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Country Report Romania

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1 Introduction

This report examines the processes of building and maintaining trust, as well as the sources of trust and distrust between social partners across different levels in Romania. It explores the role of trust in industrial relations, focusing on how social partners perceive its impact on social dialogue and collective bargaining. We analyse various dimensions of trust, key obstacles to its development, and the broader implications for industrial relations. The findings are based on interviews with stakeholders and experts at national, sectoral, and company levels in three sectors. The report is part of the TRUE EUROPE research project, which investigates the determinants and outcomes of trust in social partner relations. Interviews were conducted in eight countries, focusing on the metal, transport, and banking and finance sectors. We explored trust levels across different social dialogue topics—from core issues like wages to less contentious areas such as digitalisation, skills and training, and health and safety.

This report for Romania is based on: 1) documentation on the legal framework for social dialogue, including relevant legislation, reports, websites, and previous research; 2) 15 interviews conducted between April and June 2024, with representatives of trade unions and employers' organisations, at national, sectoral and local levels, in three sectors of activity (banking, automotive industry, and road freight transport) (Table 1).

Data were collected following the interview protocol provided by the True Europe project coordinator. Semi-structured interviews were used as the data collection method. All interviews were conducted online, with an average duration of 63 minutes. All informants signed an informed consent form. The recordings were transcribed using dedicated Romanian language software and the transcriptions were manually corrected for accuracy. In this report, we refer to participants by anonymized codes: #1 RO, #2 RO, etc.

Table 1. Informants: levels and sectors

Level	Banking	Automotive	Road freight	Cross-sectoral	Total
Local Level					
Employee rep.	1	1	1		3
Employer rep.	1	1	1		3
Sectoral Level					
TU official	1	1	1		3
EO official	2		2		4
National level					
TU official		1			1
EO official				1	1
Other (Gov./Civ.)					
TOTAL	5	4	5	1	15

Informants. For the **banking sector**, representatives of one of the largest commercial banks in Romania were interviewed: an employer (#1 RO), with an executive position in the human resources department, and the union leader within the same institution (#5 RO). At the

sectoral level, two representatives of an employer federation (#2 RO and #3 RO) were included, as well as the president of a sectoral union federation (#4 RO). A representative of employers at the national level participated (# 6 RO). In the **road freight sector**, two representatives of a sectoral employers' organisation (#7 RO and #8 RO) were interviewed, as well as the president of a relevant trade union federation for this sector (#9 RO). Two representatives of a large road freight carrier with foreign capital and activity in the field of freight transport and logistics: an employer in top management (#10 RO) and the union leader within the same company (#11 RO) participated in this research. The company has approximately 4,000 employees and is affiliated with both an employers' organisation and a representative trade union. Furthermore, in the **automotive sector**, the interviews focused on a major component producer with foreign capital, which has approximately 6,000 employees and several production units in Romania. An employer representative (#14 RO), with an executive position in human resources, and the union leader within the same company (#15 RO) participated. The leader of a sectoral union federation (#13 RO) was also interviewed.

2 Industrial relations at national and sectoral level

Romania falls into the group of Central and Eastern European countries characterised by strong state intervention and a decentralised collective bargaining system (Czarzasty, 2024). In previous classifications, all countries in this region were treated as part of a single industrial relations model, but subsequent research has highlighted the existence of two distinct models of capitalism: embedded liberalism and special neoliberalism (Bohle & Greskovits, 2012). Romania falls into this second category, where, although the legal framework provides for an active role of the state, effective enforcement of regulations is often deficient, which leads, in practice, to a more liberalised labour market environment (Trif et al., 2016). Furthermore, the level of trust between social partners remains low, a common feature in both Central and Eastern Europe and Southern Europe (Brandl, 2021).

After the fall of the communist regime in the 1990s, industrial relations in Romania were marked by fragmentation, tensions between employer organisations, and notable differences between public- and private-sector unions. With specific exceptions, such as the automotive and banking sectors, the activity and influence of private sector unions were considerably reduced (Guga & Trif, 2023). Until 2008, Romania was notable for a very high degree of collective bargaining coverage, estimated at around 98%, supported by a legislative framework favourable to centralised and national negotiations. This model was radically changed with the adoption of the Social Dialogue Law no. 62/2011, which drastically restricted the possibility of concluding collective agreements at the sectoral level, allowing only negotiations between companies affiliated with the same employer organisation. This effectively blocked cross-sectoral collective bargaining. It should be noted that the amendments were adopted without parliamentary consultation (Trif, 2013). As a result, collective bargaining coverage has declined sharply, from 98% in 2008 to 35% in 2011 (Waddington et al., 2019). Elimination of national collective agreements has contributed to

the decline in the share of wages in GDP, as well as to the degradation of working conditions (Volonciu, 2021; De Spiegelaere, 2023).

Romania currently faces a low unionization rate – only 21.4% of employees are members of a union (Statista, 2021). This decrease is also accompanied by a significant decrease in the density of employer organisations (EO) and the coverage of collective bargaining, a constant trend over the last two decades. In 2021, only 15% of employees still effectively benefited from the right to collective bargaining, while in the early 2000s this percentage was almost 100% (OECD & AIAS, 2021; Statista, 2021).

Starting 25 December 2022, Romania adopted a new Social Dialogue Act (Law no. 367/2022, amended by Emergency Ordinance no. 42/2023). The adoption of this Act occurred within a broader European context, particularly influenced by the EU directive concerning minimum wages and the strong push for enhanced sector-level collective bargaining across the EU. These European priorities were integrated into Romania's National Recovery and Resilience Plan, where strengthening social dialogue and establishing a legal basis for the establishment of minimum wages were set as key requirements for accessing funding.

However, the implementation of these measures faces difficulties, especially in a decentralised labour market, where employers are often reluctant to affiliate with employer federations or confederations. This is problematic because social dialogue requires dialogue partners at equivalent levels within the same sector. At the national level, only two employer associations are currently (n.r. 2025) recognised as representative: the Concordia Employers' Confederation (which mainly groups multinational companies) and the National Council of Small and Medium-sized Private Enterprises in Romania (CNIPMMR). On the trade union (TU) side, five representative national confederations are recognised, which actively participate in social dialogue within the Economic and Social Council and the National Tripartite Council (Table 2).

Table 2. Nationally Representative Trade Union Confederations in Romania

Confederations	Representativeness
• National Trade Union Bloc ("Bloc Național Sindical", BNS)	It has 30 member federations and trade unions. The member federations have a number of 935 trade unions. Represents 280,387 workers (2023), 5.5 % of Romanian workers. Covers geographically all 42 counties of Romania
• National Confederation of Trade Unions "Cartel Alfa"	It has 39 member federations and trade unions. Covers geographically all 42 counties of Romania. Represents 258,099 workers (2019).
• National Confederation of Free Trade Unions of Romania (CNSLR "Frăția")	It has 14 member federations and trade unions. Covers geographically all 42 counties of Romania. Represents 304,842 workers (2020).
• Confederation of Democratic Trade Unions in Romania (CSDR)	It has 20 member federations and trade unions. Represents 262,663 workers (2020).
• "Meridian" National Trade Union Confederation (CNS Meridian)	It has 29 member federations and trade unions. Covers geographically 33 counties of Romania. Represents 254,280 workers (2020).

Sources: Popescu and Ion (2024)

Industrial relations in banking, automotive, and road freight transport sectors

In this research, we analysed industrial relations in three sectors: the banking & financial sector (with focus on banking), the metal sector (with reference to the automotive industry) and the transport sector (with an exclusive focus on road freight transport). The results indicate clear particularities between the three sectors.

The **banking sector** in Romania represents an example of good practice in terms of social dialogue. Based on a solid tradition in negotiating sectoral collective agreements and an efficient communication system between partners, this sector is distinguished by a relatively high level of procedural trust (as introduced by Zucker, 1986) and trust based on mutual knowledge. These forms of trust generate predictability in interactions and outcomes, embodied in sectoral agreements, but also in shared expectations of cooperation. All informants in this sector reported the existence of a functional framework for collaboration. However, the study also highlighted some sources of distrust – especially reported by union representatives – confirming the idea that trust and distrust can coexist to varying degrees (Lewicki & Bunkers, 1995). The sector benefits from a sectoral collective labour agreement, first negotiated in 2018 and renewed in 2022 and 2024, that extends *erga omnes* to all companies and employees in the field, regardless of union affiliation.

The **road freight transport sector** is characterised by pronounced fragmentation and limited representativeness. There is currently no trade union federation that effectively represents the entire private sector, and the existing unions are concentrated either in former state-owned enterprises or at the company level. This subsector is dominated by microenterprises (over 80% have fewer than 5 employees), and high labour mobility, frequent transitions to self-employment and lack of awareness of the benefits of unionisation contribute to difficulties in organising. Furthermore, in some cases, employers exert pressure against unionisation, which fuels the fear of dismissal. These barriers are compounded by a low level of information on the legal framework. On the employer side, there is only one recognised representative employers' organisation, which opposes the signing of a sectoral collective agreement, citing the heterogeneity of companies in the sector and the differences in economic objectives. On the contrary, the representative trade union organisation strongly supports the need for such an agreement.

The **metal sector** presents a mixed system of social dialogue, with structured practices in some areas but also with visible fragmentation in others. The component subsectors – metallurgy, automotive component manufacturing, vehicle assembly – are often represented by different trade union and employer organisations, which leads to a lack of coherence in social dialogue. Fragmentation is also manifested by the lack of a collective agreement applicable at the sectoral level. Although there are active trade union federations, they are forced to negotiate mainly at company level due to the lack of a unified sectoral structure. Employer representation is equally fragmented, with no entity capable of negotiating for the entire sector. However, there are consolidated practices in large companies, which could constitute a basis for possible unification initiatives at the sectoral level in the future.

3 National and sectoral level interactions and trust

Despite recent legislative reforms aimed at revitalising social dialogue, empirical evidence from key sectors, banking, road freight transport, and automotive, reveals persistent structural fragmentation, weak institutional anchoring, and low levels of mutual trust between social partners. These deficits are not merely sector-specific anomalies, but symptomatic of a broader imbalance between formal regulation and actual collaborative capacity. The findings suggest that while legal frameworks provide a necessary foundation, they are insufficient in the absence of credible actors, consistent representativeness, and sustained efforts to build relational trust.

Characterizing national and/or sectoral level interactions

National and sectoral-level interactions in Romania's industrial relations system are marked by significant variation across sectors, reflecting structural fragmentation, institutional maturity, and historical legacies.

This study found a recurrent reciprocal perception of a lack of legitimacy of both TUs and EOs, derived from the generalised opinion that none of the two parties acts *de facto* in the interests of its members. Moreover, generally, EOs considered that the current legislation on social dialogue decreases TUs legitimacy even more, as this has lowered the thresholds for constituency. Overall, the appetite for association seems relatively low both for the representatives of employees and employers. Other aspects that jeopardise social dialogue at a national level are, on behalf of employers, **overregulation** and **the overlapping of local/firm and sectoral level negotiations**, which leaves companies an insufficient margin of negotiation, as legal regulations are perceived to be exhaustive.

The relations between employers and employee representatives in **the banking sector** are generally described as structured, recurrent, and predominantly cooperative, especially in large companies. From the interviews conducted with HR management actors and union representatives (e.g., # 1 RO, # 3 RO, # 4 RO), it emerges that the interactions are institutionalised, taking place within the framework of periodic consultations and biannual collective bargaining. HR policies, reorganisations, and changes in working conditions, including the introduction of hybrid work or flexible working hours, are frequently discussed. A large bank with local capital actively discourages workers' unionisation, does not engage in sectoral collective bargaining, but participates as an observer in such assemblies.

Regarding the relational climate, most interviewees highlight a positive evolution over time, from post-privatisation tensions and during the economic crisis (2007–2011), towards a “cordial” relationship and one of “functional trust” (# 1 RO, # 3 RO). The changes were due both to the stability of the actors involved (the same union and HR team for more than a decade) and to efforts to build trust through transparency and professionalisation (# 1 RO). However, there are variations in the climate of relations depending on the topics. Salary negotiations and hybrid work distribution are perceived as the tensest, especially due to pressure from branch employees, who do not benefit from the same benefits as head office

staff (# 4 RO). Other topics, such as occupational health and safety or training, are treated relatively consensually. A notable feature is the pragmatic approach: although divergences arise, these do not escalate into open conflict, thanks to a minimum level of mutual trust and constant communication (# 3 RO).

Industrial relations in the **road freight transport sector** are characterised by a high degree of fragmentation in both employers' organisations and employee representation. This directly influences the way collective bargaining is carried out, which is rare, uneven in scope, and, most often only at the local level (# 7 RO, # 9 RO). In units with active TUs, negotiations mainly concern basic wages, working standards, working hours, daily allowances, and other mobility-related allowances, as well as working conditions for long-haul drivers. These aspects are particularly important in the specific context of the sector, where employees are often subject to an intensive work regime and precarious working conditions during idle time, why financial compensation for disadvantages are essential (# 9 RO).

Collective bargaining occurs irregularly, depending on union presence or initiatives by employers or employees. The absence of representative employer federations at the sectoral level hinders collective agreement (CA) negotiations, despite legislation permitting them under certain conditions (#6 RO). Social partner interactions mainly happen in tripartite forums focused on legislative, tax, or professional issues, but these do not lead to concrete negotiations on working conditions (#6 RO, #7 RO). Some collaboration occurs in national projects on topics like vocational training, green transition, or digitalisation, but these are consultative efforts, not traditional collective bargaining (#7 RO).

Industrial relations in **the automotive industry** are predominantly structured around collective bargaining at the company level, especially in the case of large manufacturers. Interviews indicate that there are active CAs in multinational companies in the sector, where negotiations take place periodically, depending on pre-established contractual deadlines (# 12 RO, # 13 RO). These negotiations cover a wide range of issues, including wages, working hours, benefits, working conditions, and internal regulations applicable to employees. In general, wages and bonus policies are among the most important topics, being negotiated annually or biannually depending on the contractual cycle of each unit (# 13 RO). Collective bargaining is not practised at sector level, as the current legal structure does not allow this, due to the fragmentation between the NACE codes that define the fields of activity. Thus, collective agreements are concluded at unit level, and groups of units are rare and limited to situations, where the same economic operator controls several legal entities (# 12 RO).

Anchoring trust in institutions and trusting lower-level actors

Comparatively, it is observed that only in the banking sector do higher-level institutions – law, collective agreements, dialogue mechanisms – play an integrated role in supporting labour relations. In road freight transport and automotive informants considered that the general industrial relations system is unbalanced, and its efficiency depends less on the law and more on the capacity of actors to build real collaborations.

In the **banking sector**, trust in higher-level institutions – such as social dialogue law, collective labour agreements at unit or sector level, and regulatory authorities – is perceived as having an important role in stabilising and professionalising industrial relations. The actors interviewed (# 1 RO, # 3 RO) highlighted that collective agreements, even when not signed at the sectoral level, indirectly influence local labour relations by creating shared expectations and a common frame of reference. At the same time, the current legal framework is considered to be relatively functional, although the fragmentation and representativeness requirements of the union may limit the efficiency of the negotiation process (# 4 RO).

Employer representatives report moderate to high levels of trust in local unions, with whom they collaborate frequently; however, they express doubts about the ability of lower-level union leaders to grasp the technical complexity of issues such as remuneration and HR policies (#1 RO). To address this, companies have invested in professionalising the dialogue through ongoing training and mutual information sharing, ensuring that discussions are grounded in substance, not just form. Employers also note a clear difference between central and local unions; national leaders are perceived as more focused on internal positioning than on the concrete needs of employees (#3 RO). The overall industrial relations system is viewed as functional but needs improvement, with public authorities playing a more limited role compared to collective agreements and bipartite dialogue (#4 RO).

In the **road freight transport sector**, trust in higher-level institutions, be they legislative, administrative or partnership representation, is limited and often formal, according to our informants (# 6 RO, # 7 RO, # 9 RO). Interviews reveal that social dialogue at the national or sectoral level does not have a significant impact on local labour relations, as there is no real articulation between levels. Collective agreements at sectoral level either do not exist or are not perceived as having practical relevance for employers or employees in transport units.

Informants from EOs express serious concerns about the ability of TU-federations to effectively represent employees' interests, arguing that they are often disconnected from on-the-ground realities (#6 RO). At the same time, employers' organisations acknowledge weak internal coordination, with little dialogue between their own levels, leading to fragmented advocacy efforts, as illustrated by the observation that "each started for advocate separately to the government" (#6 RO). Trust in actors on the "other side" of the dialogue is similarly low; informants recount past instances where informal agreements reached at management level were later reversed in practice, undermining confidence and continuity (#7 RO). This systemic lack of coherence across representation levels not only erodes trust but also hampers the overall functionality of the industrial relations framework. The system was widely perceived as overly regulated and inefficient, with legislation seen as promoting conflict rather than cooperation, particularly following recent changes that lowered representativeness thresholds and broadened the grounds for initiating collective conflicts (# 9 RO).

In the **automotive sector**, the role of higher-level institutions was perceived as limited in applicability, but important in symbolic and normative terms. The findings highlight weak internal trust within both unions and employer organisations due to the lack of a unified sectoral structure and poor coordination between levels (# 12 RO, #13 RO). Local unions are seen to be more effective than national bodies, whereas employer fragmentation makes cross-level dialogue nearly impossible. Some unions reject higher-level employer associations, accusing them of obstructing collective bargaining post-crisis (#12 RO). In general, the industrial relations system is viewed as unbalanced and overly bureaucratic,

discouraging sectoral agreements. Respondents call for reform through clearer definition of the bargaining sector, stronger actor legitimacy, and improved representation (#12 RO).

Effects of trust according to national and/or sectoral level actors

In **the banking sector**, trust between social partners is perceived as having a positive impact on the coherence of the industrial relations system, even if in practice sectoral negotiations are limited or absent. Informants (# 1 RO, # 3 RO) argued that the existence of a trust framework between trade union federations and employers' organisations could allow for the harmonisation of labour standards, encourage the dissemination of good practices and facilitate the unified management of structural reforms or external crises. It is underlined that a real and constructive dialogue at this level could support the sector's objectives of fairness, competitiveness and sustainability, especially in the context of the digital transition and European regulatory pressures. On the other hand, the lack of a high level of trust between national actors limits the potential for these benefits. Even if relations are not marked by open conflict, union fragmentation and competition for representativeness generate tensions that prevent the initiation of effective sectoral negotiations. Furthermore, there is a perception that government authorities play a passive role, without actively supporting the building of a space of trust between partners at the macro-level (# 3 RO). Thus, the beneficial potential of trust is recognized but untapped due to structural and institutional blockages.

In **the road freight transport sector**, trust between dialogue partners at sectoral and national level is weak or non-existent, which has profound negative effects on collective capacity for action and representation. According to informants (# 6 RO, # 7 RO, # 9 RO), the absence of a culture of collaboration and coherent representation structures makes it impossible to negotiate collective labour agreements at sectoral level. In the absence of trust, each organisation acts in isolation, which leads to a lack of coherence in promoting common interests, inefficiency in relations with authorities, and missed opportunities for consensual regulation of the labour market.

In the absence of a real partnership at the sectoral level, labour regulation occurs chaotically, either through unilateral state interventions or through individual decisions of companies. This situation contributes to the uneven development of working conditions, the exodus of the workforce, and the reproduction of systemic distrust in the institutions of social dialogue. Additionally, agenda conflicts between political and social actors, not mediated by a functional framework for collective bargaining, aggravate the structural imbalances of the sector (# 6 RO). Therefore, the effect of the lack of trust at the sectoral level is the functional paralysis of dialogue and the lack of a common framework for solving problems.

In **the automotive industry**, the effects of trust are deeply influenced by institutional fragmentation and the history of tense relations between TUs and EOs. Interviews indicate cooperation in some subsectors at company level, while CAs are not negotiated at the sectoral level due to the lack of trust between social partners (# 12 RO, # 13 RO). Informants pointed out that trust at the sectoral level could theoretically produce important benefits for balancing the interests of capital and labour, such as the establishment of uniform wage and working conditions standards, as well as the creation of common crisis support funds. However, in practice, the historical rejection of certain employers' organisations, accused of politically influencing legislative reforms to the detriment of workers, has led to an almost

total blockage of high-level dialogue (# 12 RO). This rupture has led to the absence of any dynamic of sectoral cooperation, affecting even the possibility of articulating a common response to major industrial transformations, such as digitalisation or the green transition.

Dimensions and bases of trust at national/sectoral levels

In the banking sector, relations between social partners at the sectoral level are generally cooperative, stable, and predictable, indicating a relatively high level of trust between employers and trade unions (TUs). This is reinforced by a tradition of positive relations and a sectoral collective agreement valid until 2026, which contributes to outcome predictability and dialogue continuity. Solidarity and joint action among actors on the same side also suggest identification-based trust (Shapiro et al., 1992). However, trust is eroded by several factors. An asymmetry of knowledge and expertise exists: employers' organisations (EOs) possess more economic and legal knowledge, while unions are often seen as lacking economic training. This affects the "ability" component of trust (Mayer et al., 1995). Additionally, differing visions of social dialogue—economic priorities for employers versus social goals for unions—limit long-term cooperation. The broader lack of a national culture of social dialogue and a perception of it as a zero-sum game further weakens institutional trust ('institution-based trust', Rousseau et al., 1998).

In the metal sector (automotive industry), trust is low, with fragmented, conflictual, and unstable relations, reflecting deterrence-based or absent functional trust (Shapiro et al., 1992). Negotiations often rely on positions of strength, and a mismatch between active unions and passive or fewer employers' organisations causes structural deadlocks. A major issue is the weak administrative capacity, especially on the employers' side, which lacks representative federations for sectoral negotiation. Employers' anti-union strategies exacerbate tensions and undermine trust (#13 RO). From the union perspective, employers' refusal to invest in wages or training despite profits, and their reluctance to support reforms to qualifications frameworks amid advancing technologies, erode trust further.

In the road freight transport sector, trust is nearly absent. Interactions between actors are rare and conflictual, with both employers and unions criticising insufficient government involvement, weakening institutional trust (Rousseau et al., 1998). Stakeholders express discontent with the legislative framework, viewing it as overregulated and biased toward unions. The pressure to negotiate simultaneously at multiple levels leads to duplication and diminished negotiator effectiveness. This climate reflects calculus-based distrust, where employers view the legal framework as non-neutral. Relationships among sectoral and lower-level actors are limited and superficial, including those between employer federations and their own members, indicating an instrumental, short-term trust based on calculation ('calculus-based trust').

4 Local level interactions and trust

Local-level industrial relations in Romania show significant sectoral variation, largely influenced by the maturity of social dialogue practices and the degree of institutional trust. In the banking sector, interactions are regular, structured, and cooperative, supported by stable communication channels and a history of effective collaboration. On the contrary, the

road freight transport sector shows weak or absent dialogue, with low levels of trust and fragmented representation, where negotiations, if they occur, are reactive and limited in scope. The automotive sector, particularly in large companies, demonstrates more functional and predictable relationships, built on recurring negotiations and shared experience.

Characterizing local level interactions

In **the banking sector**, local relations are generally well-institutionalised, recurrent and cooperative, reflecting a mature practice of social dialogue. Interviews reveal that interactions take place regularly, through scheduled meetings between HR management and union leaders, supplemented by ad hoc consultations in special situations (# 1 RO, # 3 RO). There are also clear consultation mechanisms, including in joint committees for occupational health and safety or for the analysis of restructuring. Frequently discussed topics include human resources policies, organisational changes, working conditions, hybrid work, and remuneration, and collective bargaining is usually held every two years, within the framework of collective agreements.

Relations are generally characterised by cooperation and functional trust, even if certain topics, such as salaries or reward policies, can generate occasional divergences. However, according to a HR representative, these differences “fail to ruin the relationship”, and trust is based on transparency and the stability of the negotiation teams (# 1 RO). The evolution of the relationship has seen a transition from initial tensions, especially in the context of post-privatisation and economic crisis context, to a professionalised partnership relationship, supported by mutual learning and the development of a “common language” in negotiations. However, there are variations in perception between banking units, between head offices and local branches, regarding access to benefits or work flexibility, which can generate differences in positioning within the same organisation (# 4 RO).

In **the road freight transport sector**, industrial relations at the company level are less developed and less formalised than in the banking sector. Local social dialogue is rarely established as a stable practice, and interactions between employers and employee representatives, when they exist – are occasional and limited in scope (# 7 RO, # 9 RO). In many companies, there are no active TUs and, where they do exist, dialogue is often reactive, arising in the context of occasional conflicts or crises. Relations are described as fragmented, tense, or simply absent, with a low level of trust between the parties. Both employers and workers seem to view social dialogue as ineffective or irrelevant to concrete problems in everyday work. Changes in the quality of relations occur, if they occur, as a result of external pressures (e.g., controls, European financing) rather than as a result of joint initiative.

The main topics of the negotiations that exist are wage levels, per diems, and working conditions for long-haul drivers, which are sensitive issues due to the difficult working conditions and international regulations that indirectly influence wages. In some cases, wages are set through external schemes, depending on the legislation of the countries in which the transport is carried out (# 9 RO), which significantly limits the real space for local bargaining.

In **the automotive industry**, especially in large companies – relations between unions and employers are relatively stable and functional, being characterised by regular, predictable, and formalised interactions. Findings show that in large companies in the sector, collective

bargaining is carried out regularly, and collective labour agreements are renegotiated in fixed cycles, according to internal legislation and practices. Topics addressed include wages, classification grids, working conditions, overtime and training policies, and in some cases, issues related to technologization, and reorganisation are also discussed. These relations are often supported by a history of collaboration but also by the existence of well-organised unions, capable of maintaining a constant dialogue with the employer.

The general climate is described as cooperative, but not without tense episodes, especially in the context of wage negotiations or structural changes imposed by parent companies. However, the actors involved seem to share a common understanding of the importance of maintaining an open dialogue, which contributes to managing tensions and maintaining a functional relationship (# 13 RO). Over time, relations have evolved positively, supported by the stability of union leaders and the continued professionalisation of HR-departments. However, interviews also indicate a lack of meaningful interaction between local and sectoral unions, which limits their ability to contribute to broader collective strategies (# 12 RO).

Anchoring trust in higher level institutions

At the local level, trust in higher-level institutions and actors varies significantly across sectors. In the banking sector, this trust is relatively well established, supported by tradition, collaboration and concrete results. In the automotive sector, trust exists between local and sectoral unions, but is lacking in relation to higher-level employers and public authorities. In transport, trust is almost non-existent, and relations between levels are marked by disconnection, misunderstanding, and lack of collective action.

The actors in **the banking sector** attribute real importance to sectoral institutions in supporting a coherent and efficient dialogue (# 1 RO, # 3 RO). The existence of a sectoral CAs is perceived as a stable benchmark, offering predictability and supports local negotiation. Local unions show a high degree of trust in sectoral union federations, the relationship being described as close, of mutual support and solidarity (# 4 RO). In contrast, trust in higher-level employer organisations is more restrained, due to perceptions related to a lack of transparency or difficulties in negotiating minimum wages (# 4 RO, # 5 RO). The industrial relations system is assessed as functional, but can be improved, and suggestions include clarifying representativeness and aligning sectoral strategies with local needs (# 3 RO).

In **the road freight transport sector**, local actors perceive higher-level institutions as irrelevant or even harmful to their realities (# 6 RO, # 7 RO, # 9 RO). Social dialogue is considered formal, bureaucratic, and disconnected from realities and issues, such as the staffing crisis or international regulations (# 7 RO). On the employers' side, there is frustration with the multiple negotiation obligations imposed by the new legislation, considered unjustified in the absence of functional union partners (# 6 RO). Local unions, where they exist, express little trust in sectoral federations, as they are rarely present or actively involved (# 9 RO). Trust in higher-level employer organisations is even lower, as they are perceived as opaque and exclusively following their own personal interest (# 7 RO).

In **the automotive industry**, local unions in large companies have a positive and trusting relationship with sectoral union federations, based on collaboration and common history (# 10 RO, # 12 RO). This reflects a clear form of trust built through identification. In contrast, the relationship with sectoral EOs is weak or non-existent, due to their absence or the perception that they are hostile to unionisation (# 13 RO). As for state institutions, they are considered poorly involved and inconsistent, and the legislation – unstable and unsuitable for the specifics of the sector (# 13 RO). Local actors call for the construction of real structures of employer representation and the professionalisation of union federations (# 12 RO, # 13 RO).

Effects of trust according to local level actors

At the local level, differences in the effects of trust have been identified in the three investigated sectors. These differences reflect the maturity of local dialogue and the ability of actors to build institutionalized relationships, which underlines the essential role of trust as an organisational and social resource in industrial relations.

Banking sector informants highlighted clear positive effects of mutual trust in employer-union relations. First, trust contributes to a climate of open communication, allowing for a constant exchange of information and a constructive negotiating framework (# 1 RO, # 3 RO). This makes consultation processes faster and more efficient, including on sensitive topics such as reorganisations, digitalisation, or hybrid work (# 3 RO).

For companies, trust reduces the risk of open conflict, reduces tensions during collective bargaining, and provides a competitive advantage through stability and predictability (# 1 RO). It also contributes to better-founded decisions based on real consultations and to the implementation of smoother internal reforms. A positive side effect is also the reduction of the pressure of employees, who feel that their voice is effectively represented through a functioning partnership (# 4 RO). For employees, trust in the union and in the openness of the employer creates a sense of security and involvement, supporting motivation, professional development, and staff retention (# 1 RO, # 4 RO). It is also mentioned that trust allows for the negotiation of flexible solutions adapted to different needs, for example, working hours or digital training for staff affected by automation (# 5 RO).

In **the road freight transport sector**, lack of trust has negative effects on all dimensions analysed. Local actors point out that, in the absence of trust, there is no real dialogue, consultation, or negotiation, and interactions are rare and tense (# 7 RO, # 9 RO). Information is provided unilaterally, without openness to compromise or cooperation (# 6 RO).

For companies, lack of trust generates instability, affects internal cohesion, and increases the risk of demotivation and turnover of the workforce, in a sector already affected by staff shortages (# 7 RO). Opportunities to adapt to external changes are also lost in the absence of functional cooperation between the parties. For employees, the absence of trust translates into poor quality of work life, lack of real representation, limited access to negotiated rights, and the impossibility of addressing claims or obtaining real improvements in working

conditions (# 9 RO). In the absence of a functional local dialogue, issues of pay, security, or professional training remain unresolved, which contributes to labour migration.

In the large company in **the automotive industry**, trust between local partners has significant positive effects, especially in the context of long-standing relationships and consistent negotiation practices (# 10 RO, # 12 RO). Trust facilitates rapid and efficient negotiation of CAs, even in tense economic conditions (# 12 RO). For companies, this translates into effective management of internal changes, especially concerning digitalisation, reorganization or the introduction of new technologies. Labour conflicts are avoided, and the overall climate remains stable (# 13 RO). For employees, trust in the union ensures effective representation, real participation in decisions, access to negotiated benefits, and a favourable framework for professional development (# 10 RO). Even more sensitive topics, such as production conditions or wages, can be dealt with cooperatively if there is a solid foundation for trust.

Dimensions and bases of trust at local level

In **the banking sector**, trust between social partners appears to be built primarily on process-based trust and mutual knowledge ("knowledge-based trust", Zucker, 1986), the result of institutionalised, recurrent and stable relationships over time (# 1 RO, # 3 RO). The frequency of meetings and the positive history of collective bargaining led to predictability and a general climate of cooperation, in line with the process trust model (Zucker, 1986).

An important element in maintaining trust is the professionalism of the actors and the technical competence of union leaders and HR (# 3 RO), which reflects the "ability" component in the theory of Mayer et al. (1995). Integrity and transparency are perceived positively in many companies but can be threatened in the context of sudden organisational changes or restructuring processes (# 4 RO). At the same time, trust can be affected by the asymmetry of economic knowledge between the parties – a form of power imbalance that can fuel distrust, especially when unions lack advanced financial analysis capacity (# 5 RO). However, the general climate is characterised by collaborative relationships, in some cases approaching identification-based trust, through solidarity and shared values (# 4 RO).

In **the transport sector of road freight**, the relationships between local partners are marked by poor interaction and low trust, characteristics that predominantly reflect lack of trust or the presence of a deterrence-based trust, i.e. interactions motivated more by legal constraints than trust relationships (# 6 RO, # 7 RO, # 9 RO). Local actors, especially employers, seem to interact only when legally obliged, reflecting a framework based on obligation rather than voluntary cooperation. In the absence of real social dialogue and in the conditions of a strong fragmentation of trade unionism, the minimum conditions for building trust do not exist (# 7 RO). Employee representatives indicate a deep distrust of the intentions of the employer, perceived as exclusively interested in profit. In this context, we cannot speak of calculus-based trust either, since there is no mutual calculation of long-term gains, only a structured opposition and a lack of dialogue (# 9 RO).

In large companies **in the automotive sector**, trust at the local level is gradually built, through frequent and recurring interactions, reflecting a type of knowledge-based trust (Zucker, 1986) consolidated over time (# 10 RO, # 12 RO). Union representatives describe formal and informal processes of cooperation, based on shared history and periodic collective bargaining, which allows for a good mutual understanding of objectives.

In some cases, there are also forms of identification-based trust, based on organizational loyalty and empathy for the company context, especially in crisis situations (# 10 RO). This type of trust, although rare, allows for the continuation of cooperation even in conflict situations. Important factors in maintaining trust are the stability of actors (human resources, union leaders), common negotiation experience, and decision-making transparency. The lack of these conditions (e.g. frequent changes in management or unilateral decisions) quickly leads to the erosion of trust and the emergence of fragile, calculated trust (# 13 RO).

5 Conclusions

The analysis of industrial relations in the three sectors – banking, road freight transport, and auto/metal – shows that trust and distrust at different levels (local and sectoral/national) are deeply influenced by the institutional structure, the history of industrial relations, and the capacity of social actors. In Romania, the weak tradition of social dialogue and the instability of regulations contribute to low institutional trust, especially at the senior levels, while at the local level, relations can range from solid cooperation to total disengagement.

The lack of a national culture of social dialogue influences attitudes and beliefs regarding trust, at the level of individuals, organisations, and institutions (Fulmer et al., 2024) in all the three sectors, confirming the importance of culture in shaping the determinants, forms, and effects of trust (Saunders et al., 2010). The underdeveloped national culture and tradition of social dialogue in Romania affect expectations about trustworthiness of the parties involved, eroding trust and, therefore, the necessary basis of cooperation. Our findings illustrate that social dialogue culture and practices are also shaped by the industry characteristics of the sectors studied. This is in line with the idea that industry norms and specific processes influence managerial decision-making, establishing those behaviours that are accepted and encouraged in a certain industry (Wicks & Berman, 2004), for example, a win-win mentality and a professionalised business practice and in finance and banking. Several types of trust were identified in the study of interactions between the actors involved, together with a series of positive economic and human effects of trust.

In the banking sector, trust is supported by the institutionalisation of negotiation processes and the history of cooperation. Here, clear forms of process-based and knowledge-based trust are found, supported by the professionalism of the actors and recurrent communication. In the automotive sector, especially in large companies, trust is built through shared experience and organisational stability, sometimes reflecting identification-based trust. In contrast, in transport, relationships are marked by deterrence-based trust or even the absence of trust, reflecting structural fragmentation and lack of coherent representation.

At the sectoral and national level, trust is fragile and often calculated (at best, calculus-based trust), especially due to the perception of the legislative framework as unstable, bureaucratic, or biased. Both employers' and trade union organisations report low trust in state institutions but also tense relations between higher-level social actors, especially in transport and metal. In these cases, vertical (inter-level) relations are weak, and actors at the local level express disappointment and disconnection from national or sectoral federations.

An important observation is that trust is most often manifested at the local level, where actors know each other, collaborate directly, and can build relationships based on competence, consistency, and common objectives. Similarly to the actor-centred institutionalism approach, in Romania industrial relations are shaped not only by formal rules, but also by everyday interactions, staff stability, and organisational culture. Therefore, the local climate can compensate for the lack of a coherent institutional framework at the national level.

In conclusion, trust is not given, but built – through regular interactions, through perceived fair outcomes, and through an institutional framework that supports coherence, reciprocity, and collective learning. Without these conditions, industrial relations risk remaining fragmented and the positive potential of trust, on the quality of work, economic stability, and social cohesion – will not be fully realised in Romania.

To maintain and strengthen trust in Romania, an integrated approach is needed that aims at both improving the institutional framework and developing the capacity of the actors. A continuous professionalisation of especially trade union leaders, by increasing their level of economic, legal, and organizational knowledge is essential, so that they can negotiate on a balanced and informed basis. In this regard, the offer of specialised professional training in labour relations, both in the public and private sectors, should be analysed and expanded. At the same time, improving the administrative capacity of state institutions involved in social dialogue, by reducing bureaucracy and increasing technical competence, is necessary for creating a climate conducive to cooperation. In parallel, trade union and employer organisations also need support to strengthen their institutional capacity, so that they can act coherently, representatively, and efficiently at both local, sectoral, or national levels.

In the long term, it is crucial to cultivate a culture of social dialogue in Romania. This objective can be achieved through awareness and education campaigns addressed to the general public and social partners to change the dominant perception of industrial relations as conflictual or useless. Only through a systemic and sustained approach, based on transparency, competence, stability, and real participation, can trust become a renewable resource, essential for the efficient and fair functioning of the Romanian labour market.

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