alternative customer service channels showed a sharp increase over bank branches, with the value of internet banking increasing by 29% and mobile banking by 82%, respectively (HBA, 2017).

In the Greek case, internal restructurings because of the financial crisis are mentioned as the most important reason for job loss, higher than digitalization, regulation, or management errors (EU Social Partners 2019). Besides, new recruitments stopped between the years 2007-2016 in

¹¹ This number includes the retail, cooperative and branches of foreign banks.

¹² These are the National Bank, Piraeus Bank, Alpha Bank and Eurobank. According to (Kaufmann, 1995) the characterization of systemic institutions derives from the notion of systemic risk; the risk that can affect a wide range of investments in the national economy.

¹³ Three are three main pillars of the European Banking Union: The Single Supervisory Mechanism, Single Resolution Mechanism and Single Resolution Fund.

the Greek banking sector. It is indicative that the change in the young employees that period is -4,08%, and the personnel is formed by elderly employees between the ages of 40-54 (Ibid.)

The sharp decrease of the Greek banks' employees achieved mainly through retirement, early retirement plans, or other voluntary redundancy programs. The only exception in that redundancy rule were the six (6) cooperative banks whose license was revoked, and employees were laid off. The new recruitments are limited in number, sporadic, or short term contracts having severe consequences in the work organization and the intensification of work, especially in the regional branches (INE OTOE, 2015). According to Greek Labour Cost Survey (2012), during the economic crisis, the Greek bank employees worked 1802 hours every year when the EU average is at 1690 hours, and their gross wage was at the lowest at the EU level in the same year. As a result of the M&As in the banks, the work hours increased when the income remained low, during the economic crisis in Greece, mainly due to the changes made in the general architecture of regulating the wages in the country.

3.3 Changes in the Institutional Framework in the Banking Sector due to the economic crisis

3.3.1 General changes in relevant regulations of the Greek labour law

The structural changes in the Greek labour market and employment relations were implemented under the strict commands of three Economic Adjustment Programmes, to rescue the collapsed economy up to 2018. Memoranda of Understanding (MoU) between the Greek Government and the so-called “Troika” (European Commission-European Central Bank-International Monetary Fund) provided long term austerity measures with exchange a considerable package of financial aid. According to the European Commission (COM, 2017), Greece was the member state most affected by the financial and economic crisis, including the fact that the crisis lasted longer than any other EU member state.

The mixture of the neo-liberal economic policy applied in the Greek case affected the complex of wage-setting employment regulation towards the liberalization of the labour market and the dismantling of the collective bargaining system while downsizing the welfare state in only residual interventions (INE GSEE, 2018). The changes in the regulatory framework of employment relations listed below were applied in national (cross-industry) and sectoral banking level. They formed the main institutional context under which wages and rights in banks were negotiated.

The central point of the labour regulations imposed by international creditors was the enhancement of the Greek economy's weak external competitiveness through the defeating of the unions and the undoing of collective bargaining replaced by the expansion of individual bargaining (Johnston et al., 2011). Karamessini argued (2009) that Greece is probably heading to a more liberal welfare state after the economic crisis, from a state-led familistic to a liberal partly de-familiarized capitalism. Trade unions of the sector denounced the unilateral changes in labour rights and collective bargaining procedures at a national level claiming that they are unconstitutional and degrade the social dialogue (INE OTOE, 2015). The Greek Confederation of Employees filed a complaint before the CFA of ILO and alleged “*violations of worker’s fundamental rights to free collective bargaining and the right to set uniformly binding minimum standards of decent work through national general collective agreements and to access an effective mechanism and resolve collective disputes*” (ILO, CFA, 2012, pg. 223).

3.3.2 Changes in the institutional framework of labour relations in the Greek banks during the economic crisis

The structural measures in the labour rights implemented through statutes in that period that are affecting directly or indirectly the banking sector are mainly the following:

-The company collective agreements prevail when they concur with a sectoral collective agreement, even if the agreement contains less favourable clauses for the workers. This regulation facilitated wage-cuts in companies and prioritized the decentralized and more individualized company level of bargaining (act No. 4024/2011).

-Suspension of the declaration of generally binding in the whole sector (*erga omnes*) collective agreements to the sector's non-unionized employers until 2016 (act. No. 4024/2011).

-Possibility of company agreements agreed with a newly launched scheme of ‘associations of persons’ in companies without a work council or trade union with the only purpose of the company's wage cuts, circumventing the sectoral collective agreement (act No. 4024/2011).

-Launch of a new system of minimum wage setting in the country imposed by the Government unilaterally without negotiations with the social partners beforehand with the clause that the national minimum wage will remain constant until unemployment falls under 10% (unemployment skyrocketed at 25% at the years of crisis and was not expected to fall under 10% sooner than 15 years later) (act. No. 4093/2012).

-Abolition of the unilateral appeal of employees to arbitration procedures. The request is permitted only with the consent of the two sides. Also, the arbitrators' competencies are limited solely to matters related to the net wage, and this is always set under the perception of the general decrease in wages in the country. (act. No. 4946/2012).

-Horizontal wage cuts to the minimum wage thresholds in cross-industry levels by -22% for employees over 25 years old and for 32% for employees under 25. The subminimum wage scheme for young people under 25 was considered a positive measure for young people entering the labour market when unemployment in that age cohort was double compared to the general population (act. No. 4046/2012).

- Suspension of every projected rise in wages that were agreed or connected with the seniority level of the employee until unemployment falls under the level of 10% in the country (act. No. 4046/2012).

-In case of split and selective bank liquidation, employees are not protected, and their labour rights and employment relations are not guaranteed of transferred to the new scheme as also provided by the Directive 98/50/EC for transfer of undertakings, which is directly violated by that provision. This meant that even if the new employer wishes to re-employ the old bank's employees, this can only be achieved on new terms as their pre-existing employment relationship would be necessarily terminated (act. No 4051/2012).

- In banks that were under the control or the majority participation of the state are forced to reduce from 1-1-2011 by 35% all types of per capita costs (including all kinds of other compensations than wages) of employees related to the standards of 2009. That provision created downward forces to the sectoral agreed wages and triggered the validity of the sectoral social dialogue. (act. No.4051/2012).

-The monthly percentage of the legitimate collective redundancies for employers employing more than 150 employees (like in the banking sector) increased to 5% of the undertaking's employees. This number should not exceed 30 employees per month (act. No. 3863/2010).

-The reduction of the notice period for dismissal from six (6) to four (4) months (as the highest level of months) for employees with more than 20 years in service. Moreover, the relevant dismissal compensation is decreased, especially for “expensive” employees working at the same employer for more than 16 years and cannot be higher than 12 monthly wages (to these numbers applies -50% if there is a case of dismissal with a warning). That provision especially affects

elder bank executives with several years of experience in the banking sector (act. No. 4093/2012). It should be noted here that in Greece, there is no obligation from the employer's side for a justified dismissal, which is a fixed and longstanding demand of the Greek trade unions.

-After the AGET Iraklis case ECJ C-201/15 (C-201/15), the veto rights of the Minister or other national authority in cases of collective redundancies (on the grounds of labour market circumstances, the interest of national economy, or the situation of the undertaking) are abolished (act No. 4472/2017).

- Facilitation of a wide range of flexible forms of work; fixed or short-term contracts, temporary agency workers, bogus-self-employment, workers from subcontractors and other (act. No. 3899/2010). There was already before crisis an established labour custom of using labour force from third companies in the Greek banks but not under the temporary employment agencies but under contracting agreements with external service providers. A reason is that banks want to circumvent more protective Greek statutory law (act. No. 4052/2012) that provide equal remuneration and social security rights with the permanent bank employees and obligation to hire temporary employment personnel agency after 36 months of service in the bank. A recent survey from an association of employees in third companies providing services in the National Bank of Greece showed that these employees count as of 12% of the permanent bank staff. However, their remuneration ranges from -20% to -50% lower than them (Announcement of the Association of Employees in Third Companies in National Bank of Greece, 2016).

3.4 Reorganization in the Greek banking sector; trade unions responses and the social dialogue in the sector

3.4.1 The trade union's role in the Greek banking sector

In the Greek banking sector, the lack of a strong employer's association, precluded the options of "organized decentralization." However, the "labour state-coalition" achieved overturn in decentralization pressures in collective bargaining that were created at the beginning of 2000s in the sector (Kornelakis, 2010). As analyzed above, the Greek economy faced unprecedented economic pressures during the recent global financial crisis that obliged the country to follow strict austerity measures of consolidation in the labour market sector and the banking sector towards a neo-liberal policy model. The restructurings of the 2000s were intensified after 2010

with adversities like the deregulation of the employment relations in Greece. Besides, the trade unions of the industry were weakened in terms of bargaining power, directly impacted by the general low socioeconomic status of the country.

In the first phase of privatizations and M&As, trade unions were not involved in the discussion about regulations and the results of restructurings because employers resisted the involvement of any national or sectoral actors because of their relevant impact on employment relations (INE OTOE, 2002). The Greek experience in restructurings contained both positive and negative cases with forcing employees to 'bogus voluntary retirement' (Georgakopoulou 2000). Trade union responses in the period of 2000s to M&As were characterized by a more unitary view that may also be explained because of the better economic environment and the more promising job prospects of the labour market of those years. That period's problems were addressed with coherent trade union action and meaningful social dialogue with information and consultation processes before any defensive movement of reorganization.

In the banking sector, these tensions of restructurings and changed institutional context were mirrored in the trade union's fight to prevent job loss and secure employee's rights. The basic claims and demands of the trade union movement of the sector were the protection of employment in the whole sector, the collective regulation, the adequate remuneration, the preservation of the social dialogue, the corporate social responsibility, and the social responsibility of the banks (INE OTOE, 2015). Trade unions of the sector adopted a radical view of industrial relations during the crisis. They joined in several strikes and protests with the main request the abolition of the unilateral changes imposed by the Government and the EU-ECB-IMF in the institutional context of industrial relations and labour rights described above.

Moreover, trade unions set as key strategic goal the collective movement's unity of action in all fields. Another goal was sufficient coverage by trade unions to resist unorganized decentralization plans. These plans, in the Greek case, were mainly imposed unilaterally to benefit personal contracts, which for long years had been the desire of some employers of the sector (Research Programme Dialogos +). Furthermore, trade unions alleged that these plans undermined and degraded the social dialogue in the sector with unconstitutional provisions and appealed the act of horizontal wage cuts and relevant provisions regarding the arbitration procedures. The Council of State ruled (Decision no. 2307/2014) as unconstitutional the abolition of the possibility for workers to resort unilaterally to arbitration. However, it did not rule for the wage cuts in the private sector.

Overall, the banking sector's trade union movement has been influential in the decade between 2010-2020 and exercised political leverage to pursue its interests (Zambarloukou, 2010). A direct proof of that is that there were no collective or individual redundancies in the sector during the whole crisis period. The shrinkage of staff was achieved through the early retirement and voluntary redundancy schemes and was considered a significant accomplishment, especially in circumstances of severe economic recession and adverse institutional framework of regulating employment relations. Thanks to the sectoral collective agreements that were signed during the turbulent years of crisis 2013-2015 and under the opposition of the employers to sign a new sectoral collective agreement, the basic wages in the banking sector never reached the lowest threshold of 576E that applied in a cross-industry level and were almost double (945E).

3.4.2 Examples of collective agreements in the Greek banking sector

During the whole extended period of economic crisis, collective agreements contained clauses for protecting employment in the sector and the consolidation of occupational safety conditions (Collective agreements 2013-2018). In the collective agreement of years 2019-2021, there is an improved employment protection clause. This clause stipulates that projected dismissals are not subjected to restructuring plans and bank commitments towards the supervisory national and EU institutions as it happened the previous years. Under that provision, the s trade-unions protected mainly the young and less-skilled workers of the banks. They also denied suggestions of creating a different payroll base for junior and senior workers (Collective agreement 2019-2021).

After a prolonged recession of almost eight years, Greece exited the third stability support program in August 2018, and partially reinstated labour rights and collective agreement regulations. Indicative examples are the extension of the erga omnes procedure by setting the collective agreement legally binding for the whole sector, and the restoring of the most favourable clause in the confluence of sectoral and collective company agreements. The institutional reform of labour relations after crisis availed trade unions of the banking sector. They achieved an agreement with a more protective context for the transaction hours in the bank branches, work-life balance measures and improved human resource assessment (Collective Agreement in the Greek Banking Sector 2019-2021).

After the examination of employment relations in the Greek banks during the economic crisis, no sign of external pressures of banks' multinational activities in employment regulation,n was found. Rather than that, in the post-crisis period, the trade union movement had to confront

restructurings' internal issues under the immense pressure of the numerous nonperforming loans in the Greek market.

Specifically, under Greek law (No. 4354/2015), the portfolio of nonperforming loans should pass in certified companies offering credit management services and supervision. The kick-off presence of that scheme was when one of the four systemic Greek banks (Piraeus Bank) created a new credit management company with the involvement of an external Swedish company (Intrum). That new company would operate as an independent corporation that would employ both Piraeus Bank employees and new recruitments. Piraeus Bank pressured 1300 bank employees to join the new company with the reasoning that the job roles were abolished from the regular unit of the bank.

Trade unions achieved a unique protective agreement to secure the workers' labour rights that were forced to move to the new company. The employees would keep the bank employee status and the rights to join bank associations. Most importantly, their jobs would be safeguarded from possible future dismissals from Intrum. In that case, Piraeus Bank recognized the obligation to re-hire them back. Finally, the banks' sectoral collective agreement would still apply to their labour contracts in terms of remuneration and general entitlements (INE OTOE 2019).

This agreement was considered progressive for the Greek collective bargaining standards because a collective agreement of a highly protected sector as the banking sector would apply to bank employees working for an external company. The agreement was considered a significant trade union victory and was welcomed by workers, employers, and Government, as a social pact that preserves cohesion and solidarity in the sector and serves as a pilot for other industries.

Chapter 4 Reorganization Plans in the Dutch Banking Sector; The impact on employment relations

4.1 Theoretical Framework of analysis for the Dutch banking sector and the Dutch polder model

The Netherlands belong among the well-developed countries of central Europe with strong economic growth and a prosperous social state. According to the Varieties of Capitalism (VoC) theory, the country is divided as a typical example of a Coordinated Market Economy (CME), based on the Hall and Soskice (2001) theory. According to that classification in CME, the subsystem of corporate governance is characterized by long term financial resources with strong unions involvement and high employment protection. Coordinated market economies are well known for the regulated labour market, the more generous social protection, and the cooperative industrial cooperative with bargained moderation in wage setting. *“Perhaps the most important element of the Dutch tradition is not found in its specific institutional rules and practices, but in its ability to adapt to emerging challenges such as monetary unification, globalization and population ageing...but this ability in the past does not guarantee that it can also withstand future challenges”* (De Nederlandsche Bank, 2017, pg. 5).

Recently, there was a broad scepticism regarding the shift of the Dutch welfare regime towards a more ‘liberal’-Anglo-Saxon model, also called a hybrid CME case. This perception of a shift to a more market than a state-based economy is explained by the ongoing globalization influence of trade liberalization and technological developments (Touwen, 2015). Moreover, the growing internationalization of the Dutch economy and some corporate governance changes put more international pressures that caused a weakened position of the trade unions, fewer codetermination rights in work councils, and more labour flexibility. The weakened labour protections and the growing inequality of the Dutch welfare model (Looise & van Velzen, 2010) constitute typical characteristics of the Liberal Market Economies regime (LME). Lastly, the increasing dualization of the Dutch labour market and the gap between the “insiders” and “outsiders” is another liberal indication of the Dutch welfare system. Even though they are attempts to fill this gap by the Government and the trade unions, this issue has to be addressed in the company policies and practices with “social innovations” that will strengthen the employability of the employees and create inclusive jobs (Euwema et al. 2015).

The Netherlands belong in the cluster of centre-west countries of varieties of industrial relations according to Eurofound's (2017) classification. The industrial relations regime in this cluster is characterized by social partnership, and the highly institutionalized role of the social partners in public policy. The predominant level of collective bargaining is mainly the sectoral level, and integrative elements with consensus spirit characterize the bargaining style during the social dialogue and balanced power (Ibid.). In the Netherlands, all four indicators analyzed and built from Eurofound (2017) regarding the quality of industrial relations are found above the general level of EU 28 (i.e., the industrial democracy level, the quality of work and employment, the industrial competitiveness, and the social justice level). In the Dutch tradition, the so-called "Polder Model" constitutes a Dutch neocorporatist model of tripartite cooperation in social policymaking which is based on broad and mutually beneficial agreements for economy and society.

The tripartite polder model in the Netherlands has advantages that derive from the broad societal support for governmental policies. The pursuit of expertise and the cooperation of social partners for the effective implementation of social and economic policies at a national and regional scale are bricks of the polder model. The Social and Economic Council (SER) permanent tripartite consultation committee (SER) promotes equal development for employment and sustainable development for economic and social growth. The SER, along with the bipartite Labour Foundation (Stichting van de Arbeid), form the basic national actors for policymaking suggestions to the Government regarding (among other) employment and labour relation issues. The Dutch polder model has widely developed coordinated wage bargaining where collective agreement at the national level serves as a pilot for the industry or company level. Furthermore, because of the high density of employer's associations, most employees (more than 80%) are covered by collective agreements because of the legal extension procedure. As a result, individual bargaining in the country is very limited (Dekker et al. 2017).

Even though the polder model was proved resilient in times of crisis, unions must face the major challenges of wide flexibilization of the labour market and the declining union membership (Ibid.) along with the labour market segmentation that threatens social justice (Bekker & Mailand, 2019). Besides, some authors support that the consultative Dutch polder model's continuity is pressed (Alfonso,2017). As an outcome of the low influence of trade unions in a very diversified and flexible workforce, employers try to conclude collective agreements without the participation of the largest union (the FNV or the CNV) with adverse effects on industrial peace (Dekker, 2014). Finally, the shift in the power balance to the employer's side triggers the

polder model's viability and creates imbalances in powers that make the system unstable. When employers decide that a balanced system of labour relations in the country is in the interest of both sides, the polder model might flourish again. Unfortunately, this is not considered a very likely scenario (de Beer, 2017).

4.2 Collective agreements in the Dutch banking sector

In the Dutch banking sector, almost every two years, a general binding sectoral collective agreement is signed between the Association of Bank Employers (Werkgeversvereniging Banken) (WVB) and the unions CNV Vakmensen, FNV Finance, and De Unie. The agreements signed are adopted in the fast-changing Dutch banking sector and the 24 employers that participate in the agreement. As found in the official website of Dutch banking labour agreements, the main content of these texts is provisioning sustainable employability, training, and development, wages-working hours-paid leaves, and severance pay. In collective labour agreements can also be found distinctive chapters for reorganization plans in the banks and relevant social plans agreed for a smooth transition in cases of job losses.

Employment relations in the Dutch banks have been developed within a robust sectoral institutional framework over the years whereas collective agreements in the sector cover standard that minimum provisions (Regini et al., 1999). The largest banking companies conclude their own agreements for pay scales and working hours, but most of these agreements do not cover higher-paid staff and non-standard workers (Eurofound, 2011). The corporate relationship between unions and employers in the sector is based on the Dutch polder model's principles explained above, and that conflicts are scarce. The spirit of cooperation at finding standard solutions in employment problems characterizes the level and quality of industrial democracy within the sector (Ibid.).

The Dutch industrial democracy requires that the role of Work Councils and trade unions are central in decisions for reorganization plans in the banking sector, and they regulate conditions for social peace within the sector. The Dutch law also provides that in cases of significant developments in organizations like mergers, acquisitions, or takeovers, the consultation with the Work Councils is mandatory (Visser, 1995). It is not rare that clauses in collective agreements in the banks might stipulate stricter rules than a simple consultation with employees' representatives. Moreover, specific clauses may provide the existence of a prior socially acceptable agreement for both labour and management for the successful implementation of the reorganization plan.

4.3 The size of the Dutch banking sector and the effects on employment

The Dutch banking sector has been described as large compared to the Dutch economy's size and can become inefficient because of growing welfare costs (De Nederlandsche Bank 2015). It is also a very concentrated sector due to profound mergers that took place at the end of the 1980s and the early 1990s. The four largest banks (ABN AMRO, ING Rabobank, and SNS Reaal) are classified as systemically important and hold the 80% of the assets (OECD 2014b). Domestic funds principally control the Dutch banking sector as the foreign banks have a minimal presence in the Dutch market. Foreign investors hold only 10% of Dutch banking assets. The combination of two explanations probably justifies the limited presence of international actors; the highly concentrated bank market and the belief that the Dutch market is a demanding market to venture (De Nederlandsche Bank, 2015).

The Netherlands' banks suffered significant losses from the recent global downturn of 2008 and became vulnerable to external risks because they depended heavily on international capital markets (OECD 2014). The Government intervened to rescue the sector from total collapse in the early stage of the economic crisis (2008-2009) (OECD 2010). It nationalized the sizeable multinational bank ABN AMRO (Ibid.) that was privatized the following years again. Among suggestions for the Dutch banking sector's long-term feasibility are plans that provide the liquidation (resolution plans) of less critical parts of the banks and rescue only the systemically important parts to face the 'too-big-to-fail' problem (Government of the Netherlands, 2013). These plans can entail several adverse effects for bank employees, but they were proposed as suitable solutions to create a robust and sustainable financial sector.

According to data provided by the ECB, the number of employees in the Dutch banking sector decreased -25% among the years 2007-2016 (-28,621 employees), and the number of branches cut down almost in half (-54%) at the same period (EU Social Partners, 2018). According to the Eurofound's Restructuring Monitor data, the main reason for the job losses in the Dutch banking industry from 2007-2016 is banks' internal restructuring decisions. Mergers and acquisitions in the Dutch banking sector play a feeble role in the reduction of employment as found by the same source (Ibid.).

In the Dutch Banking Association's agenda for the banking sector for 2019 and beyond (Dutch Banking Association, 2019) and the dossier of employment practices, are underlined challenges related to the increasing need of a flexible labour market and the enhancement of technical and digital skills of employees. In the same report, reorganization plans of the banks are mentioned

as a factor of a high degree of job insecurity in the sector. This consideration sets a barrier to the positive reputation of the Dutch banks as an attractive employer (Ibid.) Finally, automation and technological innovation are significant developments for the Dutch banking sector and are ranked among the factors of operational risks for employees and bank stakeholders (De Nederlandsche Bank, 2016).

In the next section, there will be a more extensive analysis of the risks for employees in the banking sector during the Netherlands' economic crisis period. This analysis intends to focus on the institutional changes in employment relations and the social dialogue in the country. Lastly, an attempt will be made to illustrate the existence (or not) of the interconnection of these changes and the trade union's role with the reorganization plans in the Dutch banks.

4.4 Employment Relations in the Dutch Banking sector during the economic crisis

4.4.1 The role of the institutional context in the employment relations of the sector

The financial crisis hit the Netherlands in two waves. The first was in 2008. After a recovery period in 2010 and 2011, the negative growth returned during the recession years of 2012 and 2013 (ILO, 2017, CPB 2014). The Dutch employment growth declined steadily during those years, and unemployment increased from 3.1% in 2008 to 7.2% in 2004, which is a very unusual rate for the Dutch economy almost for the last twenty years (CPB, 2014). During the first phase of the crisis, only a few structural reforms in the labour market existed that focused on the pension reform, the part-time employment scheme, and agreed wage restraints. (ILO, 2017). On the contrary, national reforms of the second period of the Dutch crisis were profound, and the Government tried to mitigate the crisis's effects in society.

During the financial crisis, one significant action of the Dutch Government was the equity in employment protection in temporary and short-term jobs. In the Social Pact, agreed in 2013 by social partners, the measures adopted aimed at enhancing the security part of flexicurity in the labour market. The Law on Work and Security (14 June 2014) was the most critical legislative action. The reform of employment regulation aimed at the equity of permanent and short-term workers through a package of measures for the transition allowance, the legitimate period between two separate temporary contracts, and the reasons for employees' dismissals having a permanent contract (ILO, 2015). Regarding the unemployment benefit, the maximum payment

duration was reduced in steps from 38 months in December 2015 to 24 months in 2019 (ILO,2017).

During this period, collective bargaining and industrial relations in the Netherlands covered a wide range of employment subjects other than wages, related to general measures to increase employability (training and education). This evidence confirms that the central point in collective agreements in the country was gradually focused more on the broader theme of lifelong policies for labour market mobilization and did not strictly handle the employment relation's economic aspects. This comprehensive bargaining agenda of unions, including the so-called secondary agreements, confirms the progressive nature of Dutch social dialogue. Collective bargaining was held under adverse social and economic environment during the financial crisis, especially for the labour side. In the Dutch case, after a difficult period of 2012-2013, where negotiations faced obstacles, and collective agreements that expired could not be renewed, the situation was reversed by the end of 2015. According to data from the Dutch General Employer's Association (AWVN), by the end of 2015, 72% of expired collective agreements had been renewed (AWVN, 2016).

Precarious work increased in the Dutch labour market during the years 2008-2013 from 33% in 2008 to 37.4 % in 2013, indicating the increase of flexible contracts and the (bogus) self-employed (ILO, 2015). The registered unemployed persons receiving unemployment benefits at the end of 2013 skyrocketed along with the expenditure on unemployment benefits (Ibid.). Regarding the unemployment benefit scheme in the Netherlands, apart from the changes in duration and eligibility conditions, no other significant reforms were registered in that period. In the sphere of active labour market policies and vocational training, there are no substantial changes in their design and implementation methods during the Netherlands' crisis, but only the trend of increased expenditure and number of participants for such actions (Ibid.).

Dutch banks had introduced measures of flexibilization of their labour force even before the financial crisis based on three basic measures, First in the creation of a pool of staff for simplified jobs like call centres and administrative roles, second the outsourcing of non-core business part like ICT technology and third the use of self-employed staff (Eurofound,2011). The strategies of flexibilization in labour relations in the Dutch banks were enhanced during the crisis when employment contracts were flexibilized, fixed-term contracts were not renewed, and temporary workers were fired. (Ibid. 2011).

4.4.2 The effects of restructurings in the Dutch banking sector

The Dutch banking sector has gone through some profound changes during the financial crisis mainly because of strict regulatory pressures (Frost et al., 2017) for capital requirements, extended supervision, and advanced ethical conduct obligations. The need for reduced costs emerged from the failing profitability in a globalized environment of low-interest rates and the downturn in the mortgage market. According to reports of important systemic banks and the Netherlands' central bank, the financial crisis hit the operational capacity and the services of Dutch banks. As a result, the number of redundancies in the Dutch banking sector increased mainly for employees that were involved with customer services and relevant administrative tasks. Online banking caused the closure of half branch offices in 2004-2014, and large-scale redundancies were planned in all four big banks (ABN-AMRO, ING, Rabobank, Volksbank) (Commission, 2018).

Reorganization plans were synonymous with massive job cuts in the Dutch banking sector, and multinational banks such as ING announced 7,000 jobs worldwide during crisis years. ABN AMRO reduced almost 6,500 jobs after the merger with Fortis (Eurofound, 2011). The number of banking sector employees that received unemployment benefits over the period 2008-2015 more than tripled, and the year 2016, the unemployment benefit receivers were 27,7% more than in 2015 (Ibid.). The job prospects of the people lost their job in the banking sector were poor because most of them had a low educational level, according to the Dutch Employment Insurance Benefit (UWV) (Ibid.). The Dutch Government made attempts to address the restructuring effect on employment in the banking sector and applied for funding from the European Globalization Adjustment Fund for targeted actions and personalized services for reinstatement in the labour market of 1324 redundant workers (COM 2018, 548 final). Among the actions proposed to increase redundant people's employability were job search assistance, training, and retraining and entrepreneurship promotion training and coaching.

Employment relations in cases of reorganizations in the Netherlands are characterized by agreed large social plans to mitigate the negative consequences of restructurings. These social plans have the same legal status as the official collective agreements, and they are usually signed in big companies like banks. According to the Dutch Government's official website, the social plans are effective in cases of significant changes in the organization like business restructuring, relocation, downsizing, or bankruptcy, but there are not compulsory by law. The collective agreements signed at the firm level or the company level contain details about the terms of the

social plan applied in business restructurings. Usually, a social plan in the Netherlands covers matters like transition payments (compensation to cover costs for finding new employment) for redundant employees and for employees that remain in the company provide solutions for a smooth adjustment in their new position (in cases for relocation for example).

Social plans have been signed-in ING, and ABN AMRO contain specific policies for employees negatively affected by reorganizations. These policies can include organized redundancy payment schemes, redeployment centres (that organize targeted job fairs or have contacts with temporary agencies), and training and education actions (Eurofound, 2011). Social plans and the so-called redundancy plans in the Dutch banking sector's social dialogue is proof of the active involvement of trade unions in the regulation of employment relations in the sector.

Redundancy plans are necessary organized plans from the employer's side that has reorganization plans in the bank and should contain specific information about future reorganization plans that might affect employment levels. The employer is obliged to inform trade unions in good time how will address projected redundancies. Without prior information and consultation procedures with the trade unions, the reorganization plans are void under specific conditions agreed in collective agreements, legally enforceable (INE OTOE, 2002). These plans cover major banks. In general, they are based on the employee's employability, individual interviews, counselling, training programs to safeguard the job position, and general entitlement to future jobs if training is completed successfully. Finally, redundancy plans are agreed in good faith that the employer will indicate the future changes that are planned to take place in the company (Ibid.).

An illustrative paradigm of the high involvement employees and their influence on the shaping of employment strategies in the banks is the agreement of the employability deal at ABN-AMRO in 1998 for anticipating organizational change within the bank. The agreement aimed at preparing employees for future restructuring in banking operations. The deal concluded entailed joint actions like individual training programmes and retraining for relocation reasons, the establishment of group mobility centres that operate as an internal employment office, and mobility units compared to internal employment agencies (Eurofound 1998). Under the same progressive pact, the 33,000 people that were employed with an open-ended contract would receive an "employment guarantee" for three years if they agreed to a specific work and training plan with their supervisors (Ibid.)

4.5 Trade union responses and a paradigm of an advanced social agreement in the Dutch banking sector

Trade unions in the Netherlands and specifically in the banking sector, operate on a system of full-time trade union officials responsible for the negotiations with the employer. Usually, there is supervision by a trade union manager responsible for the process and the outcomes of negotiations. For the maintenance of quality social dialogue level, several knowledge meetings are organized to exchange views and technical knowledge inside and outside the Netherlands. Only if they consider it appropriate, trade union managers invite active trade unionists in the commission of negotiation.

Because in the Netherlands, the system of trade unionism is significantly different from many other European countries, trade union specialists advocate that this system has several advantages. After all, officials are not employees and is supported that they might adopt a more neutral and transparent position towards the labour issue that is debated. Furthermore, because trade unionist keeps the role of a bureaucrat is the process of negotiation, feelings of competition are scarce, and conflicts are usually avoided. Finally, policies developed from officials of trade unionism have proved more sustainable and long term viable because it is an outcome of professionals who have received specific training for their duties (INE OTOE, 2002).

In this co-creating (integrative) perception of the banks' social dialogue, trade unions are not an antagonistic counterpart in the process of labour policymaking but rather an important actor of distributive bargaining. The expert knowledge of trade union officials on the matters discussed makes employers reluctant and eager to negotiate labour problems. This is also explained because of the large organizational structure of the banks. Employers find it unpractical to discuss with work councils for topics that concern the whole corporation when they can inform and consult with trade union officials that represent all employees.

The social dialogue in the banking sector in the Netherlands serves as a pilot for social dialogue processes in other sectors of the economy. In the Dutch banking sector, under non-turbulent circumstances (like the recent financial crisis), social dialogue is considered a useful corporate governance tool that can acquire broad benefits for society. A relevant paradigm of consensus and collaboration in the banking sector is worth noting even though it is not directly associated with cases of bank restructurings. It rather illustrates the high social relevance of the social dialogue in the productive sectors of the Dutch economy.

The Dutch Banking Sector Agreement on International Responsible Business Conduct Regarding Human Rights (DBA) belonged among the concluded Responsible Business Conduct Agreements in the Netherlands and was signed on 28 October 2016. The parties signed this agreement are the Dutch Banking Association (NVB), trade unions of the sector, Civil Society Organizations (CSOs), and the Dutch Government. The parties agreed to respect human rights and avoid violations of working conditions, trade union rights, and child labour. Banks committing to this text acknowledge the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights.

The banking division of corporate lending and project finance are targeted more as sensitive departments for this agreement. The actors involved in this agreement of the banking sector share practices and knowledge in several organized workshops. By this learning process, a dual aim is reached; the conditions in banking value chains are improved. The banking companies reach organizational solutions in problems that could not solve themselves. The aim of the agreement is the positive impact of banking operations in human and labour right, Finally, according to the SER website, the parties agreed on the joint action of promoting the Agreement in the European Banking sector, the EU, the OECD, or other relevant channels.

The Responsible Business Conduct in the banking sector that proves the meaningful collaboration of the social partners in the national and global governance sphere and not only in practical issues like wages or other everyday matters. The social partners' concern for the protection of human rights in the complex value chain of the banking sector illustrates that the social dialogue in the Dutch banking sector has several positive levels of complexity. Moreover, it is expanded in more sophisticated areas like the risk management of bank activities in labour and human rights and the due diligence process in banking products' sales.

5. Chapter 5 Conclusion

5.1 Discussion and Concluding Remarks

The main research goal of this thesis was the analysis of the implications of restructurings in the banking sector's employment relations. The second goal was the comparison of the welfare regimes of Greece and the Netherlands to this matter, The inquiries posed by the main and the subquestions were scrutinized through the vision of VoC theory for the two selected countries: Greece and the Netherlands. This theory analysed the theoretical background of every country according to the subsystems' description of the VoC theory in Table 1. The analysis revealed the shift of both states towards a more neo-liberal welfare regime and market-oriented employment relations. Even though both countries shared in the past a more conservatist tradition, the Netherlands a more corporatist and Greece a southern familiaristic one, the heading towards the liberal welfare was recognizable.

The following table reviews the main findings of Greece and the Netherlands, summarized in indicators linked with the research questions. This comparison will indicate the differences or the commonalities in the two countries under the spectrum of the VoC characteristics of the two countries.

Table 2 Comparative Findings of analysis for Greece and the Netherlands based on the research questions

Indicators	Greece/Liberal Market Economy	Netherlands/Coordinated Market Economy
Role of the national and EU legal Framework for business restructurings	High but Weak Dismissal Law and Enforcement	High but Strong Collective Dismissals Procedures
Role of International European and National legislation in social dialogue	International: Low European and National: High	International: Low European and National: High
Importance of Institutional Factors in the Banking Sector	High because of Economic Crisis Constraints	Medium because of high self-regulation of the banking sector
Trade Unions Role	Low integration/ Strong State Involvement/Dualism	High Integration/Tripartism

Types of Trade Unions	Active (Bank) Employees	Trade Unions Officials
Multinational Perspective in Banking Operations	Low/National Highly Concentrated Banking Sector	Low/National Highly Concentrated Banking Sector
Channels of Communication	Single	Dual
Social Partnership Model	State-Centered	Centre-West
Level Social Dialogue in the Banking Sector	Sectoral Level	Sectoral and Company level
Collective Agreements in the Banking Sector	Basic/ Signs of inclusiveness to non-bank employees	High Quality/ Broad in CSR aspects and human rights
Type of Labour Relations	Pluralist/Radical	Unitary
Restructurings in the Banking Sector	Downsizing of Employment/ Closure of Branches	Downsizing of Employment/ Closure of Branches
Reasons for Restructurings in the Banking Sector	Greek economic crisis/ Obligations towards EU-IMF- ECB	Technological and Internal Reasons
Globalization Impact	Weak	Weak

*Own elaboration based on Chapters 2-4 of this thesis

Greece and the Netherlands experienced profound business restructurings in the banking sector that can support the general title: “the change in the world of banking”. Different reasons for each country’s restructurings resulted in job loss and massive internal reorganizations as are the closure of branches and the creation of different technological job roles. This pattern followed a general trend all over the EU as described in the report of EU social partners in the banking sector about restructurings.

The responses to the subquestions posed in the introductory section offer a more accurate image for this socioeconomic phenomenon of restructurings. First, the EU legal framework, namely the Social Action Programme’s Directives and other initiatives analysed in chapter two, were crucial for each country’s legislature. The discrepancy here is a different system of dismissal procedures in the two countries that create uneven protection in times of economic crisis. In the Greek case, employment security protection is residual if there are not protective clauses in relevant collective agreements in the banks.

Second, the role of the regulation of the social dialogue in the national or European level is influential and especially the Directive of Information and Consultation Rights and its

interpretation in the national legislature. In both countries examined here, the understanding and the cooperation between partners, even though it is a soft indicator, is considered equally (if not more) important. Employee involvement is the primary tool for mitigating adverse effect off business restructurings for employees and society in both countries. The international framework of social dialogue is not relevant here, mostly because the multinational perspective of banking operations was not proved. In both countries, the banking sector is a national and highly concentrated industry. Globalization's impact is non-important for the banking sector's employment relation in both countries.

Third, originating from a different tradition and type of labour relations and handling different reasons for bank restructurings (as shown in Table 2) the trade unions concluded collective agreements of different content. In Greece, collective agreements in the banking sector have more basic-protection content to overcome the burden of stringent economic constraints. Also, they included some inclusive provisions for the sub-contractor workers of banks. In the Netherlands, the context of collective agreements is advanced, containing clauses of broad social plans and transitory provisions with a wide range of actions of reinstatement in employment. Besides, there was found an example of a sectoral corporate social responsibility agreement in the Dutch banking sector, proving the upgraded and quality content of the Dutch social dialogue in the banking sector.

Finally, even though the internal differences in the states' labour relation culture and tradition, the employee's involvement, and the broad societal support in the decisions of business restructurings is the key response to the phenomenon. The global competition and technological innovation, along with the capital and liquidity pressures from the financial crisis, drove the banks in a policy of reduced labour costs across the board. As it is widely known, the capital can find a way to "escape" from expensive labour regulations and national or EU labour law. The aim is the preservation of its existence through alternative channels. Only when employers and employees acknowledge that the capital and the labour have an interdependent relationship to produce economic growth, then a fruitful social dialogue in cases of restructurings can succeed.

5.2 Limitation and Future Research

This research's main limitations are related to the sanitary situation within the paper was written (during the COVID-19 pandemic). The banking industry is complex, and data collection only

through literature research proved a demanding and challenging task. When this thesis started, there were already lockdown measures in both countries examined because of the pandemic COVID-19. Resultingly, the contact with the teachers and other stakeholders was challenging. Moreover, the research could be improved in areas like the possible conduct of interviews with bank officials or trade unionists. The university's total closure and the remote work for bank employees made the conduct of interviews (or even simple conversations) impossible. In general, writing a paper to obtain a master's diploma abandoned from other physical, educational activities or support was proven a demanding and less joyful task than expected. This perception was probably mirrored in some points of this paper.

The business restructurings will continue to occur because economic freedoms are among the hardcore of fundamental rights in the EU, and the capital always tries to reproduce itself by the most profitable and less burdensome roots. The literature research for business restructurings in the banking industry revealed insights about the significance of the technological factor in the process of internal reconfiguration of roles and the job cuts. Further research is probably needed in that direction, to give more information about the possible job loss or the reconfiguration of roles in the banking sector due to technology.

Finally, the Trade Unions and the Work Councils in the banks were scrutinized for their decisive role in cases of business restructurings in the banking sector. However, this role needs further examination under the circumstances of a non-EU environment. For example, in states where the institutional embeddedness of the social partners is low, and their part is not demonstrative as it is in the EU. Further research in bank restructurings in a hard-liberal environment like the USA might shed light also to the possible developments in the EU area.

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European Parliament's Think Tank Portal

