

COMMON HR MISTAKES AND HOW TO AVOID THEM



**THE
COMPLETE
GUIDE TO
AVOID
COMMON HR
MISTAKES**

Provided by



EHRS

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MISCLASSIFYING EMPLOYEES

(EMPLOYEE VS. CONTRACTOR)



THE COMMON MISTAKE

Many companies struggle with properly classifying workers, particularly in cross-border setups, which can lead to hefty fines or legal issues.

HOW TO AVOID IT

Ensure you understand the specific criteria for employment vs. contractor status in each country. For example, France has stringent rules regarding economic dependency and work control. Start by reviewing employment contracts for alignment.

NON-COMPLIANCE WITH LOCAL WORKING TIME REGULATIONS



THE COMMON MISTAKE

Companies often overlook specific working hour caps, overtime rules, or holiday entitlements, which vary widely across Europe.

HOW TO AVOID IT

Keep a compliance tracker for each country's labor laws and ensure that payroll systems are configured to calculate overtime and holiday pay accurately.

FAILING TO UPDATE EMPLOYMENT CONTRACTS REGULARLY



THE COMMON MISTAKE

Using outdated templates that do not reflect current legal changes can expose businesses to risk.

HOW TO AVOID IT

Set up a review schedule (e.g., annually or after major legislative changes) for all employment agreements and consult local HR experts for compliance checks.

OVERLOOKING COLLECTIVE AGREEMENTS AND REGIONAL RULES



THE COMMON MISTAKE

In Europe, sector-specific and regional agreements often impose additional obligations that businesses miss.

HOW TO AVOID IT

Verify whether your industry or location requires adherence to a collective bargaining agreement (CBA) and adjust policies accordingly.

IGNORING LOCAL TERMINATION LAWS AND NOTICE PERIODS



THE COMMON MISTAKE

Many businesses fail to comply with country-specific rules for terminations, such as mandatory notice periods, severance pay, or procedures for dismissals, leading to costly lawsuits or penalties.

HOW TO AVOID IT

Before initiating a termination, review local laws and, if applicable, collective agreements. For example, in Germany, terminations often require a valid reason and written documentation to avoid legal disputes.

NEGLECTING MANDATORY EMPLOYEE BENEFITS AND CONTRIBUTIONS



THE COMMON MISTAKE

Failing to provide required benefits such as healthcare, pensions, or family leave can lead to reputational damage and fines. This is especially common for companies unfamiliar with European benefit frameworks.

HOW TO AVOID IT

Create a compliance checklist for each country you operate in, ensuring that mandatory contributions like France's "mutuelle" health insurance or Italy's severance reserve (TFR) are accounted for in your budget and payroll.

OVERLOOKING CULTURAL AND LEGAL NUANCES IN EMPLOYEE RELATIONS



THE COMMON MISTAKE

Mismanaging employee relationships due to a lack of understanding of local workplace culture or legal protections can cause dissatisfaction, disputes, or attrition. For example, in some countries, informal grievances must escalate through formal processes.

HOW TO AVOID IT

Invest in localized HR training for managers and set up processes to handle disputes in compliance with local rules. For instance, in the Netherlands, employee councils (Works Councils) must be consulted for significant company decisions impacting employees.

GET YOUR FREE CONSULTATION NOW



Do you feel behind regarding your HR ?

If you are a small to mid-size company, in need of a partner that can help you expand in Europe or solve your recruitment, selection, retention or improve your business performance, or to which you can fully outsource HR & Payroll for Europe, we are the right agency for you.

We invite you to get in touch with us, you will receive an answer from our experts within 24 hours.

FREE CONSULTATION



If you already know precisely your specific HR needs and you want to discuss it with us, we invite you to get in touch:

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