# Best Resource Management Practices for Compliance with **European Works Councils**

Resource management's prevalence worldwide has long been established. There are trade organizations, international conferences, and professional certifications across the globe. How companies manage their resources is also subject to local laws and regulations. In Europe, companies must abide by strict rules surrounding worker protections, data protection, and transparency. The European Commission ensures that companies with employees in two or more European countries take steps to involve employees in decision-making and keep them apprised of important company developments. When companies have a certain number of employees operating in the European Union or European Economic Areas, employees can establish a works council. European Works Councils, or EWCs, and the laws surrounding them are established by the European Commission.

Works councils reside within the company and are comprised of employees exclusively from that employer. The key purpose of an EWC is to create a channel where employees can consult with their company's leaders on significant decisions that can affect their employment or working conditions. While the right to form an EWC exists in the laws of the European Union, each member state is responsible for the laws governing EWC creation and ensuing details of its operation.

## Challenges for Business with EWC Compliance

There are many challenges that businesses face when dealing with an EWC, including:

- Multinational employers may be engaging with EWCs in multiple countries if they have a widespread employee base across Europe. The laws surrounding EWCs differ for each country where EWCs exist, adding complexity for companies.

- Costs can be significant, as the company has to spend money and time setting up and maintaining an EWC. These costs can include legal fees, management's time, and other associated financial costs.

- There are a variety of opinions around the rules and goals of EWCs, and it can be difficult to overcome resistance from management, who may see EWCs as a nuisance or additional work, and employees might need a lot of support to learn how an EWC is meant to operate and work in an ideal environment.

- As with many multinational companies, there can be cultural and language barriers to overcome in creating and getting EWCs in multiple countries operational. This also involves bringing together rank-and-file employees with company leadership and finding a delicate balance for everyone to work together.

## Penalties for Non-Compliance with EWC Regulations

Sanctions can be imposed on businesses who are found to be out of compliance with EWC regulations. While each member state can establish its own sets of penalties relating to EWC compliance, these can range from financial penalties to imprisonment.

## Why Resource Management Practices are Important for EWC Compliance

By taking advantage of Resource Management best practices and tools, you can prepare your organization for EWC compliance. Understanding how your employees' time is being allocated, what projects are coming that might impact current delivery dates, and forecasts for upcoming work help ensure you are not putting too much on your resources and approaching non-compliance. Resource Management can help you understand:

Any employee's working hours (capacity) at any given time.

How to assign employees to top priority projects first to ensure resources are focusing on the most important projects within the boundaries of works council regulations.

Look into the future to see when people will become bottlenecks to project delivery due to overutilization and be able to mitigate that risk, both to the project delivery and budget and the resource/works council compliance, before it happens.

Before projects even start, understand the feasibility and chance of project success based on the working hours (capacity) of the people your organization has today and the effort needed.

# How to Utilize Tempus Resource for EWC Compliance

While compliance with these laws involves many steps, Tempus Resource can help companies operating in Europe stay in compliance with EWCs.

## 1

## Transparency and Employee Rights

- ✓ **Dynamic Allocation Caps:** Allocation thresholds allow conditional and hard limits on allocation levels. These settings can be configured by individual resource. These allocation caps will ensure Resource Managers can assign work to employees up to their capacity, but not over it, enforcing compliance with weekly working hours for each employee and provides an auditable, reportable data set to prove compliance.

- ✓ **GDPR Compliance for Communication:** Tempus Resource includes features for obtaining and managing employee consent for notifications.

- ✓ **Data Visibility:** Tempus Resource allows licensed users to view the data collected about them. This includes providing accessible dashboards or portals where employees can review their personal information.

- ✓ **Utilization Heatmaps:** Tempus Resource includes configurable and dynamic heatmaps to illuminate allocation thresholds that can impact works council agreements. This visual representation of employee allocations help Resource Managers quickly understand when a resource (employee) is overallocated, or assigned beyond their capacity. The heatmap colors individual to the person based on their capacity (working hours per day/week/month) and their allocation to projects.
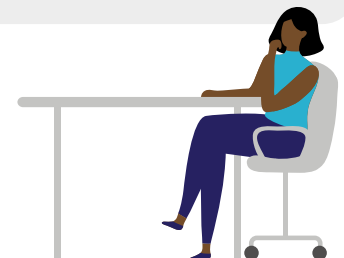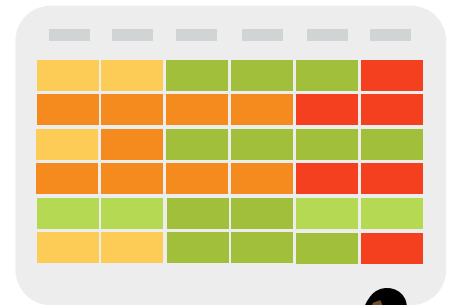
✓ **Resource Request Workflows:** Managers can approve, reject, replace, or delegate requests for their team members in Tempus Resource. This process enables compliance with select EWC rules around access to project assignments for resources. A Project Manager can ask for a specific person or role and the Resource Manager can allow the assignment (or reject it) based on the person's working hours.
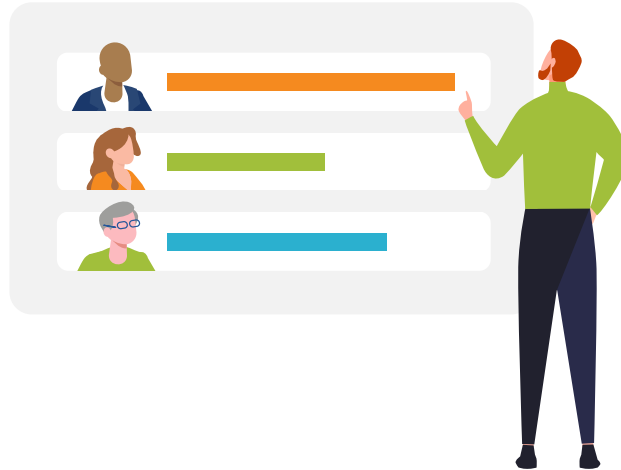


## 2  Data Privacy and Security

✓ **Customized Access to Sensitive, GDPR Data:** Tempus Resource includes role-based access controls to restrict access to sensitive employee data, ensuring that only authorized personnel can view or edit the data.

✓ **Audit Log:** Tempus Resource maintains logs of data access and modifications to provide a clear audit trail for accountability and transparency.

✓ **Privacy Policy:** Tempus Resource enables organizations to convey their own privacy policy clearly to end users.

## 3 Collaboration and Feedback

✓ **Communicate Directly in the Same Platform:** Tempus Resource includes tools that facilitate communication to share details on how work is sized, planned, and executed and call out any resource risks for trackable communication.
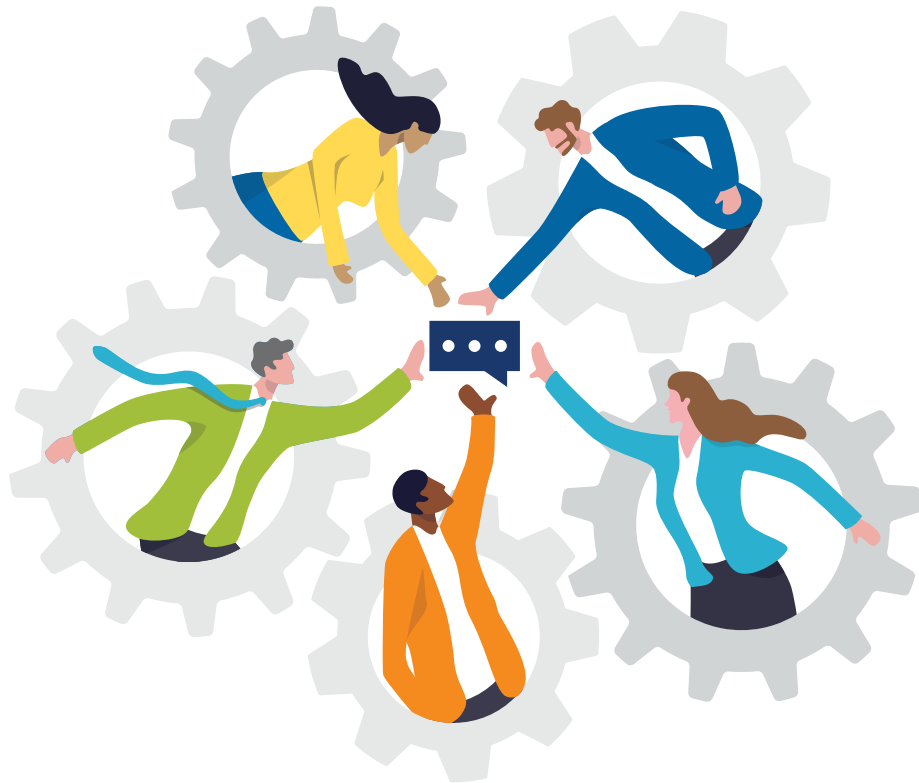
## 4 Data Localization

✓ **Multi-Language Support:** Tempus Resource supports multiple languages both for the organization and for the individual users.

✓ **Single Tenant:** Tempus Resource is a single tenanted SaaS, which allows for organizations to store data within specific geographic regions to comply with local data storage laws.

# 5 Reporting and Compliance

✓ **Automated Compliance Reporting:** Tempus includes features for generating reports on compliance-related activities and data usage, which can be shared with works councils or regulatory bodies.

✓ **Document Storage:** Tempus Resource can manage and store documentation related to compliance, such as employee rights notifications, policy changes, and consent records.

✓ **Time Tracking:** Tempus Resource offers configuration options to deliver planned work and capture actual work effort from end users while aligning with diverse works council requirements. Tempus Timesheets allows resources (people) to submit their time on projects so organizations can compare the planned and allotted time, versus the actual time spent, and make adjustments accordingly.
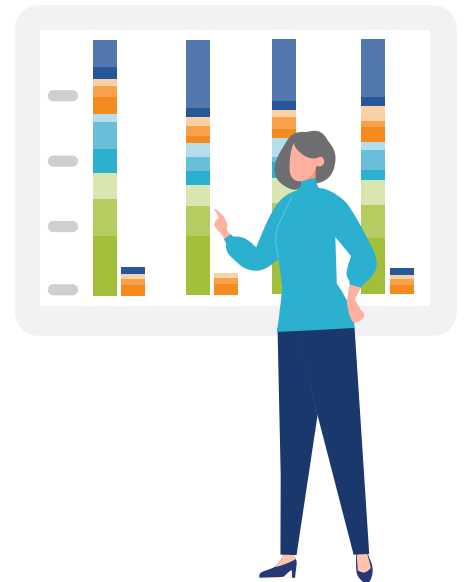
# 6 Integration Capabilities

✓ **Integration with HR Systems:** Tempus offers integration with existing enterprise human resources systems (including Workday, SuccessFactors, and more) to ensure accurate and consistent data handling across platforms

✓ **APIs for Third-Party Compliance Tools:** Tempus Resource's REST-based API enables integration options for third-party tools that specialize in compliance, legal, and regulatory updates.

✓ **Compliance Training Modules:** Users in Tempus Resource can create links to training modules for employees and management on data privacy, security, and compliance with EWC regulations.

In the early part of 2024, the European Commission adopted a proposal to make changes to the laws surrounding works councils with the intention to strengthen the rights of these transnational bodies. The directive includes changes to how company leadership must justify what information remains confidential, requirements for company management to cover legal fees of establishing the agreement governing an EWC (known as a special negotiating body, or SNB), the number of mandatory meetings, and additional sanctions for violating EWC regulations. You can read more about the new proposal here. With additional regulations surrounding works councils, companies will need to focus even more heavily on compliance and transparency.

To learn how Tempus Resource can help your organization with resource management, read more here. Resource Managers and business leaders who are not currently using Tempus but are interested in exploring its features can arrange a demo with the Tempus team.

**Tempus** Resource
by ProSymmetry