Conflict in Dismissals: Evidence from the Failure of "Separations by Mutual Agreement"

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This version is an in-progress version of an ongoing major revision.
Several parts are preliminary and incomplete.
Please do not circulate. Thank you for considering our submission!

Abstract

How do the employer and the worker interact during a dismissal? This paper tests whether they cooperate to minimize costs, or instead engage in *conflict*—i.e., deliberately amplify costs. We leverage a unique feature of the French labor market: an employer and a worker can jointly opt to replace a costly dismissal by a cheaper and more flexible "separation by mutual agreement" (SMA). Introduced in 2008, SMAs eliminate red tape costs, enable severance pay bargaining, and preclude litigation. However, we find that only 12% of dismissals are resolved through SMAs—far below the efficient level

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predicted by standard bargaining models. Surveying HR directors, we identify three drivers of conflict that hinder cost minimization: (i) hostility between the employer and the employee, (ii) employers using dismissals as a "discipline device" to maintain incentives, and (iii) asymmetric beliefs about subsequent labor court outcomes. Using counterfactual scenarios in the survey, we find that removing these three drivers of conflict would increase SMA adoption from 12% to 67% of dismissals. We confirm that less conflictual dismissals—due to either better employer-employee relationships or workers benefiting from early retirement—end more often as SMAs.

1 Introduction

Dismissals are costly for firms to implement and have lasting consequences for workers. Two defining features of individual dismissals are that they are typically unilateral decisions by employers and are subject to stringent employment protection regulations. By contrast, in most settings, labor law offers little scope for bilateral agreements to flexibly structure a dismissal on mutually chosen separation terms. It may preclude them entirely, make them costly to draft, strike, and enforce, discourage them through unemployment insurance (UI) penalties, or not let parties fully rule out litigation.[1] Hence, the introduction of an amicable separation mode that eliminates those tradeoffs should lower dismissal costs and labor disputes—and see wide-spread take-up, replacing conventional dismissals. Yet, how such a separation type would play out in the data remains an open empirical question.

We study a unique introduction of a such mutual and flexible job termination mode: the "separation by mutual agreement" (SMA, *rupturee conventionelle*) in France in 2008. We provide a comprehensive analysis of the share of dismissals that settle as SMAs, which ones, and which frictions may limit take-up. Importantly, France features rich administrative micro data on the universe of separation events, including the SMA and detailed micro data on SMA parameters. Overall, we find strikingly low take-up of SMAs during dismissals. We identify *conflict* during the dismissal (rather than the cooperation the SMA required) as the key obstacle of the reform to realizing its ex-ante potential to act as the largest modern deregulation of the rigid French labor law.

The SMA is a bilateral agreement that is formalized on a simple government-provided template (now online) form that requires no lawyer. It permits them to flexibly set the separation date and extra severance pay. It features a built-in optional extra severance pay and permits flexible adjustment of the separation date. For the worker, the SMAs preserves UI eligibility and dismissal-related severance pay minima, but it avoids the stigma associated with a dismissal. For the firm, it eliminates the majority of EPL and red

[1]For instance, the Argentinian *Extinción por mutuo acuerdo*, the Belgian *Rupture de commun accord / beëindiging in onderling overleg*, the Brazilian *Rescisão por acordo* (CLT art. 484-A), the German *Aufhebungsvertrag*, the Dutch *vaststellingsovereenkomst*, the Italian *risoluzione consensuale del rapporto di lavoro*, the Japanese *gōi taishoku*, the Spanish *Extinción por mutuo acuerdo*, and the UK Settlement (Compromise) agreement either reduce or eliminate UI eligibility, do not exhaustively waive court risk, or remain costly to implement. The Austrian *einvernehmliche Auflösung* comes closest to the French separation we study. Our literature has not uncovered existing research on these agreements and their impact. Oftentimes, administrative or survey data do not cover the specific mode of separation and details on the agreement. The French variant we study lends itself to empirical study for various reasons: France has unique worker turnover micro data covering the near-universe with precise separation labels, the separation mode stems from a recent reform, and it is particularly strong an approximation of the flexible bilateral bargain that lets the parties opt out of employment protections without the aforementioned trade-offs. Moreover, collusion to reclassify a dismissal into worker quit would, while eliminating red tape for the firm and sparing the worker reputational stigma, expose the firm to litigation risk and deprive the worker of UI.

tape, including court risk (as no just cause is provided). Before 2008, available substitutes for such deals were costlier or harder to enforce. In fact, a core policy motivation was to "convert" dismissals into SMAs and specifically to reduce labor court cases, as 27% of personal dismissals end up being challenged in court. After signing, both parties have a cool-down period of two weeks, with the job ending about a month after the termination, replacing standard advance notice limits. SMAs have quickly become a well-known part of the French labor market, making up about 17% of separations. But how much it succeeded in facilitating dismissals has remained an open question.[2]

Our main result is that SMAs resolve only about 1 in 10 dismissals, and achieved no reduction in dismissal-related court cases. We focus on personal (rather than economic) dismissals. They make up 77% of all dismissals and require no just cause. We estimate this "conversion share" using micro administrative data on the universe of job turnover events. We find strikingly similar results across three strategies, of 11.1%, 11.8%, and 10.9%. First, we compare dismissals between 2003-2006 and 2011-2014 and attribute their decline to conversions. Second, we estimate conversions by scaling up a difference-in-differences estimate across labor market cells identified off the higher dismissal decline in cells with high SMA take-up. Third, we exploit a government survey of workers that signed an SMA that asks about the counterfactual absent the SMA.

To understand the wide-spread failure to settle on SMAs, we draw on a basic model of bilateral bargaining and turnover. Absent frictions, the parties take up the SMA to exploit the mutual gains from trade, relying on the Coasean bargain the SMA makes possible. We highlight three potential frictions: (i) asymmetric information about post-separation court prospects, (ii) hostility, and (iii) spillovers of SMAs during dismissals such as to incentivize other workers ("discipline device")—which can generate *conflict* precluding the cooperation the SMA requires.

Indeed, these factors appear to explain much of the limited conversion. First, in our custom survey on dismissals, SMAs and associated trade-offs, HR directors state that another 62.7% of dismissals would convert if these three factors were absent (and by 51-57% with individual factors only). Second, we find lower conversions in labor market cells exhibiting worse manager-employee relationships. Third, conversions are much higher among cooperative or collusive dismissals, namely of older workers that can use UI as a bridge into early retirement. Fourth, we reiterate that we document no reduction in dismissal-related court cases—implying that the conversions that did happen replaced less

[2]Our comprehensive analysis complements two papers on the reform comparing establishments with and without SMA take-up. Signoretto (2016) analyzes the short-term impact in 2009. Batut and Maurin (2020) focus on establishment turnover and also document a small reduction in dismissals.

conflictual dismissals.

Our paper contributes to the literature on job separations by focusing on interactions during dismissals, complementing research on bilateral inefficiencies in *whether* a given job should have separated and frictions such as wage rigidity (e.g., Hall and Lazear, 1984; Bewley, 1999; Elsby and Solon, 2019; Jäger et al., 2023; Davis and Krolikowski, 2025; Bertheau et al., 2024; Blanco et al., 2024). We also add to a large literature on employment protection and turnover that treats dismissal costs essentially as exogenous to the match (Bentolila and Bertola, 1990; Abowd and Kramarz, 2003; Autor et al., 2006; Boeri and van Ours, 2008; Martins, 2009). Models with endogenous choices emphasize efficient bargaining, such as minimizing red tape costs (see, e.g., Garibaldi and Violante, 2005; Postel-Vinay and Turon, 2014; Cederlöf et al., 2024) or collusion for UI (Van Doornik et al., 2023; Khoury, 2023).

In Section 2, we review the institutional context and data. Section 3 shows that SMAs largely failed to convert dismissals. Guided by a simple model in Section 4, Section 5 validates the substantial empirical role of conflict. Section 6 concludes with broader implications of such conflict and potential design tweaks for the SMA.

2 Institutional Background and Data

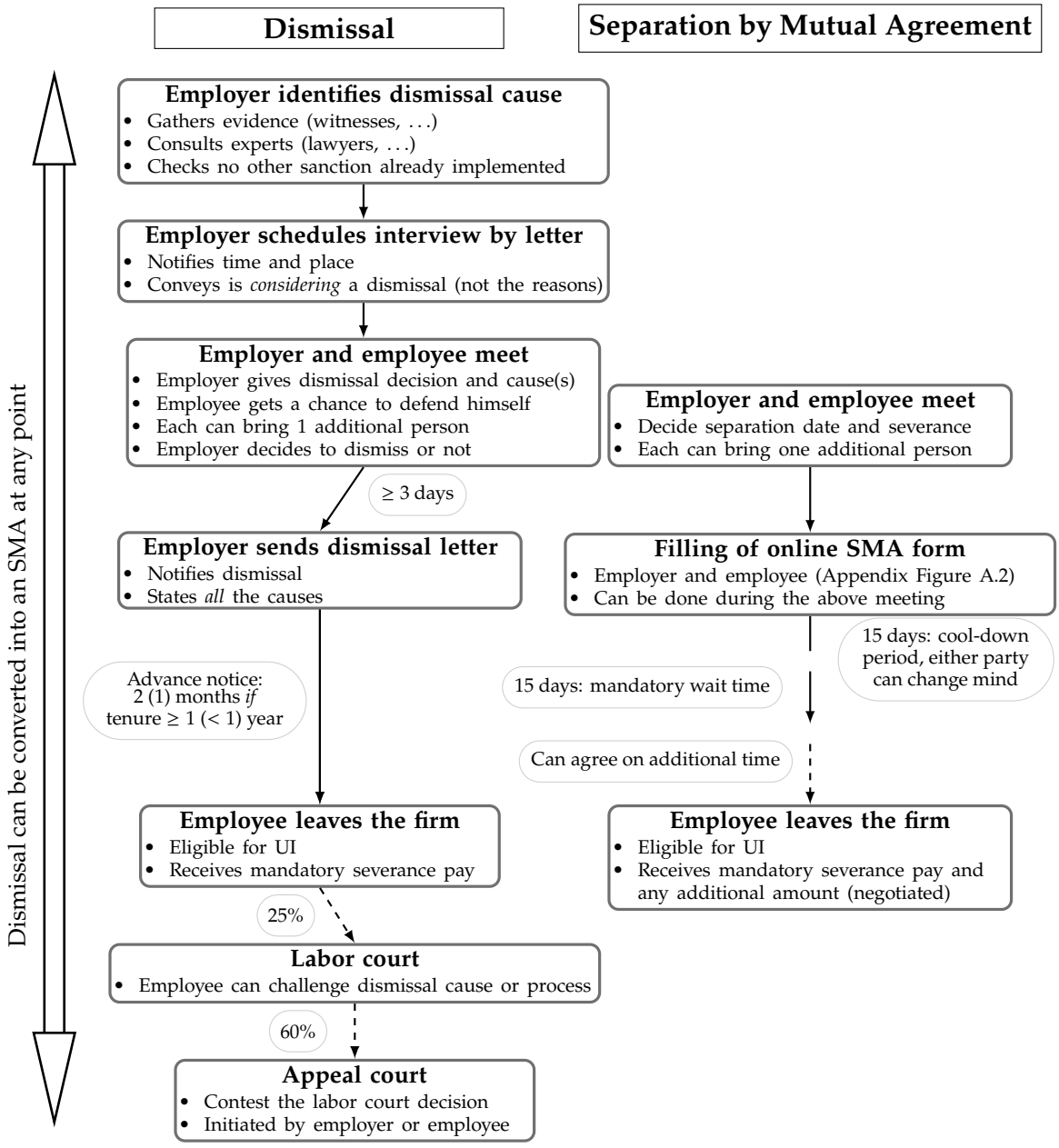
We describe the French employment protection regulations and the personal dismissal process, the SMA process, and other institutional features.

2.1 Employment Protection and Personal Dismissals

Permanent contracts. About 85% of French wage employment is under open-ended, also known as permanent, contracts (OECs), with strong protections guiding dismissals. In the OECD, France was ranked eighth in terms of the stringency of employment protection in 2007 (the pre-reform year) for individual dismissals and the indicator has been stable over 1990-2015 (see Appendix Figure A.1).

Dismissal process. A dismissal can be for personal reasons (about the worker) or economic reasons (about the firm, see below). The former type is our focus and makes up 77% of dismissals in France over 2003-2006 (see Section 2.4 for a description of the data used). Every personal dismissal requires a verifiable and sufficiently serious cause (*cause réelle et sérieuse*): (i) a fault committed by the worker, (ii) professional incompetence, or (iii) serious misconduct (see below for this last case). Unions have no formal role in a personal dismissal. It requires four steps, described in Figure 1, which also compares the dismissal process with that for the SMA (below). First, the employer needs to identify a cause and gather evidence (expert statements, witnesses,...). Second, she sends a letter to

Figure 1: Procedures for Personal Dismissals versus Separations by Mutual Agreement



the worker to schedule a meeting. This letter must state that the employer *is considering* a dismissal (but not why). Third, during the meeting, the employer explains the reasons for the dismissal and the worker has an opportunity to respond. The worker may bring one colleague. At the end of that meeting, the employer decides whether or not to proceed with the dismissal. Fourth, the employer sends the official and final dismissal letter, containing all the reasons for the personal dismissal. Causes and evidence not included in the letter cannot be used in court later on. Employers cannot dismiss workers immediately: once the worker receives the letter, a mandatory notice period starts. Jobs with tenure below two years have a one-month notice period, while those above two years require two months' notice; below one year of tenure, the notice period can be shortened.

Severance pay. Dismissed workers are eligible for UI (if employed long enough). Moreover, workers with at least a year of tenure are due severance pay equal to

$$\overline{s} = \left(\frac{1}{5} \times \text{YearsTenure} + \frac{2}{15} \times \max(\text{YearsTenure} - 10, 0) \right) \times \text{MonthlyWage}. \tag{1}$$

Labor court disputes. 25% of workers dismissed for personal reasons challenge the dismissal in labor court (Fraisse et al., 2015). The termination is declared wrongful in violations of the process or just cause requirement, or due to discrimination or harassment. The burden of proof of the just cause lies with the employer. The average trial duration was 12 months in 2004 and 17 months in 2018 (Ministère de la Justice, 2019). Moreover, between 60% and 67% of court cases are also appealed (Cahuc et al., 2024). Although judges can offer the worker a reinstatement in the company if the dismissal is determined to be wrongful, workers usually opt for the monetary compensation (consistent with the fact that court decisions often come long after the dismissal). Appendix A.2 provides additional details on the court process and the associated costs.

Post-separation settlements. *After* a dismissal and either before or during a trial, a worker can waive the right to a court judgment in three ways. First, they can make an "agreement" (*transaction*) with the only assistance of lawyers. Second, they can rely on a certified mediator (*médiation extra-judiciaire*). Third, the judge can mandate a legal mediator during the trial (*conciliation*). In all cases, the negotiation and settlement take place *after* the dismissals with costly and rigid steps, and with an ongoing or risk of future trial. Lawyers are involved in crafting such agreements. Settlements that take place outside the court are often confidential. In 2004, 10% of trial cases were reaching a settlement through the court mediation (2.5% of dismissals, see Desrieux and Espinosa, 2019).

Gross or serious misconduct. For gross or serious misconduct (e.g.,, violence, persistent

absence), advance notice and the severance pay are waived, but UI eligibility is unaffected. (Brembilla et al., 2023). According to a 2022 government survey, 17.9% of personal dismissals fall into this category.

2.2 Separations by Mutual Agreement (SMAs)

Reform and timeline. On June 25^{th}, 2008, the government introduced SMAs (*ruptures conventionnelles*), the possibility to mutually agree to terminate OECs. SMAs were the result of a law (*Loi 2008-596 portant modernisation du marché du travail*) signed in January 2008, and translated into the labor code in June 2008 (and effective on that date). The law was the result of an agreement between social partners: SMAs would make OECs more flexible by facilitating their termination, while still providing employment security to workers.[3]

Features of the SMA. SMAs allow an employer and an individual employee to *mutually* decide to terminate an OEC. They do not have to provide any cause for the separation and do not formally record one—hence, SMAs cannot be challenged in labor court on that basis.[4] They can flexibly bargain on the severance pay, with a floor set by the dismissal level (Equation (1)).[5] The worker remains eligible for unemployment benefits exactly as with a dismissal.

Implementing an SMA requires three steps. Figure 1 describes the SMA process and contrasts it with dismissals. First, the worker and the employer have to meet at least once to discuss the separation parameters (date and severance pay). Second, they fill in and sign the agreement form together: a printable form on job information (wage and tenure), the separation date, and the severance. Appendix Figure A.2 displays the current online version of the form, which replaced but mirrors the paper version in 2022. During a mandatory wait time of 15 days following the signatures, either side can change their mind and cancel the SMA. After the wait period, the agreement is sent to the local labor inspection authority for validation, which takes an additional 15 days but is essentially guaranteed.[6] Third, the separation becomes active on the specified date, the worker receives the severance pay and can, upon the separation, register for UI. Hence, there is a mandatory minimum delay of one month between the first meeting and the separation—but the SMA permits the parties

[3]The three main policy objectives were (i) to reduce the segmentation between permanent and temporary jobs, (ii) to reduce labor court disputes, and (iii) to facilitate job-to-job transitions by maintaining UI eligibility during the probationary period in the next job (lost after a quit).

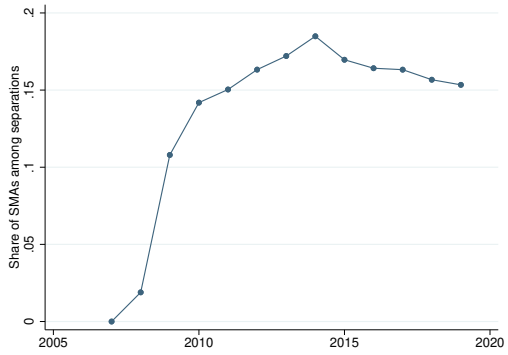
[4]For that reason, in practice, only about 0.2% of SMAs lead to a labor court case (Ray, 2021), compared to about 25% of dismissals. The remaining grounds for litigation are narrow: as for any other contract, either party can still go to court if the SMA was accepted under pressure or harassment (where the prospect of a dismissal would not qualify as pressure).

[5]Appendix A.4 details the tax treatment of the severance pay, typically untaxed until 2013.

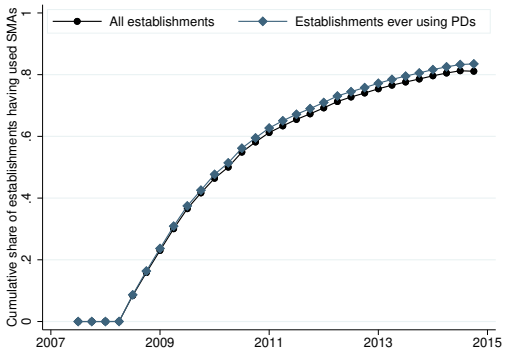
[6]Only 4% of SMA filings are not approved, often because of skipping the required meeting or the severance pay not meeting the minimum (Ray, 2021).

Figure 2: Take-up and Diffusion of Separations by Mutual Agreement

(a) Aggregate Time Series: Share of SMAs Among Total Separations



(b) Establishment-level Panel: Share of Establishments That Have Used SMAs



Notes: Panel (a) depicts the share of SMAs in total separations (quits, economic dismissals, personal dismissals and SMAs) of open-ended contracts between 2007 and 2019, computed from the MMO for the private sector. Panel (b) uses establishment-level panel data and depicts the cumulative share of establishments having used an SMA at least once. The sample for the black circles is a balanced panel of the establishments between 2008 and 2015; the blue diamonds consider the subset of that ever use a personal dismissal between 2008 and 2015.

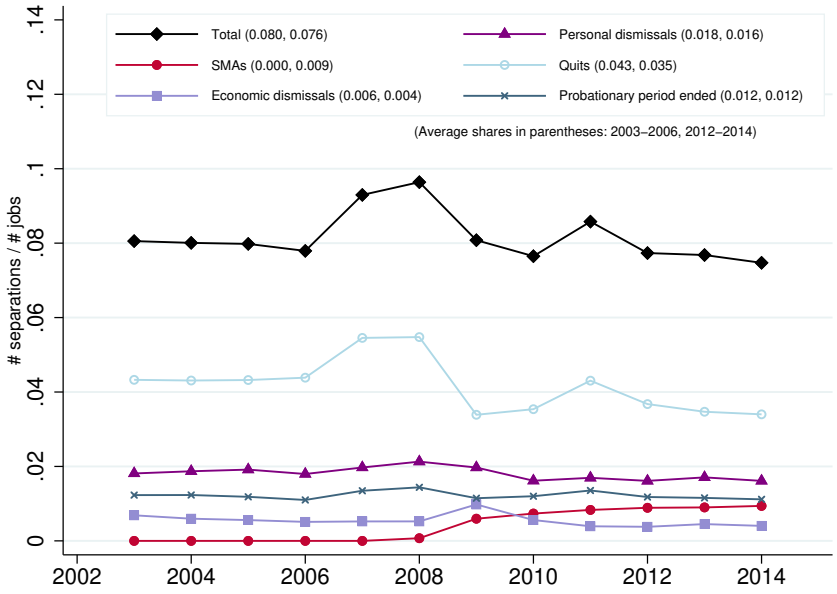
to flexibly set any later date.

Take-up. The labor market quickly took up SMAs following their 2008 introduction, then settling in on a stable level of about 15%–17% of separations by 2011, as shown in Figure 2 Panel (a). Hence, we end our main analysis in 2014, because for 2003-2014 our main data has consistent worker flow information (details in Section 2.4 below).

By 2015, more than 80% of firms have used an SMA, as shown in Figure 2 Panel (b), which plots the share of establishments that have used at least one SMA at any point, for a balanced sample between 2008 and mid-2015 (consistent with Figure 2 in Batut and Maurin, 2020). In addition, summarized at the end of Section 5.1, we will confirm widespread knowledge of and experience with the SMA process among HR directors.

Dismissals vs. SMAs. To conclude, both the SMA and the dismissal require the employee and the employer to meet once. In contrast to the personal dismissal, the SMA does not require a cause nor proof of a just cause, making litigation exceedingly rare. The mandatory notice period for SMAs is shorter but the separation date can be set flexibly beyond it. However, the SMA requires consent of the worker. Finally, the SMA also allows the parties to bargain extra severance pay at the separation stage, while the dismissal permits a settlement only after the separation in the context of a dispute. For those reasons, SMAs have the potential to dramatically reduce costs and increase flexibility compared to personal dismissals. *Importantly, the law indicates that an ongoing dismissal can be converted into an SMA at any stage.*

Figure 3: Aggregate Separations over Time



Notes: This figure depicts the number of open-ended contract separations (total and by type, from MMO) divided by the number of permanent jobs (from DADS, approximated as the jobs ever existing in the year minus fixed-term contract hires, to remove short-duration FTCs) by year and for establishments with at least 10 employees. 2003-2006 and 2012-2014 averages are in parentheses. Total separations are the sum of the other lines.

2.3 Other Institutional Features

We now describe economic dismissals, quits, and additional institutions.

Economic dismissals. Dismissals for economic reasons are unrelated to the specific worker. Our focus is on personal dismissals for several reasons: economic dismissals (i) are less frequent, making up just 23% of dismissals (over 2003-2007, computed from the worker flows data described in Section 2.4, see Figure 3), (ii) often have a collective rather than bilateral nature (including negotiations with a committee of worker representatives), and (iii) are related to the firm's economic difficulties.[7] Workers are twelve times less likely to go to court for economic dismissals than personal ones over 2004-2007 (Ministère de la Justice, 2019).

Quits. To quit, the worker sends a letter to the employer (no reason required), which starts the notice period (set in contract, typically 2-3 months for managers, 1 month for

[7]Economic dismissals result from business difficulties, technological change, restructuring necessary to remain competitive, or exit. Alternative ways to maintain the contract must have been exhausted (e.g., change in occupation, transfer to another establishment within the firm, even if requiring some training). If the economic dismissal is collective, the employer must additionally first negotiate with a worker committee to create a plan minimizing dismissals, and send the plan to the labor inspection. Workers receive severance pay (Equation (1)).

technicians, and below a month for clerks and blue collar workers). No severance is due. Quits preclude unemployment benefit eligibility. (Registration for benefits requires workers to provide firm-signed documentation confirming the separation mode.) Quits are the most frequent separation type: Figure 3 shows that 4.3% of permanent jobs are terminated with a quit every year over 2003-2006 (data described in Section 2.4), compared to 1.8% as personal dismissals and 0.6% as economic dismissals. We discuss interactions of SMAs and quits in Appendix I.

Fixed-term contracts (FTCs). FTCs are permitted if used to replace a worker on leave, when the firm experiences a temporary change in activity, for seasonal jobs, or for jobs that are by nature temporary. FTCs can be renewed once (twice starting 2015) and are capped at 18 months (except for sudden increase in exports (24 months) and after age 57 years (36 months)). A severance equal to 10% of total gross wages paid during the job is due unless an OEC is offered.

Unemployment insurance (UI). UI eligibility requires an involuntary job loss or an SMA. It requires at least (six (four) months of employment until (after) 2009 during the past 22 (28) months. Duration is maxes out at 24 months (36 starting age 50). The replacement rate averages 60% of the previous net wage and is capped. There is no experience rating.

Minimum wage and collective bargaining agreements. The national minimum wage, updated at least once a year, was 8.44€ per hour in 2007 and 9.53€ in 2014, covering 10% to 15% of workers (Gautier et al., 2022). Industry CBAs add wage floors by industry and occupation and cover most workers (Boudjemaa, 2018), with 15% to 20% are also covered firm-level CBAs.

2.4 Data

Worker flows (MMO). We obtain micro monthly data on all turnover events (separations, hires) from the *Mouvements de Main d'Oeuvre*, MMO) dataset, collected by the Ministry of Labor, built from an administrative source and a survey.[8] The micro data provide worker demographics, the job's start and end dates, contract type, occupation, and—importantly—*detailed separation type* (e.g., personal dismissal of OEC, SMA,...). For sample consistency, we focus on establishments larger than 10 as smaller ones only started to be included in the survey in 2007. We end our main analysis in 2014 due to a data break in 2015.[9] We provide robustness checks for later periods using the Labor Force Survey, described below.

[8]All establishments larger than 50 workers have to report, each month, the details of all hires and separations, and information for smaller establishments comes from a quarterly survey of about 50,000 respondents. The survey has a stable response rate of 75% and survey weights are provided.

[9]The MMO stops in mid-2015 and has progressively been subsumed by the *Déclaration Sociale Nominative*). The ministry reports a strong break and low reliability and representativeness in 2015.

Employment records (DADS). Our establishment-level and aggregate employment measures are computed using employment records from the *Déclarations Annuelles des Données Sociales* (DADS) over 2003-2014, built from firms' annual mandatory fiscal declarations, though lacking separation details (see MMO). We will sometimes construct separation shares by dividing MMO separation types by DADS stocks.

Labor Force Survey (LFS). We rely on the Labor Force Survey (LFS) to obtain alternative measures of separations and employment, and to expand the period of analysis beyond 2014. We identify separations as employer or labor force status changes in the quarterly panel data—events for which the LFS additionally elicits detailed separation type. However, we are unable to observe separations of short employment spells taking place between two waves of the survey.

SMA administrative records. We have obtained administrative micro data on the mandatory SMA filings, for 2011 and from 2013 to 2015 (for 94 out of 96 provinces). These data contain the information from the form depicted in Appendix Figure A.2 and described in Section 2: on the job (tenure and wage, from which can compute the mandatory severance), on the SMA (bargained severance, exact dates of agreement signature and of separation) and firm ID. (2013-15 records include additional information such as occupation and age.)

Survey of SMA participants. In 2012, the Ministry of Labor conducted a survey of 4,502 workers that underwent an SMA in 2011 (so far not used in research). The sample seems representative of 2011 SMAs (see Appendix Table C.1 comparing survey and population SMAs in the above SMA administrative records[10]). Crucially, the survey elicits the counterfactual outcome had the SMA not been struck.

Worker-manager survey on workplace characteristics (Reponse). To create measures of conflict between employees and employers, we rely on the *Relations Professionnelles et Négociations d'Entreprise* (Reponse) survey. Conducted every six years among private-sector establishments larger than 10 employees by the Ministry of Labor, it covers the evolution of management practices, work organization, job satisfaction, social climate, and industrial relations. We rely on post-reform waves, 2011 and 2017, as several questions on social climate were not included before. Within an establishment, it surveys both managers and employees (4,023 and 4,364 managers in 2011 and 2017, and 11,378 and 28,963, respectively).

Own survey of HR directors. We have surveyed HR directors on SMAs and dismissals. Section 5.1 describes our data collection, sample, and questionnaire.

Court case micro data. We draw on comprehensive administrative records of individual

[10]Our link uses dates of signature and separation and tenure, yielding 4,288 unique matches.

labor court cases, collected and provided to us by the statistical department of the Ministry of Justice. We observe cases for which a decision was rendered. For each case, we know its reason (e.g., to contest a personal dismissal), which side initiated it, starting date, and judgment date.

3 The Share of Dismissals Converted into Separations by Mutual Agreement

We now evaluate the impact of the 2008 introduction of SMAs, with a focus on the effects on dismissals. Formally, our goal is to quantify σ, the share of potential personal dismissals ending as SMAs. *Potential* dismissals, $\widetilde{PD}$, are jobs that would end in a dismissal if the SMA were not an option:

$$\sigma = \frac{CV}{PD + CV} = \frac{CV}{\widetilde{PD}}, \tag{2}$$

where CV is the number of *conversions*: those potential dismissals that end with an SMA (equivalently, those SMAs that would be dismissals if SMAs were not an option). PD is the *actual* number of dismissals (the potential dismissals that do end as a dismissal when the SMA is an option). By definition, $\widetilde{PD} = PD + CV$.

Below, we estimate that fewer than 12% of dismissals end as SMAs, with strikingly consistent estimates across three strategies. But this result is easily seen in simple time series of personal dismissals in Figure 4. Before 2008, about 1.8% of jobs end in a personal dismissal per year. Starting in 2011, dismissals have settled in at only a slightly lower 1.6% share, and remained relatively stable. That is, many dismissals still happen after SMAs are available, implying a small conversion share.

3.1 An Upper Bound

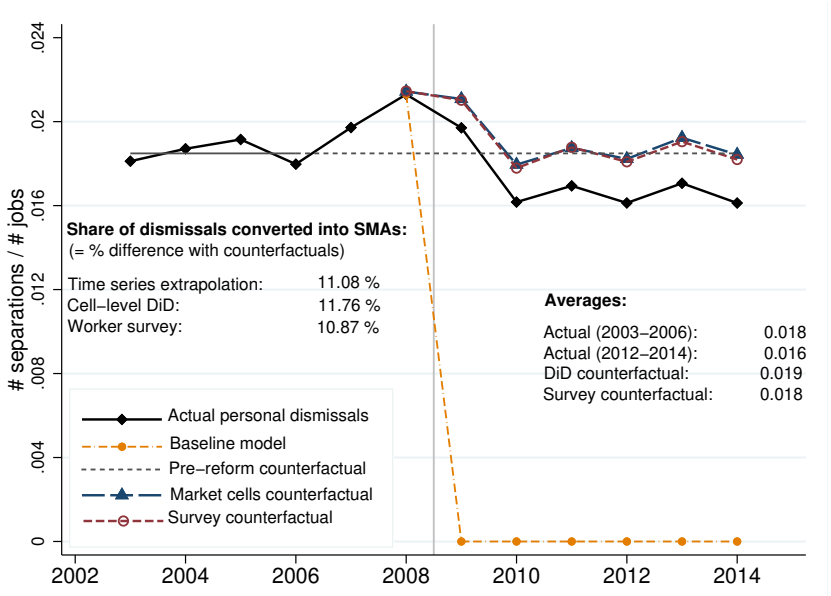
We start by constructing an upper bound for σ by attributing *all* SMAs to conversions:

$$\sigma^{UB} = \frac{CV^{UB}}{\widetilde{PD}^{UB}} = \frac{SMA}{PD + SMA} = 36\%. \tag{3}$$

We estimate σ^{UB} using permanent job separations by SMA and personal dismissals over 2012-2014, depicted in Figure 3, each normalized by the number of permanent jobs, yielding 1.6% and 0.9%, respectively, and hence an upper bound of $\hat{\sigma}^{UB} = 36\%$.

The actual σ is likely well below this upper bound. First, such a scenario would have implied an unrealistic post-2012 explosion of dismissals had SMAs not been available, by 39% ($\frac{\widetilde{PD}^{UB} - PD^{pre}}{PD^{\text{pre}}} = \frac{PD+SMA-PD^{pre}}{PD^{\text{pre}}} = \frac{0.016+0.009-0.018}{0.018}$). Figure 4 plots this implied time series along with the actual time series of dismissals. Second, besides dismissals, SMAs replace

Figure 4: Share of Personal Dismissals Converted into SMAs



Notes: This figure illustrates the calculation of an upper bound for conversion of dismissals into SMAs and our three main estimates. It depicts dismissals normalized by employment in permanent jobs and several post-2008 counterfactuals, and the sum of SMAs and dismissals that give the upper bound for a counterfactual and σ. Actual dismissals are the solid black line connecting diamonds. The horizontal gray line shows the average ratio over 2003-2006, giving a post-reform counterfactual. The dashed line with triangles plots the counterfactual computed from the slope of the labor market cell-level regression of the dismissal growth rate on SMA take-up (-0.89 (Figure 5 Panel (c)) multiplied with the aggregate SMA time series (Figure 3). The dashed line connecting hollow circles plots the counterfactual computed from the SMA survey (i.e., assuming that 22% of SMAs are replacing a dismissal). The dashed line connecting circles indicates the prediction of σ equal to 100% obtained from the baseline model. The table on the left reports the σ estimates from the three strategies and the model prediction. See note for Figure 3 for details on data.

continuations and quits (as shown in Appendix I and in Section 3.4 below).

3.2 Strategy 1: Extrapolation of Times Series

Our first strategy simply attributes the post-SMA-introduction decline in dismissals to conversions and, formally, relies on the following equation (with $\widetilde{PD} = PD^{\text{pre}} + \epsilon$):

$$PD = PD^{\text{pre}} - CV + \epsilon. \tag{4}$$

To back out σ, we assume that $\epsilon = 0$, i.e., dismissals would have remained constant at the pre-reform average absent the SMA introduction, so that conversions are the difference between pre- and post-reform dismissals. As a placebo check supporting the assumption, we point to the stability in firm-initiated separations during the probationary period in Figure 3—exempt from dismissal regulations and hence not affected directly and their evolution plausibly capturing counterfactual trends in personal dismissals. We drop the

Great Recession in our calculations.[11] This yields a conversion share of about 11%:

$$\hat{\sigma}_1 = \frac{PD^{\text{pre}} - PD}{PD^{\text{pre}}} = 11.08\%. \tag{5}$$

We show robustness to longer periods with the MMO (Appendix Figure D.1 Panel (a)), with the caveat of a massive change in the data collection starting 2015 (see Section 2.4, and in the Labor Force Survey (Appendix Figure D.2), with the caveat that the Labor Force Survey is not suited to keep track of short tenure separations. Appendix Figure D.3 splits the sample by tenure of one year (above which dismissals and SMAs have the same severance pay mandate, see Section 2).

3.3 Strategy 2: Difference-in-Differences Across Labor Market Cells

Second, we identify conversions with a difference-in-differences (DiD) strategy across labor market cells. We split the labor market into 1,465 cells crossing industry, occupation, tenure, worker age, and establishment size (employment) in the MMO data (descriptives in Appendix Table E.1).[12] We sort cells by SMA take-up, the share of SMAs among total permanent job separations over 2012-2014. .

First, we show that SMAs were taken up in cells that were initially dismissal-intensive, and then had a larger reduction in dismissals post-reform. Figure 5 Panel (a) plots the times series of SMAs (normalized by 2003 separations), by quintile of SMA take-up. There is substantial variation in SMA take-up by 2014, with 35% (close to zero) in the top (bottom) quintile. Panel (b) shows that cells with higher SMA take-up reduce dismissals by more—consistent with conversions—without differential pre-trends. (Our DiD strategy will net out baseline *level* differences; Appendix Figure E.4 plots pre-reform dismissals against SMA take-up.)

Second, we estimate this effect in a simple DiD specification (in differences):

$$\frac{PD_i - PD_i^{\text{pre}}}{PD_i^{\text{pre}}} = \alpha + \beta \times \text{SMA Take-up}_i + v_i, \tag{6}$$

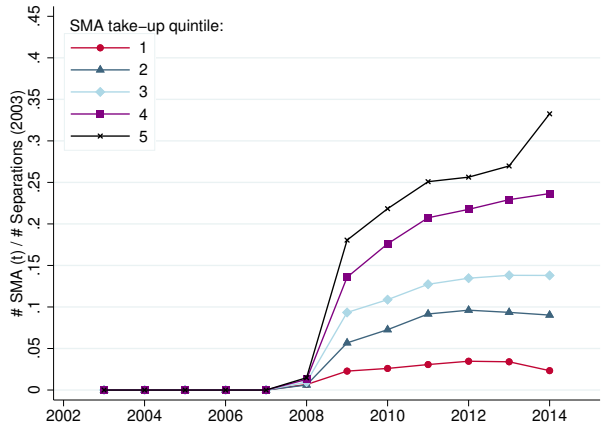
where SMA Take-up$_i$ is cell i's SMA share in total separations (2012-2014 average), and PD_i^{pre} and PD_i are the 2003-2006 and 2012-2014 averages of personal dismissals.

[11] As seen in Figure 3, during the Great Recession, *economic* dismissals increased during 2008-10, with a modest increase in personal dismissals, which however were very stable within 2003-2006 and again 2012-2014. The resulting selection would lead us to *overestimate* conversions and σ.

[12] We define cutoffs for continuous variables, aiming to keep separation counts similar between groups. We exclude cells with fewer than 30 dismissals over 2003-2006 and cells with top and bottom 5% growth in the number of dismissals over time.

Figure 5: Difference-in-Differences Approach: Cell-level Analysis

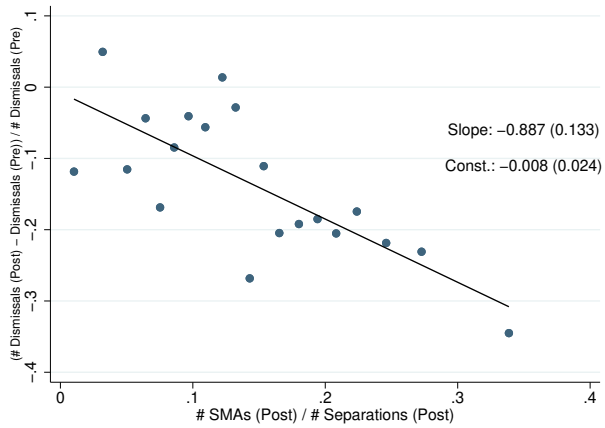
(a) SMAs



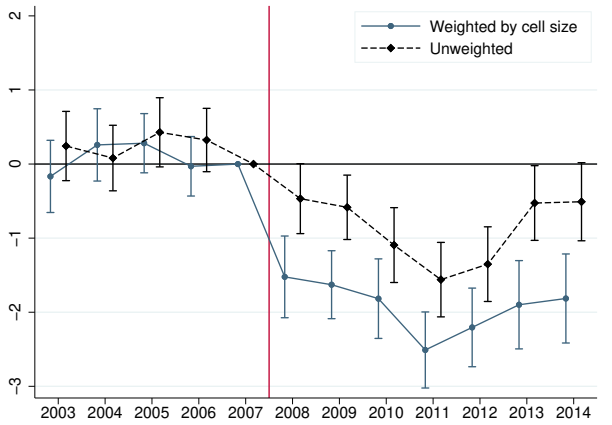
(b) Personal Dismissals



(c) Pooled DiD: SMA Take-up and Dismissals



(d) Yearly DiD: SMA Take-up and Dismissals



Notes: Panels (a) and (b) plot times series of SMAs and personal dismissals by quintile of SMA take-up. SMA take-up is the share of SMAs among separations, on average over 2012-2014. SMA take-up is measured at the cell level. There are 1,465 cells based on tenure, worker age, establishment size, industry, and occupation. Cells are grouped by quintile of SMA take-up. SMAs and dismissals every year are obtained by summing all the SMAs and dismissals of the cells in the corresponding quintile. They are then normalized by total quintile-level separations in 2003. Panels (c) and (d) are cell-level analyses (rather than quintile-level), and show the relationship between SMA take-up in 2012-2014 and changes in the number of personal dismissals over time across cells. Panel (c) is a binned scatterplot showing the correlation between the growth rate of the number of personal dismissal between 2003-2006 and 2012-2014 and SMA take-up over 2012-2014. Cells with fewer than 30 separations on average per year are excluded, as well as the top and bottom 5% in terms of growth of dismissals. Estimated parameters of an OLS regression of the growth in dismissals on SMA take-up from Equation (6) are reported, with robust standard errors in parentheses. Panel (d) plots the estimates of an event study specification, described in Footnote 13, in which the log number of personal dismissals is regressed on interactions between a set of year dummies and (constant) SMA take-up. The specification controls for year and cell fixed effects. Estimates are shown for both an unweighted specification and one in which cells are weighted by their size (number of separations). Standard errors are clustered at the cell level.

Panel (c) of Figure 5 is a binned scatterplot of $\frac{PD_i - PD_i^{\text{pre}}}{PD_i^{\text{pre}}}$ against SMA Take-up$_i$ and includes the fitted regression line. There is a strong negative relationship with $\widehat{\beta} = -0.887$ (SE 0.133), consistent with the visual impression in Panel (b) across quintiles. Hence, comparing cells, a 10 percentage point increase in the share of SMAs among separations is associated with a 8.9 percentage point reduction in the growth of dismissals. Panel (d) presents year-specific DiD effects in a dynamic event study version of Equation (6).[13] Pre-reform coefficients are close to zero and stable, and rise exactly in 2008, and are then relatively stable.

Third, we combine this estimated slope with the aggregate SMA take-up (and normalize by pre-reform dismissals) to obtain an estimate of conversions and deduce our second estimate for the share of dismissals converted into SMAs:

$$\hat{\sigma}_2 = \frac{-\hat{\beta} \times PD^{\text{pre}} \times \text{SMA take-up}}{PD - \hat{\beta} \times PD^{\text{pre}} \times \text{SMA take-up}} = 11.76\%. \tag{7}$$

Lastly, estimated constant α close to zero (-0.008 (S.E. 0.024)) supports the identification assumption in Strategy 1 (that $\epsilon = 0$, i.e., stable counterfactual dismissals).

3.4 Strategy 3: Survey-Based Subjective Counterfactuals

Our third estimate comes from a worker survey, eliciting the subjective counterfactual absent the possibility of the SMA. We exploit a survey of 4,502 workers who separated by SMA in 2011. The survey was run by the Ministry of Labor in 2012 (see data description in Section 2.4, including a check on its representativeness). Table 2 reports on several key questions we use. The main question is:

> *Would you still have left the establishment if the separation by mutual agreement did not exist?*
> *- Yes, I would have quit.*
> *- Yes, I would probably have been dismissed.*
> *- No, I would have stayed.*
> *- Something else.*
> *- I don't know.*

Our main result is that only 22.08% of workers respond that they would have been dismissed. 38.76% would have quit, 28.21% would have stayed and 9.95% chose "other" or that they did not know. (See Appendix I for a discussion of the interaction of quits and SMAs and the role of collusion for UI eligibility.)

[13] We estimate the yearly counterpart $\ln(PD_{i,t}) = \gamma_i + \nu_t + \sum_{\substack{k=-4 \\ k \neq 0}}^{k=5} \beta_k \times \text{SMA Take-up}_i \times \mathbb{1}_{t=2007+k} + u_{i,t}$.

To estimate aggregate conversions, we multiply the aggregate number of SMAs with the survey share of workers picking the dismissal counterfactual. We plot the implied counterfactual time series for dismissals in Figure 4. The result is again a conversion share of about 11%:[14]

$$\hat{\sigma}_3 = \frac{0.22 \cdot SMA}{PD + 0.22 \cdot SMA} = 10.87\%. \tag{8}$$

Table 2 reports additional survey results. Consistent with a small dismissal share, only 15% of respondents point to the employer as the initiator of the separation, and only 17% believe the employer chose the SMA to reduce dismissals.

3.5 Heterogeneity

We briefly describe *which* dismissals convert. All pockets of the labor market continue to implement dismissals, including those with high dismissal costs.

Labor market cells. First, we construct a cell-level conversion share $\hat{\sigma}_i = \frac{PD_i^{\text{pre}} - PD_i}{PD_i^{\text{pre}}}$ (as in strategy 1), with cells defined as in strategy 2. Appendix Figure E.3 shows the large dispersion in σ_i across cells, with no evidence for concentration of conversion. Showing correlates, Appendix Table E.1 indicates that conversions tilt towards smaller establishments, managers and higher-skilled workers incl. managers.

Establishments. Across individual establishments, we similarly find no evidence for "specialization" in SMAs or full conversion (Appendix Figures E.1 and E.2).

Dismissal red tape costs. To check whether costlier dismissals convert more, we construct two suggestive revealed-preference proxies from firms' avoidance of protected OECs: through fixed-term contracts (FTCs) for jobs with long duration, and "free" probationary period dismissals. Reporting results in Appendix F, we find some support for this prediction. But conversions remain low in all cells.

4 Interpretation in Simple Model: Cooperation vs. Conflict

To interpret our results, we present a simple model of endogenous job separations in which we introduce the choice of the separation mode (quit, (personal) dismissal, and SMA). Under standard assumptions, we show that dismissals should be entirely replaced by SMAs, due to their lower red tape costs and possibility of side payments. We then introduce additional features that prevent the cooperation on the SMA and instead generate "conflict" (hostility, discipline device, asymmetric information).

[14]Again, as for the upper bound in Section 3.1, we draw on the separation series in Figure 3, all normalized by the number of permanent jobs, giving $PD = 1.6\%$ and $SMA = 0.9\%$. See Footnote 20 for an analogous result using our 2024 HR director survey and why we prefer the worker survey.

Table 1: Values in the Model

	Firm	Worker
Job continues	J^F	J^W
Quit	V	U
Dismissal	$V - f - c - \bar{s}$	$U + b + c + \bar{s}$
Separation by Mutual Agreement (SMA)	$V - \bar{s} - s^b$	$U + b + \bar{s} + s^b$
Difference between SMA and dismissal	$f - s^b + c$	$s^b - c$

Notes: This table shows the firm's and worker's payoffs associated with several decisions, for the model presented in Section 4.1. The first row shows the payoffs if the job continues. Rows 2-4 show the payoffs of a separation, for different separation modes. Finally, the last row shows the difference in payoffs between the Separation by Mutual Agreement (SMA) and the dismissal. That is, the firm has to pay an additional severance s^b with the SMA, but saves on dismissal costs f and c; the worker obtains the additional severance pay s^b but gives up the court compensation payment c.

4.1 The Cooperative Benchmark: Conversion as Bilateral Efficiency

The parsimonious model focuses on a given set of initially existing jobs, each consisting of one worker and one firm. We focus on two periods. In period 1, jobs are both jointly and individually viable (i.e., carry positive joint and unilateral surpluses). At the beginning of period 2, values of the job or of outside options may shift for either party, potentially entailing a separation. The wage is fixed for the duration of the job, an assumption that facilitates defining unilateral dismissals and quits. (While assumptions on wage rigidity affect which jobs and how many jobs separate, it does not impact the model predictions for the choice of the separation mode, conditional on separating.)

Table 1 summarizes the values in the four possible outcomes at the beginning of period 2. Appendix Figure B.1 plots the possible cases along two dimensions: the firm's job value J^F on the y-axis and worker's job value J^W on the x-axis, marking up outside option values as cutoff points. If the job continues, the firm and worker obtain values J^F and J^W, respectively. If the firm chooses a (personal) dismissal, it obtains the value of a vacant job V and must pay a dismissal red tape cost f. This cost corresponds to the implementation of the dismissal steps, described in Section 2 (e.g., proof of fault by the worker, legal fees,...). The firm must also pay the worker a severance pay $\bar{s}$, which is not bargained but exogenously set by employment protection legislation (EPL). Additionally, the firm considers the expected compensation c from the possibility of the worker going to labor court, adjusted for the probability of the worker going to court and winning (non-transfer costs of court risk can be viewed as folded into f).[15] A dismissed worker receives the value of unemployment U

[15]Additionally, c also accounts for potential post-separation settlements in the context of looming or pending trials (see Section 2). Any kind of post-dismissal settlement will have entailed red tape costs the SMA would have economized on. Hence, our main prediction below, that SMAs should be preferred to dismissals, holds both for cases that do settle before a trial and those that do not.

plus b, the additional expected present value of unemployment insurance eligibility in this spell, the severance pay $\bar{s}$, and the potential additional compensation from a court case c. The worker can also decide to quit the job at the beginning of period 2. In that case, her value is unemployment without unemployment benefits, U. The firm's value is V, as it does not have to pay a severance pay, there is no red tape cost, and there is no court risk.

The SMA has four key features (richer extensions below). First, it eliminates EPL and prevents court cases—setting $f = 0$ and $c = 0$. Second, it enables flexible bargaining via the discretionary extra severance pay s^b—on top of the level $\bar{s}$ mandated in the dismissal. Third, the worker is fully eligible for unemployment benefits b, exactly as in the dismissal case. Fourth, an SMA requires mutual consent, i.e., *both* parties must prefer the SMA to their respective outside options.

Main prediction: full conversion of dismissals into SMAs. We focus on the choice between SMA and dismissal among *potential dismissals*—defined as $V - f - c - \bar{s} > J^F$, i.e., the dismissal occurs absent the SMA—so that job continuation is irrelevant. Hence, the last row of Table 1 compares the SMA to the dismissal. A dismissal is replaced by an SMA only if both unilateral participation constraints for the SMA are met. s^b can transfer utility, and flexible bargaining ensures the bilaterally efficient outcome. Firms prefer the SMA whenever the extra severance payment is below the red tape and court compensation costs ($s^b \leq f + c$). Workers prefer the SMA whenever the extra bargained payment compensates the worker for losing out of the court value ($s^b \geq c$). Hence, $f \geq 0$ is the condition that implies a bargaining set for s^b—and hence conversion. That is, with efficient bargaining, the parties split the joint surplus from the SMA over the dismissal, f (and "fold" the court compensation c into s^b). Intuitively, the SMA economizes on EPL costs, such that the firm strictly prefers the SMA over the dismissal. The worker signs off if the firm makes a positive side payment at or above c. In conclusion, as long as dismissals entail red tape costs, all potential dismissals end in SMAs.

Robustness and extensions. While this simple model features fixed wages and abstract value functions, a fuller model, e.g., featuring on-the job search and wage renegotiation (e.g., Postel-Vinay and Turon, 2014) would yield the same conversion prediction. Moreover, our simple static bargaining setup leaves implicit alternating offers, but in practice, the parties can convert dismissals at any point, also attenuating credibility concerns. Finally, several omitted SMA advantages—lower worker stigma, gains from flexibly setting the separation date, certainty equivalent of s^b over the risky c, worker impatience,...—would further pull towards conversion.

Additional separations and quits. SMAs may also shift turnover outcomes besides

dismissals—which leaves intact the prediction for the dismissal case. First, the introduction of SMAs may generate additional separations, in particular separations of jobs that were marginal, as depicted in Appendix Figure B.1 (but those separations are not potential dismissals but latent quits (UI) continuations (due to f). Second, in the baseline model, SMAs do not replace quits (under the constraint of $s^b \geq 0$), because SMAs require a severance $\bar{s}$ paid by firms. As Appendix I shows, the majority of SMAs are replacing quits, indicating that workers are able to give back value to the firm in exchange for the SMA. The effects of SMAs on marginal jobs and on quits leaves intact the conversion prediction. Third, any pre-SMA dismissals that are collusive quits (in which firms accept some court risk or f for workers to receive UI), should become SMAs to collude legally and more easily.

4.2 Conflict and Staying Put in the Dismissal

Three plausible mechanisms can pull the parties towards the dismissal and away from the SMA: hostility, discipline device considerations, and asymmetric beliefs. These frictions hinder the cooperation required for the SMA, hence generating a notion of "conflict." We will support their empirical relevance next.

Hostility. Hostility and retaliation may shape interactions during dismissals, with the worker or the firm refusing to sign off on the SMA exactly *because* the other respective party stands to lose from the dismissal. The simplest hostility model adjusts preferences directly as in Becker (1974).[16] For instance, the counterparty's payoffs enter a party's payoffs, scaled by hostility parameter h (which is positive for hostility, negative for altruism).[17]

Discipline device and incentive effects. Beyond a bilateral and match-level view of dismissals, firms may consider spillovers of dismissals and SMAs on their other employees. First, the dismissal may aim at incentivizing workers overall if dismissals impose higher

[16]Hostility contrasts with the *positive* reciprocity that has received more attention in the labor literature, e.g., in curbing moral hazard through, e.g., gift exchange, morale, or reference points (Akerlof, 1982; Charness and Kuhn, 2007; Hart and Moore, 2008; Fehr et al., 2009; Kube et al., 2012; Breza et al., 2018; DellaVigna et al., 2022), and the breakdown of high-effort equilibria in response to, e.g., wage cuts (Bewley, 1999; Fehr et al., 2009; Kube et al., 2013) or dismissal notice (Alfitian and Vogelsang, 2022). Hostility has been explored more in the organizational behavior and social psychological literatures, e.g., on anti-social workplaces behavior (see, e.g., Giacalone and Greenberg, 1997; Bies and Tripp, 2005), with aggravation leading to sabotage and revenge. Hostility has also helped explain the pre-trail "failure to settle" puzzle (see, e.g., Loewenstein et al., 1993; Babcock et al., 1995; Loewenstein and Moore, 2004; Rafkin and Soltas, 2024).

[17]Formally, a hostile worker's values of an SMA and a dismissal are $U + b + \bar{s} + s^b - h \cdot (V - \bar{s})$, and $U + b + c + \bar{s} - h \cdot (V - f - c - \bar{s})$, respectively. (For hostility to curb dismissals, we do not let it apply to s^b, plausibly because s^b is a voluntary transfer within a cooperative SMA context.) Hence, the worker's SMA participation constraint is $s^b \geq (1 + h)c + hf$, while the firm's is unchanged at $s^b < c + f$. Hostility pushes up the worker's reservation s^b, and more so, the higher f and c. The conversion condition narrows to $f \geq h \cdot (f + c)$. Firm hostility would function analogously (given some worker cost of dismissals such as stigma, see below).

costs on the worker than the SMA, for instance because of a stigma (Gibbons and Katz, 1991), which we confirm in Section 5. This logic echoes efficiency wage theories (Shapiro and Stiglitz, 1984; Golosov and Menzio, 2020). Second, employers might also worry about other spillovers such as encouraging other employees to seek an SMA, enabling them to leave with severance or UI, rather than remaining employed. This logic is analogous to the idea that firms may respond to pay transparency mandates by committing not to renegotiate individually (Cullen and Pakzad-Hurson, 2023). We will find this mechanism to appear less important than the discipline mechanism. Third, we also investigate a worker analog of this mechanism, namely that workers might worry about the impact of accepting an SMA on other workers or be subject to social pressure summarized at the end of Section 5.1, but will find no empirical support for it.

Disagreement: asymmetric beliefs about court outcomes. Asymmetric beliefs about post-separation outcomes can lead to SMA bargaining breakdowns.[18] Such disagreements may concern the probability of the worker going to court, winning, and the compensation—all captured by c. With symmetric beliefs, s^b absorbs c. With asymmetric beliefs, that bargaining set may become empty.[19]

5 The Empirical Role of Conflict in the Failure to Take up SMAs

We now present four tests for the empirical relevance of the conflict-related mechanisms. We ask whether HR managers report them as relevant, whether less conflict-ridden potential dismissals are more likely to convert, and whether litigious separations are those that convert.

5.1 Evidence from an HR Director Survey

To conduct our first check on mechanisms, we surveyed HR directors of French firms (who we recruited via email using LinkedIn-based contact databases) in 2024, with 330 completed surveys (with a 12% response rate). Appendix G details the survey collection including checks on response quality and representativeness (where we oversample large firms). Appendix J copies the questionnaire.

[18]The literature on pre-trial settlements emphasizes this mechanism (Loewenstein et al., 1993; Babcock et al., 1995; Loewenstein and Moore, 2004; Sadka et al., 2018; Rafkin and Soltas, 2024) as a specific facet of bargaining breakdown (Myerson and Satterthwaite, 1983; Hall and Lazear, 1984). Conversely, since conversions can be implemented at any point during a dismissal, misperceptions about the credibility of the dismissal largely lead to delays in the SMA but not to a bargaining impasse in actual dismissal (see the review in Yildiz, 2011).

[19]Formally, consider an optimism shifter on c, ξ^i for $i = W, F$ (worker and firm). The worker's participation constraint becomes $s^b \geq (1 + \xi^W)c$ (worker optimism pushes up the minimum s^b) and $s^b \leq (1 - \xi^F)c + f$ for the firm (firm optimism pushes down the maximum s^b)—compressing the bargaining set, with the conversion condition, $f \geq (\xi^W + \xi^F)c$, now distorted by *belief gap* $\xi^W + \xi^F$.

Appendix Table G.2 describes the respondents' involvement in dismissals, SMAs and additional information on the last dismissal and the last SMA. The sample is highly involved in personal dismissals. 44% of respondents have participated in more than 20 personal dismissals over the past 10 years, and 32% participated in between 5 and 20 dismissals. Most of them are the ones both deciding and implementing dismissals: 78% have made the decision to dismiss a worker, 95% have implemented a dismissal, 84% have negotiated with a dismissed worker, and 85% have consulted an expert like a lawyer to implement a dismissal. 99% have implemented or negotiated SMAs. Hence, these HR directors are both decision-makers and navigate implementation and interactions with the workers during separations.

In the main block of the questionnaire, we instruct HR directors to focus on the last dismissal that they implemented or decided. We ask whether an SMA was ever discussed (although our analysis applies whether SMAs were explicitly discussed or not). Appendix Table G.2 shows the results. In 54% of cases, an SMA came up: it was brought up by the employer, employee, and both in 29%, 11% and 14% of dismissals. This result has three implications. First, the parties are aware of the SMA. Second, they consider the SMA as a potential alternative to dismissals. Third, HR directors are plausible sources to explain why the SMA was not ultimately signed.[20]

Main questions on mechanisms. Next, we ask survey participants to explain in their own words why an SMA was not signed with the last dismissed worker. Then, we ask the respondents to assess specific factors (and afterwards add another open-text prompt about whether our menu of mechanisms missed anything). Specifically, we ask about the last dismissal:

> *Take your time to answer the following three questions. In your opinion, could the reasons for not signing an SMA with the dismissed employee fall into these categories?*

We then present three broad factors—described next—at the same time. Using a Likert scale, respondents can indicate if a given mechanism played a strong role, a small role or no role at all. To identify **hostility** and intentional cost impositions, we include this option:

> *The situation was too tense or conflictual (on one side or both). For instance, the employer and the worker were on bad terms or the worker wanted to make things difficult for the company.*

[20] A somewhat larger share, 57%, of HR directors indicate that the SMA replaced a dismissal than our primary representative worker survey (Table 2) in our strategy 3 in Section 3.4. Combined with the aggregate SMA take-up (2012-14), this share implies a conversion share of 25%—still well below 100%. We view this share as an overestimate of σ, as that question comes at the end of a survey pushing firms to think why dismissals are not replaced more often by SMAs, so that we do not include this data point among our preferred estimates of σ (and the SMA worker survey is also more likely to be SMA-weighted). In any case, with that estimate, we would still find that at most a minority of dismissals appear to convert.

To capture a **worker discipline device** mechanism, we first check broadly for spillovers on other employees, followed up by specific spillover categories after:

> *Signing an SMA would have had a negative impact on other employees. For instance, to avoid having too many people ask for an SMA, or to avoid giving the impression that the company rewards employees creating problems.*

To check for **asymmetric beliefs** about the labor court outcome, we include:

> *The company and the employee had different opinions on what might have happened in labor court. For instance, on the probability that the worker would go to court or on the amount decided by the judge.*

On the subsequent screen, we ask which of the three played the largest role. For the option picked, we then additionally ask them what happened exactly (with multiple options to choose from), to get richer details behind each broad factor (and to check for consistency).

Finally, to obtain *quantitative* importance measures, we then elicit the probability to convert the most recent dismissal into an SMA for four counterfactual scenarios that removes each mechanism individually, and then jointly. For example, for the scenario in which the discipline device mechanism is turned off, we state:

> *Now suppose that we eliminate everything related to the factor "Signing an SMA would have had an impact on other employees." That is, it would have been possible to sign an SMA but no one would know. In this case, would the permanent contract have ended with a dismissal or an SMA?*

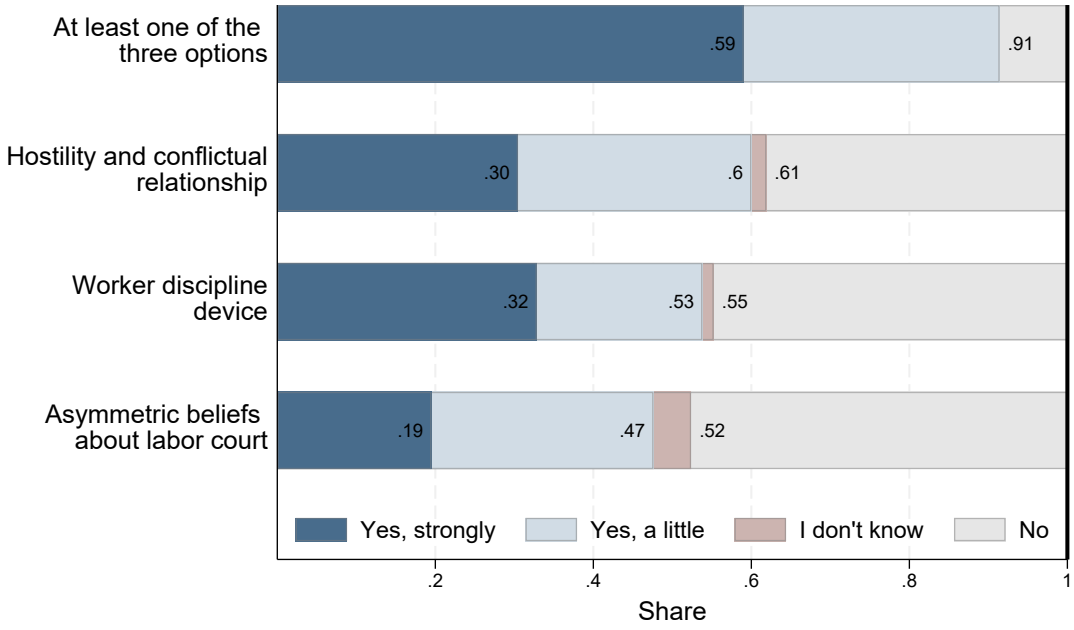
We elicit the probability in two steps. First, we ask what would have been the most likely outcome, using a Likert scale (*"Very likely still a dismissal," "Probably a dismissal," "The dismissal and the SMA would have had equal chances," "Probably an SMA," "Very likely an SMA"*). Second, the respondents are asked the exact probability to end the job with an SMA instead of a dismissal (percentage between 0 and 100) by moving a slider.[21] We always permit the option to opt out with *"don't know/do not want to answer."* Below, we verify that the numerical probabilities align remarkably well with the Likert categories.

Results: qualitative importance. Figure 6 reports that in 91% (59%) of last dismissals, at least one factor played some (an important) role, specifically 60% (30%), 53% (32%), and 47% (19%) for hostility, discipline device, and asymmetric information. The shares for the major role are 39%, 43%, and 18% (Table 3).

Table 3 makes these categories concrete. 57% of those picking hostility as most important factor indicate that the employee wanted to make things difficult for the company (52% say

[21]The question eliciting the subjective conversion probability is: *"In this hypothetical situation, what would have been the probability that the employment would end by SMA? (You can choose any number between 0 and 100. For example, 100 means that an SMA would have been signed, 0 means that it would always have been a dismissal, and 50 indicates that both modes of separation would have had equal chances.)"*

Figure 6: Conflict and SMAs: Hostility, Discipline Device, Asymmetric Beliefs



Notes: This figure reports on the responses to the question *"Take your time to answer the following three questions. In your opinion, could the reasons for not signing an SMA with the dismissed employee fall into these categories?"* Section 5.1 details how those three factors are introduced in the survey. Hostility refers to the option described as *"The situation was too tense or conflictual (on one side or both). For instance, the employer and the worker were in bad terms or the worker wanted to make things difficult for the company."* The worker discipline device has the following definition: *"Signing an SMA would have had a negative impact on other employees. For instance, to avoid having too many people ask for an SMA, or avoid giving the impression that the company rewards employees creating problems."* Asymmetric beliefs is described as: *"The company and the employee had different opinions on what might have happened in labor court. For instance, on the probability that the worker would go to court or on the amount decided by the judge."* Separately for each factor, respondents can indicate how important the mechanism was. The printed numbers show the cumulative shares. For instance, 60% of respondents indicate that hostility played a role in preventing the SMA (30% picked a small role and 30% a large role), 1% say they don't know if hostility played a role, and 39% indicate it played no role. Answers are obtained in our own HR director survey in 2024. The analysis sample contains 210 respondents.

that the employee was aggressive and 51% that the relationship was bad). For discipline device, 79% of respondents report that the dismissal demonstrates to other employees that the employer reacts to poor effort and behavior. Finally, respondents who picked the asymmetric beliefs mainly indicate that the worker overestimated their chances in labor court (66%).

Results: counterfactual conversion shares. The subjective counterfactual conversion probabilities (with standard errors) are 51.35% (2.37), 44.85% (2.40), and 43.83% (2.35), for hostility, discipline device, and asymmetric beliefs.[22] For all three factors jointly absent, it is 62.70% (2.42). Respondents use the full support between 0 and 100% (Appendix Figure G.2),

[22]The sum exceeds 100% because, for a given dismissal, more than one factor is usually relevant/its absence can trigger conversion (and they are positively correlated, see Appendix Table G.3).

and give consistent answers with their Likert categories, e.g., the "*very likely*" conversions pair with a numerical probability of 90% (Appendix Figure G.3). Finally, we can back out the implied conversion shares for potential dismissals, $\hat{\sigma}^Z$, for each counterfactual.[23] Figure 7 reports those results. With all three factors turned off, the counterfactual conversion share is 67%.

Open-ended questions. We also find the open-ended question on mechanisms—asked before we present any specific factor—to lend some support to the three main ones. We list some examples in Appendix G.3.

Caveats. Social desirability bias may lead HR directors to underreport firm-side hostility. Indeed, they point to workers and rarely to the firm (Table 3). (We have shied away from a worker survey as dismissals may be traumatic and carry stigma.) Similarly, we interpret the response *"The worker overestimated his chances in labor court"* as asymmetric beliefs because it signals a disagreement on the potential outcomes, but it does not definitively permit to say which party was overoptimistic, because HR directors may receive imperfect signals about worker beliefs.

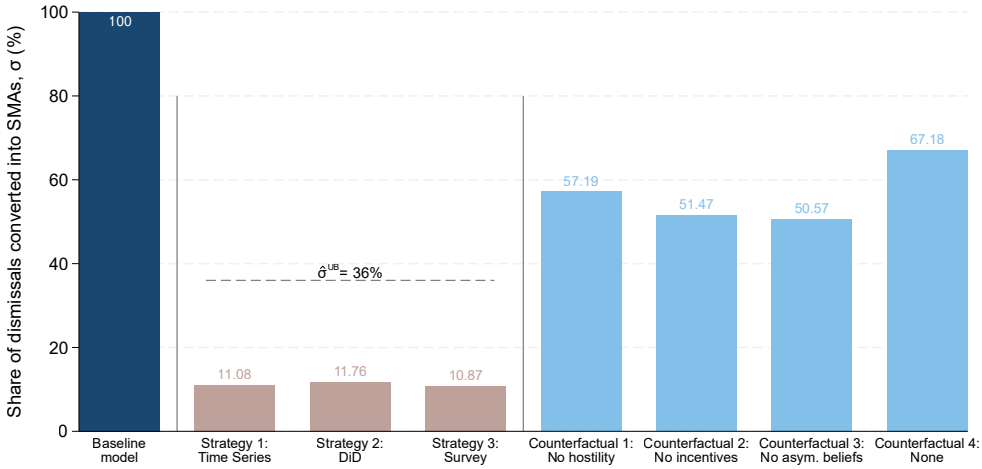
Summary: other potential mechanisms. We also asked HR directors about other obstacles to conversion. Appendix G.4 and Appendix Figure G.4 reports on those. Among the main insights, the survey confirms that if anything worker stigma is lower for SMAs than dismissals, which should push towards convergence. Overall, the SMA is also perceived as simpler to implement (given worker cooperation) than dismissals. Knowledge about the SMA is also essentially complete, as expected given as most HR directors have already implemented one (see above). The tax treatment differential after 2013 (see Section 2.2 and Appendix A.4) was also not listed as a key concern. Miscoordination and the worker not engaging early on appears non-trivial as a friction. Lastly, HR directors did not think that workers refuse SMAs for the sake of colleagues or reputation building.

[23]Formally, using a potential outcomes logic, we appeal to the following identity:

$$\hat{\sigma}^{\text{No Z}} = \hat{\sigma} + (1 - \hat{\sigma}) \times \frac{1}{N} \sum_j \mathbb{P}_j(SMA^{\text{No Z}} = 1 | SMA = 0), \tag{9}$$

where the factor we shut off, Z, can be hostility, discipline device, asymmetric beliefs, or all three. $\hat{\sigma}$ is the share of potential dismissals already converted into SMAs at baseline (without shutting off Z), estimated in Section 3 (and we assume that those potential dismissals would still convert in each counterfactual). $\mathbb{P}_j(SMA^{\text{No Z}} = 1 | SMA = 0)$ denotes respondent j's reported probability that the dismissals that actually did not convert (i.e., for which $SMA = 0$ at baseline, which will hold for our sample by construction) would instead convert in the absence of factor Z. We then estimate the average share of dismissals that do not convert at baseline but would convert if factor Z were removed, by averaging those probabilities across the N survey respondents.

Figure 7: Estimates and Counterfactuals for Conversion Shares σ



Notes: This figure depicts several estimates for the share of dismissals converted into SMAs, σ, as well as counterfactual estimates for σ under alternative scenarios. The first bar is the prediction of the standard model, described in Section 4.1. The three next bars plot our three empirical estimates of σ. The identification strategies are described in Section 3. $\hat{\sigma}^{UB}$ is the upper-bound we obtain assuming that all SMAs are conversions of dismissals (the computation is described in Section 3.1). The last four bars plot counterfactual estimates for σ under alternative scenarios, obtained from our own HR director survey in 2024 (data described in Section 5.1). The three first counterfactuals rely on asking HR directors to assume that hostility (or discipline device, or asymmetric beliefs) was completely absent during the last dismissal, and to estimate the conversion probability in that case. The last counterfactual is obtained from asking survey participants to imagine that all three factors were absent. Calculations detailed in main text and Footnote 23. The exact scenarios are presented in the questionnaire in Appendix J.

5.2 Employee-employer Relationships and Conversions

Our second test checks for the correlation of conversions with measures of conflict that we construct in the *Reponse* survey of employees and managers (see Section 2.4). For ten employee questions, we build indicators for hostility or bad workplace climate, for instance, that the employee feels her efforts are not valued, that she thinks the manager does not pay attention to what she says, that she is not satisfied with the social climate in the company. For the manager indicators, we code 15 questions, for instance, if sanctions were taken against workers, if bad relationships caused conflicts, if workers took repeated sick leaves. Figure 8 lists all proxies.

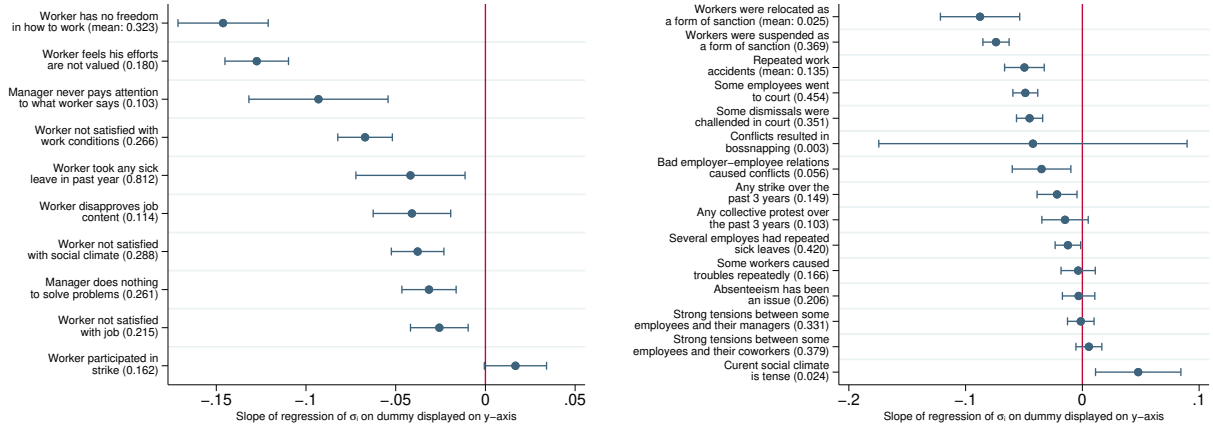
We then estimate the following regression at the respondent level (j), for each proxy X, which we translate into a conflict indicator variable $\mathbb{1}(\text{Conflict}_i^X)$:

$$\sigma_{i(j)} = \mu^X + \phi^X \mathbb{1}(\text{Conflict}_j^X) + \epsilon_j^X, \tag{10}$$

where $\sigma_{i(j)}$ is the share of dismissals converted into SMAs in labor market cell i to which respondent j belongs (defined by firm and worker characteristics as in Section 3.3). ϕ^X

Figure 8: Survey Proxies for Conflict and Conversions

(a) Employee Proxies (b) Manager Proxies



Notes: This figure plots results of regressions of $\sigma_i(j)$ (the cell-level conversion share) on a dummy variable for the conflict proxy defined in the left column, with the regression model given by Equation (10). The regression is estimated at the respondent level. For each worker or manager, the conflict dummy is obtained from the *Enquête Reponse* (2011 and 2017 survey waves pulled together). The corresponding $\sigma_i(j)$ is the one of the cell i, to which the employee or manager j belongs, computed from the MMO. Each estimate is obtained from a separate regression. 95% confidence intervals are reported based on robust standard errors.

captures the relationship between conflict (proxied by question X) and conversions of dismissals into SMAs. Our sample with both $\sigma_{i(j)}$ and *Reponse* information has 17,354 and 5,765 observations of employees and managers.

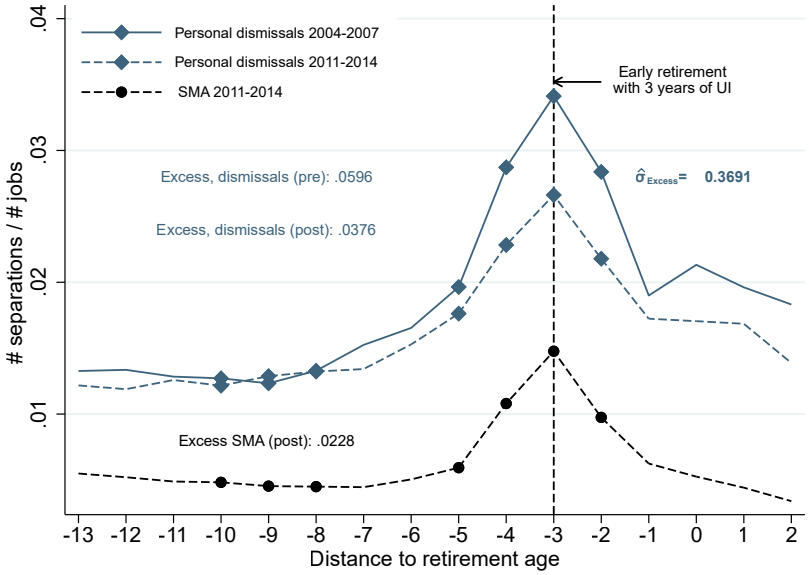
If conflict curbs conversion, we would expect negative estimates for ϕ^X. Figure 8 confirms this for most proxies. For instance, a 10 percentage point higher share of workers feeling their manager does not value their efforts is associated with a lower conversion share of 1.2 percentage points. Similarly, workers thinking that their manager does not pay attention to what they say are also in cells with lower conversions. Proxies associated with sanctions taken against workers are other strong predictors of the lack of conversions.

5.3 Cooperative Pre-retirement Dismissals

Our third test identifies plausibly less conflictual dismissals with an age discontinuity that permits workers to use UI as a bridge into retirement. Starting age 50, workers receive up to three years of benefits, over the period we study. The exact retirement age depends on experience but is around 61 (62) years over 2003-2006 (2011-2014). Hence, a worker who is dismissed or separated by SMA at 58 (59) can retire early using UI as a bridge. We expect those plausibly less conflictual dismissals to have a higher conversion share, showing up as a reduction in dismissals and a tantamount increase in SMAs post-reform.

Indeed, the boost in the worker outside option generates a spike in separations at that age, as seen in Figure 9, which plots annual separation shares by personal dismissal and

Figure 9: Case Study of Conversion of Cooperative Dismissals: Early Retirement

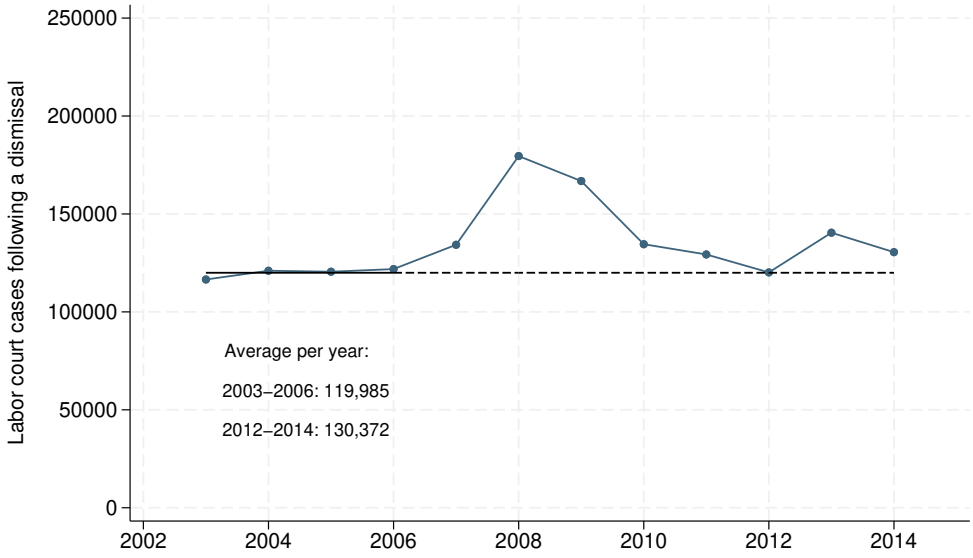


Notes: This figure presents a case study of higher conversion of cooperative dismissals, for workers at the margin of early retirement. It shows separations by age from retirement age, pre- and post-reform. Over 2004-2007 (2011-2014), retirement age is considered 61 (62, to account for average retirement age shifts). The vertical line at -3 approximates the "bridge" age when three years of UI permits workers to retire. The solid (dashed) lines connecting diamonds show the dismissal shares, in 2004-2007 (2011-2014). The dashed line connecting circles plots the share of workers separated under SMA, over 2011-2014. Excess separations are the difference between the 4-year average separation rate from -5 to -2 (squared and circled) and the corresponding average from -10 to -8. Over 2004-2007, dismissals (as a share of the number of jobs) are higher by 6 percentage points around the "bridge age." The conversion share for excess dismissals, $\hat{\sigma}_{\text{Excess}}$, is computed using Equation (5). Appendix Figure H.1 shows the time series of SMAs and dismissals by age groups and total separations by distance to retirement.

SMA as a function of worker age at separation, using the MMO data, sorted by distance to the regular retirement age (imputing 61 and 62 depending on the year). (Appendix Figure H.1 Panel (b) does so for total separation shares.) Pre-reform, the share of jobs dismissed is 1.3% between 13 and six years before retirement. A spike emerges three years before the retirement age, at 3.4%. We quantify cumulative annual excess dismissals and attribute them to the incentive variation in the running variable by using bunching methods (as in Saez et al., 2026). Defining treatment as the three years around the cutoff (-4 to -2) and comparing them to younger control ages (-10 to -8), we estimate an excess dismissal share of 6.0% pre-reform (2004-2007).

This spike is likely less conflictual and more cooperative for two reasons: either the spike masks a collusive quit, or the firm evidently and saliently minimizes dismissal costs for the worker. Post-reform (2011-2014), this excess dismissal share decreases to 3.8%. That is, post-reform, those plausibly less hostile dismissals into early retirement appear to have been reduced *by more than a third*. Instead, we observe a spike in SMAs post-reform. The

Figure 10: Labor Court Cases Following a Personal Dismissal



Notes: This figure depicts the number of judgments of labor court cases about personal dismissals (from Ministry of Justice data). Although the year indicates when the case was adjudicated, there can be a substantial delay between the dismissal and the date the case is brought to court, as well as between the date the case is brought to court and judged.

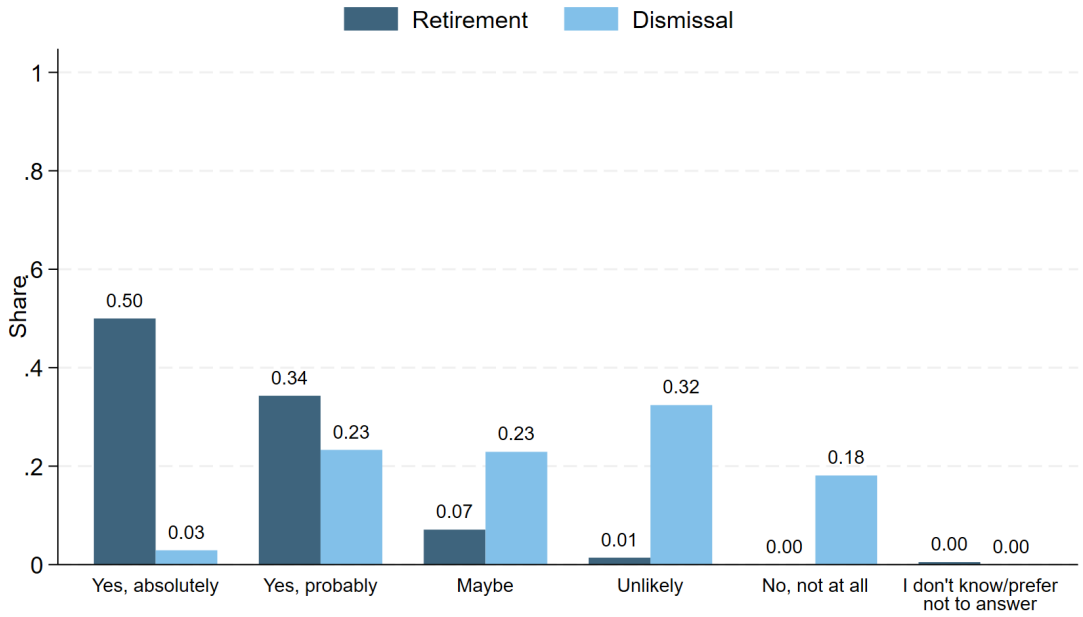
excess SMA share is 2.3% in 2011-2014, essentially fully accounting for the 2.2 percentage point reduction in the dismissal share.[24] We quantify the conversion share for those excess dismissals at the early retirement margin using Equation (5) from Strategy 1, and find $\hat{\sigma}_{\text{Excess}} = \frac{0.060-0.038}{0.060} = 37\%$—much larger than the average conversion share of 12% in the economy. Again, focusing on a subset of dismissals that is likely more cooperative and less conflictual, we confirm the role of conflict in blocking conversions.

5.4 Labor Court Cases from Personal Dismissals

A natural question is whether the 12% of potential dismissals that do convert would have otherwise ended in labor court—i.e., were the most conflictual ones. Figure 10 plots the time series of worker-initiated court cases on personal dismissals we construct using our micro administrative court data (Section 2.4). If anything, these cases increase despite the (small) reduction in dismissals.

[24]Consistent with this result, Appendix Figure H.1 Panel (a) confirms that SMA take-up is larger among workers aged 58-62 years old than in the population, and the PD time series confirms that dismissals decreased more for that group after the SMA reform.

Figure 11: Conflict in Dismissals: HR Directors' View on Whether a Former Employee Would Help with a Small Favor



Notes: This figure depicts the likelihood that a former employee of the company would help with a small low-cost favor. In the 2024 HR director survey, we ask *"If you now had to ask this [last] dismissed worker for a favor (information, a password, the location of a document,...), do you think he would help you?"*. We then ask about the same situation with the last retiree (*"Now think about the last retirement from the company (or the typical retirement). If you now had to ask the worker for a favor (information, a password, the location of a document, ...), do you think he would help you?"*). For instance, 50% of the directors think that the last retiree would absolutely help, while 3% say that the last dismissed worker would absolutely help with the favor. Averages are computed from 210 responses.

6 Conclusion

Our paper has provided evidence that points towards conflict playing a significant role in raising costs during dismissals, to the point of impacting the high-stakes choice of the separation mode. But the conflict view of dismissals paints a more realistic picture of dismissals and their costs more generally. As a simple example, our survey also asked HR managers whether the last dismissed worker would, today, grant them a small favor, for instance reveal a password or the location of a document. Only 3% believe the last *dismissed* worker would absolutely help. 50% believe the last *retiree* would. Figure 11 shows the full results.

We close our paper with a brief reflection on potential policy implications and potential remedies. On the one hand, our study highlights a new side of employment protection regulations: either party may use, and amplify, the costly aspects of the labor law to impose costs on one another. On the other hand, these frictions might also be remedied through policy. For instance, hostility or asymmetric information might be reduced if including

third-party mediators or legal advice already in the separation process, or by making court outcomes more predictable. Our findings also raise the question of whether an SMA would have played out better in setting with better employer-employee relations than France (see, e.g. OECD, 2017), and which management and HR policies may curb conflict and hence reduce dismissal costs.

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Table 2: Reasons for Choosing the Separation by Mutual Agreement (SMA) and Counterfactual from the 2012 Survey of Workers that Separated by SMA in 2011

	Multiple answers?	Share
A. Counterfactual absent the SMA reform	no	
-Quit		0.40
-Job continuation		0.28
-Dismissal		0.22
-Other / does not know		0.10
B. Overall, the choice to terminate the contract was	no	
-A common choice		0.48
-The worker's choice		0.37
-The employer's choice		0.15
-Does not know		0.00
C. Reason to choose SMA over other separations	yes	
-Unemployment benefits		0.68
-Avoid a conflictual situation		0.58
-Framework (interview.. . .)		0.53
-Image for future employers		0.46
-Severance		0.37
-No choice		0.32
-Other		0.03
D. Reason why employer chose SMA over other separations	yes	
-Find a common solution		0.84
-Accepted worker's request		0.59
-Easy process		0.54
-Avoid labor court		0.47
-Preserve the reputation		0.36
-Reduce number of dismissals		0.17
-Other / does not know		0.05
E. Bargained during the employer-employee meeting	yes	
-Severance		0.53
-Separation date		0.51

Notes: This table presents results from the 2012 survey of workers who separated by mutual agreement in 2011. The sample size is 4,502 participants, and Section 2.4 provides additional details. The first column indicates questions asked and possible answers. For several questions (e.g., the reason to choose an SMA instead of another separation type) workers could provide more than one option. The last column indicates the share of workers who said yes to each particular option.

Table 3: Details on the Role of Hostility, Discipline Device, and Asymmetric Beliefs

	Selected First	Share
A. Hostility and conflictual relationship	0.39	
The employee wanted to make things difficult for the company		0.57
The employee was aggressive or angry		0.52
The relationship between the worker and the employer was very bad		0.51
The employee threatened the company with going to court, which was perceived as blackmail		0.23
Someone in the company wanted to make things difficult for the employee		0.05
The employer was aggressive or angry		0.01
B. Worker discipline device	0.43	
The dismissal shows other employees that the employer responds to the behavior and efforts of employees		0.79
The other employees would have found the SMA unfair		0.43
The dismissal discourages other employees from requesting SMAs		0.23
C. Asymmetric beliefs about labor court	0.18	
The worker overestimated his chances in labor court		0.66
The worker wanted to go to labor court to take revenge or out of pride		0.37
Mentioning the SMA would have been interpreted as a lack of cause for the dismissal		0.32
The threat of labor court was interpreted as blackmail		0.13
The employee went to labor court and it was unexpected		0.00

Notes: This table provides details behind the three main mechanisms under study (hostility, discipline device, asymmetric beliefs). Estimates are obtained using our 2024 HR director survey, for our main analysis sample of 210 respondents. First, survey respondents are asked to pick the mechanism that played the largest role in preventing the SMA during the last dismissal. Panels A, B, and C show the share of HR directors ranking each mechanism first. Second, conditional on the mechanism picked first, the respondent is asked to provide details explaining what happened exactly. The table depicts all the potential detailed situations presented to them, for all three mechanisms. For instance, 43% of respondents picked the discipline device mechanism as most important one among the three. Among those respondents, 79% indicate that the dismissal was not converted because dismissing the worker shows other employees that the employer is reacting to behavior and efforts. The exact questions are presented in the questionnaire in Appendix J.

Online Appendix of: Conflict in Dismissals: Evidence from the Failure of "Separations by Mutual Agreement"

Pauline Carry and Benjamin Schoefer

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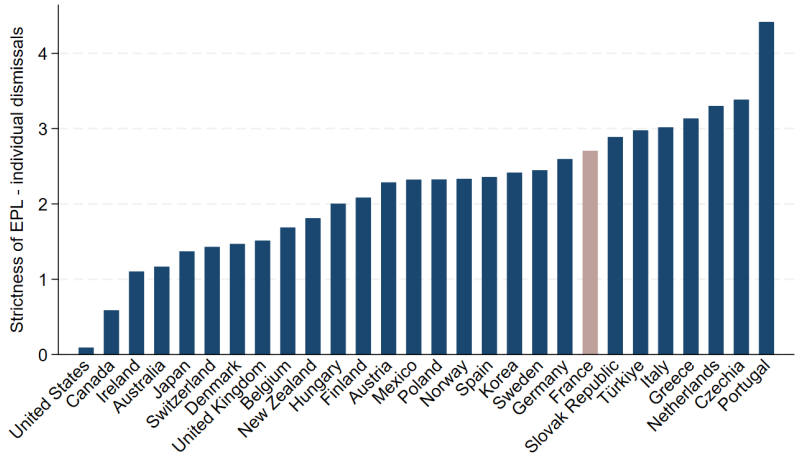
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A Institutions: Additional Details

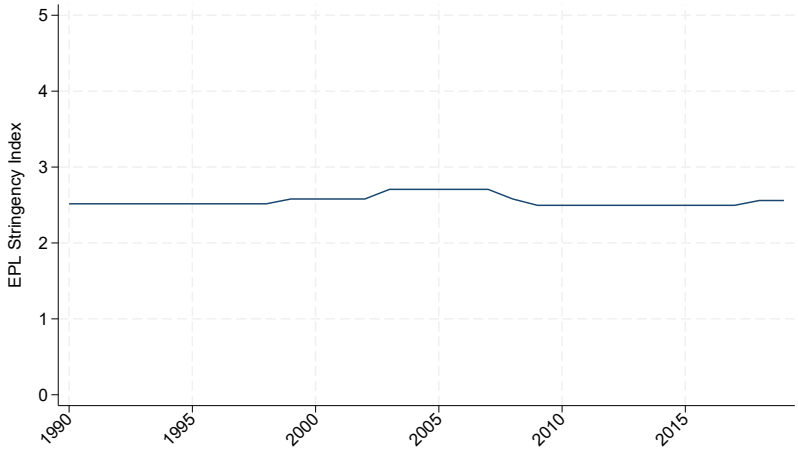
A.1 EPL Stringency (OECD Indicator)

Figure A.1: EPL Stringency

(a) Stringency of EPL in OECD Countries (2007)



(b) EPL Stringency for Personal Dismissals in France over Time



Notes: This figure depicts the country-level OECD indicators for the stringency of EPL regarding individual dismissals. The higher the value of the indicator, the more stringent the regulations for dismissals. Panel (a) compares France to other OECD countries in 2007. Panel (b) shows the value of the indicator for France from 1989 to 2019.

A.2 Labor Court Process and Pre-Trial Settlements

We summarize the main steps of a trial about a dismissal and the potential costs involved for the employee and the employer. More details on the process are provided in Cahuc, Carcillo, Patault, and Moreau (2024) and Desrieux and Espinosa (2019).

First instance. A worker considering suing her employer for wrongful dismissal will first make a case at the *Prud'hommes* council, which is the first instance labor court in France. At this stage, the judges are a mix of employers and employees, not professional lawyers. Both the worker and the employer can go to the first instance trial without a lawyer. Desrieux and Espinosa (2019) estimate that in 62% of *Prud'hommes* cases between 1998 and 2012, the dismissal was ruled as wrongful by the judges. In that case, judges can offer the worker the possibility to decide between a reinstatement in the firm and a severance. Because of delays of judgment or for other reasons, the reinstatement option is rarely taken by workers. Judges will also decide if the firm has to reimburse the unemployment benefits that were paid to the worker after the dismissal, as well as the legal fees incurred by the worker. When the worker loses her case, the judges decide if she has to pay the employer's legal fees.

Appeal process. Both the employer and the employee can appeal the case, independently of who won in first instance. Cahuc, Carcillo, Patault, and Moreau (2024) find that about 60% to 67% of cases were appealed between 2004 and 2013 and that only 44% of the first instance decisions are confirmed by appeal courts. Contrary to the first instance, judges in appeal court are magistrates. During the appeal process, the firm and the worker must have a lawyer representing them. When a case is appealed, the decision of first instance is suspended until the appeal decision is made. Cahuc, Carcillo, Patault, and Moreau (2024) have analyzed decisions in appeal courts and find that, on average, firms have to pay the worker 29,260.39 Euros (equivalent to 10.58 months of salary) at the end of the appeal process.

Pre-trial settlements. During the trial process, the employee and the employer have to meet with a court mediator, to try to negotiate a pre-trial settlement. This happens before the first instance decision is reached. Desrieux and Espinosa (2019) document that the share of court cases that reaches this kind of settlement is low: it is equal to 10% of trial cases in 2004 and 5.5% in 2013. Most of the decrease in the success rate of pre-trial settlements took place between 2009 and 2011, which coincides with the introduction of SMAs. This suggests that the few dismissal cases that were initially able to reach a settlement are more likely to use an SMA instead, but we have not studied this aspect in detail because of the vast majority of dismissals that fail to reach an SMA (or a pre-trial settlement).

2017 labor court reform. In September 2017, the French government introduced a scale for dismissals judged as wrongful in labor court. This means that, if a judge considers the dismissal wrongful, the amount of money the employer has to pay the worker has to comply with a minimum and a maximum (that depend on the monthly wage and tenure). This reform was introduced to reduce the uncertainty associated with labor court cases (hence it might increase information and align beliefs about court outcomes). However, as shown by Cahuc, Carcillo, Carry, Moreau, and Patault (2024a), this reform had the unintended effects of increasing total compensation in court, as well as the variance of compensation. This is because the 2017 reform only regulated the compensation for wrongful dismissals. But the law does not regulate the compensation for a dismissal that is associated with harassment or discrimination, for instance. As a result, workers are more likely to challenge the dismissal on additional grounds after the reform, and they appear to have received

higher and more variable total compensation payments, potentially due to continued judge discretion.

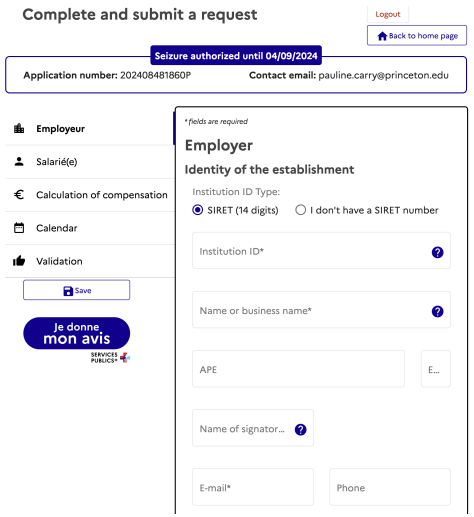
A.3 SMA Online Form

To sign a separation by mutual agreement (SMA), the employer and the employee have to fill out a form. Since 2022, the paper form has been replaced by a similar online form on a dedicated SMA platform (*TéléRC* website).[25] Figure A.2 shows screenshots of all the steps of the SMA online form (translated into English by the authors). The form is composed of four parts. The first part regards firm information (establishment identification number, email of contact person, phone number,...). The second part is about the employee (name, occupation, contact information). The third part determines the severance pay. The form requires to fill monthly earnings and tenure, and the form automatically calculates and fills in the legal minimum severance, which is equal to the one in the dismissal case (and it is impossible to move to the next step of the form if the bargained severance is not at least the legal minimum). The last part is about the separation date. The required fields are the date of the meeting and the separation date (again, the online platform will automatically check that the mandatory one month notice period is satisfied).

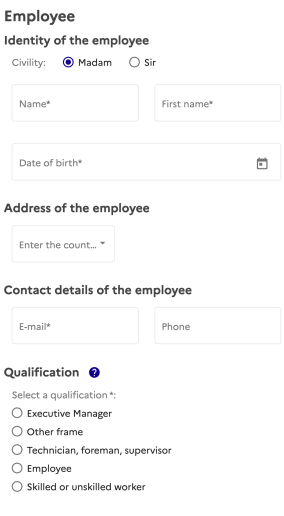
[25]https://www.telerc.travail.gouv.fr/accueil

Figure A.2: Online SMA Form (Translated into English)

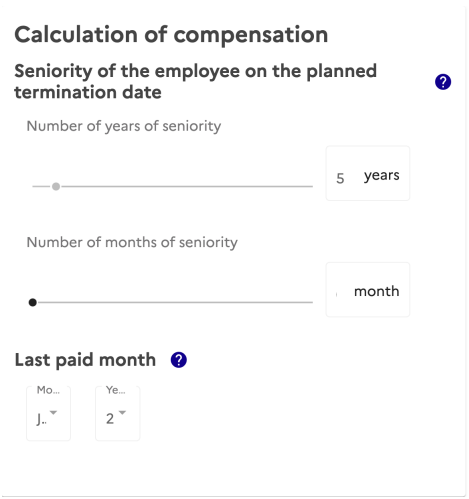
(a) Part 1: Employer



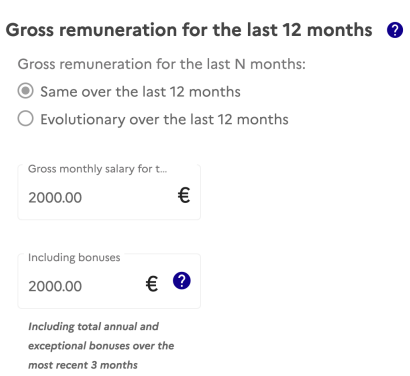
(b) Part 2: Employee



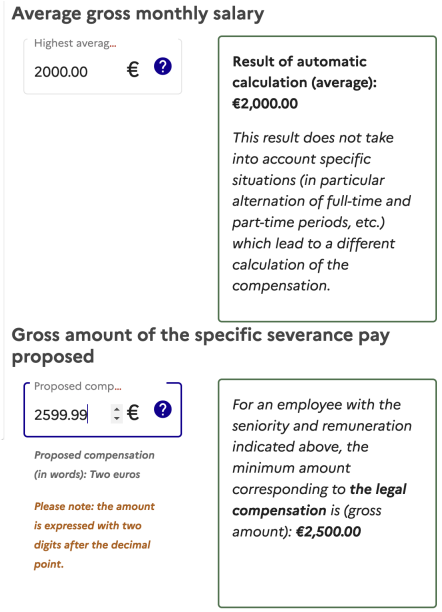
(c) Part 3: Severance (1/3)



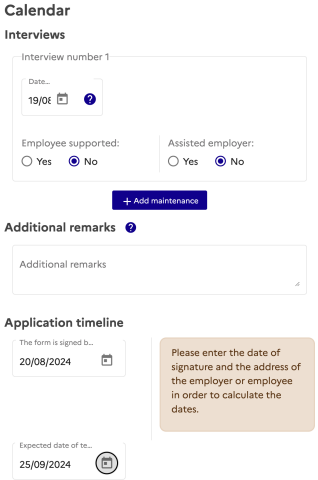
(d) Part 3: Severance (2/3)



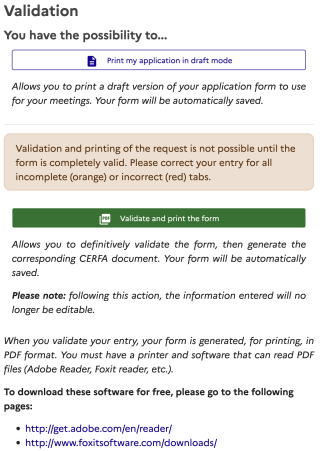
(e) Part 3: Severance (3/3)



(f) Part 4: Separation Date



(g) Validation



A.4 Fiscal Regime of Severance Payments

We now describe the tax treatment of severance pay, which differed across the years.

2008-2012. Between the introduction of SMAs in 2008 and the end of 2012, severance payments of personal dismissals and SMAs are subject to similar fiscal regimes. In both cases, the severance pay is usually exempt from income taxes and most payroll taxes. The reason is that most separations fall below the annual cutoff for exemption for such payments. We describe those cutoffs below.

Payments received by workers on top of their wage can be subject to three kinds of taxes or contributions: (i) income tax, (ii) social security contributions, and (iii) generalized social contributions (CSG).

(i) The worker has to pay the income tax only on the part of the severance that is above the maximum of (a) twice the annual gross earnings (over the 12 months before the separation) and (b) half the amount of the total severance pay. This exemption from income tax is at most equal to 199,659 euros in 2009 and 263,952 euros in 2023.

(ii) The exemption from social security contributions is the same as the one from income tax, described in (i). It is at most equal to 66,553 euros in 2009 and 87,984 euros in 2023.

(iii) The part of the severance pay exempt from the CSG is the minimum between (a) the amount exempted from social security contributions, defined in (ii) and (b) the mandatory legal severance in case of a dismissal. Over that period, the CSG tax rate is about 7.5%.

Severance payments are entirely subject to (ii) and (iii) when the amount is above 343,080 euros in 2009 and above 439,920 euros in 2023.

Consider an example. Table C.1 indicates that the median mandatory severance pay is 0.6 of the monthly wage and the median discretionary severance is 0, over 2013-2015. The median monthly wage is equal to 1,834.90 euros. For a worker with this severance and this wage, we can compute:

- The maximum amount of severance with no income tax: max(2x12x1834.9, 0.5x0.6x1834.9) = 44,037.6 euros.
- The maximum amount of severance with no social security contributions: 44,037.6 euros.
- The maximum amount of severance with no CSG: 1100.94 (i.e., the mandatory severance payment, 0.6 of the monthly wage).

Hence, this median worker will pay no tax nor social contributions.

2013-2022. Starting 2013, the severance pay in case of an SMA becomes subject to an additional tax, paid by employers. This tax, called the "*forfait social*," covers payments that are not subject to social contributions, made from firms to workers. The tax rate is 20%. Hence, from 2013, employers must pay this tax on the share of the severance that is exempt from social security contributions. This tax does not apply to severance payments for dismissals. (Since we do not see a break in conversions after 2013, and since this asymmetric treatment was not present before, we find it unlikely that this factor contributes significantly to the absence of conversions.)

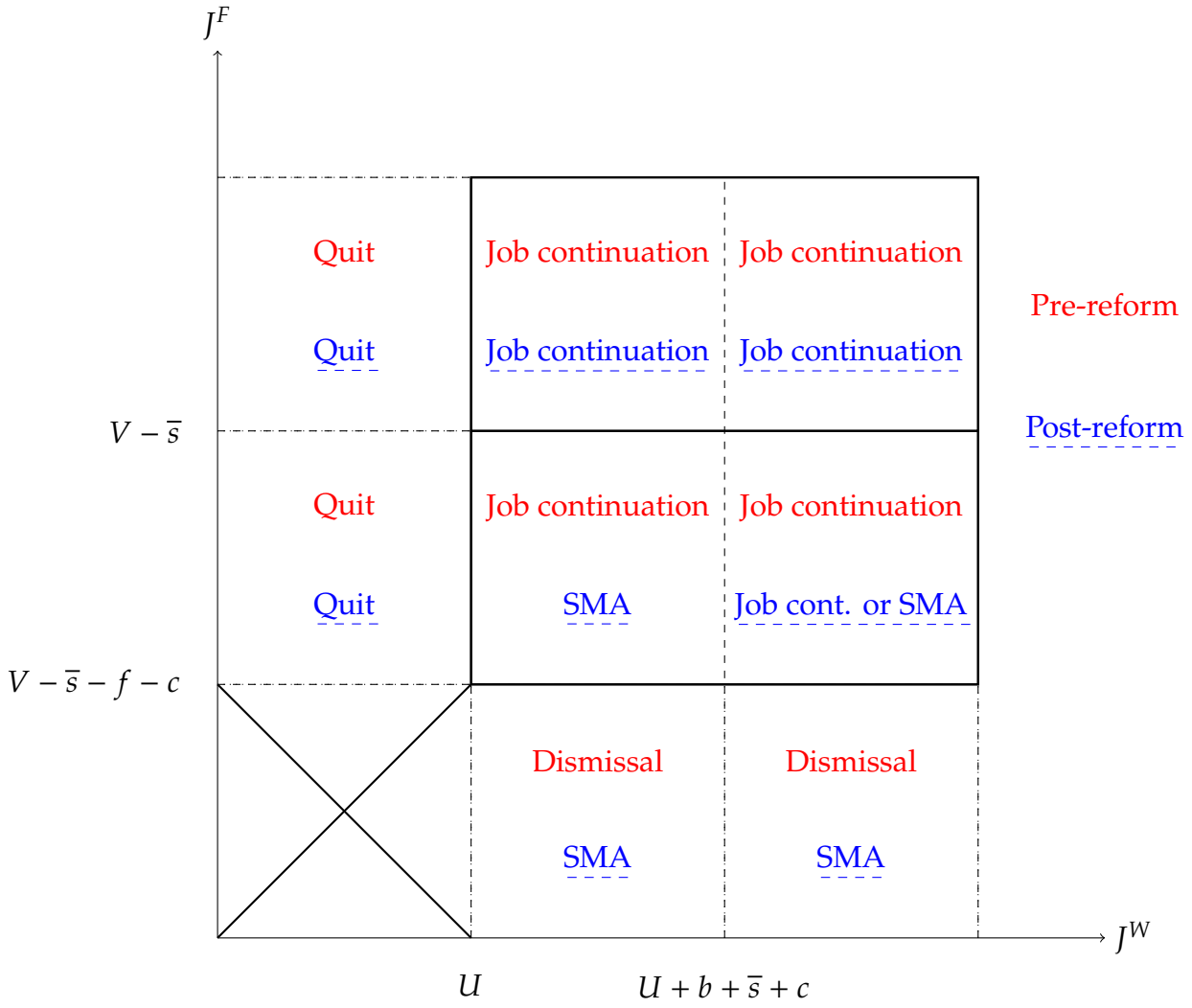
As an example, the median SMA severance over 2013-2015 is equal to 1,100.94 euros (Table C.1). For this median SMA, the employer has to pay 220.19 euros in taxes.

The 20% employer tax covers all SMAs in which the worker does not go directly into retirement. For an SMA signed with a worker retiring, the tax rate is 50%.

2023 onward. In 2023, the French government has harmonized the tax paid by employers on severance packages between workers going into retirement and workers not going into retirement. Starting 2023, the tax rate is 30% for all workers. It is still paid only on the share of the severance that is exempt from social contributions.

B Conceptual Framework: Details

Figure B.1: Job Outcomes Pre-reform and Post-reform



Notes: This figure depicts the potential turnover outcomes of a job depending on the firm and worker values, for the model presented in Section 4. The x-axis is the value of the job to the worker, and the cutoffs presented show the values of the outside options (unemployment without benefits, or unemployment with benefits, severance and labor court transfer). The y-axis shows the value of the job to the firm. The intersections of cutoff values on those two axis define several areas, associated with outcomes pre- (in red) and post-reform (in blue, underlined). The bottom left zone is crossed because we assume for tractability that only one shock at a time can happen (hence, the firm and the workers cannot both unilaterally decide to separate at the same time).

C SMA Survey: Additional Results

Table C.1: Severance Pay and Job Characteristics in SMA Records

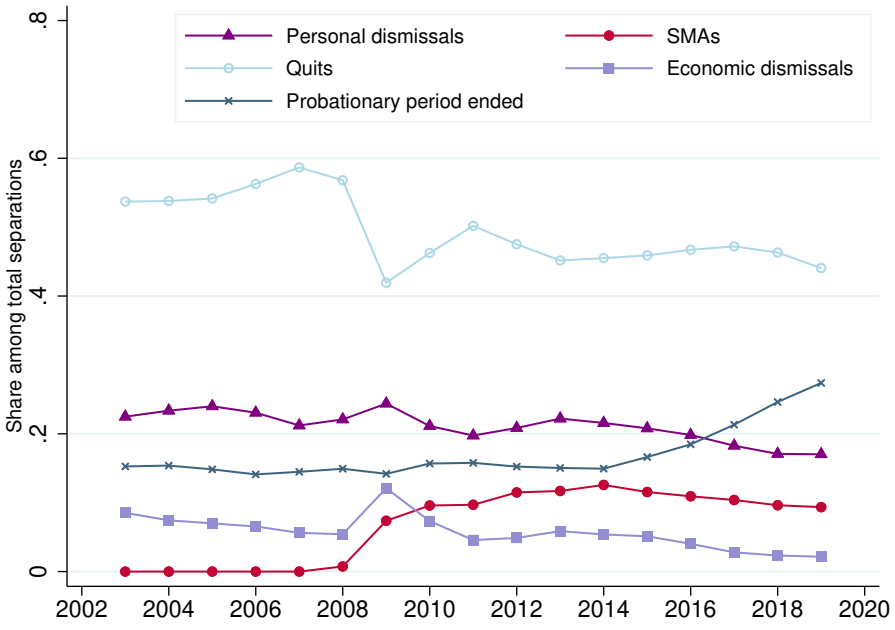
		2011	2012 survey	2013-2015
A. Minimum legal severance				
	Mean	1.2	1.2	1.1
	SD	1.7	1.7	1.7
	p25	0.3	0.3	0.3
	p50	0.6	0.6	0.6
	p75	1.2	1.3	1.2
B. Discretionary severance				
	Mean	1.7	0.8	0.5
	SD	2.4	2.8	1.9
	p25	0.0	0.0	0.0
	p50	0.0	0.0	0.0
	p75	0.3	0.4	0.2
C. Total severance				
	Mean	1.8	1.9	1.6
	SD	3.3	3.7	2.8
	p25	0.3	0.4	0.3
	p50	0.8	0.8	0.7
	p75	1.8	1.9	1.6
D. Tenure				
	Mean	61.0	62.7	59.4
	p50	36.0	38.0	34.0
E. Monthly wage				
	Mean	2015.2	2083.6	2039.3
	p50	1751.0	1792.2	1834.9
N		164829	4288	854469

Notes: This table presents moments from the distribution of severance pays for separations by mutual agreements. The severance pay is in share of the gross monthly wage. Panel A indicates the mandatory minimum severance that firms have to pay, computed from Equation (1). Panel B. shows the severance pay that workers get on top of the mandatory minimum. Panel C indicates the total severance (Panel A + Panel B). The first column is for SMAs signed in 2011. The second column corresponds to the SMAs signed in 2011 that were matched with the 2012 worker survey. The last column combines administrative records of SMAs from 2013, 2014 and 2015 together.

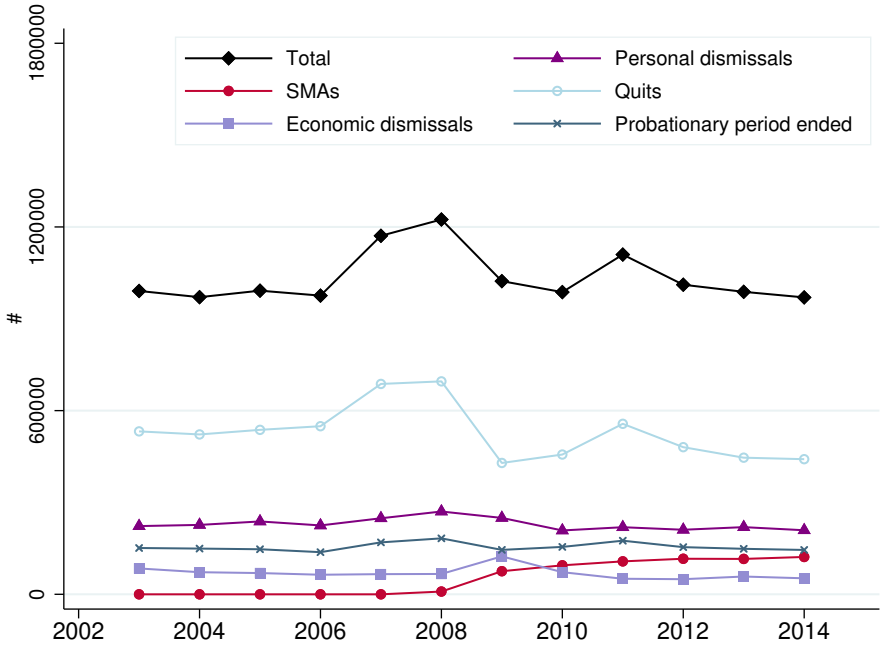
D Additional Facts, Results and Robustness Checks

Figure D.1: Time Series Robustness, *Mouvements de Main d'Oeuvre*

(a) Separation Shares, Longer Period

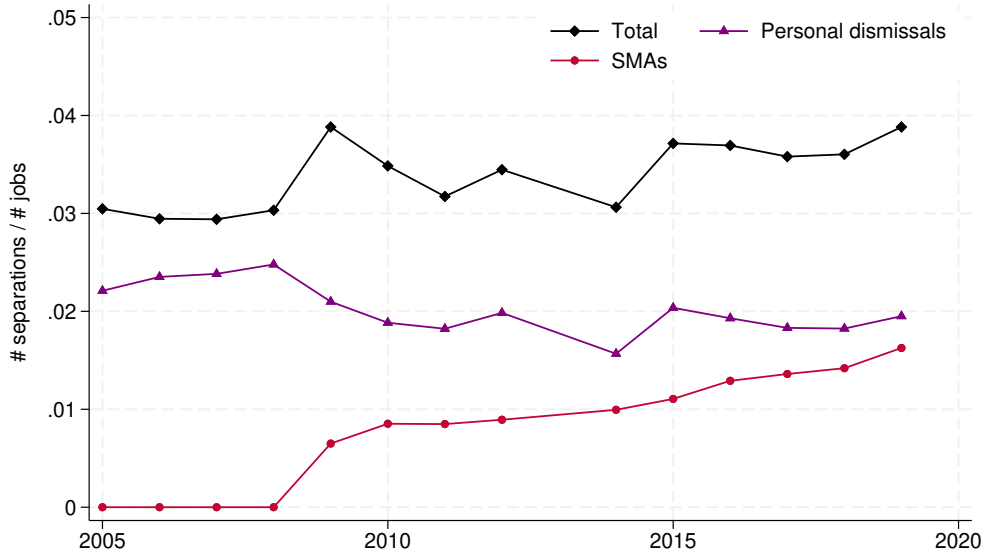


(b) Separation Counts



Notes: This figure depicts the evolution of separations, by type. Panel (a) shows, for each separation type, the share among total separations until 2019. Starting 2015, a change in the data collection mode affects the total volume of separations measured. Panel (b) plots the number of separations per year and per type, until 2014. It is the counterpart of Figure 3, except that separations are now not divided by employment. Both panels are computed in the MMO. Results are presented for establishments with at least 10 workers.

Figure D.2: Time Series Robustness, Labor Force Survey

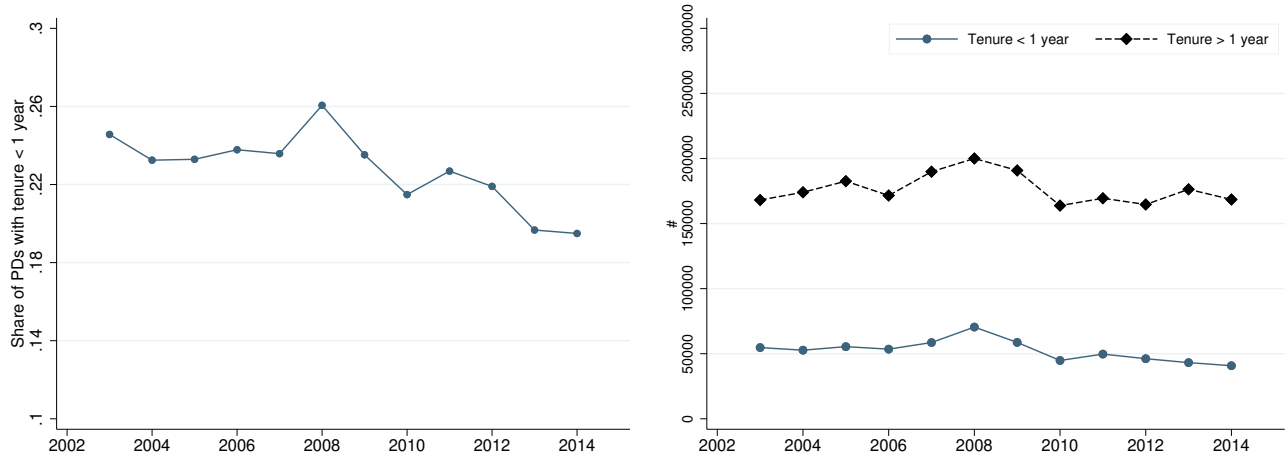


Notes: This figure plots the ratio between separations (by mode of separation) and employment, every year, computed from the Labor Force Survey. Separations are identified from the panel nature of the data. Workers who indicate a change in situation between two waves of the survey are asked the separation mode for the last job. This question is absent in 2013.

Figure D.3: Personal Dismissals by Tenure

(a) Share of Personal Dismissals with Tenure Below 1 Year

(b) Number of Personal Dismissals

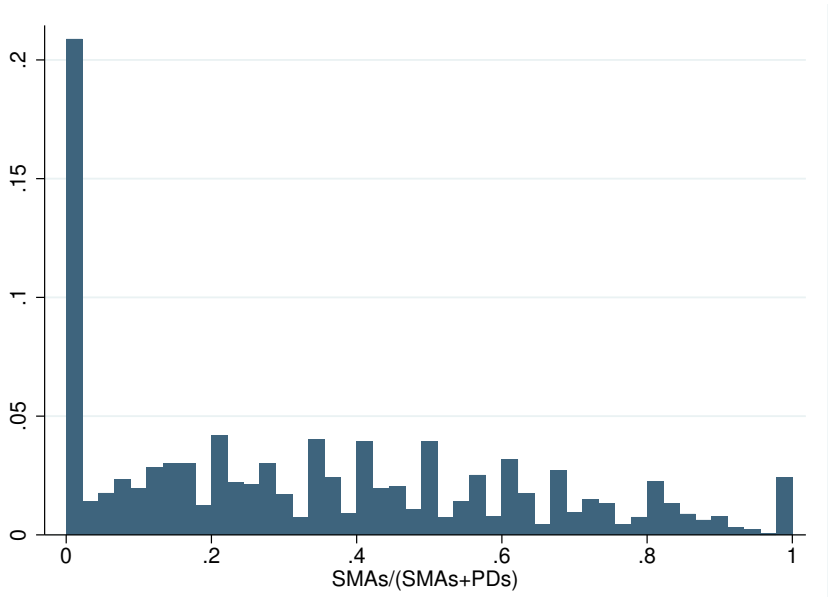


Notes: This figure shows the evolution of personal dismissals by tenure. Panel (a) depicts the share of personal dismissals for workers with tenure below 1 year, among all personal dismissals. Panel (b) shows the number of personal dismissals, separately for tenure below and above 1 year. Both panels are computed in the MMO. Results are presented for establishments with at least 10 workers.

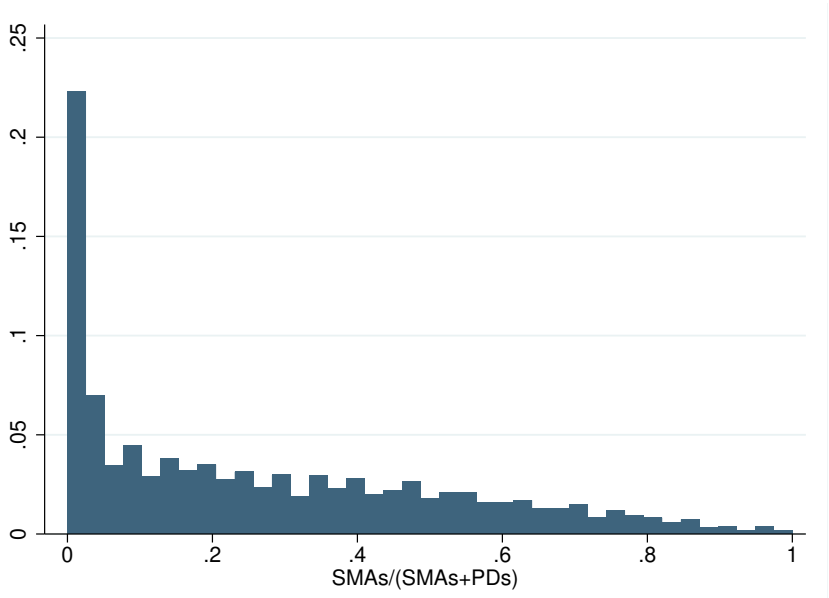
E Additional Heterogeneity Results

Figure E.1: Take-up and Diffusion of Separations by Mutual Agreement

(a) Establishments for which SMA+PD ≥5 in 2011-2014

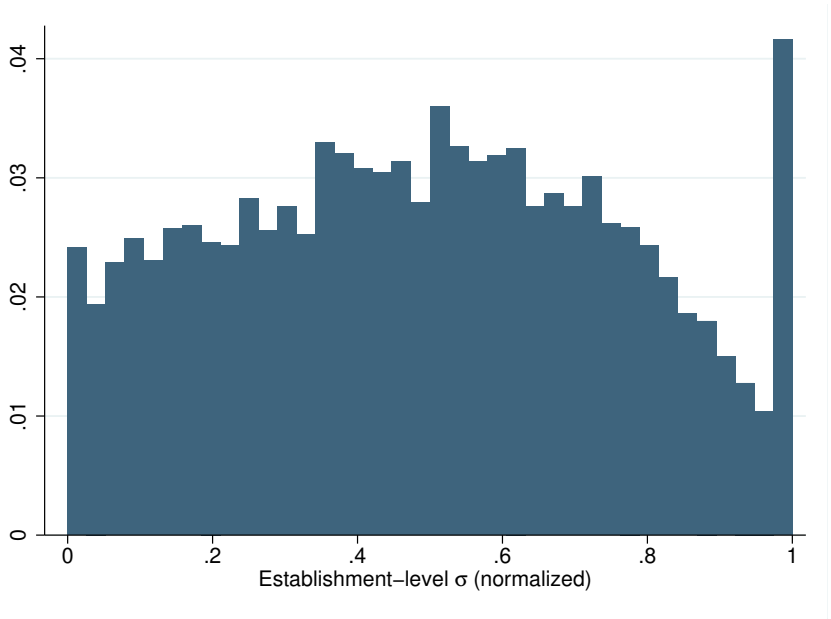


(b) Establishments for which SMA+PD ≥20 in 2011-2014



Notes: This figure shows the distribution of the establishment-level ratio between the number of SMAs and the sum of SMAs and personal dismissals (PDs), over 2011-2014. It does so separately for establishments for which the sum of SMAs and PDs for 2011-2014 is at least equal to 5 (Panel (a)) and for establishments for which this number is at least equal to 20 (Panel (b)). Those ratios are computed in the MMO on private sector establishments.

Figure E.2: Establishment-level conversion share, σ



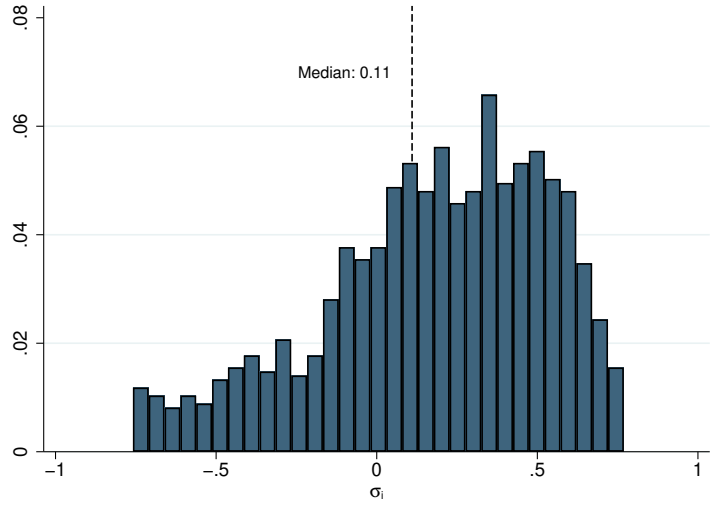
Notes: The figure plots the distribution of the within-establishment share of dismissals converted into SMA, estimated from Equation (5). PD use at each period is normalized by employment in that period (measured as the reference size, provided in the MMO), so that we plot $\frac{\frac{PD_{\text{Pre}}}{Emp_{\text{Pre}}} - \frac{PD_{\text{Post}}}{Emp_{\text{Post}}}}{\frac{PD_{\text{Pre}}}{Emp_{\text{Pre}}}}$. The pre-period is 2003-2006 and the post-period is 2011-2014.

Table E.1: Characteristics of Personal Dismissals and SMAs

	PD pre (#)	PD take-up pre	PD post (#)	PD growth $(-\sigma_i)$	SMA (#)	SMA take-up
A. Age						
<27	50,362	0.18	43,246	-0.14	19,420	0.08
27-33	44,430	0.25	36,723	-0.17	27,221	0.15
33-43	61,280	0.30	52,835	-0.14	35,689	0.17
>43	71,077	0.42	77,796	0.09	34,734	0.16
B. Tenure						
<12 months	53,271	0.22	44,092	-0.17	16,466	0.08
12-31 months	57,256	0.29	51,696	-0.10	30,561	0.15
31-74 months	56,294	0.29	50,950	-0.09	35,161	0.17
>74 months	55,525	0.37	62,093	0.12	34,031	0.18
C. Establishment size						
<73	109,540	0.24	94,607	-0.14	76,262	0.16
73-150	37,288	0.30	36,125	-0.03	17,269	0.13
150-339	39,897	0.33	37,255	-0.07	13,360	0.12
>339	40,424	0.34	39,280	-0.03	10,173	0.08
D. Industry						
Construction	18,598	0.28	19,298	0.04	12,401	0.18
Finance, insurance, housing	8,848	0.27	8,009	-0.09	5,782	0.17
Food and accommodation	13,875	0.13	18,498	0.33	7,047	0.07
Info. and communication	10,929	0.27	7,008	-0.36	8,055	0.17
Manufacturing	48,781	0.30	31,611	-0.35	21,874	0.17
Other services	4,929	0.22	5,529	0.12	6,099	0.18
Retail	48,982	0.28	44,501	-0.09	26,206	0.15
Transport	18,024	0.29	19,772	0.10	6,356	0.11
E. Occupation						
HS blue collars	53,494	0.27	50,050	-0.06	22,179	0.13
LS blue collars	36,126	0.35	38,268	0.06	7,772	0.08
LS white collars	63,737	0.23	67,655	0.06	34,222	0.12
Managers	37,603	0.30	26,225	-0.30	29,451	0.19
Technicians	36,189	0.28	25,068	-0.31	23,441	0.19

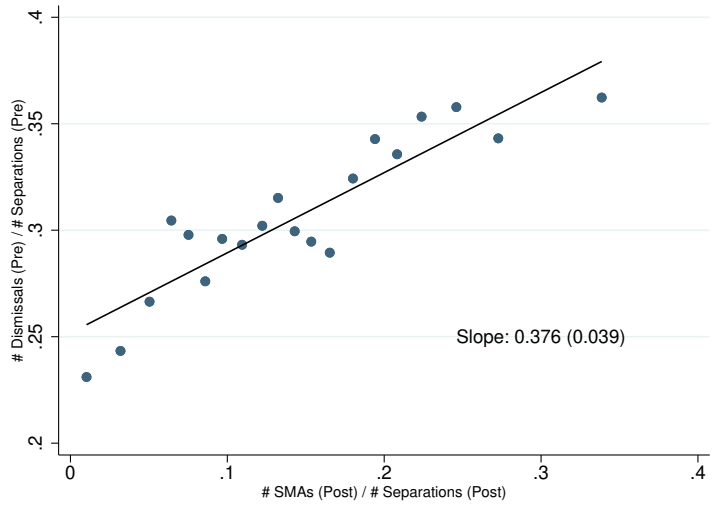
Notes: The table presents turnover statistics by characteristics of workers and firms, using the groupings we cross when constructing labor market cells. The first, third and fifth columns present numbers of separations (personal dismissals or SMAs) on average per year. All columns for the pre-reform period are averages over 2003-2006 and the columns for the post-reform are for 2012-2014. "PD take-up pre" indicates the share of personal dismissals among total separations in 2003-2006. "SMA take-up" is the share of SMAs among total separations in 2012-2014. "PD growth" is the growth rate of the number of personal dismissals between 2003-2006 and 2012-2014, which is also an estimate of the negative of σ_i, as defined by Equation (5).

Figure E.3: Distribution of Labor Market Cell-level σ



Notes: This figure plots the distribution of σ_i at the cell level. There are 1,465 cells based on tenure, worker age, establishment size, industry, and occupation. Cells with fewer than 30 separations on average per year are excluded, as well as observations in the top and bottom 5% in terms of growth of dismissals.

Figure E.4: Pre-reform Use of Personal Dismissals and Post-reform SMA Take-up



Notes: This figure presents a binned scatterplot of the share of personal dismissals among separations in 2003-2006 on the share of SMAs among separations in 2012-2014, at the labor market cell level (here binned into 20 groups). There are 1,465 cells based on tenure, worker age, establishment size, industry and occupation. Cells with fewer than 30 separations on average per year are excluded, as well as top and bottom 5% growth of dismissals. The estimated slope of a regression of the dismissal share on SMA take-up is reported, with robust standard errors in parentheses.

F Additional Results on Dismissal Red Tape Costs

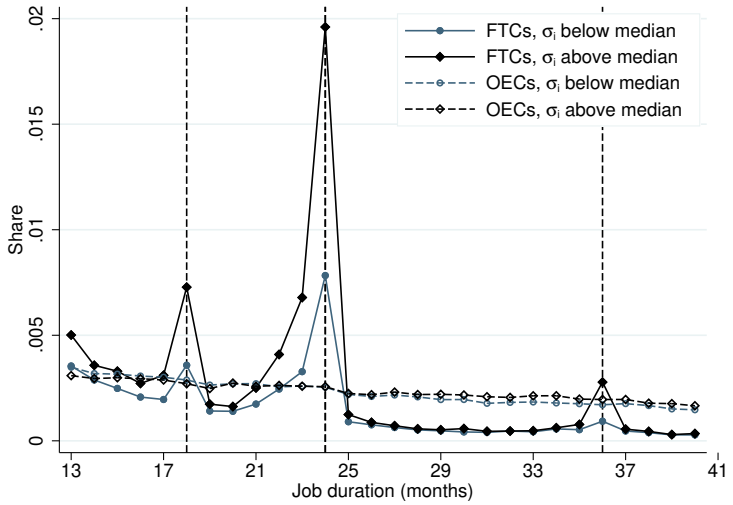
A specific dimension of interest is whether dismissals plausibly costlier for the firm are more likely to convert, using two suggestive revealed-preference proxies from the avoidance of protected OECs. First, we use firms' use of fixed-term contracts (FTCs) for jobs with long duration. Second, we focus on firms' use of probationary period dismissals. We find some support for this prediction—which indicates that indeed, f appears positive, but conversions remain low in all cells.

The maximum FTC durations are 18, 24, and 36 months (see Section 2.3). Figure F.1 Panel (a) plots the pre-reform (2003-2006) distribution of the duration of FTCs, separately for labor market cells having a conversion share above and below the median. There is striking bunching at the maximum legal duration levels, indicating that firms create FTCs as long as possible to avoid EPL on permanent jobs. Moreover, this pre-reform bunching is much stronger in cells then exhibiting a post-reform conversion share above the median. The panel also reports, as a placebo, the distribution of the duration of OECs, which do not exhibit such bunching. Figure F.2 confirms this result by plotting the correlation between the pre-reform share of FTCs among hires (by duration) and the conversion share.

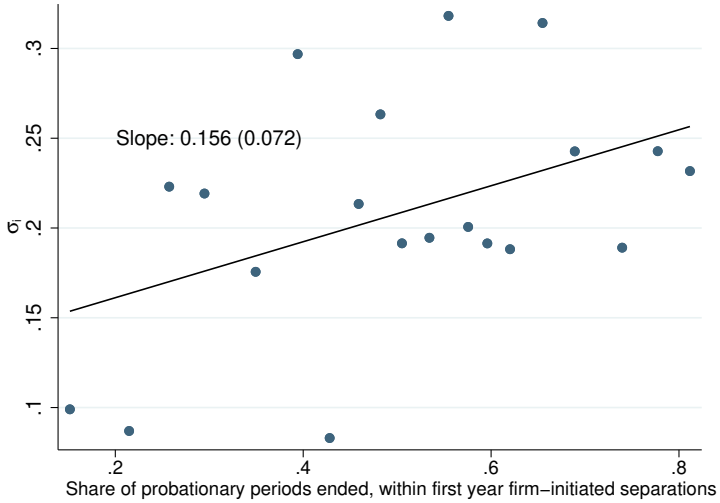
Our second proxy is based on firm's avoiding dismissal red tape costs by separating workers during the probationary period. The maximal duration of the probationary period is regulated and depends on the occupation (8 months for managers, 6 months for technicians, and 4 months for clerks and blue collars); Appendix Figure F.3 Panel (a)-(d) verify these patterns by plotting probationary period ending and all firm-initiated separations, by occupation type as a function of tenure among total separations. Separations are much higher during the probationary period than after, consistent with firms avoiding f by terminating jobs before EPL kicks in. Finally, Figure F.1 Panel (b) provides key evidence for conversions of dismissals into SMAs being higher cells in which firms implement more separations during the probationary period. To proxy for the latter, we construct the cell-level pre-reform share of separations explicitly using the unprotected probationary period mode among all firm-initiated separations in the first year of jobs. Figure F.3 Panel (e) substantiates this result with an alternative measure of probationary period use.

Figure F.1: The Role of Dismissal Costs: Indirect Proxies From Firms' Avoidance Behavior of EPL

(a) Duration of Fixed-Term (and Open-Ended) Contracts By Conversion Share

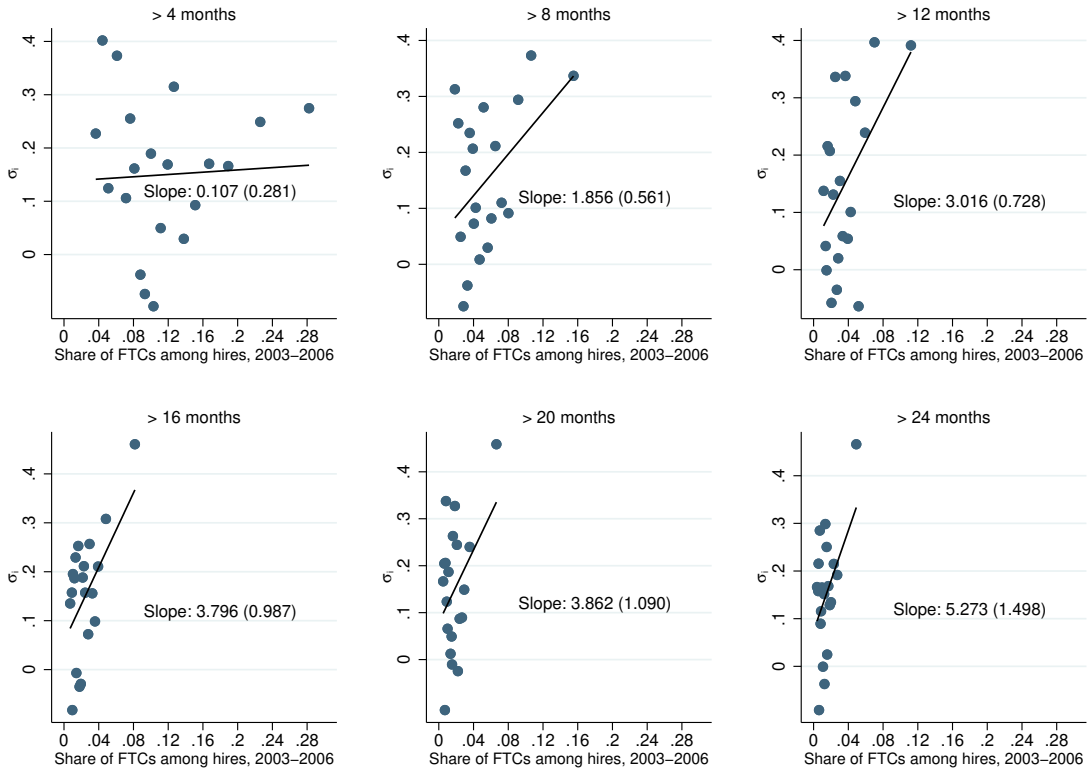


(b) Probationary Periods Ended, Among Firm-initiated Separations within First Year



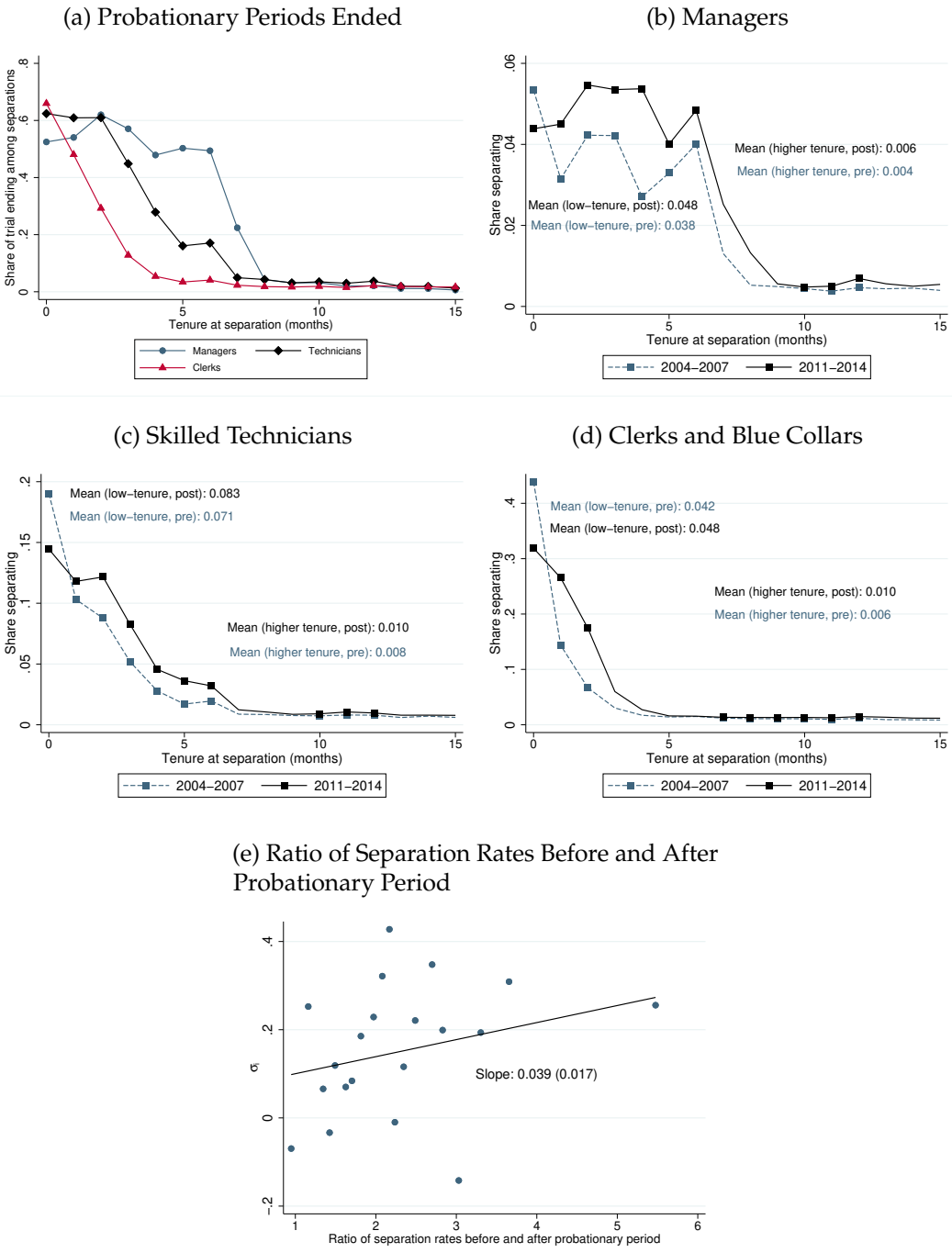
Notes: This figure studies the relationship between proxies for dismissal red tape costs, based on firms' avoidance of EPL in open-ended contracts, and the share of dismissals converted into SMAs. Panel (a) studies the use of fixed-term contracts (FTCs). It plots the distribution of the duration of fixed-term and open-ended contracts, in 2003-2006, i.e., pre-reform. It does so separately for labor market cells in which the σ_i (the conversion of dismissals into SMA) is below or above median. FTCs' maximum duration is 18 months for most cases, with some exceptions at 24 and 36 months. Panel (b) uses variation from separations during the probationary period (after which EPL applies in open-ended contracts). It presents a binned scatter plot of the cell-level σ and the use of terminations of probationary periods over 2003-2006 (defined as the share of permanent jobs terminated by end of the probationary period, among all firm-initiated, i.e., non-quit, separations within the first year). The estimated slope is reported, with robust standard errors in parentheses. Figure F.3 Panel (e) replicates this graph with an alternative probationary period use measure.

Figure F.2: Fixed-Term Contracts Duration and Conversion Share



Notes: This figure presents binned scatterplots of σ_i (the estimated share of dismissals converted into SMAs) on the share of fixed-term contracts among total hires (measured in 2003-2006) at the labor cell level (here binned into 20 groups). Each panel reports this relationship for fixed-term contracts lasting over varying durations defined in the panel title. Estimates of the slope of a regression of σ_i on the FTC share are reported, with robust standard errors in parentheses.

Figure F.3: Probationary Period Threshold and Firm-initiated Separations of Low-tenure Jobs



Notes: The figure presents additional results on a red tape cost proxy from firms' probationary period use. Panel (a) shows the share of probationary periods ended by employers among all separations of OECs, by tenure, in 2004-2007. We distinguish between managers, technicians and clerks and blue collars as the legal maximum duration of probationary periods varies by occupation (eight months for managers, six for technicians and four for clerks and blue collars). Panels (b), (c) and (d) plot the number of *non-quit* separations divided by the number of jobs by tenure, by occupation. The dashed lines show the shares in 2004-2007 and the solid lines in 2012-2014. The squares show observations used to compute the average firm-initiated separation rates for different ranges of tenure. Non-quit separations comprise probationary periods ended, personal and economic dismissals, and SMAs. Separations and employment by tenure are computed in the MMO. Results are presented for establishments with at least 10 workers. Panel (e) is a binned scatterplot that shows the correlation between the cell-level conversion share σ and the ratio of separation rates during and after the probationary period (over 2003-2006). The periods defining the two components of the ratio are depicted as squares in Panels (b-d). The slope is estimated from a regression of cell-level σ on the variable described on the x-axis. Robust standard errors are provided in parentheses.

G Additional Details: Survey of HR Directors

This appendix provides additional details on our survey of HR directors, which we ran between June and September 2024.

Broadly, we proceeded in two steps. In a first step, we recruited survey participants by email (using our own university email addresses). We sent an email to 2,743 HR directors (job title "*Directrice ou directeur des ressources humaines*") introducing ourselves and asking if they would be willing to participate in an online survey and answer questions about their experience as HR practitioners. Our invitation indicated the topics of job separations and labor market regulations (but did not mention dismissals or SMAs explicitly). We informed them about the possibility to also register on a separate list to receive the survey results. We obtained the list of 3,403 email addresses from a B2B contact information data provider (HeadsOf). The contact information is for HR directors who have a LinkedIn profile. In a second step, we sent the Qualtrics link with the questionnaire to those who replied to our email accepting to participate in the survey. We then sent two subsequent reminders to the list of contacts who had not replied to our first recruitment email.

330 HR directors accepted to participate and ended up filling out the questionnaire. Among all the people initially emailed, we got a survey filling rate of 12.0%. This is a lower bound for the actual response rate as we know that our emails were sometimes delivered as a spam or to people on holidays, additional leaves, or otherwise not delivered unknown to us. We complemented this email strategy with direct messages on LinkedIn to HR directors in France who have public accounts. We also sent additional emails to directors with LinekdIn profiles using contact information provided by two additional contact data providers (BookyourData and Apollo). Doing so, we got 143 more responses.

HR directors who replied to us and agreed to participate in the survey received a link to the Qualtrics platform with a questionnaire containing 30 to 35 questions (the exact number depending on their answers). The full questionnaire in French along with the English translation are in Appendix J. The questionnaire is composed of four parts. First, we ask several questions about the company, and the respondents' involvement in dismissals. (Throughout, the survey explicitly refers to the personal dismissal type.) We start by asking if they have dismissed at least one person in the past ten years. The surveys end for those who have not. Second, the main block asks them to focus on *the last personal dismissal* that they decided or implemented (to avoid speculation, minimize selection, and for best recall).[26] They are asked if an SMA was ever discussed with the worker, and to fill an open-text box explaining why the separation ended as a dismissal rather than an SMA. The respondents then categorize the role of several potential mechanisms. This block ends with another open-text box regarding any factors our list may have missed. The third block is also about the last dismissal, eliciting counterfactual probabilities of conversion in counterfactual scenarios shutting off the various factors. The last block contains questions contrasting dismissals and other separation types.

[26]The instructions ask to think of the last dismissed worker with at least a year of tenure, because the severance pay is not mandatory below that (hence the SMA does not necessarily dominate). For the same reason, we exclude responses of participants who indicate that the last dismissal was for a gross or serious misconduct (33%—potentially because of bias in recall towards dramatic dismissals), when they may be able to avoid the severance pay and the mandatory notice period.

Sample and quality. 473 HR directors started the questionnaire (and 83% filled out the questionnaire entirely). Appendix Table G.1 describes the sample of respondents as well as our final sample used for the analysis. We keep those who indicate being employed in a private sector company (95%) and who have been involved in at least one dismissal in the last ten years (93%). We impose additional filters to screen low-quality responses using an attention check, the total responding time and the excessive picking of the first option. Appendix G.1 describes all the quality filters and the resulting number of observations dropped. As discussed in Footnote 26, we also drop cases of serious misconduct (for which the trade-off between the two separation modes might be different). After imposing the sample restrictions and excluding these low-quality responses, there are 210 observations in our analysis sample. Our moments of interest are sample means, and we find small standard errors for those means, indicating a precise estimation of those moments (see note of Figure 7).

The response quality is very high: among the set of all respondents, 91% pass the attention check at the end of the questionnaire, 93% give only consistent answers across all questions (e.g., coherent ranking of different mechanisms). Respondents failing those consistency checks are excluded from our final sample. In that analysis sample, the HR directors spent on average 13 minutes (a median of 15 minutes) filling out the survey. Finally, the HR directors indicated strong interest in receiving our results, sent back dedicated emails, and some offered to talk by phone or give additional feedback via email.

Representativeness. The survey is unlikely to be representative of French firms, because we rely on companies that have an HR director, whose director in turn has a LinkedIn profile, and responds. It is possible that those margins of selection bias our survey results for the obstacles to conversion. While we cannot fully address this concern, we now investigate how different those dismissals might be from the ones in the population, and discuss what could be the baseline conversion rate in those firms. Appendix Table G.1 compares the distribution of the characteristics of the survey respondents and the characteristics of the last dismissal they implemented (as most questions on the mechanisms are about this last dismissal) to those same characteristics in the administrative flow data (MMO, for dismissed workers with tenure above one year, see Footnote 26). Survey respondents are more likely to belong to large firms than the average dismissal. 53% of respondents work in companies larger than 500 employees (which represent 39% of dismissals in the MMO), 39% in firms with size 50-500 employees (33% in the MMO). Small companies having fewer than 10 employees are not represented in our survey (only 1% of the analysis sample), while they account for 8% of dismissals in France. As shown in Appendix Table E.1, the conversion rate of dismissals into SMAs is smaller in larger companies. Hence, our HR director survey focuses on average more on companies that continue to rely on dismissals. However, the characteristics of the last dismissal (tenure and occupation) in the HR director survey are distributed similarly as in the universe of dismissals.

G.1 Sample and Quality Checks

We begin with a sample of 473 Qualtrics survey responses from HR directors, gathered mostly through direct outreach via email, and complemented with LinkedIn messaging. We restrict the sample using a set of filters to exclude low-quality responses and to focus

on the relevant population. Those filters are described below.

Survey completion. Respondents who did not complete the full survey are excluded from the analysis sample. See Figure G.1 for the evolution of completion rates by question. Of the 473 initial respondents, 74 (15.6%) did not finish the survey. 399 remain.

Quality. To improve the quality of our sample, we exclude responses that are likely to have been completed inaccurately or inattentively. In addition to implementing a standard attention check question administered two thirds into the survey, we exclude respondents who complete the survey overly quickly, respondents with obvious patterns in their responses (always selecting the first, last, or "don't know" option), and those with internally inconsistent responses. Of the 399 participants who completed the survey, 70 (18%) fail at least one quality check, leaving 329.

Below, we describe step by step how each of these filters were implemented:

- Attention check: two thirds through the survey, respondents were asked in a relatively lengthy question to respond "333" when asked their favorite number (see questionnaire in Appendix J). 44 respondents not passing this attention check are excluded from the analysis, leaving 355.
- Internal consistency: respondents were at one point asked to identify which of the three mechanisms they found most important. At another point, they were asked to rank the importance of all three mechanisms from not at all important to very important. If the mechanism indicated as the single most important question (one-choice only) does not weakly dominate the other two in the ranking question, the respondent is excluded from the analysis. Of the 355 responses remaining, 26 (7.5%) have such inconsistent responses. 329 remain.
- Systematic response patterns: respondents exhibiting systematic response patterns (i.e., consistently selecting the first, last, or "don't know") are excluded. We define those systematic patterns as responding first, last, or don't know more than 15 times out the 23 questions. Of the 329 remaining respondents, none meet this definition.
- Survey completion time: respondents taking less than 2 minutes to complete the survey are excluded from the analysis. Of the 323 responses remaining, none meet this definition.

Targeting. We also employ several filters to identify the population of interest. Specifically, we exclude respondents not directly involved in dismissals, those from the public sector, and those who recall a dismissal for serious or gross misconduct. Of the 329 responses left after, 119 (38%) fall outside the target population. This leaves the final sample of 210.

Details on these exclusions are provided below:

- Implemented dismissal: only participants who have directly participated in implementing a dismissal over the past ten years are included in the sample. Of the 329 participants remaining, none are excluded for this reason.
- Private sector employment: respondents were asked to indicate whether their company is public or private. Only respondents indicating they work in the private sector are included in the analysis. Of the 329 participants remaining, 13 (4%) are excluded for this reason. 316 remain.
- Recall of recent dismissal: respondents are included only if they recalled a recent

dismissal not due to serious or gross misconduct (*faute grave/faute lourde*). Of the 316 remaining participants 106 (34%) are excluded for this reason.

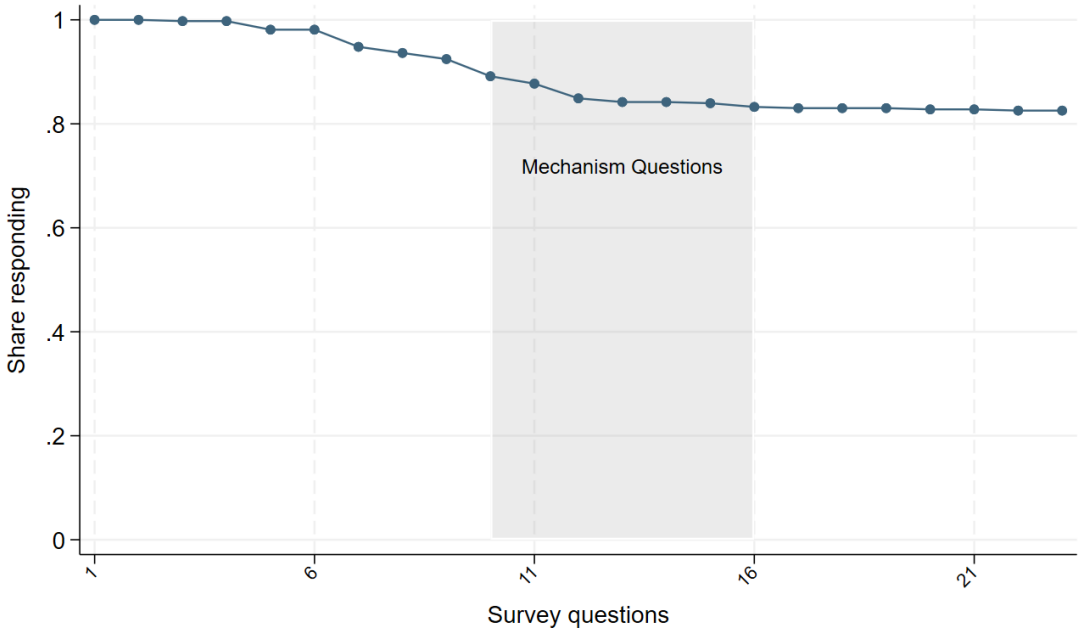
Restricting our sample using these filters leaves us with an analysis sample of 210 observations.

Table G.1: HR Director Survey - Summary Statistics

	Full Sample	Analysis Sample	Admin Data
A. Respondent information			
Employer sector			
In the private sector	0.95	1.00	
In the public sector	0.05	0.00	
Don't wish to answer	0.01	0.00	
Firm size			
1-9 employees	0.02	0.01	0.08
10-49 employees	0.10	0.07	0.20
50-500 employees	0.43	0.39	0.33
More than 500 employees	0.44	0.53	0.39
Don't wish to answer	0.00	0.00	
Participated in (non-economic) dismissal in the last 10 years			
Yes	0.93	1.00	
No	0.06	0.00	
Don't wish to answer	0.01	0.00	
B. Last dismissal			
Dismissal was for serious misconduct or gross misconduct			
No	0.67	1.00	
Yes	0.33	0.00	
Don't wish to answer	0.01	0.00	
Employee tenure at the time of dismissal			
Less than 1 year	0.06	0.04	0.08
Between 1 and 3 years old	0.38	0.40	0.37
Between 3 and 10 years old	0.35	0.34	0.41
Over 10 years	0.19	0.20	0.23
Don't wish to answer	0.02	0.02	
Employee's occupation			
Managers and higher intellectual professions	0.62	0.68	0.40
Employees	0.20	0.20	0.33
Intermediate professions	0.09	0.07	0.13
Workers	0.09	0.05	0.15
Don't wish to answer	0.01	0.01	
Dismissed employee went to labour court			
No, it's unlikely to happen	0.63	0.66	
Yes	0.16	0.14	
No, but it will likely happen	0.17	0.16	
Don't wish to answer	0.04	0.04	
C. Quality Checks			
Partial completion	0.16	0.00	
Took less than 2 minutes to respond	0.08	0.00	
Failed attention check	0.09	0.00	
Logically inconsistent responses	0.07	0.00	
Excessive first responses	0.00	0.00	
Excessive don't know responses	0.00	0.00	
N	473	210	

Notes: This table reports on the main characteristics of the respondents in our 2024 survey of HR directors. The exact questions asked are presented in the full questionnaire, in Appendix J. We provide information on the survey respondents (the type of company they work at and involvement in dismissals) and on the last dismissal they implemented. This is because several of our results will be based on the reason for not using an SMA during the last dismissal. Table G.2 provides more details on the respondents' involvement in separations. The column "Full sample"" shows the statistics for all directors who started filling our questionnaire, independently from completion or any characteristics. The column 'Analysis Sample' is the subset of HR directors we kept for our analysis, based on filters described above (Appendix G.1). Finally, the column "Admin data" shows the distribution of characteristics in the population of dismissals, computed in the MMO on average over 2012-2014.

Figure G.1: Survey Completion Rate by Question



Notes: This figure depicts the survival curve throughout the questionnaire sent to HR directors in 2024. Each dot provides the share of respondents responding to the question numbered on the x-axis, among respondents starting the questionnaire. The sample includes HR directors in the private sector who have been involved in at least one dismissal.

G.2 Additional Survey Evidence

Table G.2: HR Director Survey: Involvement in Dismissals and in SMAs, and Dismissal Stigma

	Multiple answers?	Share
A. Participation in Dismissals		
In how many dismissals have you participated?	No	
1		0.03
2 to 5		0.19
5 to 20		0.32
More than 20		0.44
Don't wish to answer		0.01
How did you participate in the dismissal?	Yes	
I implemented the dismissal		0.95
I spoke with an expert (lawyer,...)		0.85
I negotiated with the employee		0.84
I decided the dismissal		0.78
Other, but I was familiar the case		0.03
Other, but I heard of the case from afar		0.01
Don't wish to answer		0.00
B. Knowledge of SMA		
How familiar are you with SMAs?	No	
I have already negotiated or implemented some		0.99
I have never directly implemented but I know it		0.01
I don't know what it is		0.00
Don't wish to answer		0.00
C. Recruiting Stigma		
Whom would you be more likely to hire:	No	
Both identically		0.49
The worker who signed an SMA		0.45
The dismissed worker		0.00
Don't wish to answer		0.06
D. Last Dismissal		
Was the relationship tense?	No	
Yes, even before the dismissal		0.60
Yes, it came up during the dismissal		0.12
No		0.27
Don't wish to answer		0.00
Was an SMA mentioned?	No	
No		0.46
Yes, by the employer		0.29
Yes, by both the employer and employee		0.14
Yes, by the employee		0.11
Don't wish to answer		0.00
E. Last SMA		
What would have happened if SMAs did not exist?	No	
The employee would have been dismissed		0.57[$]
The employee would have quit		0.28
The employee would have remained at the firm		0.12
Don't wish to answer		0.03

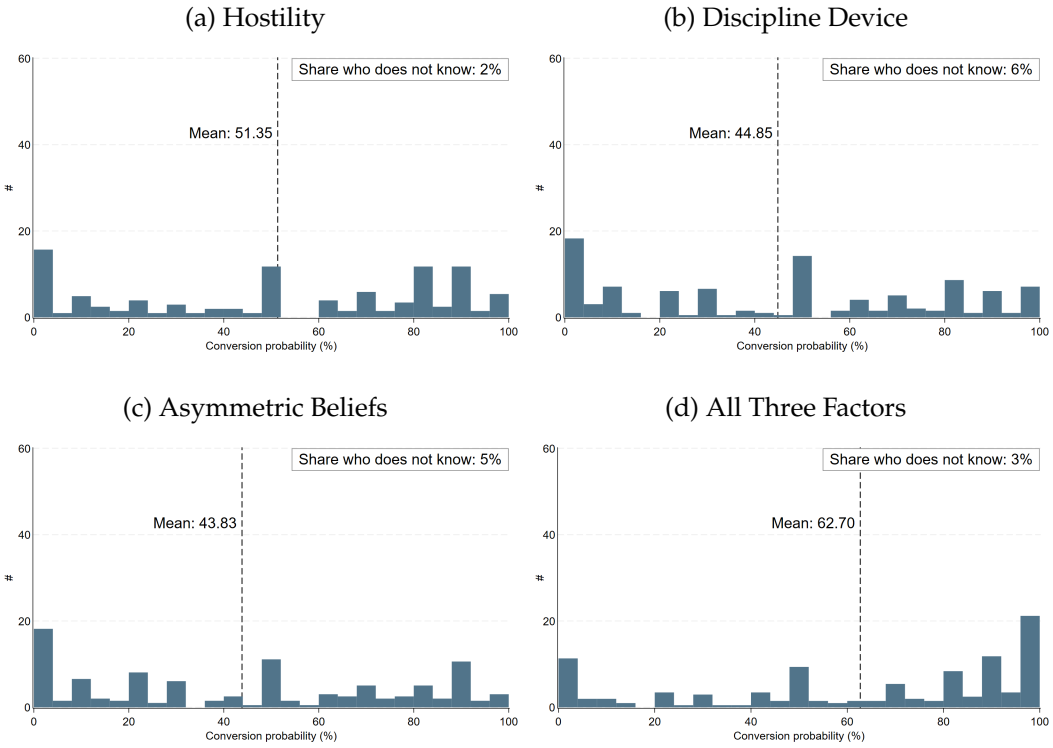
Notes: This table presents responses to our 2024 survey of HR directors, for our main analysis sample of 210 respondents, organized by survey block. Panel A reports on involvement in dismissals (asked at the beginning), while Panel E on the last SMA comes at the end. "Multiple Answers?" indicates whether multiple responses were permitted. "Share" is share of respondents who picked a given option. For the exact questions, see the questionnaire in Appendix J. [$]: 57% of HR directors indicating that the SMA replaced a dismissal (rather than about half that amount in our primary representative worker survey (Table 2) maps into a share of dismissals converted into SMAs of 25%—still well below 100%. We discuss this estimate in Section 3.4.

Table G.3: Correlation Between the Probabilities of Conversion Across the Four Counterfactual Scenarios

	Hostility	Discipline device	Asymmetric beliefs	All three
Hostility	1.00			
Discipline	0.57	1.00		
Beliefs	0.76	0.59	1.00	
All three	0.77	0.66	0.68	1.00

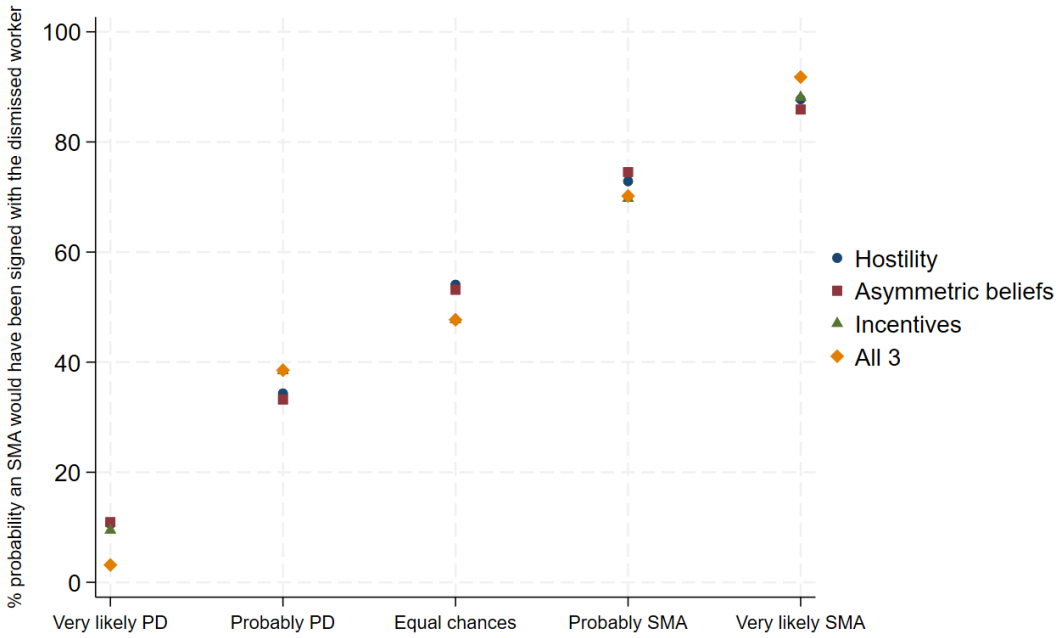
Notes: This table shows the correlations between the probabilities of conversion of the last dismissal into an SMA, for different counterfactual scenarios. The probabilities are individual-level responses given by HR directors in the 2024 survey. We present them with counterfactual situations (for instance, hostility being absent in the last dismissal), and ask about the probability the job would have ended with an SMA. We then compute the average of those, for all four scenarios, $\frac{1}{N}\sum_j \mathbb{P}_j(SMA^{\text{No Z}} = 1|SMA = 0)$, to obtain four counterfactual estimates of σ. For instance, the second row indicates a correlation of 0.57 between the probability of conversion if hostility were absent during the last dismissal, and the probability of conversion if the discipline device mechanism were absent. The last row shows correlations between the conversion probability if all three factors were absent, and scenarios in which one factor at a time is removed.

Figure G.2: Distribution of Conversion Probabilities in the Four Scenarios



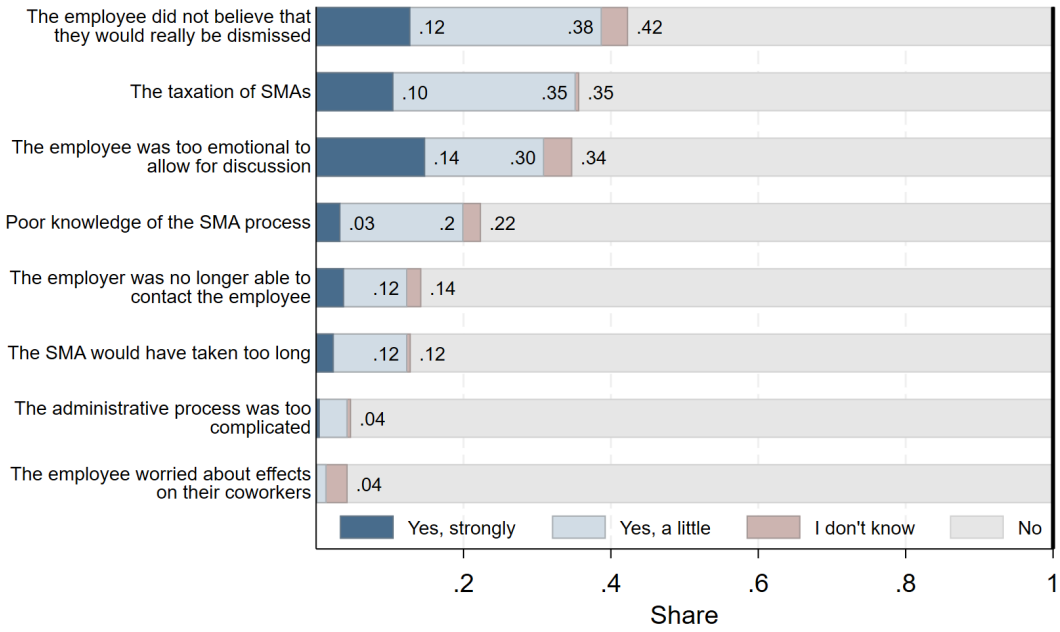
Notes: This figure depicts the distribution of the probabilities the last dismissal would have ended as an SMA, in four counterfactual situations, $\frac{1}{N}\sum_j \mathbb{P}_j(SMA^{\text{No Z}} = 1|SMA = 0)$. In the first three panels, respondents are asked what would be the probability that the last dismissal would have ended with the SMA, if a given factor were absent. The last one corresponds to a scenario in which all three factors are absent. These probability responses are obtained from the 2024 HR director survey. The exact phrasing of the alternative scenarios is presenting in the full questionnaire in Appendix J.

Figure G.3: Correlation Between Categories and Numerical Conversion Probabilities in the Survey



Notes: This figure reports the correlation between categories and numerical probabilities of conversion, for the four counterfactual scenarios presented to HR directors in the 2024 survey. Respondents are presented with situations in which they are asked to assume that one of the factors (or all three) were absent during the last dismissal. They are asked what would have been the outcome—SMA or personal dismissal—, and the possible answers are summarized on the x-axis. We then ask them, for each of those scenarios, what is the probability that an SMA would have been signed with the dismissed worker. For this second question, they can move a slider between 0 and 100% (or tick a box "*I don't know*"). They are presented with four scenarios. The exact description is provided in the full questionnaire, in Appendix J.

Figure G.4: Role of Other Potential Mechanisms in Preventing Conversions into SMAs



Notes: This figure depicts response to the question *"Did any of those factors explain why an SMA was not signed with the last dismissed worker?"* for additional mechanisms on top of the three main ones we study. Separately for each, respondents can indicate whether the mechanism played a strong role, a small role, no role, or if they do not know. The printed numbers show the cumulative shares. For instance, 38% of respondents indicate that the fact the employee did not believe in the dismissal played a role (a strong role in 12%, and a small one in 26%). Answers are obtained in the HR director survey in 2024. The analysis sample contains 210 respondents.

G.3 Open-ended Questions: Examples on Mechanisms

As mentioned in the main text, the three main mechanisms were also validated in an open-ended question—asked before presenting any specific factor. A majority of respondents indicated which party among the worker and the employer refused the SMA or pointed to a disagreement over the severance pay without explaining the underlying causes (but such disagreement is a proximate channel for any bargaining impasse, not a fundamental driver). The more substantive accounts often fall in the category of hostility or discipline device. Fewer respondents mention labor court, although their explanations do not allow to classify those between hostility or asymmetric beliefs. We find similar patterns also in the much sparser second open-text box.

Here we report some examples of the open-text responses.

Examples that point to the *hostility* mechanism are:

Because it was not an amicable break-up.

Communication too tense.

Because I do not want to establish [an SMA] when we are already in a tense situation.

It was not an amicable break-up. The decision to terminate the contract came from the employer, the employee did not agree.

Do not "please" an offending employee.

Some examples of open-text responses for the *discipline* mechanism are:

> *No point in using the SMA because it would give a bad image.*
> *It was signed in one case—in the other, it was a case of a low performer and we did not want to send a message of possible SMA in this case in the company.*
> *Because the SMA should not be perceived as a right as soon as an employee performs less well or has a bad attitude. Otherwise, all the other employees could adopt the same behavior to obtain an SMA. SMAs must be an exceptional device.*
> *Desire to avoid its generalization at the simple request of an employee.*
> *I am against the use of SMAs in most cases: [...] if the employee put himself at fault with the employer, there is a disciplinary measure.*

G.4 Other Mechanisms From the Perspective of HR Managers

We also asked HR directors about other obstacles to conversion, with Appendix Figure G.4 reporting the results.

In summary, we found that worker stigma is lower for SMAs than dismissals, drawing on the HR director survey, which should push towards convergence. Overall, the SMA is also perceived to be as simpler to implement (given worker cooperation) than dismissals. Knowledge about the SMA is also essentially complete in the survey, with most HR directors having implemented one (see above). The tax treatment differential after 2013 also was not listed as a key concern. Miscoordination and the worker's refusal to engage early on appears non-trivial as a friction.

Stigma. Workers should be even more likely to accept the SMA (i.e., at a lower severance pay) over the dismissal to avoid the stigma of the latter. Personal dismissals have to be supported by fault or incompetence, while SMAs may permit pooling with other kinds of separations such as less adversarial ones or quits (as in Gibbons and Katz, 1991). Moreover, even if arising from a dismissal, an SMA may signal cooperation with the previous employer and willingness to avoid labor court litigation. This intuitive stigma differential is also supported by our evidence. First, in our HR director survey, 45% of respondents say that, all other characteristics equal, they prefer to give a recruitment interview to a worker who signed an SMA rather than to a dismissed worker (Table G.2), 49% would be indifferent between the two, and no one would prefer the dismissed worker. Second, the survey of workers who signed an SMA in 2011 shows that 46% preferred the SMA because it signals a better image to future employers (Table 2). Hence, the evidence leaves little room for SMAs to carry higher stigma than dismissals, hence further favoring conversion.

Process and contracting costs. The easier process of the SMA should also boost conversions, as the SMA is designed to be easy and flexible. The SMA is *not* a customized legal contract. Instead, as depicted in Appendix Figure A.2, it is a boilerplate short form requiring the separation date and the severance pay. Consistent with this view, the HR directors we surveyed do not select "a complicated process" as a reason for not signing an SMA rather than the dismissal (only 4% say it played a small role, see Appendix Figure G.4). Similarly, among the workers that signed an SMA, 53% select the simple SMA framework as a motivation, and 54% think their employer preferred the SMA for the easy process (Table 2). The dedicated boilerplate form also leaves little room for lack of trust or asymmetric legal resources to drive the failure to sign an SMA.

Moreover, the model presented in Section 4 puts red tape costs only onto firms and during the dismissal. However, the dismissal process likely also involves costs for workers (on top of the stigma), especially if going to court after the separation. Those additional costs would reinforce the prediction of replacement of dismissals by SMAs. Even if bargaining on the severance is costly to workers, that cost is likely lower than the cost of discussing the causes for the dismissal and negotiate saving the job during that meeting (and very likely lower than going to court requesting more money). Additionally, as discussed previously and shown by Table G.2, 54% of cases discuss the SMA, indicating that the bargaining is at least attempted.

Knowledge of the SMA process. Limited information about the availability or implementation of SMAs is unlikely to explain the low conversion share. First, as depicted in Figure 2 Panel (b), three years after the implementation of the reform, more than 60% of establishments have already implemented an SMA (this share is above 80% in 2015). This indicates that employers know about SMAs and how to implement them. Moreover, Appendix Figure E.2 suggests that even employers actively using SMAs continue to implement dismissals. In our 2024 survey, 99% of the HR directors have already implemented SMAs in their company. When asked about the specific mechanisms preventing the use of an SMA during the last dismissal, 20% indicate that poor knowledge about the process mattered, and only 3% responded it played a large role (Appendix Figure G.4).

Employee concerns about the effects of SMAs and social pressure. We also ask about a worker analog for the discipline device mechanism, namely the worker refusing the SMA to avoid a negative impact on other workers resulting from lower dismissal costs.[27] As shown in Appendix Figure G.4, 96% of respondents indicate that the factor "*The employee worried about the effects on their coworkers*" played no role in preventing the conversion. This finding suggests that there is very little room for workers refusing the SMA due to concerns about the impact on other employees or due to social pressure.

Taxation. In Appendix A.4, we discuss a reform that introduced an employer tax on the SMA severance pay in 2013. While this new tax cannot explain the lack of conversion between 2009 and 2012 and hence our main sample period, it could reduce conversions after 2012. In Appendix Figure G.4, 35% of HR directors indicate that the taxation of the severance plays some role in preventing conversions in 2024, but only 10% responded that it plays a strong role.

Miscoordination. Our HR director survey reveals two types of miscoordination that may hinder conversions (although those factors are quantitatively smaller than the three main ones discussed before), as reported in Appendix Figure G.4. First, the worker may understand too late that he will actually be dismissed, which 38% of the respondents indicate that it played some role in the last dismissal (and 12% a large role). While the SMA regulation clearly indicates that any ongoing dismissal can be converted into an SMA (hence allowing the employer to credibly commit to this outside option by commencing

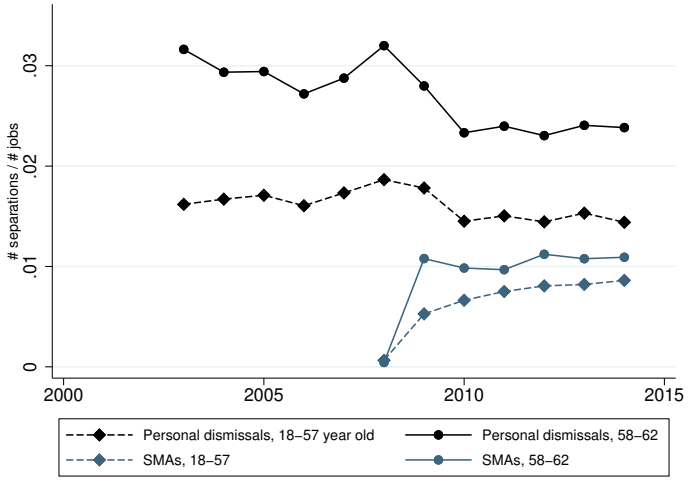
[27]While unions are not involved in personal dismissals, social pressure may lead workers to engage in upholding quasi-collective action (as in Breza et al., 2019) to build a collective reputation to raise costs and preserve job security (Abreu and Gul, 2000). Hence, workers may push back due to social preferences for colleagues (Bandiera et al., 2005; Ashraf and Bandiera, 2018) or altruistic punishment (Fehr and Gächter, 2002).

it), the parties may not always make use of that option. 12% of respondents also report that the impossibility to contact the employee played a role, which is another source of miscoordination, for instance if the worker takes sick leave after the dismissal notification. Second, 30% of HR directors indicate that the fact that the employee was too emotional to discuss played some role (and an important role in 14% of dismissals). This mechanism can both reflect an emotional shock following the announcement of the dismissal, which prevents any opportunity to bargain, as well as some hostility, if the emotions preventing the discussion are connected to aggressive behavior.

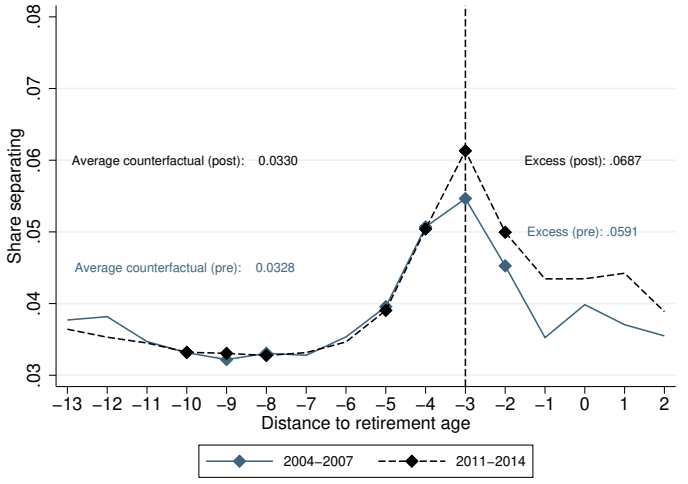
H Additional Results on the Mechanisms: Less Conflict at Bridge into Early Retirement

Figure H.1: Dismissals, SMAs and Separations around Early Retirement Age Discontinuity

(a) Time Series: Personal Dismissals and SMAs by Age Groups



(b) Age Gradients: Total Separations



Notes: This figure studies the role of cooperative dismissals for workers at the margin of early retirement in generating conversions of dismissals into SMAs. Panel (a) provides time series evidence, showing the share of workers separated by personal dismissal and mutual agreement, separately for workers younger than 57 and older than 57. Workers older than 62 are excluded. The flows are computed in the MMO and employment by age from the DADS. Results are presented for establishments with at least 10 workers. Panels (b) zooms into age discontinuities in separation-age profiles and splits the sample into pre- and post-reform years. It plots the share of workers separating in 2004-2007 and in 2011-2014, by gap between retirement age and age at separation. Over 2004-2007, retirement age is considered to be 61 and it is 62 over 2011-2014 to account for the progressive shift in average retirement age over time. For example, a distance to retirement age equal to -3 indicates that the workers are 58 before the reform and 59 after. The vertical line at -3 shows at which age workers can receive three years of UI and then retire. The solid and dashed lines connecting diamonds show the separation shares, in 2004-2007 and in 2011-2014, respectively. Excess separation shares are the difference between the 4-year average separation share from -5 to -2 (diamonds) and the corresponding average from -10 to -8. Over 2004-2007, separation shares are higher by 6 percentage points around the period workers can receive three years of UI and retire. Figure 9 shows the excess separations for dismissals and SMAs separately.

I Beyond Dismissals: Quits and Collusion for UI

Quits. Among the large share of SMAs that are unaccounted for, quits are likely a large share (besides substitutions for job continuations, i.e., generating additional separations). Indeed, 40% of the workers who separated by mutual agreement in 2011 (see Table 2) state that they would have *quit* absent the SMA. 37% of workers say that it was they, rather than the employers, that initiated the SMA. Moreover, the aggregate time series of quits (see Figure 3) show a decrease post-SMA introduction. Quits (as a share of employment) are 18.6% lower over 2012-2014, compared to 2003-2006.

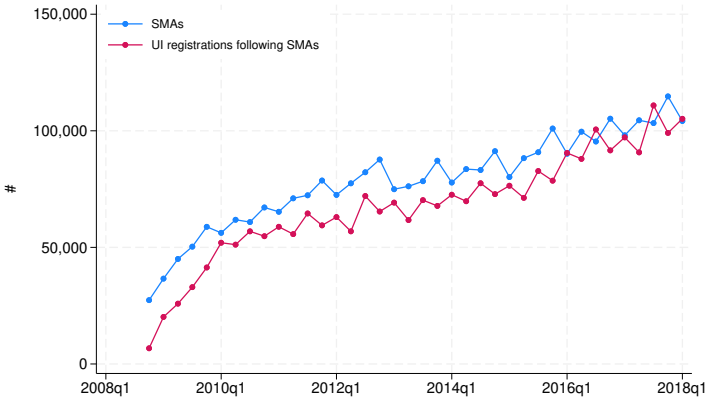
The UI motive. The main motivation behind conversions of quits into SMAs is likely the SMA keeping the worker eligible for UI, which is forgone with a quit. To gauge the potential relevance of UI, we check post-separation outcomes of workers separated in an SMA. Indeed, Figure I.1 Panel (a) shows that nearly all SMAs are followed by UI collection—a property that therefore plausibly holds for the subset that converted quits as well. The figure plots the time series of registrations with the unemployment agency (Pôle Emploi) following an SMA along with total SMAs.

Panel (b) draws on the LFS and shows the share of individuals that are nonemployed following a quit, dismissal, and SMA, with the caveat that the panel is quarterly. At about 80%, SMAs are essentially just as likely to go into nonemployment as dismissals (90%), and much more likely than quits—whose nonemployment share indeed fell from about 40% to 20% following the introduction of the SMAs. To improve on the quarterly nature of the LFS, Panel (c) provides spell-level data on unemployment (UI) duration, showing that SMAs feature similar survival curves as dismissals (computed from the FH-DADS). Table 2 clarifies that indeed 68% of workers report UI eligibility as a reason to choose the SMA over another separation (presumably mostly a quit, as eligibility for UI is already granted with the dismissal). Overall, the fact that most SMAs go into nonemployment (and UI) opens the door to UI eligibility underlying the conversion of quits to SMAs. This fact also rejects the idea (part of the original policy motivation, see Section 2.2) that SMAs would facilitate job-to-job transitions, with workers either having lined up or lining up a job.

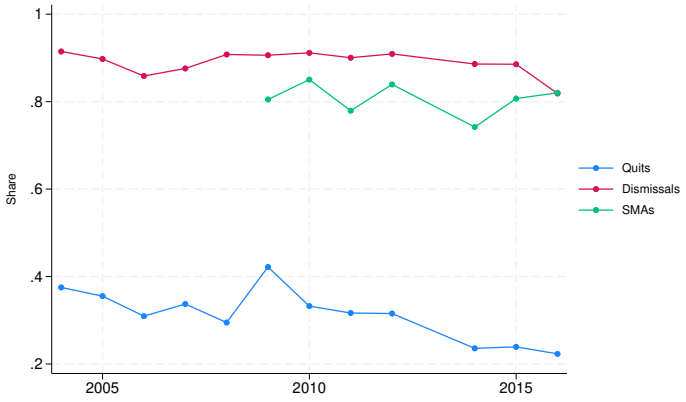
Cooperation at the quit margin. In most cases in the model in Section 4 and as illustrated specifically Figure B.1, the firm should refuse to sign off on an SMA when the worker would otherwise quit. However, quit conversions into SMAs can occur if the worker can make side payments to the firm (i.e., $s^b < 0$), e.g., to offset the mandatory severance pay $\bar{s}$. (There is no UI experience rating in France, see Section 2.) This payment can be monetary or other, unmodeled margins of adjustment, such as quasi-transfers (e.g., unpaid labor) or an SMA may facilitate, e.g., productivity increases (e.g., the worker agreeing to train the replacement worker, staying on call, adjusting the termination date,...). Our result on the positive correlation between additional days and extra severance pay, depicted in Figure I.2 (obtained from SMA administrative records), suggests that such patterns may be important.

Figure I.1: Unemployment after SMAs

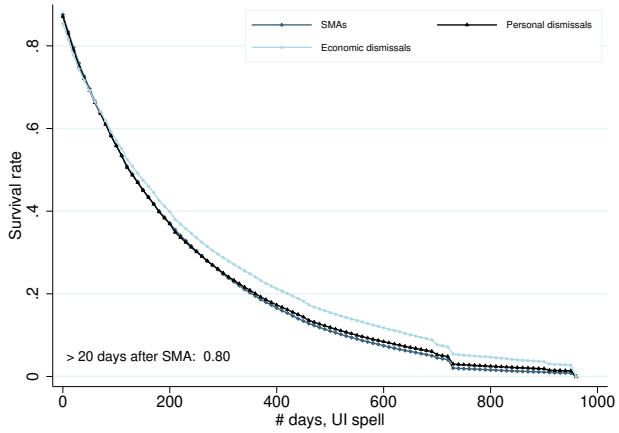
(a) Number of SMAs and Post-SMA UI Registration



(b) Non-employment Probability after Separation



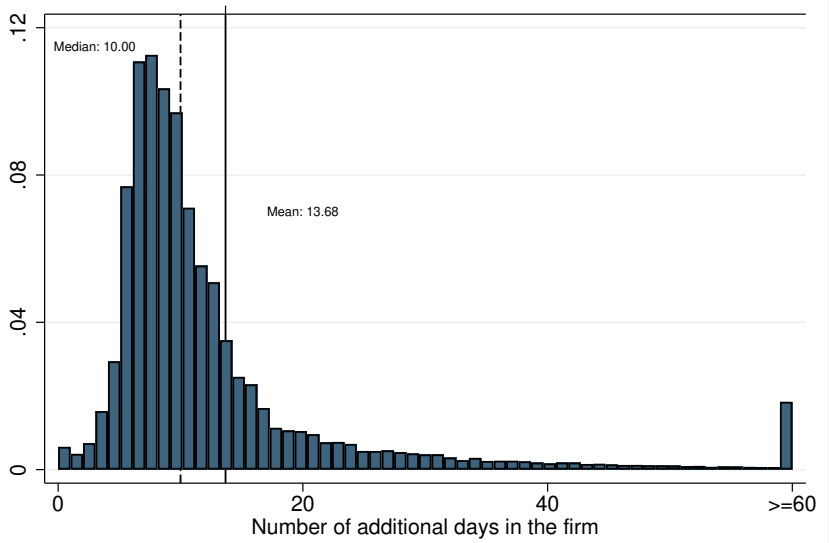
(c) Duration of Unemployment Spells



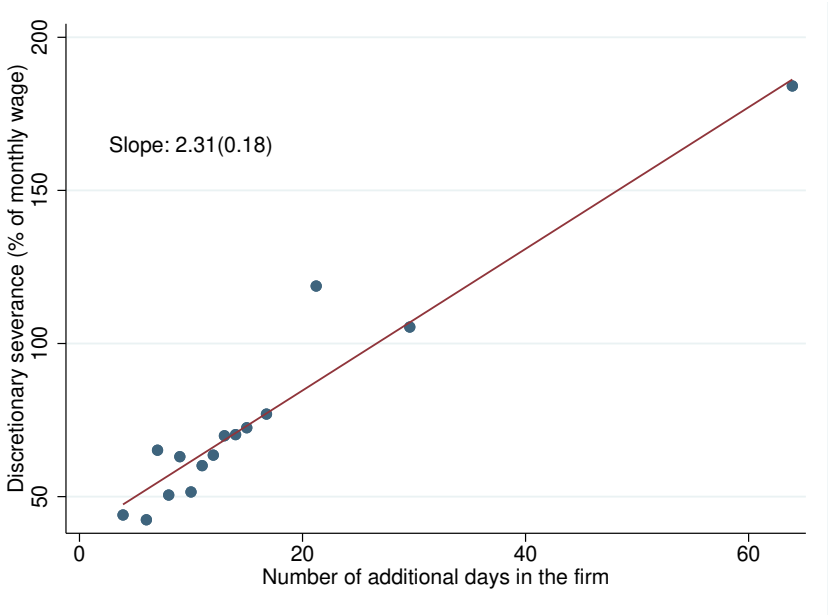
Notes: The figure highlights the prevalence of unemployment receipt following SMAs. Panel (a) depicts the quarterly number of SMAs as well as the number of registrations to the unemployment agency (Pôle Emploi) following an SMA. Numbers are computed from DARES and FH data. Panel (b) shows the share of workers who are not employed in the quarter following a separation, by separation type (computed in the Labor Force Survey). Each line plots the share of workers unemployed or out of the labor force among all workers separated through a given separation type. For example, in 2009, 80% of workers separated with a mutual agreement are not employed in the following quarter. Panel (c) plots the survival curve of UI spells, after a dismissal or an SMA. This graph has been computed using the FH-DADS from 2008 to 2012. We do not detail data sources in Panel (a) and (c) in the main text data section.

Figure I.2: Number of Additional Days Between End of Notice Period and Separation, for SMAs

(a) Distribution of the Number of Days



(b) Correlation with Discretionary Severance



Notes: Panel (a) depicts the distribution in the number of days the job continues after reaching the end of the notice period. The notice period is equal to 1 month (15 days to retract the SMA + 15 days for the local authority to approve). The exact end date of the notice period and the exact end date of the job are reported in the SMA administrative records. Panel (b) plots the correlation between the number of additional days, shown on Panel (a), and the discretionary severance. The discretionary severance is as a share of gross monthly wage and is equal to 0 if the worker receives exactly the legal minimum severance. The slope of a regression of the discretionary severance on the number of additional days is 2.31, meaning that one more day in the firm is associated with a severance higher by 2.31% of the monthly wage. Robust standard errors are reported in parentheses. Both panels are computed from the administrative SMA records for 2013, 2014 and 2015.

J Survey Questionnaire

Welcome!
We are a team of researchers from Princeton University and UC Berkeley. We study opinions on the French labour market and its regulations.

Privacy:
Your responses are anonymous and no identifiable data will be collected or shared. You may refuse to participate or leave the survey at any time. We include options that allow you to decline to answer for most questions.

By continuing the survey by clicking the button below, you grant us permission to include your responses in the processing.

Survey content and duration:
This survey consists of a maximum of 33 questions and takes 5–10 minutes to complete.
Results of the study:
If you would like to receive the results of this work, you can register via the link received by message.
If you have any questions, concerns, or complaints, or if you believe that this research has affected you in any way, please contact Pauline Carry at pauline.carry@princeton.edu or Benjamin Schoefer at schoefer@berkeley.edu.

We are very grateful for your time and help! You can start the survey by clicking on the button below.

Pauline Carry and Benjamin Schoefer
This survey has been reviewed by the Human Research Protection Program at the University of Berkeley and determined to be exempt from the IRB in accordance with US 45 CFR 46. This survey is GDPR compliant.

Bienvenue!
Welcome! Nous sommes une équipe de chercheurs de l'Université de Princeton et de l'Université de Berkeley. Nous étudions les opinions sur le marché du travail français et ses régulations.
Confidentialité:
Vos réponses sont anonymes et aucune donnée identifiable ne sera collectée ou partagée. Vous pouvez refuser de participer ou quitter l'enquête à tout moment. Nous incluons des options qui vous permettent de refuser de répondre pour la plupart des questions.
En poursuivant l'enquête en cliquant sur le bouton ci-dessous, vous nous accordez la permission d'inclure vos réponses dans le traitement.
Contenu et durée de l'enquête:
Cette enquête comprend au maximum 33 questions et prend 5 à 10 minutes à compléter.
Résultats de l'étude:
Si vous souhaitez recevoir les résultats de ce travail, vous pouvez vous inscrire via le lien reçu par message.
Si vous avez des questions, des préoccupations ou des plaintes, ou si vous pensez que cette recherche vous a affecté de quelque manière que ce soit, veuillez contacter Pauline Carry à l'adresse pauline.carry@princeton.edu ou Benjamin Schoefer à l'adresse schoefer@berkeley.edu.
Nous vous sommes très reconnaissants pour votre temps et votre aide! Vous pouvez débuter l'enquête en cliquant sur le bouton ci-dessous.
Pauline Carry et Benjamin Schoefer
Cette enquête a été examinée par le Programme de protection de la recherche humaine de l'Université de Berkeley et déterminée comme exemptée de l'IRB conformément à la réglementation US 45 CFR 46. Cette enquête est conforme à la RGPD.

Are you willing to participate?

- ◯ Yes
- ◯ No

Acceptez-vous de participer?

- ◯ Oui
- ◯ Non

Page Break

Is your employer primarily. . .
- ◯ In the private sector
- ◯ In the public sector
- ◯ I don't know / don't wish to answer

How big is the company?
- ◯ 1–9 employees
- ◯ 10–49 employees
- ◯ 50–500 employees
- ◯ More than 500 employees
- ◯ I don't know / don't wish to answer

Votre employeur est-il principalement. . .
- ◯ Dans le secteur privé
- ◯ Dans le secteur public
- ◯ Je ne sais pas / ne souhaite pas répondre

Quelle est la taille de l'entreprise?
- ◯ 1–9 salariés
- ◯ 10–49 salariés
- ◯ 50–500 salariés
- ◯ Plus de 500 salariés
- ◯ Je ne sais pas / ne souhaite pas répondre

Page Break

In the last 10 years, have you ever participated in the (non-economic) dismissal of an employee on a permanent contract?
- ◯ Yes
- ◯ No
- ◯ I don't know
- ◯ I don't wish to answer

Au cours des 10 dernières années, avez-vous déjà participé au licenciement (non-économique) d'un salarié en CDI?
- ◯ Oui
- ◯ Non
- ◯ Je ne sais pas
- ◯ Je ne souhaite pas répondre

Page Break

Approximately how many (non-economic) dismissals have you been involved in?
- ◯ 1
- ◯ 2 to 5
- ◯ 5 to 20
- ◯ More than 20
- ◯ I don't know / don't wish to answer

How did you participate in the dismissal(s)?

(Several answers possible.)
- ☐ I have decided the dismissal
- ☐ I negotiated with the employee
- ☐ I have implemented the dismissal
- ☐ I spoke with an expert (lawyer, . . .)
- ☐ Other, but I know the case well
- ☐ Other, I have heard of it from afar
- ☐ I don't wish to answer

À combien de licenciements (non-économiques) avez-vous participé, environ?
- ◯ 1
- ◯ 2 à 5
- ◯ 5 à 20
- ◯ Plus de 20
- ◯ Je ne sais pas / ne souhaite pas répondre

Comment avez-vous participé au(x) licenciement(s)?

(Plusieurs réponses possibles.)
- ☐ J'ai décidé un licenciement
- ☐ J'ai négocié avec un salarié
- ☐ J'ai mis en place le licenciement
- ☐ J'ai échangé avec un expert (avocat, . . .)
- ☐ Autre, mais je connais bien le cas
- ☐ Autre, j'en ai entendu parler de loin
- ☐ Ne souhaite pas répondre

Page Break

Are you familiar with the SMA?
- ◯ I don't know what it is
- ◯ I have already negotiated or implemented some

Etes-vous familier avec la rupture conventionnelle?
- ◯ Je ne sais pas ce que c'est
- ◯ J'en ai déjà négocié ou implémenté
- ◯ Je n'en ai jamais implémenté mais je

- ◯ I've never implemented one but I know what it is
- ◯ I don't wish to answer
- ◯ sais ce que c'est
- ◯ Ne souhaite pas répondre

Page Break

Think about the most recent non-economic dismissal of a permanent employee in which you participated. If possible, consider the termination of a worker who had at least one year of seniority.
Was it a dismissal for serious misconduct or gross misconduct?

- ◯ Yes
- ◯ No
- ◯ I don't know / don't wish to answer

Pensez au plus récent licenciement non-économique d'un travailleur en CDI auquel vous avez participé. Si possible, pensez au licenciement d'un travailleur qui avait au moins un an d'ancienneté.
Était-ce un licenciement pour faute grave ou faute lourde?

- ◯ Oui
- ◯ Non
- ◯ Je ne sais pas / ne souhaite pas répondre

Page Break

Was the relationship between the employer and the dismissed worker tense or adversarial?

- ◯ Yes, and already before the dismissal decision
- ◯ Yes, it started during the dismissal
- ◯ No
- ◯ I don't know / don't wish to answer

Est-ce que la relation entre l'employeur et le travailleur licencié était tendue ou conflictuelle?

- ◯ Oui, et déjà avant la décision de licenciement
- ◯ Oui, c'est apparu pendant le licenciement
- ◯ Non
- ◯ Je ne sais pas / ne souhaite pas répondre

Page Break

Has this tense relationship affected. . .
(Several answers possible.)

- ☐ Communication?
- ☐ The employee's performance?
- ☐ The organization of the transition for the employer?
- ☐ The implementation of the dismissal?
- ☐ The morale of other employees?
- ☐ The presence of the dismissed employee in his or her position?
- ☐ Something else? [Open Text Box]
- ☐ None
- ☐ I don't know / don't wish to answer

Est-ce que cette relation tendue a affecté. . .
(Plusieurs réponses possibles.)

- ☐ La communication?
- ☐ La performance du salarié?
- ☐ L'organisation de la transition pour l'employeur?
- ☐ La mise en œuvre du licenciement?
- ☐ Le moral d'autres salariés?
- ☐ La présence du salarié licencié à son poste?
- ☐ Autre chose? [Open Text Box]
- ☐ Aucun
- ☐ Je ne sais pas / ne souhaite pas répondre

Page Break

In the context of this dismissal, has the SMA ever been mentioned?

- ◯ Yes, by the employer
- ◯ Yes, by the worker
- ◯ Yes, by the employer and the worker
- ◯ No
- ◯ I don't know / don't wish to answer

Dans le cadre de ce licenciement, est-ce que la rupture conventionnelle a déjà été évoquée?

- ◯ Oui, par l'employeur
- ◯ Oui, par le travailleur
- ◯ Par l'employeur et le travailleur
- ◯ Non
- ◯ Je ne sais pas / ne souhaite pas répondre

Page Break

Whether it was mentioned or not, why do you think an SMA was not signed with this employee?
[Open Text Box]

Qu'elle ait été évoquée ou non, pourquoi une rupture conventionnelle n'a-t-elle pas été signée avec ce salarié, selon vous?
[Open Text Box]

Page Break

Take your time to answer the following three questions. In your opinion, could the reasons for not signing an SMA with the dismissed employee fall into these categories?

	Yes, strongly	**Yes, a little**	**No**	**I don't know / doesn't wish to answer**
The situation was too tense or conflictual (on one side or both). For example: The employee and the employer were on bad terms. The employee wanted to make things difficult for the company.	◯	◯	◯	◯
The company and the employee had different opinions on what might happen in labor court. For example, on: Whether the employee would actually go to labor court. The likelihood of the employee winning at the labor court and the amount decided by the judge.	◯	◯	◯	◯
Signing an SMA would have had a negative impact on other employees. For example, to avoid: Having too many employees requesting an SMA. Giving the impression that the company rewards problematic employees.	◯	◯	◯	◯

Prenez votre temps pour répondre aux 3 questions suivantes. Est-ce que les raisons expliquant pourquoi une rupture conventionnelle n'a pas été signée avec le salarié licencié pourraient entrer dans ces catégories, selon vous?

	Oui, de façon importante	Oui, un peu	Non	Je ne sais pas / ne souhaite pas répondre
La situation était trop tendue ou conflictuelle (d'un seul côté ou des deux). Par exemple: Le salarié et l'employeur étaient en mauvais termes. Le salarié voulait rendre les choses difficiles pour l'entreprise.	◯	◯	◯	◯
L'entreprise et le salarié avaient des opinions différentes sur ce qui pourrait arriver aux prud'hommes. Par exemple, sur: Le fait que le salarié aille effectivement aux prud'hommes. La probabilité que le salarié gagne au prud'hommes et le montant décidé par le juge	◯	◯	◯	◯
Signer une rupture conventionnelle aurait eu un impact négatif sur les autres salariés. Par exemple, pour éviter: D'avoir trop de salariés réclamant une rupture conventionnelle. De donner l'impression que l'entreprise récompense les salariés qui posent problème.	◯	◯	◯	◯

Page Break

Among these factors, which one seems the most important to you to explain why an SMA was not signed?

- ◯ **The situation was too tense or conflictual (on one side or both).** For example: The employee and the employer were on bad terms. The employee wanted to make things difficult for the company.
- ◯ **The company and the employee had different opinions on what might happen in labor court.** For example, on: Whether the employee would actually go to labor court. The likelihood of the employee winning at the labor court and the amount decided by the judge.
- ◯ **Signing an SMA would have had a negative impact on other employees.** For example, to avoid: Having too many employees requesting an SMA. Giving the impression that the company rewards problematic employees.

Parmi ces facteurs, lequel vous semble le plus important pour expliquer pourquoi une rupture conventionnelle n'a pas été signée?

- ◯ **La situation était trop tendue ou conflictuelle (d'un seul côté ou des deux).** Par exemple: Le salarié et l'employeur étaient en mauvais termes. Le salarié voulait rendre les choses difficiles pour l'entreprise.
- ◯ **L'entreprise et le salarié avaient des opinions différentes sur ce qui pourrait arriver aux prud'hommes.** Par exemple, sur: Le fait que le salarié aille effectivement aux prud'hommes. La probabilité que le salarié gagne au prud'hommes et le montant décidé par le juge
- ◯ **Signer une rupture conventionnelle aurait eu un impact négatif sur les autres salariés.** Par exemple, pour éviter: D'avoir trop de salariés réclamant une rupture conventionnelle. De donner l'impression que l'entreprise récompense les salariés qui posent problème.

If picked 'The situation was too tense or conflictual" as the most important factor:

Which situations best describe what happened?

(Several answers possible.)

- ☐ The employee was aggressive or angry.
- ☐ The employer was aggressive or angry.
- ☐ The relationship between the worker and the employer was very bad.
- ☐ The employee threatened to take the company to labor court, which was perceived as blackmail.
- ☐ The employee wanted to make things difficult for the company.
- ☐ Someone in the company wanted to make things difficult for the employee.

Quelles situations décrivent au mieux ce qui s'est passé?

(Plusieurs réponses possibles.)

- ☐ Le salarié était agressif ou en colère.
- ☐ L'employeur était agressif ou en colère.
- ☐ La relation entre le travailleur et l'employeur était très mauvaise.
- ☐ L'employé a menacé l'entreprise d'aller aux prud'hommes, ce qui était perçu comme du chantage.
- ☐ Le salarié voulait rendre les choses difficiles pour l'entreprise.
- ☐ Quelqu'un dans l'entreprise voulait rendre les choses difficiles pour le salarié.

If picked "The company and employee had different expectations" as the most important factor:

Which situations best describe what happened?

(Several answers possible.)

- ☐ The employee went to labor court and it was unexpected.
- ☐ Mentioning an SMA would have been interpreted as a lack of cause for the dismissal.
- ☐ The threat of labor court was interpreted as blackmail.
- ☐ The worker overestimated their chances in labor court.
- ☐ The worker wanted to go to labor court for revenge or out of pride.

Quelles situations décrivent au mieux ce qui s'est passé?

(Plusieurs réponses possibles.)

- ☐ Le salarié est allé aux prud'hommes et c'était inattendu.
- ☐ Évoquer la rupture conventionnelle aurait été interprété comme un manque de cause pour le licenciement.
- ☐ La menace des prud'hommes était interprétée comme du chantage.
- ☐ Le travailleur surestimait ses chances aux prud'hommes.
- ☐ Le travailleur voulait aller aux prud'hommes pour se venger ou par fierté.

If they answered "Signing an SMA would have had a negative impact on other employees", then ask:

Which situations best describe what happened?

(Several answers possible.)

- ☐ The dismissal shows other employees that the employer responds to the behavior and efforts of employees.
- ☐ Other employees would have found the SMA unfair.
- ☐ The dismissal discourages other employees from requesting SMAs.

Quelles situations décrivent au mieux ce qui s'est passé?

(Plusieurs réponses possibles.)

- ☐ Le licenciement montre aux autres salariés que l'employeur réagit au comportement et aux efforts des salariés.
- ☐ Les autres salariés auraient trouvé la rupture conventionnelle injuste.
- ☐ Le licenciement décourage d'autres salariés de demander des ruptures conventionnelles.

Page Break

We will now ask you what might have happened if the situation had been different.

Scenario 1:
Now suppose that we eliminate everything related to the factor "The situation was too tense or conflictual (on one side or both)." That is, the employee and the employer were on good terms at the time of dismissal and no one was hostile. In this case, would the permanent contract have ended with a dismissal or with an SMA?

- ◯ Very likely still a dismissal
- ◯ Probably a dismissal
- ◯ The dismissal and SMA would have had equal chances
- ◯ Probably an SMA
- ◯ Very likely an SMA
- ◯ I don't know

In this hypothetical situation, what would have been the probability that the employment would end by SMA?

(You can choose any number between 0 and 100. For example, 100 means that an SMA would have been signed, 0 means that it would always have been a dismissal, and 50 indicates that both modes of separation would have had equal chances.)

- ◯ I don't know/I don't wish to answer

0 100

Nous allons maintenant vous demander ce qui aurait pu se passer si la situation avait été différente.
Scénario 1:
Supposez maintenant que l'on élimine tout ce qui relève du facteur "La situation était trop tendue ou conflictuelle (d'un seul côté ou des deux)". C'est-à-dire que le salarié et l'employeur étaient en bons termes au moment du licenciement et que personne n'était hostile. Dans ce cas, est-ce que le CDI se serait terminé plutôt par un licenciement ou une rupture conventionnelle?

- ◯ Très certainement toujours par licenciement
- ◯ Probablement par licenciement
- ◯ Le licenciement et la rupture conventionnelle auraient eu autant de chances
- ◯ Probablement par rupture conventionnelle
- ◯ Très certainement par rupture conventionnelle
- ◯ Je ne sais pas

Dans cette situation hypothétique, quelle aurait été la probabilité que l'emploi se termine par rupture conventionnelle?

(Vous pouvez choisir n'importe quel nombre entre 0 et 100. Par exemple, 100 signifie qu'une rupture conventionnelle aurait été signée, 0 signifie que cela aurait toujours été un licenciement, et 50 indique que les deux modes de séparation auraient eu autant de chances.)

- ◯ Je ne sais pas / ne souhaite pas répondre

0 100

Scenario 2:
Going back to the real context of the dismissal, now suppose that we eliminate everything related to the factor "The company and the employee had different opinions on what might happen in labor court." That is, the employee and the employer had the same opinion of the risk of labor court. In this case, would the permanent contract have ended with a dismissal or with an SMA?

- ◯ Very likely still a dismissal
- ◯ Probably a dismissal
- ◯ The dismissal and SMA would have had equal chances
- ◯ Probably an SMA
- ◯ Very likely an SMA
- ◯ I don't know

In this hypothetical situation, what would have been the probability that the employment would end by SMA?

(You can choose any number between 0 and 100. For example, 100 means that an SMA would have been signed, 0 means that it would always have been a dismissal, and 50 indicates that both modes of separation would have had equal chances.)

- ◯ I don't know/I don't wish to answer

0 100

Scénario 2:
Revenons au contexte réel du licenciement, et supposez maintenant que l'on élimine tout ce qui relève du facteur "L'entreprise et le salarié avaient des opinions différentes sur ce qui pourrait arriver aux prud'hommes". C'est-à-dire que le salarié et l'employeur avaient la même opinion du risque de prud'hommes. Dans ce cas, est-ce que le CDI se serait terminé plutôt par un licenciement ou une rupture conventionnelle?

- ◯ Très certainement toujours par licenciement
- ◯ Probablement par licenciement
- ◯ Le licenciement et la rupture conventionnelle auraient eu autant de chances
- ◯ Probablement par rupture conventionnelle
- ◯ Très certainement par rupture conventionnelle
- ◯ Je ne sais pas

Dans cette situation hypothétique, quelle aurait été la probabilité que l'emploi se termine par rupture conventionnelle?

(Vous pouvez choisir n'importe quel nombre entre 0 et 100. Par exemple, 100 signifie qu'une rupture conventionnelle aurait été signée, 0 signifie que cela aurait toujours été un licenciement, et 50 indique que les deux modes de séparation auraient eu autant de chances.)

- ◯ Je ne sais pas / ne souhaite pas répondre

0 100

Scenario 3:
Going back to the real context of the dismissal, now suppose that we eliminate everything related to the factor "Signing an SMA would have had a negative impact on other employees." That is, it would be possible to sign an SMA but other employees would not be aware. In this case, would the permanent contract have ended with a dismissal or with an SMA?

- ◯ Very likely still a dismissal
- ◯ Probably a dismissal
- ◯ The dismissal and SMA would have had equal chances
- ◯ Probably an SMA
- ◯ Very likely an SMA
- ◯ I don't know

In this hypothetical situation, what would have been the probability that the employment would end by SMA?

(You can choose any number between 0 and 100. For example, 100 means that an SMA would have been signed, 0 means that it would always have been a dismissal, and 50 indicates that both modes of separation would have had equal chances.)

- ◯ I don't know/I don't wish to answer

0 100

Scénario 3:
Revenons au contexte réel du licenciement, et supposez maintenant que l'on élimine tout ce qui relève du facteur "Signer une rupture conventionnelle aurait eu un impact négatif sur les autres salariés". C'est-à-dire qu'il serait possible de faire une rupture conventionnelle mais les autres salariés ne seraient pas au courant. Dans ce cas, est-ce que le CDI se serait terminé plutôt par un licenciement ou une rupture conventionnelle?

- ◯ Très certainement toujours par licenciement
- ◯ Probablement par licenciement
- ◯ Le licenciement et la rupture conventionnelle auraient eu autant de chances
- ◯ Probablement par rupture conventionnelle
- ◯ Très certainement par rupture conventionnelle
- ◯ Je ne sais pas

Dans cette situation hypothétique, quelle aurait été la probabilité que l'emploi se termine par rupture conventionnelle?

(Vous pouvez choisir n'importe quel nombre entre 0 et 100. Par exemple, 100 signifie qu'une rupture conventionnelle aurait été signée, 0 signifie que cela aurait toujours été un licenciement, et 50 indique que les deux modes de séparation auraient eu autant de chances.)

- ◯ Je ne sais pas / ne souhaite pas répondre

0 100

Scenario 4:
Now consider the dismissal and eliminate all 3 factors mentioned previously. We now assume that the employee and the employer were on good terms, they had the same opinion of the risk of labor court, and other employees would not have been aware of the SMA. In this case, would the permanent contract have ended with a dismissal or with an SMA?

- ◯ Very likely still a dismissal
- ◯ Probably a dismissal
- ◯ The dismissal and SMA would have had equal chances
- ◯ Probably an SMA
- ◯ Very likely an SMA
- ◯ I don't know

In this hypothetical situation, what would have been the probability that the employment would end by SMA?

(You can choose any number between 0 and 100. For example, 100 means that an SMA would have been signed, 0 means that it would always have been a dismissal, and 50 indicates that both modes of separation would have had equal chances.)

- ◯ I don't know/I don't wish to answer

0 100

Scénario 4:
Considérons maintenant le licenciement et éliminons tous les 3 facteurs mentionnés précédemment. Nous supposons donc maintenant que le salarié et l'employeur étaient en bons termes, ils avaient la même opinion du risque de prud'hommes et les autres salariés n'auraient pas étés au courant de la rupture conventionnelle. Dans ce cas, est-ce que le CDI se serait terminé plutôt par un licenciement ou une rupture conventionnelle?

- ◯ Très certainement toujours par licenciement
- ◯ Probablement par licenciement
- ◯ Le licenciement et la rupture conventionnelle auraient eu autant de chances
- ◯ Probablement par rupture conventionnelle
- ◯ Très certainement par rupture conventionnelle
- ◯ Je ne sais pas

Dans cette situation hypothétique, quelle aurait été la probabilité que l'emploi se termine par rupture conventionnelle?

(Vous pouvez choisir n'importe quel nombre entre 0 et 100. Par exemple, 100 signifie qu'une rupture conventionnelle aurait été signée, 0 signifie que cela aurait toujours été un licenciement, et 50 indique que les deux modes de séparation auraient eu autant de chances.)

- ◯ Je ne sais pas / ne souhaite pas répondre

0 100

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Do these other factors explain why an SMA agreement was not signed with the dismissed worker?

	Yes, strongly	Yes, a little	No	I don't know / doesn't wish to answer
The announcement of the dismissal caused an emotional shock and the worker was too sad to discuss	◯	◯	◯	◯
The employee feared that the SMA would impact the job stability of their colleagues	◯	◯	◯	◯
Poor knowledge of the SMA process	◯	◯	◯	◯
The SMA administrative process is too complicated	◯	◯	◯	◯
The SMA would have taken too long	◯	◯	◯	◯
The employer could no longer contact the employee	◯	◯	◯	◯
The taxation of the SMA	◯	◯	◯	◯
Until the moment of their actual departure, the worker did not believe they would really be dismissed	◯	◯	◯	◯

Est-ce que ces autres facteurs expliquent pourquoi une rupture conventionnelle n'a pas été signée avec le travailleur licencié?

	Oui, de façon importante	Oui, un peu	Non	Je ne sais pas / ne souhaite pas répondre
L'annonce du licenciement a engendré un choc émotionnel et le travailleur était trop triste pour discuter	◯	◯	◯	◯
Le salarié craignait que la rupture conventionnelle impacte la stabilité de l'emploi de ses collègues	◯	◯	◯	◯
Mauvaise connaissance du processus de rupture conventionnelle	◯	◯	◯	◯
Le processus administratif de rupture conventionnelle est trop compliqué	◯	◯	◯	◯
La rupture conventionnelle aurait pris trop de temps	◯	◯	◯	◯
L'employeur n'arrivait plus à contacter le salarié	◯	◯	◯	◯
La fiscalité de la rupture conventionnelle	◯	◯	◯	◯
Jusqu'au moment de son départ effectif, le travailleur ne croyait pas qu'il serait vraiment licencié	◯	◯	◯	◯

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Is there another reason that we have not mentioned that explains why an SMA was not signed?
[Open Text Box]

Est-ce qu'il y a une autre raison que nous n'avons pas évoquée qui explique pourquoi une rupture conventionnelle n'a pas été signée?
[Open Text Box]

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Did the dismissed employee go to labor court?

- ◯ Yes
- ◯ No, but it will probably happen
- ◯ No, it is unlikely to happen
- ◯ I don't know / don't wish to answer

Le salarié licencié est-il allé aux prud'hommes?

- ◯ Oui
- ◯ Non, mais cela va surement arriver
- ◯ Non, c'est peu probable que cela arrive
- ◯ Je ne sais pas / ne souhaite pas répondre

What was the employee's seniority at the time of dismissal, approximately?

- ◯ Less than 1 year
- ◯ Between 1 and 3 years
- ◯ Between 3 and 10 years
- ◯ More than 10 years
- ◯ I don't know / don't wish to answer

Quelle était l'ancienneté du salarié lors du licenciement, environ?

- ◯ Moins de 1 an
- ◯ Entre 1 et 3 ans
- ◯ Entre 3 et 10 ans
- ◯ Plus de 10 ans
- ◯ Je ne sais pas / ne souhaite pas répondre

What was the socio-professional category of the dismissed employee?

- ◯ Craftsmen, shopkeepers and CEO
- ◯ Managers and higher intellectual professions
- ◯ Intermediate professions
- ◯ Low-skill white collars
- ◯ Blue collars
- ◯ I don't know / prefer not to answer

Quelle était la catégorie socio-professionnelle du salarié licencié?

- ◯ Artisans, commerçants et chefs d'entreprise
- ◯ Cadres et professions intellectuelles supérieures
- ◯ Professions intermédiaires
- ◯ Employés
- ◯ Ouvriers
- ◯ Je ne sais pas / ne souhaite pas répondre

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In surveys like this one, it sometimes happens that participants do not read the questions carefully and "click" quickly through the questionnaire. As a result, there are many random answers that distort the study results. To show that you are reading our questions carefully, we ask you to indicate 333 as the answer to the following question. What is your favorite number?

[Open Text Box]

Dans des enquêtes comme celle-ci, il arrive parfois que des participants ne lisent pas attentivement les questions et "cliquent" rapidement à travers le questionnaire. Par conséquent, il y a de nombreuses réponses aléatoires qui faussent les résultats de l'étude. Afin de montrer que vous lisez nos questions attentivement, nous vous demandons d'indiquer 333 comme réponse à la question suivante. Quel est votre nombre préféré?
[Open Text Box]

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If you now had to ask this dismissed worker for a favor (information, a password, the location of a document,...), do you think he would help you?

- ◯ Yes, absolutely
- ◯ Probably, yes
- ◯ Maybe
- ◯ Unlikely
- ◯ No, not at all
- ◯ I don't know / don't wish to answer

Si vous deviez maintenant demander une faveur à ce travailleur licencié (une information, un mot de passe, la localisation d'un document,...) pensez-vous qu'il vous aiderait?

- ◯ Oui, absolument
- ◯ Probablement, oui
- ◯ Peut être
- ◯ Peu probable
- ◯ Non, pas du tout
- ◯ Je ne sais pas / ne souhaite pas répondre

Now think about the last retirement from the company (or the typical retirement). If you now had to ask the worker for a favor (information, a password, the location of a document, ...), do you think he would help you?

- ◯ Yes, absolutely
- ◯ Probably, yes
- ◯ Maybe
- ◯ Unlikely
- ◯ No, not at all
- ◯ I don't know / don't wish to answer

Pensez maintenant au dernier départ à la retraite de l'entreprise (ou au départ à la retraite typique). Si vous deviez maintenant demander une faveur au travailleur (une information, un mot de passe, la localisation d'un document, ...) pensez-vous qu'il vous aiderait?

- ◯ Oui, absolument
- ◯ Probablement, oui
- ◯ Peut être
- ◯ Peu probable
- ◯ Non, pas du tout
- ◯ Je ne sais pas / ne souhaite pas répondre

Page Break

Imagine you are recruiting for a position and have 2 potential candidates identical on paper. One has recently been dismissed and the other has signed an SMA. Which one would you be more inclined to offer an interview to?

- ◯ The dismissed worker
- ◯ The worker who signed an SMA
- ◯ Both equally
- ◯ I don't know / don't wish to answer

Imaginez que vous recrutez pour un poste et avez 2 candidats potentiels et identiques sur papier. L'un a récemment été licencié et l'autre a signé une rupture conventionnelle. Auquel seriez-vous plus enclin à proposer un entretien?

- ◯ Le travailleur licencié
- ◯ Le travailleur qui a signé une rupture conventionnelle
- ◯ Les deux de façon identique
- ◯ Je ne sais pas / Ne souhaite pas répondre

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Now think about the last SMA you implemented or negotiated. In your opinion, if the SMA did not exist, what would have happened to that job?

Pensez maintenant à la dernière rupture conventionnelle que vous avez implémentée ou négociée. Selon vous, si le dispositif de rupture conventionnelle n'existait pas, que serait-il advenu de cet emploi?

- ◯ The employee would have quit
- ◯ The employee would have been dismissed
- ◯ The employee would have remained employed in the company
- ◯ I don't know / don't wish to answer

- ◯ Le salarié aurait démissionné
- ◯ Le salarié aurait été licencié
- ◯ Le salarié serait resté en emploi dans l'entreprise
- ◯ Je ne sais pas / Ne souhaite pas répondre

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The survey is now over. We greatly appreciate you taking the time to complete it. We will read your responses carefully. Do you have any comments or feedback on the survey or the topic?

[Open Text Box]

L'enquête est maintenant terminée. Nous vous sommes très reconnaissants d'avoir pris le temps d'y répondre. Nous allons lire vos réponses avec grande attention. Avez-vous des commentaires ou retours à nous faire sur l'enquête ou le sujet?

[Open Text Box]

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Your participation in the survey has been successfully recorded. Thank you very much for your participation!

If you would like to receive a copy of the research article containing the results, you can sign up on a list at this link:

Votre participation à l'enquête a bien été enregistrée. Un grand merci pour votre participation !

Si vous souhaitez recevoir une copie de l'article de recherche comportant les résultats, vous pouvez vous inscrire sur une liste sur ce lien:

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