



# European Employers Expect Long-Term Workplace Changes

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Littler, the world's largest employment and labour law practice representing management, has released its [European Employer COVID-19 Survey Report](#), completed by more than 750 human resources executives and in-house counsel across Europe. The survey data provides insight into the pandemic's impact on the future of the European workplace, particularly in the areas of remote work, employee wellbeing, annual leave and workforce reductions.

## Remote Work

The sudden, deadly outbreak of COVID-19 forced many employers to adapt to a nearly universal remote workforce in a matter of days. In the wake of that abrupt shift, respondents expect the top long-term, positive implication on the workplace stemming from the pandemic will be a greater acceptance of the benefits of remote work. Further, 41 percent of employers surveyed say they are making or will make changes to their remote work policies to allow for more flexibility – as long as employees continue to demonstrate productivity while working from home.

“Executives have come to see that their employees can be just as industrious working remotely, and now their task is to adapt to work-from-home arrangements over the long term,” said [Paul Quain](#), Littler partner based in the UK. “In order to do that they’ll need to rethink many of the policies and procedures that have governed office work for years. They must also recognise that many aspects of remote work are regulated by unique rules, and that the law in this area is beginning to evolve.”

In addition, 80 percent of respondents say they are requiring or considering requiring more employees to work remotely either somewhat or to a great extent. The reasons European employers say they are considering this shift include allowing for greater productivity of employees (41 percent), addressing the difficulty and cost of implementing new safety measures (38 percent) and allowing for the closure of offices (25 percent).

“The fact that more than four in 10 employers believe remote work promotes greater productivity represents a remarkable shift in

attitudes,” said [Anne-Valérie Michaux](#), Littler partner in Belgium. “As more employers offer flexible work options, matching that offering will quickly become more of a necessity for any employer competing for talent, particularly in a post-pandemic economic rebound.”

European employers’ attitudes toward remote work represent a contrast with their counterparts in the US. Littler’s [COVID-19 Return to Work Survey Report](#), completed by US employers in May, found that only 30 percent planned to change policies to allow employees to continue working remotely in the long-term (compared to 41 percent in Europe). Rather, 52 percent of US employers surveyed said they would remain flexible regarding remote work only until the pandemic subsides, compared to the 34 percent of European respondents who indicated similarly.

Further, only 50 percent of American respondents reported requiring or considering requiring more employees to work remotely, compared to 80 percent of European respondents.

### Employee Wellbeing

Across the corporate world, employers increasingly recognise the importance of addressing workplace mental health and wellbeing. Findings from Littler’s [2019 European Employer Survey](#) provided support for this as respondents listed workplace mental health as their top concern, ranking it above sexual harassment and equal pay.

This year, most employers report taking at least some action to address their employees’ mental health and wellbeing during the pandemic. Fifty-seven percent of respondents have offered more flexible work schedules to accommodate employees’ personal needs, while 51 percent have solicited frequent feedback on their organisations’ pandemic response.

“The survey results suggest a fairly high level of effort from employers to offer flexibility and listen to employees’ concerns to mitigate the pandemic’s impact on their wellbeing – but there is more that can be done,” said [Stephan Swinkels](#), Littler’s Coordinating Partner International. “With the increased recognition of the importance of wellness to maintaining a productive and engaged workforce, employers can take additional steps, such as offering mental health services and training managers to help them spot these issues and support their teams.”

### Annual Leave

Managing holiday has also proven challenging for European employers. Thirty-four percent of respondents have begun to see an uptick in requests for time off, and the vacation requests are causing operational headaches for 82 percent of that group. As we move closer to the end of the year and more workers look to use remaining holiday time, those concerns are bound to grow.

“Navigating varying regulations around vacation time, along with the unprecedented challenges brought on by COVID-19, puts employers in a tough situation with no clear best practice for managing paid leave in the final stretch of the year,” said [Dr. Thorben Klopp](#), Littler partner in Germany. “Threading the needle between allowing employees to use their paid leave and creating as little disruption to the business as possible requires thoughtful planning, careful compliance with the law and proactive communication with employees.”

### Government Support and Workforce Reductions

At the start of the pandemic, several European governments implemented programs that allowed companies to keep employees on their payrolls by providing much of their base pay from a government fund. These wage subsidy programs helped prevent widespread job losses in the initial stage of the crisis, but critics argue that they only delayed inevitable workforce reductions and restructurings within struggling companies.

Of the survey respondents whose organisations did accept government support, 59 percent expect to implement reductions in staff when the program ends. Just 17 percent of respondents expect they can maintain their current workforce without government aid. Further, most employers surveyed expect the reductions to happen quickly – 63 percent say they would begin reductions as soon as the law allowed, before the government programs ended or within two weeks of their expiration. Only 10 percent say they would wait three months or longer.

“As the pandemic’s economic damage deepens and with no end to the crisis in sight, many European employers are forced to make tough decisions about potential workforce reductions,” said [Guillaume Desmoulin](#), Littler partner in France. “This is further complicated by the need to navigate legal requirements in place in the various countries in which they operate.”

The survey report covers a range of additional legal and HR matters impacting European companies, including issues specific to

employers in the UK, Germany, France and Italy.

[Download the Littler European Employer COVID-19 Survey Report](#)

[View the Survey Infographic](#)

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