PANORAMIC

LABOUR & EMPLOYMENT 2025

Contributing Editor

Matthew Howse

Morgan Lewis & Bockius LLP

LEXOLOGY

Disruptions in the global workforce: considerations for employers

K Lesli Ligorner and Louise Skinner

Morgan Lewis & Bockius LLP

When global employers are faced with crisis management situations that disrupt the workforce, it is crucial to have a clear and adaptable approach to protect both employees and the organisation. In an increasingly interconnected world, crises – whether caused by natural disasters, economic downturns, pandemics or geopolitical instability – can have far-reaching effects, with events in one jurisdiction impacting the operations of a business on the other side of the world. It is therefore advisable for employer preparedness to ensure that crisis management strategies are comprehensive, culturally sensitive and flexible enough to accommodate the varied needs of a global workforce.

In times of crisis, employees look to their employers for guidance and reassurance. Clear and timely communication is essential. Employers should also be mindful of the different communication preferences and tools that may vary by region, such as language, time zones and preferred methods of communication. Ideally, the tone of communication balances authority with empathy to maintain trust and morale.

Additionally, it is important for global employers to take into account the varying legal and regulatory requirements of the jurisdictions in which they conduct business; staying informed about these regulations will go far in ensuring compliance and avoiding potential legal issues. Providing adequate support, such as access to mental health resources or financial assistance programmes, is also important. Employees' needs during a crisis may vary widely, with some regions requiring more robust health and safety measures, while others may need economic relief or psychological support.

Lastly, crisis management should include a strategic workforce planning component. Preparedness includes being able to quickly assess workforce needs, pivoting to remote work models when necessary, and implementing flexible work arrangements that allow employees to balance personal and professional challenges.

This chapter discusses disruptive workplace situations that employers may need to be mindful of and offers considerations for employers seeking to ensure their workforce is appropriately supported in these difficult times.

Restructuring

The uncertainty of geopolitical events and their consequential effect on economies around the world means that no business is immune from the possibility that changes to workforce composition will be needed. Employers around the world have seen this from the effects of the covid-19 pandemic, government budgets and changing attitudes to how and where work is conducted.

Employers are advised to be mindful of how cost-cutting exercises can have long lead times. In some European countries where collective redundancy thresholds are met, or where employee representative bodies such as works councils exist, the process for implementing redundancy dismissals can be particularly complex and burdensome. In contrast, in some jurisdictions such as Singapore and Hong Kong, employers can terminate more easily on notice so the redundancy dismissal process is more straightforward. Even in the United States, which has 'at will' employment, conducting a redundancy may trigger notice requirements at the federal or state level, so the process takes some advance planning.

While the economic strain global events can have on an employer's ability to meet personnel expenses and retain profitability cannot be predicted, closely monitoring the productivity and profitability of staff over time can be one measure taken to mitigate the effect of a sudden event making a big dent in the company's financials. In addition, carefully planning for workforce restructures can make consultation processes smoother and can ensure departing employees leave on good terms.

Where sudden events cause the need for immediate action in relation to restructures and redundancies, employer considerations may include balancing the level of legal risk in seeking to effect dismissals quickly with the potential risk of those dismissals being challenged by terminated employees.

Conflict of belief in the workplace

With global events such as the outcome of national elections, climate change and international conflicts featuring heavily in everyday conversations of the general public, it is no surprise that there are increasing levels of polarisation in views on these issues, on both sides of the debate. When divergences of views creep into the workplace, it can be a tricky issue for employers to manage in seeking to address conflicts of belief in line with meeting legal obligations and ensuring a respectful workplace that allows for employee cohesion.

Health and safety of workforce

Many jurisdictions impose on employers a general duty of care towards their employees in respect of health and safety matters in the workplace. In some countries, this can extend to an employee's well-being, including their mental health, where such mental health conditions may qualify as a disability and gain particular status under equality related legislation. Where mental health conditions are likely to arise as a result of external events and crises impacting individuals, their families and their communities, employer considerations may include how best to support employees. Recognising the psychological impact of disasters and offering resources such as medical and emotional support during periods of absence, mental health days and access to stress management programmes are some options available to employers. Employers may also offer support for an employee in returning to work where a particular event causes an employee to be off work for a sustained period of time.

Managing threats to C-suite employees and managing their safety has become a more pressing concern for employers, presenting a stark reminder of the current risks that senior executives and employees face on a daily basis, both in and outside of the workplace. Employers from a range of industries have considered and implemented contingencies for managing future risk and responding to live, specific threats. It is an issue that will likely be on the minds of high profile global organisations going forward.

Employers may wish to consider some of the following steps:

- Carrying out pre-event assessments of threats arising on social media and from other communications in relation to C-suite employees and engaging trusted investigators to consider the authenticity of threats if required.
- Putting in place crisis management plans for emergency situations involving C-suite or other employees both externally and internally. In these situations, there is likely to be a significant external interest and reaction to events, including from the general public, investors and the media, as well as potential distress among the workforce internally.
- Implementing workplace violence programmes, emergency action plans, active shooter training and evacuation drills where necessary.
- Training employees on what to do if they receive knowledge of a potential threat against the company or any of its workforce, including C-suite employees.
- Training C-suite employees on external risks and how to be vigilant in the face of these, in respect of both their own safety and that of their families and colleagues.
- Developing plans for police engagement or government engagement with respect to live threats.

Displacement of employees

In the case of natural disasters, the lives of individuals can significantly change overnight, with homes, possessions and even loved ones being lost. This is likely to have profound impacts on the ability of employees to be able to perform their job duties, and it is advisable for employers to be prepared to provide emergency support to employees in need where they can do so.

Recognising that it can take time for employees to build back their lives, employer steps to support employees in a time of crisis could range from leveraging Employee Assistance Programme (EAP) benefits, organising office fundraisers to support colleagues in need financially, or providing loans or other financial assistance.

Preparing a crisis management plan

As an initial step, employers may consider preparing a comprehensive response plan for emergency situations. When unpredictable disasters strike, there is often very little time to react. Thus, the crisis plan may include clear action steps for each type of disaster, including evacuation routes, shelter locations and emergency contacts. Employers could designate

crisis response teams responsible for specific tasks (eg, communications, employee safety, property protection), conduct drills for evacuations and other emergency procedures to ensure employees are familiar with the plan, and ensure remote working, with all the necessary infrastructure, remains an option to keep business operations running in the event that physical offices are inaccessible.

With respect to employee safety and well-being, employers could create a communication system that is specific for employee safety, through channels such as text and email alerts and emergency hotlines, to keep employees informed about the situation, the steps they need to take and the employer's services available to them. This channel can also be used to inform employees of the progress of recovery efforts and expected timelines, as applicable. Employers may also provide training to their workforce on how to stay safe during specific crises (eg, fire safety, first aid, earthquake survival techniques) and publicise the resources available through the company, such as the EAPs, counselling, mental health days or access to stress management programmes mentioned above.

Additional steps that employers may take are to ensure that employees' personnel records are stored in secure, disaster-resistant containers or offsite, with copies of critical identification documents available to human resources personnel online, so these are accessible if an employee needs to provide their identity and other personal information.

Employers are advised to be aware of the various legal frameworks that may apply in a crisis. This entails understanding the labour laws around natural disasters, including compensation, leave policies and work safety requirements; understanding what, if any, company insurance policies will cover employee safety issues so claims can be promptly filed and to avoid any surprises around the scope of coverage; and keeping abreast of local government guidelines or regulations related to crisis management and disaster preparedness, particularly as these may change quickly, depending on the nature of the incident.

Conclusion

There is no one-size-fits-all approach to responding to disruptions in the workforce, especially when dealing with unforeseen and unpredictable events. However, employers can prepare by developing comprehensive action plans to address potential emergencies and by considering various tools that will be available to support their personnel if a crisis occurs. Developing a crisis management plan is an evolving process that will likely require periodic attention to ensure that the contents are current and can be quickly utilised if needed. While it is impossible to anticipate every scenario, having these strategies on standby is key to minimising risks, protecting and supporting employees and ensuring business continuity in the event of a crisis.

Morgan Lewis

<u>K Lesli Ligorner</u> Louise Skinner lesli.ligorner@morganlewis.com louise.skinner@morganlewis.com

Morgan Lewis & Bockius LLP

Read more from this firm on Lexology