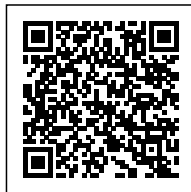


CLIENTS NOW TRYING TO MAINTAIN STAFFING LEVELS - PBBR

Posted on 15/01/2015



Category: [Employment](#)



Many Portuguese companies have been faced with incredible financial difficulties in recent years and have been cutting back staffing levels.

However, Inês Reis, a founding partner at pbbr - Pedro Pinto, Bessa Monteiro, Reis, Branco, Alexandre Jardim & Associados in Lisbon, says companies are not able to make many more cuts to their workforce and, consequently, the focus is now on maintaining existing staffing levels and keeping companies in business.

"The economic problems meant a lot of employment legal work was related to mass redundancies but, as the workforce depleted, there are not many more efficiencies that can be found," Reis explains. "Companies can no longer trim back as they face the real prospect of going insolvent." Reis says that her work is shifting to trying to ensure that existing workforces can be maintained and businesses can keep going. For instance, this could involve redistributing tasks, changing contracts

or renegotiating salaries. In addition, there is the issue of "sensitive separation", where companies are looking to replace local management, which often means internal promotions or less lucrative contracts, which reduces costs.

"There are always problems with trying to come up with viable solutions," Reis continues. "For instance, it is forbidden in Portuguese law to reduce a worker's salary, even if the worker agrees. If a worker is in a position where he or she sees a salary cut by, for example 10 per cent, they can go to court and claim that loss plus interest up to one year after termination of employment has occurred." Reis says there is more litigation work as a result of the economic turmoil. She says companies need to be aware of the rules, regulations and responsibilities involved in managing their workforce. Consequently, clients are expecting more from their lawyers.

Reis adds: "Clients are now increasingly asking what we would do in that situation or, how they should speak to employees, or who should handle employee matters internally."