

Mohrenweiser, Jens

**Article**

## Reconciling the opposing economic effects of works councils across databases

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## Appendix – Reconciling the opposing economic effects of works councils across databases, Jens Mohrenweiser

Table A1: Definitions of IAB Establishment Panel control variables

Variable	Definition (mean, sd in restricted sample)
Works council	Dummy equals 1 if the establishment has a works council (0.327, 0.469)
Collective bargaining	Dummy equals 1 if the establishment is covered by a collective bargaining agreement (0.432, 0.495)
logCapital	Log capital stock calculated with the perpetual inventory method based on annual replacement investments assuming an annual depreciation rate of 10% and an annual growth rate of 5% (11.453; 3.057)
Satisfactory technology	Dummy equals 1 if the establishment uses a satisfactory production technology, zero otherwise (0.299, 0.458)
Modern technology	Dummy equals 1 if the establishment uses a modern production technology, but not the latest one (0.502, 0.500)
Latest technology	Dummy equals 1 if the establishment uses the latest production technology (0.169, 0.375)
Women	Share of the workforce that is female (0.360, 0.276)
Part-time employees	Share of the workforce that is part-time (0.083, 0.137)
permanently employed	Share of employees with an open-ended employment contract (0.941; 0.122)
Apprentices	Apprentices as a share of the workforce (0.046, 0.066)
Skilled employees	Share of the workforce with completed apprenticeship training (0.646, 0.248)
University degree	Share of the workforce with a university degree (0.087, 0.153)
Churning rate	A churning rate based on the first half of 2012. $H$ = number of hires and $S$ = number of separations. The rate is equal to $1 - (H-S)^2/(H+S)^2$ if $H + S > 0$ and equal to 0 if $H+S = 0$ (0.439, 0.453)
Limited liability	Dummy equals 1 if the establishment is a private limited company or stock corporation (0.792, 0.406)
Single site	Dummy equals 1 if the establishment has no subsidiaries and is not itself a subsidiary (0.739, 0.439)
Foreign owner	Dummy equals 1 if the establishment has a dominant foreign owner (0.073, 0.261)
Weak competition	Dummy equals 1 if the establishment reports weak competition on product market (0.096; 0.295)

Some competi- tion	Dummy equals 1 if the establishment reports some competition on product market (0.399; 0.489)
Strong competi- tion	Dummy equals 1 if the establishment reports strong competition on product market (0.475; 0.499)
Firm-size dummies	Five dummy variables capturing the number of employees.
Industry dummies	Dummy variables capturing the industry classification; 19 in the IAB EP sample and 6 in the EXCS sample
Region dummies	15 federal state dummies are included.

Number of observations: 3669.

Source: own compilation

*Table A2: Definitions of European Company Survey control variables*

variable	Definition (mean, sd)
Works council	Dummy equals 1 if the establishment has a works council (0.332, 0.471)
50 – 249 em- ployees	Dummy variable equals 1 if the establishment employs between 50 and 249 employees (headcount) (0.253; 0.435)
250+ employ- ees	Dummy variable equals 1 if the establishment employs 250 or more employees (0.224; 0.417)
Collective bar- gaining	Dummy equals 1 if the establishment is covered by a collective bargaining agreement (0.685, 0.465)
Women	Categorical variable of the percentage of women among all employees: 1 = no women, 2 = <20%, 3 = 20 – 39%; 4 = 40 – 59%; 5 = 60 – 79%, 6 = 80 – 99%, 7 only women (3.234; 1.225)
Permanent	Categorical variable of the percentage of employees with an open-ended employment contract among all employees: 1 = no one, 2 = <20%, 3 = 20 – 39%; 4 = 40 – 59%; 5 = 60 – 79%, 6 = 80 – 99%, 7 everyone (5.964; 1.270)
Part-time	Categorical variable of the percentage of employees working part-time among all employees: 1 = no one, 2 = <20%, 3 = 20 – 39%; 4 = 40 – 59%; 5 = 60 – 79%, 6 = 80 – 99%, 7 everyone (2.277; 0.985)
University	Categorical variable of the percentage of employees with a university degree among all employees: 1 = no one, 2 = <20%, 3 = 20 – 39%; 4 = 40 – 59%; 5 = 60 – 79%, 6 = 80 – 99%, 7 everyone (2.415; 1.213)

variable	Definition (mean, sd)
Single-site	Dummy equals 1 if the establishment has no subsidiaries and is not itself a subsidiary (0.822, 0.0.383)
Sector	Six dummy variables describing the broad sectors: manufacturing, construction, commerce and hospitality, transport and communication, financial services and real estate, other services

N = 1273

Source: own compilation

Table A3a: Profit estimations for full sample

	Coef.	t-value	Coef.	t-value	Coef.	t-value	Coef.	t-value
Works Council	0.135***	(8.52)	0.061***	(3.14)	0.040**	(2.04)	0.052***	(2.61)
collective bargaining			0.014	(0.94)	0.005	(0.31)	0.008	(0.49)
Women			-0.027***	(4.88)	-0.090***	(2.89)	-0.098***	(3.20)
Permanent			0.021***	(2.78)	-0.224***	(4.56)		
Parttime			-0.041***	(5.33)	0.202***	(4.50)	-0.224***	(4.52)
Apprentices					-0.225***	(2.81)	-0.211***	(2.61)
Skilled					0.068**	(2.33)	0.093***	(3.29)
University			0.038***	(4.60)	0.223***	(4.18)		
Churning					-0.002	(0.15)	-0.011	(0.72)
Log(capital)					0.022***	(7.65)	0.021***	(7.48)
satisfactory equipment					0.120***	(3.73)	0.117***	(3.57)
modern equipment					0.141***	(4.52)	0.141***	(4.42)
latest equipment					0.148***	(4.35)	0.150***	(4.33)
Export							0.071***	(4.09)
Single site			-0.059***	(3.35)	-0.049***	(2.81)	-0.055***	(3.20)
Limited firm					0.028*	(1.68)		
foreign-owned firm					0.074**	(2.45)		
weak competition					-0.019	(0.40)		
some competition					-0.016	(0.37)		
high competition					-0.031	(0.71)		
ECS stratification	-		Yes		-		-	

	Coef.	t-value	Coef.	t-value	Coef.	t-value	Coef.	t-value
Works Council	0.135***	(8.52)	0.061***	(3.14)	0.040**	(2.04)	0.052***	(2.61)
EP stratification	–		–		Yes		Yes	
Observations	3669		3669		3669		3621	
R square	0.023		0.109		0.167		0.165	

Dependent variable: log capital rent, estimation method, OLS with robust standard errors, t-values in parentheses; ECS stratification variables are five broad industry classifications and two firm-size categories; the IAB EP stratification variables include 18 industries, five firm-size categories and 15 federal states; \*\*\* significant on 1%; \*\* significant on 5% and \* significant on 10% level, IAB Establishment Panel 2013. Source: own compilation

Table A3b: Profit estimations for establishments with 50 – 249 employees

	Coef.	t-value	Coef.	t-value	Coef.	t-value	Coef.	t-value
Works Council	0.084***	(3.44)	0.032	(1.29)	0.018	(0.71)	0.021	(0.81)
collective bargaining			0.019	(0.71)	0.017	(0.60)	0.018	(0.65)
Women			-0.012	(1.13)	-0.003	(0.05)	-0.011	(0.18)
Permanent			0.008	(0.54)	-0.464***	(3.81)	-0.528***	(4.29)
Parttime			-0.044**	(2.37)	0.163*	(1.86)	-0.204**	(2.04)
Apprentices					-0.238**	(2.38)		
Skilled					0.079	(1.46)	0.121**	(2.36)
University			0.055***	(3.55)	0.335***	(3.75)		
Churning					0.019	(0.67)	0.015	(0.53)
Log(capital)					0.031***	(5.13)	0.031***	(5.16)
satisfactory equipment					0.099	(1.54)	0.100	(1.54)
modern equipment					0.126**	(2.03)	0.129**	(2.05)
latest equipment					0.165**	(2.48)	0.166**	(2.48)
Export							0.071**	(2.16)
Single site			-0.048*	(1.70)	-0.036	(1.29)	-0.049*	(1.76)
Limited firm					0.062	(1.44)		
foreign-owned firm					0.057	(1.25)		
weak competition					0.135*	(1.70)		
some competition					0.145*	(1.90)		
high competition					0.149**	(1.96)		
ECS stratification	-		Yes		-		-	
EP stratification	-		-		Yes		Yes	
Observations	1185		1185		1185		1170	
R square	0.01		0.108		0.204		0.197	

Dependent variable: log capital rent, estimation method, OLS with robust standard errors, t-values in parentheses; ECS stratification variables are five broad industry classifications and two firm-size categories; the IAB EP stratification variables include 18 industries, five firm-size categories and 15 federal states; \*\*\* significant on 1%; \*\* significant on 5% and \* significant on 10% level, IAB Establishment Panel 2013. Source: own compilation

Table A4a: Productivity estimations for full sample

	Coef.	t-value	Coef.	t-value	Coef.	t-value	Coef.	t-value	Coef.	t-value
Works Council	0.435***	(17.92)	0.187***	(6.46)	0.134***	(4.98)	0.163***	(5.94)		
collective bargaining			0.027	(1.13)	0.005	(0.21)	0.004	(0.16)		
Women			-0.101***	(11.10)	-0.343***	(6.97)	-0.387***	(7.93)		
Permanent			0.069***	(4.56)	-1.340***	(12.47)				
Parttime			-0.196***	(11.55)	0.536***	(5.89)	-1.354***	(12.53)		
Apprentices					-0.849***	(5.81)	-0.848***	(5.79)		
Skilled					0.297***	(6.10)	0.397***	(8.12)		
University			0.156***	(13.62)	0.951***	(13.43)				
Churning					-0.021	(0.93)	-0.041*	(1.76)		
Log(capital)					0.044***	(10.15)	0.043***	(9.92)		
satisfactory equipment					0.145***	(2.78)	0.135**	(2.53)		
modern equipment					0.184***	(3.61)	0.193***	(3.69)		
latest equipment					0.210***	(3.79)	0.218***	(3.87)		
Export							0.212***	(8.87)		
Single site			-0.106***	(4.21)	-0.082***	(3.48)	-0.102***	(4.36)		
Limited firm					0.137***	(4.84)				
foreign-owned firm					0.116***	(3.20)				
weak competition					0.003	(0.04)				
some competition					-0.009	(0.13)				

	Coef.	t-value	Coef.	t-value	Coef.	t-value	Coef.	t-value
high competition								
ECS stratification	-		Yes		-0.055	(0.83)	-	
EP stratification	-		-		Yes		Yes	
Observations	3669		3669		3669		3621	
R square	0.078		0.295		0.408		0.394	

Dependent variable: log value added, estimation method, OLS with robust standard errors, t-values in parentheses; ECS stratification variables are five broad industry classifications and two firm-size categories; the IAB EP stratification variables include 18 industries, five firm-size categories and 15 federal states; \*\*\* significant on 1%; \*\* significant on 5% and \* significant on 10% level, IAB Establishment Panel 2013.  
Source: own compilation



Table A4b: Productivity estimation for establishments with 50 – 249 employees.

	Coef.	t-value	Coef.	t-value	Coef.	t-value	Coef.	t-value
Works Council	0.290***	(7.47)	0.147***	(3.86)	0.094***	(2.65)	0.102***	(2.82)
collective bargaining			0.031	(0.79)	0.028	(0.76)	0.026	(0.67)
Women			-0.081***	(5.06)	-0.253***	(2.96)	-0.249***	(2.83)
Permanent			0.043*	(1.80)	-1.546***	(6.61)		
Parttime			-0.133***	(3.93)	0.387***	(2.71)	-1.674***	(7.22)
Apprentices					-1.004***	(5.76)	-0.956***	(5.55)
Skilled					0.296***	(3.75)	0.432***	(5.58)
University			0.179***	(8.57)	1.058***	(9.10)		
Churning					0.027	(0.71)	0.016	(0.42)
Log(capital)					0.060***	(7.02)	0.061***	(7.06)
satisfactory equipment					0.075	(0.84)	0.070	(0.77)
modern equipment					0.111	(1.29)	0.117	(1.33)
latest equipment					0.158*	(1.72)	0.163*	(1.74)
Export							0.181***	(4.22)
Single site			-0.062	(1.58)	-0.046	(1.24)	-0.070*	(1.90)
Limited firm					0.115*	(1.96)		
foreign-owned firm					0.114***	(2.19)		
weak competition					0.189	(1.61)		
some competition					0.195*	(1.77)		
high competition					0.176	(1.60)		
ECS stratification	-		Yes		-		-	
EP stratification	-		-		Yes		Yes	
Observations	1185		1185		1185		1170	
R square	0.045		0.283		0.454		0.437	

Dependent variable: log value added, estimation method, OLS with robust standard errors, t-values in parentheses; ECS stratification variables are five broad industry classifications and two firm-size categories; the IAB EP stratification variables include 18 industries, five firm-size categories and 15 federal states; \*\*\* significant on 1%; \*\* significant on 5% and \* significant on 10% level, IAB Establishment Panel 2013. Source: own compilation

Table A5a: Subjective profit assessment, restricted sample IAB Establishment.

	Coef.	mfz	z-value	Coef.	mfz	z-value	Coef.	mfz	z-value
Works Council	-0.065	[-0.026]	(1.48)	-0.152***	[-0.060]	(2.60)	-0.158***	[-0.059]	(2.58)
collective bargaining				-0.014	[-0.006]	(0.30)	0.015	[0.006]	(0.30)
Women				0.032*	[0.013]	(1.76)	0.125	[0.047]	(1.20)
Permanent				0.007	[0.003]	(0.26)	0.066	[0.025]	(0.37)
Parttime				-0.052*	[-0.020]	(1.87)	-0.290	[-0.108]	(1.54)
Apprentices							-0.167	[-0.062]	(0.50)
Skilled							0.223**	[0.083]	(2.10)
University				0.040	[0.016]	(1.57)	0.180	[0.067]	(1.04)
Churning							0.035	[0.013]	(0.67)
Log(capital)							0.031***	[0.012]	(3.55)
satisfactory equipment							0.310**	[0.111]	(2.30)
modern equipment							0.577***	[0.212]	(4.34)
latest equipment							0.730***	[0.270]	(5.20)
Single site				0.006	[0.002]	(0.12)	-0.049	[-0.018]	(0.90)
Limited firm							-0.175***	[-0.065]	(2.94)
foreign-owned firm							0.118	[0.044]	(1.35)
weak competition							-0.027	[-0.010]	(0.18)
some competition							-0.262**	[-0.097]	(1.98)
high competition							-0.567***	[-0.212]	(4.28)

	Coef.	mfX	z-value	Coef.	mfX	z-value	Coef.	mfX	z-value
ECS stratification	-			Yes			-		
EP stratification	-			-			Yes		
Observations	3669			3669			3669		
Pseudo R square	<0.001			0.009			0.060		

Dependent variable: dummy good profit situation, estimation method, Probit with robust standard errors, marginal effect evaluated at variable mean in brackets and z-values in parentheses; ECS stratification variables are five broad industry classifications and two firm-size categories; the EP stratification variables include 18 industries, five firm-size categories and 15 federal states; \*\*\* significant on 1%; \*\* significant on 5% and \* significant on 10% level, IAB Establishment Panel 2013.

Source: own compilation

Table A5b: Subjective profit assessment, extended sample IAB Establishment.

	Coef.	mfx	z-value	Coef.	mfx	z-value	Coef.	mfx	z-value
Works Council	-0.052	[-0.021]	(1.53)	-0.098**	[-0.039]	(2.13)	-0.083*	[-0.031]	(1.73)
collective bargaining				-0.044	[-0.018]	(1.18)	-0.011	[-0.004]	(0.28)
Women				0.047***	[0.018]	(3.41)	0.158**	[0.059]	(1.98)
Permanent				0.022	[0.009]	(1.03)	0.064	[0.024]	(0.46)
Parttime				-0.080***	[-0.038]	(3.76)	-0.311**	[-0.117]	(2.18)
Apprentices							-0.062	[-0.023]	(0.24)
Skilled							0.243***	[0.091]	(3.00)
University				0.025	[0.010]	(1.27)	0.089	[0.033]	(0.68)
Churning							0.005	[0.002]	(0.13)
Log(capital)							0.025***	[0.009]	(4.44)
satisfactory equipment							0.266**	[0.097]	(2.55)
modern equipment							0.543***	[0.202]	(5.30)
latest equipment							0.719***	[0.268]	(6.69)
Single site				-0.039	[-0.015]	(0.99)	-0.111***	[-0.042]	(2.71)
Limited firm							-0.189***	[-0.071]	(4.09)
foreign-owned firm							-0.001	[0.000]	(0.00)
weak competition							-0.072	[-0.026]	(0.64)
some competition							-0.226**	[-0.083]	(2.24)
high competition							-0.544***	[-0.204]	(5.41)
ECS stratification	-			Yes			-		
EP stratification	-			-			Yes		

	Coef.	mfx	z-value	Coef.	mfx	z-value	Coef.	mfx	z-value
Observations	5820			5820			5820		
Pseudo R square	<0.001			0.008			0.056		

Dependent variable: dummy good profit situation, estimation method, Probit with robust standard errors, marginal effect evaluated at variable mean in brackets and z-values in parentheses; ECS stratification variables are five broad industry classifications and two firm-size categories; the EP stratification variables include 18 industries, five firm-size categories and 15 federal states; \*\*\* significant on 1%; \*\* significant on 5% and \* significant on 10% level, IAB Establishment Panel 2013.

Source: own compilation

Table A6a: Subjective net profit dummy, restricted sample IAB Establishment.

	Coef.	mfz	z-value	Coef.	mfz	z-value	Coef.	mfz	z-value
Works Council	-0.162***	[-0.050]	(3.40)	-0.243***	[-0.075]	(3.80)	-0.272***	[-0.080]	(4.05)
collective bargaining				-0.011	[-0.003]	(0.22)	-0.006	[-0.002]	(0.12)
Women				-0.004	[-0.001]	(0.22)	0.000	[0.000]	(0.00)
Permanent				0.064**	[0.019]	(2.11)	0.440**	[0.129]	(2.30)
Parttime				-0.001	[0.000]	(0.03)	-0.084	[-0.025]	(0.42)
Apprentices							-0.307	[-0.090]	(0.86)
Skilled							0.015	[0.004]	(0.13)
University				-0.035	[-0.011]	(1.30)	-0.200	[-0.059]	(1.09)
Churning							0.064	[0.019]	(1.11)
Log(capital)							0.038***	[0.011]	(4.37)
satisfactory equipment							0.350***	[0.124]	(2.73)
modern equipment							0.600***	[0.201]	(4.73)
latest equipment							0.688***	[0.225]	(5.01)
Single site				0.017	[0.005]	(0.30)	-0.027	[-0.008]	(0.46)
Limited firm							-0.204***	[-0.060]	(3.03)
foreign-owned firm							-0.124	[-0.036]	(1.34)
weak competition							-0.167	[-0.045]	(1.06)
some competition							-0.141	[-0.038]	(0.98)
high competition							-0.25*	[-0.071]	(1.77)

	Coef.	mfX	z-value	Coef.	mfX	z-value	Coef.	mfX	z-value
ECS stratification	-			Yes			-		
EP stratification	-			-			Yes		
Observations	3659			3659			3659		
Pseudo R square	0.003			0.011			0.054		

Dependent variable: dummy net profit, estimation method, Probit with robust standard errors, marginal effect evaluated at variable mean in brackets and z-values in parentheses; ECS stratification variables are five broad industry classifications and two firm-size categories; the EP stratification variables include 18 industries, five firm-size categories and 15 federal states; \*\*\* significant on 1%; \*\* significant on 5% and \* significant on 10% level, IAB Establishment Panel 2013.

Source: own compilation

Table A6b: Subjective net profit dummy, extended sample IAB Establishment.

	Coef.	mfz	z-value	Coef.	mfz	z-value	Coef.	mfz	z-value
Works Council	-0.116***	[-0.036]	(3.12)	-0.187***	[-0.058]	(3.73)	-0.209***	[-0.062]	(4.01)
collective bargaining				0.008	[0.003]	(0.21)	0.006	[0.002]	(0.13)
Women				0.019	[0.006]	(1.26)	0.065	[0.019]	(0.75)
Permanent				0.058**	[0.018]	(2.56)	0.347**	[0.103]	(2.39)
Parttime				0.001	[0.000]	(0.01)	-0.038	[-0.011]	(0.25)
Apprentices							-0.561**	[-0.166]	(2.03)
Skilled							0.042	[0.013]	(0.48)
University				-0.013	[-0.004]	(0.63)	-0.143	[-0.042]	(1.03)
Churning							0.043	[0.013]	(0.95)
Log(capital)							0.030***	[0.009]	(5.36)
satisfactory equipment							0.362***	[0.130]	(3.60)
modern equipment							0.626***	[0.212]	(6.34)
latest equipment							0.717***	[0.237]	(6.78)
Single site				0.049	[0.015]	(1.14)	0.011	[0.003]	(0.25)
Limited firm							-0.236***	[-0.070]	(4.49)
foreign-owned firm							-0.118*	[-0.035]	(1.66)
weak competition							0.075	[0.022]	(0.62)
some competition							0.063	[0.018]	(0.58)
high competition							-0.06	[-0.019]	(0.57)



	Coef.	mfz	z-value	Coef.	mfz	z-value	Coef.	mfz	z-value
ECS stratification	-			Yes			-		
EP stratification	-			-			Yes		
Observations	5820			5820			5820		
Pseudo R square	0.002			0.008			0.050		

Dependent variable: dummy net profit archived, estimation method, Probit with robust standard errors, marginal effects evaluated at variable mean in brackets and z-values in parentheses; ECS stratification variables are five broad industry classifications and two firm-size categories; the EP stratification variables include 18 industries, five firm-size categories and 15 federal states; \*\*\* significant on 1%; \*\* significant on 5% and \* significant on 10% level, IAB Establishment Panel 2013.

Source: own compilation

Table A7a: Subjective assessment financial situation, dummy, full sample, EOS.

	Coef.	mfz	z-value	Coef.	mfz	z-value	Coef.	mfz	z-value
Works Council	-0.065	[-0.021]	(0.81)	-0.203*	[-0.063]	(1.89)	-0.201*	[-0.061]	(1.71)
collective bargaining				0.046	[0.027]	(0.54)	0.052	[0.016]	(0.58)
Women				-0.015	[0.012]	(0.38)	0.008	[0.002]	(0.19)
Permanent				-0.014	[0.009]	(0.45)	-0.008	[-0.002]	(0.24)
Parttime				0.052	[0.014]	(1.13)	0.061	[0.018]	(1.30)
University				0.146***	[0.011]	(3.90)	0.145***	[0.044]	(3.60)
Single-site				-0.043	[0.033]	(0.40)	0.023	[0.007]	(0.20)
Employees above 50							-0.072	[-0.022]	(1.50)
Product innovation							0.051	[0.015]	(0.52)
Process innovation							-0.117	[-0.035]	(1.20)
Appraisal							0.002	[0.001]	(0.10)
Training							0.182	[0.055]	(1.42)
Majority privately owned							0.107	[0.032]	(0.66)
Flexitime							-0.001	[0.000]	(0.07)
Overtime							-0.423**	[-0.128]	(2.41)
Individual bonus							0.231***	[0.070]	(2.67)
Team bonus							0.036	[0.011]	(0.35)
Profit sharing							0.243**	[0.074]	(2.55)
Employee ownership							0.375	[0.114]	(1.64)

	Coef.	mfX	z-value	Coef.	mfX	z-value	Coef.	mfX	z-value
ECS stratification	yes			yes			yes		
Observations	1273			1273			1224		
Pseudo R square	<0.001			0.023			0.051		

Dependent variable: dummy good financial situation, estimation method, Probit with robust standard errors, marginal effect evaluated at variable mean in brackets and z-values in parentheses; ECS stratification variables are five broad industry classifications and two firm-size categories; \*\*\* significant on 1%; \*\* significant on 5% and \* significant on 10% level, IAB Establishment Panel 2013.  
Source: own compilation

Table A7b: Subjective assessment financial situation, dummy, 50 – 249 employees, ECS.

	Coef.	mfz	z-value	Coef.	mfz	z-value	Coef.	mfz	z-value
Works Council	-0.362**	[-0.104]	(2.28)	-0.340**	[-0.093]	(1.98)	-0.405**	[-0.108]	(2.16)
collective bargaining				-0.088	[-0.024]	(0.50)	-0.198	[-0.053]	(1.04)
Women				0.101	[0.028]	(1.22)	0.118	[0.032]	(1.34)
Permanent				0.088	[0.024]	(1.37)	0.087	[0.023]	(1.36)
Parttime				0.044	[0.012]	(0.45)	0.004	[0.001]	(0.04)
University				0.154*	[0.042]	(1.85)	0.141	[0.038]	(1.53)
Single-site				-0.038	[-0.010]	(0.20)	-0.025	[-0.007]	(0.12)
Employees above 50							0.109	[0.029]	(1.03)
Product innovation							-0.053	[-0.014]	(0.25)
Process innovation							-0.054	[-0.014]	(0.26)
Appraisal							-0.009	[-0.003]	(0.24)
Training							-0.052	[-0.014]	(0.15)
Majority privately owned							-0.312	[-0.083]	(1.06)
Flexitime							-0.038	[-0.010]	(0.94)
Overtime							-1.161**	[-0.310]	(2.45)
Individual bonus							0.301	[0.080]	(1.64)
Team bonus							-0.078	[-0.021]	(0.39)
Profit sharing							0.324*	[0.086]	(1.69)
Employee ownership							0.293	[0.078]	(0.75)

	Coef.	mfX	z-value	Coef.	mfX	z-value	Coef.	mfX	z-value
ECS stratification	yes			yes			yes		
Observations	322			322			306		
Pseudo R square	0.016			0.056			0.096		

Dependent variable: dummy good financial situation, estimation method, Probit with robust standard errors, marginal effect evaluated at variable mean in brackets and z-values in parentheses; ECS stratification variables are five broad industry classifications and two firm-size categories; \*\*\* significant on 1%; \*\* significant on 5% and \* significant on 10% level, IAB Establishment Panel 2013.  
Source: own compilation

Table A8a: Further subjective assessments variables, full sample, ECS.

	Financial performance index		Financial performance growth		Labour productivity		Sales	
	Coef.	z-value	Coef.	z-value	Coef.	z-value	Coef.	z-value
Works Council	-0.170**	(1.97)	-0.355***	(3.88)	-0.242**	(2.43)	-0.248***	(2.57)
collective bargaining	0.042	(0.62)	-0.067	(0.94)	-0.007	(0.09)	-0.093	(1.25)
Women	-0.007	(0.23)	-0.045	(1.44)	-0.030	(0.92)	-0.061*	(1.86)
Permanent	-0.002	(0.06)	-0.039	(1.61)	-0.012	(0.45)	0.001	(0.04)
Parttime	0.036	(0.92)	0.015	(0.43)	-0.005	(0.13)	-0.006	(0.17)
University	0.087***	(3.20)	0.014	(0.49)	0.126***	(4.22)	0.085***	(2.66)
Single-site	-0.102	(1.16)	-0.033	(0.35)	-0.327***	(3.38)	-0.157	(1.62)
ECS stratification	yes		yes		yes		yes	
Observations	1273		1260		1247		1236	
Pseudo R square	0.013		0.011		0.021		0.013	

Dependent variables in first row; estimation method: ordered Probit with robust standard errors, marginal effect evaluated at variable mean in brackets and z-values in parentheses; ECS stratification variables are five broad industry classifications and two firm-size categories; \*\*\* significant on 1%; \*\* significant on 5% and \* significant on 10% level, IAB Establishment Panel 2013.

Source: own compilation

Table A8b: Further subjective assessments variables, 50 – 249 employees, ECS.

	Financial performance index		Financial performance growth		Labour productivity		Sales	
	Coef.	z-value	Coef.	z-value	Coef.	z-value	Coef.	z-value
Works Council	-0.322**	(2.32)	-0.549***	(3.94)	-0.352**	(2.36)	-0.358**	(2.44)
collective bargaining	-0.156	(1.14)	-0.333**	(2.33)	-0.208	(1.35)	-0.329**	(2.07)
Women	-0.010	(0.16)	-0.050	(0.79)	0.064	(0.90)	-0.046	(0.67)
Permanent	0.044	(0.85)	-0.084*	(1.86)	-0.031	(0.49)	-0.024	(0.41)
Parttime	0.058	(0.73)	0.046	(0.67)	0.026	(0.34)	-0.035	(0.45)
University	0.139*	(1.92)	-0.064	(1.01)	0.064	(0.96)	0.059	(0.74)
Single-site	-0.051	(0.34)	0.094	(0.63)	-0.408**	(2.54)	-0.146	(0.89)

	Financial performance index		Financial performance growth		Labour productivity		Sales	
ECS stratification	yes		yes		yes		yes	
Observations	322		318		309		309	
Pseudo R square	0.047		0.064		0.046		0.034	

Dependent variables in first row; estimation method: ordered Probit with robust standard errors, marginal effect evaluated at variable mean in brackets and z-values in parentheses; ECS stratification variables are five broad industry classifications and two firm-size categories; \*\*\* significant on 1%; \*\* significant on 5% and \* significant on 10% level, IAB Establishment Panel 2013.

Source: own compilation