



## BIROn - Birkbeck Institutional Research Online

Kornelakis, A. and Voskeritsian, Horen (2018) Getting together or breaking apart? Trade union strategies, restructuring and contingent workers in Southern Europe. *Economic and Industrial Democracy* 39 (2), pp. 357-375. ISSN 0143-831X.

Downloaded from: <https://eprints.bbk.ac.uk/id/eprint/24015/>

*Usage Guidelines:*

Please refer to usage guidelines at <https://eprints.bbk.ac.uk/policies.html> or alternatively contact [lib-eprints@bbk.ac.uk](mailto:lib-eprints@bbk.ac.uk).

1  
2  
3  
4 Andreas Kornelakis is a Senior Lecturer in International Management at King's  
5  
6 College London. His research interests include political economy and employment  
7  
8 relations topics such as: employee voice institutions; pay determination; and models  
9  
10 of capitalism. He has published in journals such as: European Journal of Industrial  
11  
12 Relations, Transfer, Work Employment & Society, Relations Industrielles, and British  
13  
14 Journal of Industrial Relations. Email: andreas.kornelakis@kcl.ac.uk  
15  
16

17  
18  
19 Horen Voskeritsian is a Senior Lecturer in HRM at Bristol Business School,  
20  
21 University of the West of England, Bristol. His research revolves around the  
22  
23 evolution of the field of Industrial Relations in Britain, collective bargaining,  
24  
25 managerial practices and trade union representation. He is currently researching the  
26  
27 effects of austerity policies on Greek employment relations. Email:  
28  
29 horen.voskeritsian@uwe.ac.uk  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

1  
2  
3 **Getting together or breaking apart? Trade union strategies, restructuring and**  
4  
5 **contingent workers in Southern Europe**  
6  
7

8  
9 **Andreas Kornelakis**  
10

11  
12 **Horen Voskeritsian**  
13

14  
15 **Abstract:** The article considers the strategies of trade unions towards the  
16 representation of call-centre workers. Using a comparative case study, it examines the  
17 divergent union responses to the growth of contingent labour by looking at the  
18 telecommunications industries in Italy and Greece. Although the trade unions in Italy  
19 pursued inclusive strategies embracing the call-centre workers and negotiating the  
20 restructuring of the whole sector, the unions in Greece followed a policy of exclusion  
21 leaving call-centre workers outside representation and negotiating their internal  
22 restructuring. The article argues that the different union identities, and the diverse  
23 power resources and internal organizational politics help explain the variation in the  
24 trade unions' strategic responses.  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38

39 **Keywords:** Contingent employment; Trade union strategies; Telecommunications  
40 industry; Italy; Greece.  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

## Introduction

During the late 1990s and early 2000s, the telecommunications industry across Europe went through important structural shifts, underpinned by liberalization, privatization and technological change (Batt et al., 2009). As a result, work and production were restructured, and the trade unions were faced with the strategic challenge of responding to this new reality. An added complexity was the increased use of contingent workers in the industry, especially in call centres - a sector that epitomises characteristics of low-wage work in new service activities (Russell, 2008). The introduction of precarious workers in the labour process undercut agreed collective agreements and posed a threat to the core workforce. Faced with this challenge, the trade unions had to decide how to accommodate the rise of atypical employment in their structures and strategic plans. As is well known by the literature, in those early years, responses across Europe varied. The German unions, for instance, decided to follow a strategy of exclusion or tacit acceptance (Holst, 2008; Shire et al., 2009), whereas the Dutch and Austrian unions adopted a more inclusive approach (Jaarsveld et al., 2009; Shire et al., 2009).

The institutional environment has been suggested to influence the way unions respond to strategic challenges from the external environment (Czarzasty et al., 2014; Doellgast, Nohara, et al., 2009). Other authors, however, have focused on the role of the unions' power resources and internal organisational politics as possible explanations (Benassi and Dorigatti, 2015; Benassi and Vlandas, 2015; Gumbrell McCormick, 2011). Although there is an abundant literature on the responses of trade unions to contingent employment and the factors underlying their behaviour (Heery,

1  
2  
3 2009), our understanding of why unions may favour one strategy over another  
4  
5 remains controversial.  
6  
7

8  
9 The aim of this article is to explore this issue in more detail, by focusing on the  
10 strategic responses of the Italian and Greek telecommunications unions to the  
11 challenges of restructuring and the growth of contingent labour. Italy and Greece  
12 share many common institutional characteristics and the telecommunications industry  
13 in both countries has gone through similar structural changes. Despite this, the  
14 strategic responses of the unions in the two cases differed. On the one hand, the trade  
15 unions in Italy pursued inclusive strategies embracing the call-centre workers and  
16 negotiating the restructuring of the industry. On the other hand, their counterparts in  
17 Greece adopted a policy of exclusion and negotiated only the incumbent operator's  
18 restructuring.  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

30  
31 To better appreciate the aforementioned variation in the strategic choices of the  
32 unions, we conducted a historical case study analysis, utilising archival material from  
33 various primary and secondary sources (such as newspapers, trade union publications  
34 and EIRO reports); supplemented by interviews with key actors in the  
35 telecommunications trade unions in Italy and Greece. The article, therefore, presents  
36 novel empirical material from two case studies that belong to the Southern European  
37 employment regime (Holman, 2013: 492), which is an under-researched institutional  
38 context in the broader call-centre literature. This line of inquiry is even timelier in the  
39 context of the current crisis that exacerbates phenomena of precarious and low paid  
40 employment in EU's periphery (O'Sullivan and Royle, 2014).  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

### Theoretical background

Recent years have witnessed the growth of contingent labour, rendering the 'traditional worker with a standard employment contract...a declining species' and making 'insecurity...the new normality' (Gumbrell McCormick and Hyman, 2013: 33). The call centre industry features prominently in this new reality of flexibility and insecurity, by employing large numbers of part-time and agency workers who usually work side-by-side to the core workforce. The liberalization and privatization of the telecommunications industry took place across the developed world during the 1990s and 2000s. These structural shifts exacerbated the problems and challenges that the co-existence of a peripheral and core workforce posed for the labour movement and the organization of work (Doellgast, 2008; Doellgast, Nohara, et al., 2009; Ramirez et al., 2007). Trade unions in the US and several EU countries were presented with new strategic dilemmas as to how to react to the re-organisation of work and of the production process. Additionally, the trade unions had to seriously consider how to deal with the advent of atypical workers, whose interests were perceived as being non-coincidental with that of their existing members.

The initial responses to the latter dilemma ranged from exclusion of the contingent workers from the trade unions' structures, to the subordination of their interests to these of the core workforce (Gumbrell McCormick, 2011; Heery, 2009). Atypical workers were quite often used as 'buffers' by the trade unions in their negotiations with the employers, to advance and protect the interests of their traditional membership (Heery, 2004). This attitude could partly be explained by the fact that the interests and needs of the temporary workers did not necessarily coincide with that of

1  
2  
3 the core workforce, whose 'secure position [rested] on the insecurity of the former'  
4 (Heery, 2004: 441). It can also be partly explained by the implications that the  
5 inclusion of atypical workers could have on the structure of the unions (Gumbrell  
6 McCormick, 2011; MacKenzie, 2010). Although unions across the EU responded to  
7 the challenge of contingent labour differently, a common element in their approach  
8 was that they were less concerned about representation than about opposing this kind  
9 of work *per se* (Gumbrell McCormick, 2011: 298).

10  
11 Yet in time the attitude of the trade unions started to change. The unions realized that  
12 atypical work became an important and permanent characteristic of the labour market.  
13 In fact, many contingent workers, especially women, preferred this status to the more  
14 typical one (Gumbrell McCormick, 2011: 298) and therefore, exclusion and  
15 subordination gave its place to inclusion and engagement (Heery, 2009),.  
16 Increasingly, unions began to accept the status and the interests of atypical workers as  
17 legitimate and sought to represent them both at the national and company level. They  
18 did so by recruiting them as part of their organizing campaigns and many scholars  
19 went as far as to argue that the distinctiveness of their interests required 'tailored  
20 systems of representation' (Heery, 2009: 431). That way many unions addressed the  
21 problems that the inclusion of atypical workers could have posed to the existing  
22 structures, since organizing them 'into an entirely separate union is structurally easier  
23 than accommodating them within existing union bodies' (Gumbrell McCormick,  
24 2011: 302).

25  
26 Recruiting and organizing contingent workers, and bargaining on their behalf, were  
27 two of the various trade unions' strategic responses to the advent of flexible  
28

1  
2  
3 employment. Other strategies included the participation of union officials in various  
4  
5 networks that supported people who were usually employed in this kind of jobs (e.g.  
6  
7 mainly women, youth and migrants). Additional strategies involved coalition-building  
8  
9 with NGOs and community organizations and the provision of services tailored to  
10  
11 atypical workers. Finally, unions took direct action to alter and improve the legal  
12  
13 framework that regulated flexible work through the lobbying of the government and  
14  
15 other political parties (Conley and Stewart, 2008; Gumbrell McCormick, 2011;  
16  
17 Heery, 2009; Heery et al., 2003; Pernicka, 2005).  
18  
19

20  
21  
22 Why did the trade unions respond this way and what determined their decision to  
23  
24 include or exclude atypical workers? One may distinguish between the macro-factors,  
25  
26 which focus primarily on the institutional environment, and the micro-factors, which  
27  
28 examine in more detail the internal organisational forces that shape the unions'  
29  
30 strategic choices.  
31  
32

33  
34 As previously mentioned, the rise of contingent work in recent years was undoubtedly  
35  
36 an important push factor, since growth of this type of employment created a demand  
37  
38 for representation (Benassi and Dorigatti, 2015; Fiorito and Jarley, 2012; Heery,  
39  
40 2009). Yet this fact alone cannot account for the dynamics in the changing attitudes of  
41  
42 unions towards atypical workers (moving, that is, from exclusion and subordination to  
43  
44 engagement). It also cannot account for the choice of particular strategies (i.e.  
45  
46 organizing, or political representation). To better address this issue, a considerable  
47  
48 body of literature has focused on the importance and the effects of the institutional  
49  
50 environment on trade union strategies (Czarzasty et al., 2014; Fiorito and Jarley,  
51  
52 2012; Holst, 2008).  
53  
54  
55



1  
2  
3 Institutions define the 'structure of opportunities and constraints in which union  
4 organizations formulate their strategic choices and interact with other actors', and  
5 influence the union's identity (Benassi and Dorigatti, 2015: 4). The trade unions'  
6 response to the challenge of restructuring and the advent of contingent labour is  
7 determined by the opportunities for strategic action the institutional context provides.  
8  
9 Different structures for the expression of collective voice give rise to quite different  
10 reactions to restructuring (Doellgast, 2010: 391). As Doellgast (2008: 284) rightly  
11 argues, 'worker representatives remain embedded in their respective political and  
12 economic environment and are dependent on labour laws and bargaining  
13 arrangements to gain advantage at the bargaining table' (see also Doellgast, Nohara,  
14 et al., 2009). Indeed, the structure of the national industrial relations system  
15 (Gumbrell McCormick, 2011) and of collective bargaining in particular (Czarzasty et  
16 al., 2014) inform the strategies of unions with respect to contingent labour. As Holst  
17 (2008: 41) has demonstrated, the structure of collective bargaining in Austria allowed  
18 telecommunication unions to bargain collectively without requiring much grassroots  
19 support. By contrast, their German counterparts had to engage into rank-and-file  
20 recruitment and mobilization to force employers into collective bargaining. Moreover,  
21 the decentralization and deregulation of collective bargaining across Europe meant  
22 that many unions operating in a context of liberalization had to shift from an  
23 enterprise union logic to an industry-wide logic (Benassi and Dorigatti, 2015). This is  
24 why they began attracting and mobilizing members in a micro-organizational context  
25 (Czarzasty et al., 2014; Heery, 2009).  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

1  
2  
3 The role of the national and industry level unions is important in this respect. This  
4  
5 was certainly true in the case of the US (Fiorito and Jarley, 2012). It was also true in  
6  
7 many European countries, whose industrial relations system depended on the  
8  
9 resources and strategies that federations and confederations would decide to devote in  
10  
11 representing atypical employees (Czorzasty et al., 2014). Yet the institutional context  
12  
13 alone cannot always account for the unions' decision to choose one strategy over  
14  
15 another. As Holst (2008: 27) observes, 'institutions endow trade unions with specific  
16  
17 constraints [but] they do not prescribe their behavior'. To better appreciate the choice  
18  
19 of a specific strategy one also needs to consider the micro-foundations of the unions'  
20  
21 behaviour.  
22  
23

24  
25  
26 Central in this debate is the role of union identity and union ideology in framing its  
27  
28 actions (Gumbrell McCormick, 2011). As Heery (2009: 440) argues, in recent years  
29  
30 the trade unions' perception of contingent labour changed considerably. This  
31  
32 happened through the development of a new discourse regarding the position of  
33  
34 contingent workers that helped framing their interests in a more positive light. This  
35  
36 was the result of both direct pressure from atypical workers and indirect pressure from  
37  
38 the women's movement, as well as grass root mobilization by local union leaders  
39  
40 (Czorzasty et al., 2014). Combined with the general trend of membership decline,  
41  
42 union leaders became more open to the contingent workers' concerns, especially since  
43  
44 they constituted an important pool of new members.  
45  
46  
47

48  
49 Although a union's identity can shape its response towards certain categories of  
50  
51 workers, the way it will influence its overall strategy depends more on the size and  
52  
53 the quality of its power resources, as well as the internal organizational politics and  
54  
55

1  
2  
3 conflicts. Benassi and Dorigatti (2015) argue, for example, that if the union's  
4 institutional and organizational power resources are low, it will opt for a strategy of  
5 inclusiveness or subordination. If, on the other hand, its institutional and  
6 organizational power resources are stable, it will opt for a strategy of subordination  
7 and alliance with the management (*ibid*). This may indeed be true in some cases, such  
8 as in Germany or Britain, where the unions had realized that the non-inclusion of  
9 atypical workers could lead to a decline of their ability to act (Gumbrell McCormick,  
10 2011). But it does not necessarily hold true for every case, because this argument  
11 presupposes that strong membership is fundamental to a union's power.  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23

24 While numbers are important, the mobilization literature (Kelly, 1998) suggested that  
25 one may be able to achieve results even with low membership, as long as one is able  
26 to successfully mobilize one's existing members. Moreover, a union can draw power  
27 from other sources as well, which suggests that there are different categories of union  
28 power (Gumbrell McCormick and Hyman, 2013). The type of workers the union  
29 organizes provides it with structural power, which increases the more skilled and  
30 specialized its members are. Moreover, a strong and inspiring ideology establishes a  
31 moral or communicative power, which can be used to successfully mobilize its  
32 members. Additionally, its collaborative or coalitional power, i.e. the union's ability  
33 to form alliances across society (Frege and Kelly, 2003), be it with the state or NGOs,  
34 may also be utilized without necessarily the need to directly involve its rank-and-file  
35 in any action. Similarly, the smart use of resources – its strategic or logistical power  
36 – may prove important in a context of scarce resources. Finally, the institutional  
37 environment *per se* can be a source of power; but as Gumbrell McCormick and  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

1  
2  
3 Hyman (2013: 31) argue, this kind of power ‘may prove precarious in the long run...  
4  
5 [as the] unions may face a choice between defending their institutional status or  
6  
7 recovering their representational capacity’.  
8  
9

10 Identifying a union’s power resources may help one better appreciate *how* a union  
11  
12 may act under certain circumstances. Since power is limited, unions must need to  
13  
14 make a strategic decision regarding the rational allocation of their power resources to  
15  
16 achieve the maximum outcomes. This decision will be based on an appreciation of the  
17  
18 ability of their existing power bases to help them reach their goals. If a union reckons  
19  
20 that it does not have enough power to achieve its aims then it may decide to invest in  
21  
22 building up new power resources. This implies that a union may decide against  
23  
24 expanding its membership base – by representing for instance precarious workers – if  
25  
26 it deems that the benefits of doing so may not necessarily outweigh the costs. Instead,  
27  
28 it may focus on developing or utilizing other types of power. If, for example, a union  
29  
30 believes that it can achieve its strategic goals by utilizing its coalition or structural  
31  
32 power, it may have little incentive to mobilize alternative power sources.  
33  
34  
35  
36  
37

38 The key in the above analysis is to understand how the unions articulate their goals  
39  
40 and what determines the decision to either use the existing power bases or to develop  
41  
42 new power bases. Both these elements can help explain *whether* a union will engage  
43  
44 into certain actions – for instance, to represent atypical workers or to engage in  
45  
46 negotiations regarding the restructuring of its sector. The outcome of these decisions  
47  
48 depends on the union’s internal organizational politics (Anonymous) and the quality  
49  
50 of its internal democracy. Unions are not monolithic organizations, but represent  
51  
52 collective organizations that synthesise different ideologies and factions whose co-  
53  
54  
55

1  
2  
3 existence may rest on a fragile balance. An appreciation of the dynamics that develop  
4  
5 at the leadership level, and within its various decision-making bodies, is an important  
6  
7 empirical question that can help us better appreciate a trade union's strategic choices.  
8  
9

10  
11 As a concluding remark, the decision to encompass a particular strategy, and thus  
12  
13 utilize one's restricted power sources, depends on the bargaining setting in which the  
14  
15 union finds itself, or the behaviour of its major interlocutors – the state and the  
16  
17 management. Operating within an adversarial context will require a different mix of  
18  
19 power resources than if operating in a collaborative environment. The union's ability  
20  
21 to control, or engage with, the aforementioned actors, will largely determine the  
22  
23 choice of its strategy mix.  
24  
25

### 26 27 **Research design and data sources**

28  
29  
30 The research design follows the comparative case study approach (Mahoney, 2004;  
31  
32 Przeworski and Teune, 1970) and the case selection is theoretically motivated on the  
33  
34 basis of similar cases with different outcomes. The cases of Italian and Greek  
35  
36 telecommunications industries are selected because they share a similar institutional  
37  
38 context, which is close to the ideal-type of the Southern European employment  
39  
40 regime (Holman, 2013). Both sectors shared the traditions of state-owned monopoly  
41  
42 telecom operators, with strong unionization (Negrelli, 1996; Zambarloukou, 2010).  
43  
44 The product market context is also similar, as the EU liberalization process equally  
45  
46 affected both cases. The opening up of the markets resulted in increased competition,  
47  
48 a prolonged period of restructuring for the incumbent operators, and a growth of  
49  
50 contingent labour especially in call-centres. Yet the trade union responses to these  
51  
52  
53  
54  
55

1  
2  
3 challenges differed sharply. The overall timeframe of the case studies refers to the  
4  
5 period between 2005 and 2010. The case studies trace the trade unions' strategies  
6  
7 towards call centre workers.  
8  
9

10  
11 The data for the case studies come from archival and documentary sources, namely  
12  
13 reports from the European Industrial Relations Observatory (EIRO), articles from  
14  
15 Greek and Italian newspapers and sectoral magazines, and press releases from trade  
16  
17 unions. More specifically, the larger research project on which this article is based  
18  
19 consulted a total of: 19 Reports from the European Industrial Relations Observatory;  
20  
21 8 articles from Italian newspapers (*La Stampa, La Repubblica, Corriere della Sera*);  
22  
23 16 articles from Greek newspapers and magazines (*Ethnos, Kathimerini, To Vima,*  
24  
25 *Eleftherotypia, Weekly Telecom, Aristera!, Technikoi Dromoi*); and 6 trade union  
26  
27 press-releases and announcements. The data were analysed following a thematic  
28  
29 content analysis approach by continuous reading and re-reading them to construct  
30  
31 emerging themes and identify paths, processes and patterns. The data were  
32  
33 triangulated with a combination of documentary sources to enhance validity and  
34  
35 credibility. EIRO database was chosen as the most representative and authoritative  
36  
37 source for industrial relations' developments in Europe. Any political biases arising  
38  
39 from newspapers' political orientation were overcome by consulting newspapers  
40  
41 across the political spectrum from left to right. Finally, this archival research was  
42  
43 supplemented by face-to-face semi-structured interviews with Italian and Greek trade  
44  
45 unionists. More specifically, supplementary interviews were held with four trade  
46  
47 union officials coming from two major Italian unions (CGIL, CISL), and three trade  
48  
49 unionists coming from Greek trade unions (OME-OTE, Wind, SMT). The average  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

1  
2  
3 length of interviews was 1.5hrs. Field visits took place in Rome (May and November  
4  
5 2010) and in Athens (April-May and August 2011).  
6  
7

8 **Trade unions strategies towards restructuring and contingent workers in Italy**  
9 **and Greece**  
10

11  
12  
13 *Representing the outsiders: Italian unions and the Almoviva call centres*  
14  
15

16  
17 The liberalization of the sector and the privatization of Telecom Italia transformed the  
18  
19 landscape in the Italian telecommunications sector. The intensification of competitive  
20  
21 pressures was steered by new entrants such as Vodafone, Wind and BT Italia. The  
22  
23 Italian trade unions managed to avoid a 'race to bottom' in wages and working  
24  
25 conditions for core telecoms employees by negotiating a sectoral agreement in 2002  
26  
27 and then a second one in 2005 that set minimum standards across the sector.  
28  
29

30  
31 The signing of the 2005 national industry agreement provided a regulatory anchor for  
32  
33 the sector (Anonymous). For as long as call centres remained 'in-house', the national  
34  
35 contract would ensure homogeneous employment standards for call-centre employees.  
36  
37 However, call-centre services became increasingly important for customer care and  
38  
39 sales. New specialised companies emerged in the sector, offering 'customer relations  
40  
41 management' (CRM) services. The main telecoms operators began outsourcing the  
42  
43 relevant business functions to those firms (prominently Almoviva), which in turn  
44  
45 operated outside the limits set by the national agreement (Santi, 2007). In its effort to  
46  
47 keep labour costs as low as possible, the Almoviva Group relied extensively on  
48  
49 'freelance' work contracts for call-centre operators. Almoviva had an incentive to  
50  
51 resort to an extensive use of freelance contracts, because it avoided several costs that  
52  
53  
54  
55

1  
2  
3 would have to be paid for a regular open-ended contract. This includes sickness and  
4  
5 accident benefits; maternity leave; paid holidays; yearly bonus, etc. For instance,  
6  
7 about 70 per cent of the call-centre workers were women (Santi, 2007), so maternity  
8  
9 leave would potentially represent a serious cost for the company.  
10

11  
12 The outsourcing to Almoviva Group captured the attention of the three larger Italian  
13  
14 telecoms unions: SLC-CGIL, FISTEL-CISL and UILCOM-UIL. Notably, it opened  
15  
16 up the opportunity for firms to circumvent the regulations imposed by the national  
17  
18 agreement. Indeed, Telecom Italia, TIM and WIND had fully outsourced their call-  
19  
20 centres to Almoviva by 2005. This was a clear instance of 'free-riding'; while the  
21  
22 telecoms firms took advantage of the social peace benefits of the national agreement,  
23  
24 they avoided the application of minimum standards to call-centre employees.  
25  
26  
27

28  
29 The strategic response of the Italian trade unions to this challenge was to forge a  
30  
31 coalition with the state, and thereby, use the latter's coercive power to exert pressure  
32  
33 on employers. The unions used their political influence and liaised with successive  
34  
35 Ministers of Labour to regulate call-centre employment conditions. Importantly, the  
36  
37 unions began drafting the relevant regulations with Roberto Maroni, the Minister of  
38  
39 the outgoing centre-Right Berlusconi government (Corriere della Sera, 2006b). The  
40  
41 advent of a new centre-left government under Romano Prodi in [date] did not disrupt  
42  
43 the process of regularisation. In June 2006 the Government Circular No. 17/2006 was  
44  
45 finalised under the newly appointed Minister of Labour, Cesare Damiano (Galletto,  
46  
47 2006), and stipulated that it was illegal to renew freelance contracts for workers  
48  
49 supplying online customer care and assistance ('inbound operators'). The rationale  
50  
51 behind this decision was that in this type of job there was 'ample scope to determine  
52  
53  
54  
55



1  
2  
3 beforehand the content, intensity and form of the work undertaken' (Galetto, 2006).  
4  
5 According to the Circular, the call-centre companies were allowed to use freelance  
6  
7 contracts only for operators hired for very short-term promotional and marketing  
8  
9 campaigns.  
10

11  
12 The trade unions also used the Labour Inspectorate's investigations strategically to  
13  
14 put extra pressure to employers (Corriere della Sera, 2006a). Although Almoviva  
15  
16 initially resisted the implementation of the Circular and threatened with dismissals  
17  
18 (Galetto, 2006), it was unable to withstand the pressure exerted by the Labour  
19  
20 Inspectorate and eventually reached a deal with the trade unions in December 2006.  
21  
22 The company agreed to convert the freelance contracts of 6,500 employees into open-  
23  
24 ended contracts, thus regularising the contracts of 97 per cent of its employees (Santi,  
25  
26 2007). Moreover, it was agreed that Almoviva would join the sectoral employer  
27  
28 association, ASSTEL (Associazione delle Imprese Esercenti Servizi di  
29  
30 Telecomunicazioni). This way, the provisions in the telecommunications national  
31  
32 agreement were extended to also cover call-centre workers.  
33  
34  
35  
36  
37

38 Why did the Ministers take the side of the unions on this issue? The short answer is  
39  
40 that the unions were strategic in using their political clout with both centre-left and  
41  
42 centre-right governments to achieve their objectives. However, this strategy did not  
43  
44 reflect any permanent organic relationship with any party or other political cleavages.  
45  
46 The unions could invite either party to support them, because their links went both  
47  
48 ways (Interview with CISL trade unionist, 25 May 2010).  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

1  
2  
3 The agreement reflected the general strategy of the Italian trade unions to support  
4 government reforms as long as they could regulate the extent of flexibilisation. This  
5 was congruent with the government's preferences for flexibility. The Minister of  
6 Labour, Cesare Damiano, was in the past a leading trade unionist at CGIL and was in  
7 favour of 'good flexibility' (Corriere della Sera, 2006a). After the conclusion of the  
8 agreement the Minister stated that it was a 'win-win' outcome, and encouraged both  
9 sides to 'look forward and to ensure homogeneous employment conditions and labour  
10 cost stability in all call centre companies, guaranteeing thus equal rights for the  
11 workers and fair competition among the companies' (Santi, 2007).  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23

24 The increase in atypical contracts was an instance of an abuse of the provisions of  
25 Law No. 30/2003 (known as Legge Biagi), which allowed greater flexibility in the  
26 labour market. While the unions supported those labour market reforms, the extensive  
27 use of 'freelance work' contracts resulted in excessive precariousness. Thus, it went  
28 against the unions' strategy for 'negotiated flexibility'. The Almagora group was  
29 notorious for abusing the system even when performing outsourced tasks for  
30 government services (such as the Italian Office for National Statistics, ISTAT). Thus,  
31 the government had an additional reason to put pressure on employers to comply with  
32 the appropriate implementation of the law.  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44

#### 45 *Negotiating the industry's restructuring: Vodafone and Telecom Italia*

46  
47

48 The Italian unions' inclusive strategy is not only evident in the regularization of the  
49 call-centre workers' contracts, but also in their approach to the industry's  
50 restructuring. They used their political links with the government to put pressure to  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

1  
2  
3 private sector firms to ensure that the restructuring in the sector was the outcome of  
4 negotiated solutions.  
5  
6

7  
8 In September 2007 the Vodafone Group announced a business branch transfer to the  
9 specialised transaction processing services company Comdata. This transfer would  
10 affect about 900 Vodafone employees dispersed across various company locations  
11 (Tajani, 2008). The trade unions recognised immediately the risks for circumventing  
12 the rules set out in the national wage agreement. The ‘transfer of employees’ was yet  
13 another form of outsourcing, and Comdata was not a member of ASSTEL, therefore it  
14 would not be obliged to abide by its rules and regulations. The unions’ response was  
15 to hinge on the state’s coercive power to influence the restructuring mode. They  
16 invited the Minister of Economic Development to informally mediate the negotiations  
17 with the two firms. Indeed, the Minister responded to this call and mediated the  
18 agreement between Vodafone, Comdata, and the sectoral trade unions at the premises  
19 of the Ministry (Tajani, 2008). According to the company agreement’s provisions,  
20 Comdata was required to apply to the transferred workers the national contract for the  
21 telecommunications sector, while the company agreement regulated performance-  
22 related pay and other matters. Even more, the same provisions would also apply to  
23 any future recruits in the transferred branch, to avoid a double contractual regime. In  
24 the event that Comdata group went bankrupt, Vodafone was obliged to transfer those  
25 employees to a third party or re-hire them in the Vodafone Group (Tajani, 2008).  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48

49 This pattern of negotiations is not only observed in Vodafone, but also in the  
50 incumbent telecoms operator that comprised most of the unions’ membership.  
51 Although Telecom Italia remained the largest telecommunications group in Italy, it  
52  
53  
54  
55

1  
2  
3 had already gone through three successive hostile takeovers. Despite earlier efforts to  
4 restructure, the company was still burdened with more than €35 billion debt. In 2008  
5 the management announced that redundancies were unavoidable. The unions sought  
6 to influence the pattern of restructuring, averting outright redundancies and they  
7 negotiated a relevant agreement in 2008. The agreement stipulated that 5,000 workers  
8 would be registered onto 'mobility lists'. Mobility procedures (*mobilità*) was one of  
9 the innovative 'social shock absorbers' introduced since 1991, mainly for blue-collar  
10 manufacturing workers, with the aim to facilitate re-entry into work of redundant  
11 employees (Trentini, 1998). Workers 'in mobility' received supplementary benefit  
12 and were enrolled on a regional 'mobility list' (*lista di mobilità*), while firms that  
13 hired personnel from the list were entitled to tax concessions.  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

28 The restructuring process continued, and in January 2009, the Telecom Italia Group  
29 presented its 2009-2011 Strategic Plan specifying the need for further 4,000  
30 redundancies (Rinolfi, 2009). The trade unions opposed this action and requested the  
31 intervention by the Minister of Labour of the centre-right Berlusconi government,  
32 Maurizio Sacconi. The Minister responded, agreeing to act as a mediator, and on 21  
33 July 2009, a meeting took place at the Ministry, between Telecom Italia management,  
34 the Telecom Italia RSU (Rappresentanza Sindacale Unitaria), and sectoral  
35 associations (SLC, FISTEL and UILCOM). After intensive and long negotiations, the  
36 parties reached an agreement whereby the anticipated redundancies were replaced by  
37 1,054 'solidarity contracts'. This meant that weekly working hours were reduced for  
38 full-time personnel, turning their full-time contracts into part-time contracts.  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

1  
2  
3 Still, the market pressures for further downsizing of Telecom Italia were not fully  
4 averted. In April 2010, Telecom Italia's revised Strategic Plan for 2011-12 announced  
5 a total of 6,822 redundancies to be implemented by December 2012. In response to  
6 this announcement the strategy that the trade unions followed was consistent; they  
7 invited the Minister of Labour, Maurizio Sacconi and the Deputy Minister of  
8 Telecommunications to intervene and mediate the conflict. Indeed, the Ministers met  
9 with representatives from Telecom Italia management and the sectoral unions at the  
10 Ministry of Economic Development on 14 July 2010 (Sanz, 2010). Following this  
11 meeting, Telecom Italia suspended the dismissal notices that it had sent to 3,700  
12 employees, and after a series of meetings, the parties reached an agreement on 4  
13 August 2010. The main aspects of the agreement included mobility procedures for  
14 3,900 employees, 'solidarity contracts' for 1,100 employees, and suspension of all  
15 plans to outsource business functions such as information technology, human  
16 resources, and customer operations, keeping them 'in-house' (Sanz, 2010). On the one  
17 hand, those entitled to be registered in 'mobility lists' would be employees who were  
18 up to 36 months before retirement. On the other hand, employees entitled to solidarity  
19 contracts would be younger employees, and while their working time and pay was  
20 reduced, they were expected to attend vocational training programmes so that they are  
21 retrained. Following this arrangement, the CEO of Telecom Italia, Franco Bernabè,  
22 declared that 'the agreement is perfectly in line with efficiency objectives foreseen in  
23 the Strategic Plan and that, at the same time, it guarantees workers' protection from  
24 job losses' (Sanz, 2010).  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

1  
2  
3 To sum up, restructuring in the sector was the outcome of persistent negotiations, and  
4 the state regularly stepped in to facilitate the process. The unions relied on their  
5 strength of membership and forged a coalition with the state to increase coverage.  
6  
7 They represented not only employees in the privatised incumbent operator, but also  
8 employees in the new entrants. The pattern of negotiations relaxed some of the  
9 protection for core employees (insiders) but increased the protection of peripheral  
10 employees (outsiders).  
11  
12  
13  
14  
15  
16  
17

18  
19  
20 *Excluding the outsiders: Greek unions and OTE call-centre employees*  
21

22  
23 Unlike their Italian counterparts, the Greek telecoms union responded to the growth of  
24 contingent labour with a policy of exclusion. Following the opening up of the sector  
25 in 2001, the OME-OTE union (Federation of OTE Employees) amended its statute so  
26 that it is able to accept other organisations as members. However, this change proved  
27 to be more of a ‘window-dressing’ act. Its eligibility requirements remained strict, as  
28 it required an organization to have at least 500 members before it is accepted as an  
29 affiliate. This in practice excluded the new smaller unions in Vodafone and WIND  
30 (Interview with trade unionist, 27 April 2011). The only union organization that  
31 became an affiliate to OME-OTE was the one organizing employees in Cosmote,  
32 OTE’s mobile telephony subsidiary.  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44

45  
46 The Cosmote union was established in 2000 with the aim to control the staggering  
47 expansion of outsourcing. More often than not, some other subcontractor employed  
48 employees who worked at Cosmote. The Cosmote union managed to minimize the  
49 extent of outsourcing for Cosmote employees with a series of regulatory attempts. It  
50  
51  
52  
53  
54  
55

1  
2  
3 started by agreeing on General Staff Regulations with Cosmote management in 2002,  
4  
5 signed its first firm-level agreement in 2004 and subsequently renewed the  
6  
7 agreements in 2006 and 2008. In this process, the Cosmote union benefited from its  
8  
9 affiliation with OME-OTE.  
10

11  
12 The above policy contradicts the strategy of OME-OTE towards OTE's call-centre  
13  
14 employees. The call-centre employees in OTE were also organized in their own trade  
15  
16 union, the Trade union of employees in OTE-Call centres. The new union sought to  
17  
18 become affiliate member of OME-OTE, but OME-OTE followed a hard line strategy  
19  
20 towards them, sticking to the statute's requirement that a trade union could be  
21  
22 affiliated with OME-OTE as long as it had at least 500 members (Interview with trade  
23  
24 unionist, 27 April 2011). The OME-OTE unionists appeared reluctant to represent  
25  
26 employees without a permanent employment relationship. Since the call-centre  
27  
28 workers were employed on non-standard employment contracts (e.g. 3-hour or 4-hour  
29  
30 part-time temporary contracts), they were automatically excluded (Interview with  
31  
32 trade unionist, 27 April 2011).  
33  
34  
35  
36  
37

38 The contrast with the strategy of Italian unionists is sharp. The Greek call-centre  
39  
40 employees tried hard to become members of the OME-OTE union, but this effort was  
41  
42 in vain. For instance, a group of call-centre unionists attended the OME-OTE  
43  
44 Congress in 2009 and requested the floor to express their wish to become members of  
45  
46 OME-OTE. The organisers were holding them up, denying them the floor repeatedly.  
47  
48 The call-centre representatives interrupted a speaker to take the floor, bickering  
49  
50 followed, and at the end the call centre unionists were literally ousted from the  
51  
52  
53  
54  
55

1  
2  
3 congress (Eleftherotypia, 2005). How can one explain this exclusion of call-centre  
4  
5 employees, despite the acceptance of Cosmote union as an affiliate?  
6  
7

8  
9 The answer dwells in the inter-organizational politics underpinned by ideological  
10 cleavages within the OME-OTE Federation creating ‘them -and- us’ attitudes. In the  
11 Cosmote union the dominant factions belonged to the socialist and centre-right  
12 political parties, corresponding to the factionalism in the OME-OTE federation. Since  
13 those unionists had a compatible political persuasion, they were considered as ‘one of  
14 us’ and were eventually accepted as affiliates. By sharp contrast, the unionists in the  
15 call-centres were more radical and leaning towards leftist parties. The prospect of  
16 accepting the call-centre union as an affiliate of OME-OTE could potentially upset  
17 the balance of power within OME-OTE factions. The effect would be even greater if  
18 OME-OTE was compelled to accept members from newly established unions in  
19 Wind, Vodafone, and Forthnet. Such a prospect would not only jeopardise the balance  
20 of power within OME-OTE, but might also result in socialist and centre-right  
21 unionists losing control of OME-OTE’s leadership. In a nutshell, neither the call-  
22 centre union, nor the unions in other telecoms operators were considered for OME-  
23 OTE as ‘one-of-us’ (Interview with trade unionist, 2 May 2011). Even more, trade  
24 unionists within OME-OTE ranks were attached on ‘holding an office’ and secured a  
25 range of perks and privileges stemming from their officio. If the federation expanded  
26 its membership, then the number of positions would be reduced and many old trade  
27 unionists would be left without ‘office’ (Interview with trade unionist, 27 April 2011).  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60



1  
2  
3 *Negotiating the internal restructuring: compensation for core employees*  
4  
5

6 The policy of prioritizing the protection of insider core employees over the interests  
7 of peripheral employees is also evident in the actions of OME-OTE during the  
8 negotiation of the restructuring process. Throughout the 1990s generous severance  
9 packages facilitated the privatization of OTE. This culminated to the 2005 agreement,  
10 in which OME-OTE got an extremely generous voluntary exit scheme, in exchange  
11 for the abolition of the job-for-life tenure for future recruits. The deal between the  
12 unionists, OTE management, and the Minister of Economy paved the way for the  
13 subsequent takeover of OTE by Deutsche Telekom. But the agreement was heavily  
14 criticised by the opposition parties and by the peak labour confederation GSEE  
15 (Greek General Confederation of Labour). This episode created a rift between OME-  
16 OTE and the new unions in the sector, and highlights further the contrast with the  
17 Italian unions' inclusive strategy during restructuring. OME-OTE actions were geared  
18 towards protecting the interests of a small group of 'core employees' rather than  
19 representing and protecting larger constituencies.  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37

38 The use of 'voluntary exit' schemes for those close to retirement age was not a new  
39 practice. Indeed, this was the primary method of restructuring and downsizing,  
40 negotiated already in a company agreement in 1996. The 1996 agreement set out the  
41 details of an annual voluntary exit scheme for those close to retirement age, providing  
42 incentives in the form of minor compensation for earlier exit. It further specified that  
43 for every ten exits, only one hiring would take place. This process facilitated the  
44 reduction of the total number of employees from 29,000 in 1996 to 16,000 in 2005  
45 (To Vima, 2005). However, the cost of the 1996 scheme was miniscule compared to  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55

1  
2  
3 the one agreed in 2005. The voluntary exit deal of 2005 was estimated to cost €1.6  
4 billion and would be financed by the state budget and company funds. Apart from  
5 abolishing job-for-life tenure for future recruits, its main effect would be to further  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

the one agreed in 2005. The voluntary exit deal of 2005 was estimated to cost €1.6 billion and would be financed by the state budget and company funds. Apart from abolishing job-for-life tenure for future recruits, its main effect would be to further downsize OTE, reducing the number of employees from 16,000 to 11,000 (Eleftherotypia, 2005).

The abolition of 'job-for-life' tenure for future recruits was critical in the process of privatization of OTE. That is why both the government and the management put immense pressure on the trade unions to accept the deal. Indicatively, in early March 2005 there was a tripartite meeting between the Minister of Economy, the CEO of OTE, and the OME-OTE president and general secretary. In this meeting, the Minister and the CEO put pressure to the unionists to accept the deal. A few days later the Minister appeared resolved to proceed with the plan, announcing his intention to impose the voluntary exit scheme by law, if the OME-OTE union did not agree. Additionally, the pressures from about 5,000 employees who would benefit from the scheme 'were very strong, almost unbearable' (To Vima, 2005). The beneficiaries were up to eight years before retirement with the majority of them being between 48 and 57 years' old (Interview with trade unionist, 27 April 2011).

The union leaders finally gave in, and the agreement was eventually ratified by the May 2005 OME-OTE Congress. The congress consisted of 300 delegates who represented the employees in the company. The delegates were either part of the group of beneficiaries, or just didn't care as long as their own job-tenure was safeguarded (Interview with Trade Unionist, 27 April 2011). As a result only a minority objected to the plan, and a 77 per cent majority approved the agreement.

1  
2  
3 Still, the agreement provoked severe frictions between the GSEE and OME-OTE and,  
4  
5 as a result, the president of OME-OTE, who negotiated and signed the agreement,  
6  
7 was sacked right after the event (Kathimerini, 2005; Interview with trade unionist, 27  
8  
9 April 2011).  
10

11  
12 This deal increased the mistrust within workers in the sector and reinforced the  
13  
14 pattern of 'us-and-them' attitudes. The use of taxpayers' money to fund an extremely  
15  
16 generous compensation for only 5,000 early retiring employees aggravated the  
17  
18 suspicion towards OME-OTE. At best, the unionists in OTE were considered as faint-  
19  
20 hearted, managing to get unionism 'the easy way' with the aid of political parties'  
21  
22 clientelistic practices and exchanging privileges in return for votes (Interview with  
23  
24 trade unionist, 2 May 2011). The private sector employees and unionists considered  
25  
26 the OME-OTE unionists as 'sold out' to the management, using unionism as a  
27  
28 medium for political career and uninterested in representing the workers' interests  
29  
30 (Interview with trade unionist, 2 May 2011).  
31  
32  
33  
34  
35

36 By contrast, the firm level unions in the new private telecommunications companies  
37  
38 (Vodafone, WIND, Forthnet) developed in a much more hostile environment,  
39  
40 compared to the conditions of the public sector. Although unionists in call-centres and  
41  
42 other telecoms firms were leaning towards leftist ideologies, at the organizational  
43  
44 level they remained autonomous, distanced from any political party. They sought to  
45  
46 represent the workers' interests, rather than play the game of political clientelism.  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

## Discussion

Writing almost half a century ago, Flanders (1970: 15) famously argued that ‘trade unions have always had two faces, sword of justice and vested interest’. Although trade unions strive to advance a better and more equal employment relationship they can also become excluding organisations, for in their attempt to unite ‘one group of workers, unions might divide them from others’ (Gumbrell McCormick and Hyman, 2013: 79). This double-edged identity became more obvious when the trade unions began to face important challenges from their external environment, especially the changing demographics of the labour market and the rise of precarious employment. A pressing need to address these issues emerged and, as was previously discussed, the unions’ strategic responses ranged from exclusion to inclusion. How the unions will eventually respond to this ‘brave new world of work’ depends on a variety of factors, ranging from the institutional environment in which they find themselves, to the internal organisation politics and power struggles that may emerge in their attempt to reconcile efficiency versus democracy and solidarity (Gumbrell McCormick and Hyman, 2013). The different strategic responses of the Italian and Greek telecommunications unions to the restructuring of their sector and the advent of contingent employment demonstrate these points exactly.

Although operating in quite similar institutional and product market settings, the Greek OME-OTE trade union appeared to follow a ‘vested interest’ approach, protecting only the insiders and adopting a policy of exclusion towards precarious employees in the sector. By sharp contrast, the Italian unions resembled closer the face of a ‘sword of justice’, adopting an inclusive strategy embracing the ‘outsiders’

1  
2  
3 in the sector by negotiating collective agreements to promote their interests. Despite  
4 the obvious differences in the unions' 'core strategies' (Holst, 2008), in both cases the  
5 motivation to engage with this particular behaviour had common roots: the protection  
6 of the interests of the core workers and of the unions' respective power bases.  
7  
8 Contrary to their Greek counterparts, however, the Italian unions decided to follow a  
9 more inclusive approach to deal with the problem. What explains these variations  
10 however? The reasons can be found in the different union identities, the internal  
11 organisational politics, and the diverse power resources each union had at its disposal.  
12  
13

14  
15  
16  
17  
18  
19  
20  
21  
22 Contrary to their Greek counterpart, the Italian unions involved in the restructuring  
23 negotiations and the representation of contingent workers were industrial unions that  
24 brought with them an industrial-oriented mentality. As Benassi and Dorigatti (2015)  
25 have argued, industrial unions are more inclined to follow a policy of inclusion  
26 towards atypical workers, as their main aim is the representation of a whole class of  
27 workers belonging in the same industry. By doing so, they manage to protect their  
28 existing clientele and to further advance their associational and organisational power  
29 (Gumbrell McCormick and Hyman, 2013), by incorporating into their membership  
30 atypical employees. The Italian unions were transformed into sectoral associations  
31 during the early privatization phase of the Italian telecommunications industry. This  
32 further allowed them to mature ideologically and organisationally and to be able to  
33 speak with a coherent industrial voice when the challenge of restructuring and of the  
34 undercutting of the collective agreement took place.  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49

50  
51  
52 OME-OTE on the other hand, despite its size and national coverage, was basically an  
53 enterprise-based union and had not managed to develop an industrial identity.  
54  
55

1  
2  
3 Notwithstanding its apparent effort to claim an industrial role by altering its statute, in  
4 reality this change was never materialised and OME-OTE remained an enterprise  
5 union representing employees solely in the OTE group (i.e. in OTE and Cosmote).  
6  
7 The lack of an industrial identity and ideology may explain the union's attitude  
8 towards employees from other telecommunication companies, but does not account  
9 for its reluctance to represent OTE call centre employees. To better appreciate this,  
10 one needs to consider the internal organisational politics in OME-OTE.  
11  
12  
13  
14  
15  
16  
17  
18

19 As is typical with Greek trade unions (Kouzis, 2007; Kritsanonis, 1998), OME-OTE  
20 is also an amalgamation of various political factions that are usually structurally  
21 linked to the major political parties represented in parliament. These political linkages  
22 had been extensively used in the past, especially by public sector unions, to achieve  
23 concessions by playing out the government's electoral motives. However, in recent  
24 years, Greece has experienced the growth of a new form of grass-root trade unionism,  
25 of mainly leftist political orientation (Kretsos and Vogiatzoglou, 2015); such was the  
26 nature of the small trade union founded by OTE's call centre employees. As  
27 mentioned before, the 'old regime' in OME-OTE perceived this effort as a threat to  
28 the union's political equilibrium, and decided to sacrifice solidarity by adopting a  
29 'them-and-us' attitude to preserve its traditional domain. In the Italian case, on the  
30 contrary, the three industry unions were able to speak with a single voice, because of  
31 their industrial logic, and their autonomy and distance from the political parties. The  
32 development and allocation of the unions' power resources was also heavily  
33 influenced by the relationship they had with the political establishment.  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

1  
2  
3 Although both countries are characterised by a corporatist model of employment  
4 relations, whereupon the trade unions are closely associated with political parties  
5 (Hyman, 2001), in the case of Italy the unions appear to have managed to disengage  
6 themselves from the political parties' direct influence. Since the early 1990s (after  
7 Tangentopoli) there was no clear alignment between the new political parties and the  
8 three confederal unions, CGIL (Confederazione Generale Italiana del Lavoro), CISL  
9 (Confederazione Italiana Sindacati Lavoratori), and UIL (Unione Italiana del Lavoro).  
10 Even more, the unions' membership became more diversified, and union leaders  
11 enjoyed renewed legitimacy from the wider society, because they were not involved  
12 in the scandals. As a result their institutional role was upgraded. In essence, Italian  
13 unions constituted a quasi-political party, which neither left nor right governments  
14 could ignore. In our case, the three telecoms unions were able to leave political  
15 differences aside and to use their association and organisational power to press the  
16 state to mediate in the restructuring of the sector and to push for the regularisation of  
17 call-centre employees.  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36

37 This was certainly not the case with OME-OTE. Although the union was also very  
38 strong in terms of union membership, it primarily utilised its privileged access to the  
39 corridors of power to achieve its aims. During the negotiations for the industry's  
40 restructuring, the union managed to reach an agreement by capitalising its links with  
41 the ruling government, and exploiting the latter's need to negotiate quickly and with  
42 minimum interruption OTE's privatization.  
43  
44  
45  
46  
47  
48  
49  
50

51 To recapitulate, the different union identities, internal organisational politics and the  
52 diverse power resources help us appreciate the strategic choices of the Greek and  
53  
54  
55

1  
2  
3 Italian telecommunications unions. The Greek OME-OTE did not manage to develop  
4  
5 an industrial identity, but instead remained an enterprise union whose leadership was  
6  
7 keenly interested in preserving the status quo by raising entrance barriers to those who  
8  
9 could disturb the sensitive internal political equilibria. Following on the tradition of  
10  
11 public sector unionism, it reacted to the challenge of privatization by playing out the  
12  
13 government's electoral motives to easily achieve concessions for the company's core  
14  
15 workers.  
16  
17

18  
19 On the other hand, the Italian unions managed to develop an industrial identity from  
20  
21 early on, and to internalise the logic of compromising with employers and the state.  
22  
23 Since the 1990s, the Italian unionists were much more pragmatic when carving out  
24  
25 their strategies and more willing to accept the government agendas for reform (for  
26  
27 instance, on liberalisation, privatisation, and labour market flexibility). As far as  
28  
29 liberalisation is concerned they sought to protect their members from a 'race to the  
30  
31 bottom' in wages; or to ease out the social costs of adjustment to business  
32  
33 restructuring with bi-partite welfare funds. With regard to labour market flexibility,  
34  
35 they did not reject it *en bloc* but put limits on the extent and nature of flexibility.  
36  
37 Finally, having decided not to depend on their political links to achieve their aims,  
38  
39 they focused on the development of their associational and organizational power  
40  
41 resources as a means to advance their interests. This explains their decision to  
42  
43 represent contingent employees rather than merely the core workforce.  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60



## Conclusion

The article examined the strategies of the Italian and Greek telecommunication unions towards the restructuring of their sector and the growth of contingent labour in call centres. This line of inquiry is placed within the broader literature considering how trade unions may shape labour market segmentation in a comparative institutional perspective (Batt et al., 2009; Doellgast, Batt, et al., 2009). The main aim was to explain the divergent trade union responses to similar challenges in liberalised telecoms sectors. The comparative sectoral case studies that belong to the Southern European employment regime (Holman, 2013: 492), were also suitable to gauge the wider applicability of the insights offered by the existing literature. Although the trade unions in Italy pursued inclusive strategies embracing the call-centre workers and negotiating the restructuring of the industry, their counterparts in Greece followed a policy of exclusion leaving call-centre workers outside representation and negotiating only the incumbent operator's restructuring. The diverse trade union identities, power resources, and internal organizational politics, as well as the institutional resources of unions in the form of access to the state appear to explain the observed variation in outcomes.

The article contributed to the literature by suggesting that the different legacies in political unionism and how these play out in internal organizational politics are important for the cases at hand. Although this argument appears to explain the differences in the two case studies, one needs to be cautious with regard to its generalizability, and carefully problematize the 'universe of cases' (Ragin, 2004) to which this insight might be applicable. On the one hand, the reference to legacies of

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

political unionism appears to be rather idiographic and context-specific to Southern European contexts such as France, Spain, Italy and Greece. In those countries the links between politics and unionism appear stronger. On the other hand, the concepts of union identities, union power, and internal organizational politics appear to have wider applicability to different institutional contexts. Thus, it may influence the inclusiveness of trade unions' strategies towards the growth of contingent labour.

For Peer Review

## References

- Batt R, Holman D and Holtgrewe U (2009) The Globalization of Service Work: Comparative Institutional Perspectives on Call Centres. *Industrial and Labor Relations Review* 62: 453.
- Benassi C and Dorigatti L (2015) Straight to the Core — Explaining Union Responses to the Casualization of Work: The IG Metall Campaign for Agency Workers. *British Journal of Industrial Relations* 53(3): 533–555.
- Benassi C and Vlandas T (2015) Union inclusiveness and temporary agency workers: The role of power resources and union ideology. *European Journal of Industrial Relations*.
- Conley H and Stewart P (2008) Representing fixed-term workers: the anatomy of a trade union campaign. *Employee Relations* 30(5): 515–533.
- Corriere della Sera (2006a) La mossa di Damiano sui call center, nuove ispezioni La Cgil: assumere tutti. Le aziende: andremo all' estero. *Corriere della Sera*, 24th August.
- Corriere della Sera (2006b) Sei «inbound»? Assunzione garantita al call center. *Corriere della Sera*, 12th October.
- Czarczasty J, Gajewska K and Mrozowicki A (2014) Institutions and Strategies: Trends and Obstacles to Recruiting Workers into Trade Unions in Poland. *British Journal of Industrial Relations* 52(1): 112–135.
- Doellgast V (2008) National Industrial Relations and Local Bargaining Power in the US and German Telecommunications Industries. *European Journal of Industrial Relations* 14(3): 265–287.
- Doellgast V (2010) Collective Voice under Decentralized Bargaining: A Comparative Study of Work Reorganization in US and German Call Centres. *British Journal of Industrial Relations* 48(2): 375–399.
- Doellgast V, Nohara H and Tchobanian R (2009) Institutional Change and the Restructuring of Service Work in the French and German Telecommunications Industries. *European Journal of Industrial Relations* 15(4): 373–394.
- Doellgast V, Batt R and Sørensen OH (2009) Introduction: Institutional Change and Labour Market Segmentation in European Call Centres. *European Journal of Industrial Relations* 15(4): 349–371.
- Eleftherotypia (2005) First step: the abolition of job tenure in DEKO. *Eleftherotypia*, 26th May.

- 1  
2  
3 Fiorito J and Jarley P (2012) Union Organizing and Membership Growth: Why Don't  
4 They Organize? *Journal of Labor Research* 33(4): 461–486.  
5  
6 Flanders A (1970) *Management and Unions: The Theory and Reform of Industrial*  
7 *Relations*. London: Faber and Faber.  
8  
9 Frege CM and Kelly J (2003) Union Revitalization Strategies in Comparative  
10 Perspective. *European Journal of Industrial Relations* 9(1): 7–24.  
11  
12 Galetto M (2006) Labour inspectorate rules to secure job contracts for call centre  
13 workers. *EIRO*online. Available from:  
14 www.eurofound.europa.eu/eiro/2006/09/articles/it0609019i.htm.  
15  
16 Gumbrell McCormick R (2011) European trade unions and 'atypical' workers.  
17 *Industrial Relations Journal* 42(3): 293–310.  
18  
19 Gumbrell McCormick R and Hyman R (2013) *Trade Unions in Western Europe:*  
20 *Hard Times, Hard Choices*. Oxford: Oxford University Press.  
21  
22 Heery E (2004) The trade union response to agency labour in Britain. *Industrial*  
23 *Relations Journal* 35(5): 434–450.  
24  
25 Heery E (2009) Trade Unions and Contingent Labour: Scale and Method. *Cambridge*  
26 *Journal of Regions, Economy and Society* 2: 429–442.  
27  
28 Heery E, Kelly J and Waddington J (2003) Union Revitalization in Britain. *European*  
29 *Journal of Industrial Relations* 9(1): 79–97.  
30  
31 Holman D (2013) Job types and job quality in Europe. *Human Relations* 66(4): 475–  
32 502.  
33  
34 Holst H (2008) The Political Economy of Trade Union Strategies in Austria and  
35 Germany: The Case of Call Centres. *European Journal of Industrial Relations*  
36 14(1): 25–45.  
37  
38 Hyman R (2001) *Understanding European Trade Unionism: Between Market, Class,*  
39 *and Society*. London: Sage.  
40  
41 Jaarsveld D van, Grip A de and Sieben I (2009) Industrial Relations and Labour  
42 Market Segmentation in Dutch Call Centres. *European Journal of Industrial*  
43 *Relations* 15(4): 417–435.  
44  
45 Kathimerini (2005) Turbulence in PASKE which appears divided. *Kathimerini*, 31st  
46 May.  
47  
48 Kelly J (1998) *Rethinking Industrial Relations: Mobilization, Collectivism and Long*  
49 *Waves*. London: Routledge.  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

- 1  
2  
3 Kouzis I (2007) *The Characteristics of the Greek Trade Union Movement*. Athens:  
4 Gutenberg.
- 5  
6 Kretsos L and Vogiatzoglou M (2015) Lost in the Ocean of Deregulation? The Greek  
7 Labour Movement in a Time of Crisis. *Relations Industrielles / Industrial*  
8 *Relations* 70(2): 218–239.
- 9  
10 Kritsantonis N (1998) Greece: The Maturing of the System. 2nd ed. In: *Changing*  
11 *Industrial Relations in Europe*, Oxford: Wiley-Blackwell, pp. 504–528.
- 12  
13 MacKenzie R (2010) Why do contingent workers join a trade union? Evidence from  
14 the Irish telecommunications sector. *European Journal of Industrial Relations*  
15 16(2): 153–168.
- 16  
17 Mahoney J (2004) Comparative-Historical Methodology. *Annual Review of Sociology*  
18 30: 81–101.
- 19  
20 Negrelli S (1996) Italy. In: *Telecommunications: Restructuring Work and*  
21 *Employment Relations Worldwide*, Ithaca: Cornell University Press, pp. 295–  
22 321.
- 23  
24 O’Sullivan M and Royle T (2014) Everything and nothing changes: Fast-food  
25 employers and the threat to minimum wage regulation in Ireland. *Economic*  
26 *and Industrial Democracy* 35(1): 27–47.
- 27  
28 Pernicka S (2005) The Evolution of Union Politics for Atypical Employees: A  
29 Comparison between German and Austrian Trade Unions in the Private  
30 Service Sector. *Economic and Industrial Democracy* 26(2): 205–228.
- 31  
32 Przeworski A and Teune H (1970) *The Logic of Comparative Social Inquiry*. New  
33 York: Wiley.
- 34  
35 Ragin C (2004) Turning the Tables: How Case-Oriented Research Challenges  
36 Variable-Oriented Research. In: *Rethinking Social Inquiry: Diverse Tools,*  
37 *Shared Standards*, Lanham: Rowman & Littlefield, pp. 123–138.
- 38  
39 Ramirez M, Guy F and Beale D (2007) Contested Resources: Unions, Employers, and  
40 the Adoption of New Work Practices in US and UK Telecommunications.  
41 *British Journal of Industrial Relations* 45(3): 495–517.
- 42  
43 Rinolfi V (2009) Solidarity contracts agreed at Telecom in place of collective  
44 redundancies. *EIROonline*. Available from:  
45 [www.eurofound.europa.eu/eiro/2009/08/articles/it0908019i.htm](http://www.eurofound.europa.eu/eiro/2009/08/articles/it0908019i.htm).
- 46  
47 Russell B (2008) Call centres: A decade of research. *International Journal of*  
48 *Management Reviews* 10(3): 195–219.
- 49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

- 1  
2  
3 Santi M (2007) Under new agreement call centre workers to get standard employment  
4 contracts. *EIROOnline*. Available from:  
5 [www.eurofound.europa.eu/eiro/2007/01/articles/it0701039i.htm](http://www.eurofound.europa.eu/eiro/2007/01/articles/it0701039i.htm).  
6
- 7 Sanz S (2010) Agreement signed on redundancies at Telecom Italia. *EIROOnline*.  
8 Available from:  
9 [www.eurofound.europa.eu/eiro/2010/09/articles/it1009019i.htm](http://www.eurofound.europa.eu/eiro/2010/09/articles/it1009019i.htm).  
10
- 11 Shire KA, Schönauer A, Valverde M, et al. (2009) Collective Bargaining and  
12 Temporary Contracts in Call Centre Employment in Austria, Germany and  
13 Spain. *European Journal of Industrial Relations* 15(4): 437–456.  
14
- 15 Tajani C (2008) Vodafone Italia reaches agreement on transfer of employees.  
16 *EIROOnline*. Available from:  
17 [www.eurofound.europa.eu/eiro/2007/12/articles/it0712019i.htm](http://www.eurofound.europa.eu/eiro/2007/12/articles/it0712019i.htm).  
18  
19
- 20 To Vima (2005) It's a lot of money, son. 5th June.  
21
- 22 Trentini M (1998) Italy's system of social shock absorbers examined. *EIROOnline*.  
23 Available from:  
24 [www.eurofound.europa.eu/eiro/1998/02/feature/it9802319f.htm](http://www.eurofound.europa.eu/eiro/1998/02/feature/it9802319f.htm).  
25
- 26 Zambarloukou S (2010) Ownership, corporate governance and industrial relations in  
27 the banking and telecommunications sectors: the case of Greece. *Industrial*  
28 *Relations Journal* 41(3): 233–248.  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60