

PRACTICAL **GUIDE**

TELEWORK

Optimising remote working



your experts in law
and
enterprise development



towards a new model

virtual or face-to-face, commuters, e-signature...

Arendt can help you navigate the changing world of work

arendt.com

Introduction

Summary

- 03 — Introduction
- 04 — What is telework?
- 05 — Facts and figures
- 06 — Testimonials and success stories
- 10 — From the office to teleworking:
The steps involved
- 12 — Impact on work relationships
- 14 — Tools for remote working
- 16 — Telework challenges and solutions
- 18 — Rules and regulations:
Telework convention
- 20 — Impact on tax and social security for
cross-border workers
- 21 — Rights and duties
- 22 — Good practice
- 23 — Who can help me?

Luxembourg, due to the structure of its economy (predominantly services, highly qualified employees, high tech), was already among the European countries most practicing telework, even before the health crisis gave it a boost.

Regulated since 2006 by a first framework agreement signed between the *Union des Entreprises Luxembourgeoises* (UEL) and the OGBL and LCGB trade unions, telework was an integral part of the coalition agreement ('The extension of teleworking will be promoted') and the 'Third Industrial Revolution' strategic study.

The almost systematic use of telework (69% of the active workforce) in March 2020 has shown that, for a majority, remote collaboration is not only feasible, but also beneficial for the company and its employees. However, it is important to establish rules of operation in order to reconcile company performance with the quality of life of employees.

This particular time of crisis has also revealed the limits and disadvantages of working remotely, which requires a different type of set-up to maintain employee commitment. This set-up takes the form of new routines, collaborative tools, and new managerial practices, in order to establish a climate of trust while providing a certain framework, defined by each company.

Telework, even if it will not always be practised to the same extent as during the health crisis, has been adopted by companies and employees and should continue. This practical guide aims to help you make the most of it.

Disclaimer

This document is an informative overview for professionals about telework. It does not replace the necessary consultation of specialists and legal provisions on the subject. It provides the names of some technical solutions but is not intended to be exhaustive.

A **Chamber of Commerce**
publication designed in partnership with
MindForest
July 2021

What is telework?



Telework is characterised by a situation where an employee performs work⁽¹⁾:



In a place other than the employer's premises, and in particular at the employee's home

Usually by means of information and communication technologies (ICT)

On a regular and consistent basis
(see Rules and regulations chapter, page 18)



The following situations are not considered telework⁽²⁾:

Working in a co-working space (satellite office of the company)



Working in the transport sector (excluding administration)

Being a sales representative

Smart-working (occasional access by smartphone or laptop outside the usual workplace or teleworking location)

Being on assignment or performing services outside the company, for example at a client's premises



Are some jobs not 'teleworkable'?

Rather than thinking in terms of 'teleworkable' jobs, think instead in terms of 'teleworkable' tasks. In fact, even for a job that does not seem possible to do remotely, some tasks may be!

(1) Article 1 of the Convention of 20 October 2020 on the legal framework for telework

(2) Article 2 of the Convention of 20 October 2020 on the legal framework for telework

Facts and figures

Percentage of teleworkable jobs by country⁽¹⁾



According to the Becker Friedman Institute⁽¹⁾, Luxembourg has one of the highest percentages of teleworkable jobs. The reason: a predominantly tertiary economy, with highly skilled workers and a high level of technology. Moreover, the number of teleworkable jobs is correlated with the GDP.

If the number of teleworkers tripled in Luxembourg between 2010 and 2019, going from 7% to 20%, it tripled again during the health crisis, with almost 70% of the Luxembourg population switching to telework⁽²⁾.

Status of different sectors regarding telework during the lockdown in Luxembourg⁽²⁾

% of people who teleworked full time out of those still employed during the strict lockdown period (spring 2020)



Note that since the beginning of 2020⁽²⁾, education, public administration and finance employees have been among the most prevalent to telework partially, at 96%, 75%, and almost 80%, respectively (while the latter sector was reluctant to telework before the crisis, citing security limitations - see the *testimonial of Cardiff Lux Vie*, page 7)

Teleworkers work on average 4 hours more per week than non-teleworkers.



They also work more often in the evenings and weekends. (55% of teleworkers compared to 33% of employees working in the office)⁽²⁾.

(1) Becker Friedman Institute for Economics, 2020

(2) Statec, Statnews N°15, 19 May 2020

Testimonials Success Stories

Different strategies for teleworking.

Office presence varies according to the context.

Cropmark A virtualised agency

Nicolas Felten - Creative Director and Partner

After several months of lockdown and working remotely, we took the radical decision to vacate our old offices and to work almost exclusively remotely. Since January 2021, our offices have consisted of a large 'living room' with a big all-purpose table for working, brainstorming, eating, discussing....
It is a place designed and equipped for exchanging and sharing.

Employees come here whenever they want.

The transition came naturally, as we had offices in Brussels and Luxembourg and were already used to working remotely.

Neither creativity nor productivity suffers from remote collaboration. Even if we want to think about a design together, we can put ideas on a moodboard, share them, and then discuss them in a video conference. In the end, we have become more efficient and we can move between Luxembourg and Brussels in a flash!

ArcelorMittal Reconciling telework and assembly line work

Stéphane Boul - Head of Steel plant and rolling mill
at ArcelorMittal Belval

The health crisis has really been an accelerator for implementing telework. Before, we only practised it exceptionally, it was not part of our mentality. **Today, we have set the bar at one day per week, two days for the support functions*.**

- We have therefore established the practice of videoconference meetings by:
- > Equipping employees with quality equipment (they already had a laptop, but not all of them had quality headsets that prevent interference), both at home and on site.
 - > Establishing remote meetings even when participants are on site (each in their own office or 'bungalow' as we call them). This has made it possible to normalise the distance, thus making it acceptable for employees to call from home. Finally, where they are located doesn't matter too much.
 - > Maintaining organisation with daily production meetings.

* The pace is adapted according to the teams and the possibilities linked to the nature of the work, assembly line workers not being able to leave their station, due to the equipment, but also due to industry safety

Occasional

2 days / week

Off
pres



Cardif Lux Vie A pilot experiment which is now life-size

Quentin Dal - Stream Leader of telework implementation project

Since the beginning of 2019, we have been carrying out an in-depth analysis on the practice of teleworking. A pilot experiment was carried out at the end of 2019 involving different departments and hierarchical levels, cross-border workers and residents in Luxembourg. We thus had a system ready to be deployed in March 2020... at the time of the health crisis.

- > We ran workshops with a panel of employees representative of the organisation who contributed to the drafting of our telework charter.
- > In parallel, we organised training courses to learn how to work and manage remotely, and created a toolkit (including a self-test, the HR process regulating the relationship and specifying the eligibility criteria, FAQs, user guides for our collaborative tools, and an IT good practice guide).
- > The last step was the implementation of a three-month pilot phase with about twenty employees in order to test the system.
- > **Working remotely has become the new normal.**

Simon-Christiansen & Associés (Carl Kleefisch - Director) and Luxplan (Myriam Hengesch - Director General). Design offices

We give each team the choice to organise itself as it wants for alternating between telework and the office, depending on the needs of clients and the building sites, week by week.

We do not impose teleworking but encourage it. **An average pace of 2 days per week in the office** has been established naturally, with teams present a maximum of 50% of the time.

What we have discovered is that we cannot ignore the family that goes with the employee. The conditions are so different, depending on whether they have children, are a cross-border commuter, or a resident. We have tried to make life easy for our colleagues, to adapt to their situation so that they can balance their professional and private lives according to their situation. We have earned their commitment, which has led to continued productivity. We have not experienced any downturn in activity. Quite the contrary.

Testimonials Success Stories

Keys to success

One thing in common: Trusting in employees.

Cropmark

- **Cloudisation:** what has really freed us from physical constraints is sharing files via the cloud, allowing access at any time and thus creating a virtual studio.
- **Trust:** you have to know how to let go of your collaborators, to trust them. I think this is a process that every manager should go through. We have even managed to bring on board a new employee who works from London and whom we have never met! However, I would say that the long-distance relationship is easier if you have already met in person, whether it is an employee or a client.



ArcelorMittal

- **Flexibility, guidance and trust:** remaining flexible and trusting, while at the same time providing structure. Alternating between teleworking and being in the office requires some planning, which we manage in the same way as requests for leave, by means of requests to be approved by management, and IT coding. It's essential to establish working rules, but know how to be flexible when a colleague asks to do telework for several days for family reasons, for example. This generates commitment on the part of employees, because we show we trust them. However, trust does not preclude transparency about one's activities and availability.
- **Know how to balance:** between what can be done remotely, such as meetings to exchange technical results, and what deserves a physical meeting, between management and teams in the field, for monitoring how things are going overall.
- **Lead by example:** as a manager, contribute to changing mentalities in the company. Telework corresponds to an evolution in civil society, we can no longer do without it.

Cardif Lux Vie

- **Think tasks rather than jobs:** we must go beyond preconceived ideas that certain jobs cannot be carried out by teleworking. In our company, teleworking is now available to all employees, in different amounts depending on the activity.
- **Training:** the biggest challenge is to support managers in moving towards management by objectives, based on trust, transparency and regular dialogue with their teams. New working methods must be acquired and this requires ad-hoc training. During the pilot phase of our project, we organised a discussion session with a top manager from BNP Paribas Cardif, during which our managers were able to ask all of their practical questions.



Simon-Christiansen & Associates and Luxplan

- **Trust:** everything is based on trusting employees, to organise themselves in the best possible way, and to find the right balance.
- **Flexibility:** adapt each week to the agendas of clients and personnel.
- **Training:** develop the skills to lead remote meetings and to reach out to employees who are more withdrawn.
- **Cloudisation:** we equip ourselves with the means to share documents and work in a collaborative manner.

We will soon be moving to new offices in Contern, and we will continue to practise teleworking - because experience has shown us that it works - but not on the same scale. Working together on projects is fundamental, and videoconferencing cannot replace direct contact with our teams. We are currently discussing the possibility of setting up a teleworking agreement for the group, and if necessary, we will adapt to the limits imposed by the legislation, i.e. 1 day of telework per week, 50 days per year, which allows us to remain under the threshold of 25% telework days.



From the office to telework: The steps involved

From defining telework and the objectives to be achieved, to the individual implementation of telework, different steps are necessary.

FROM THE OFFICE

1

DEFINE TELEWORK

Defining objectives

- What do you want to achieve with telework?

Carry out an internal audit

- Identify teleworkable jobs / activities and employees' needs (survey)
- List legal restrictions / constraints
- Define the company's needs, constraints (ensure continuity of service, IT capacities, etc.)

Training

- For remote management
(See *Impact on work relationships* chapter, pages 12-13)
- Use of tools
- New means of communication
- Time management and organisation
- (private / professional life)

Formalise on an individual basis (regular telework)

- Sign the charter, the amendment, the agreement...

If occasional telework: a simple written confirmation from the employer is enough (not formalised)

4

ADJUST PRACTICES (CONTINUOUS IMPROVEMENT)

Set up feedback and monitoring

- Balance autonomy and control
- Mix of office / home operations
- Employee well-being
- Department functioning
- Monitoring (commitment, productivity, etc.)

2



Define

- The processes and procedures for teleworking
- Expected behaviour
- Remote communication
- Tools (see *Tools chapter, pages 14-15*)
- Conditions for eligibility to telework



3

Communicate

- Communicate the new teleworking policy
- Share the rules
- Offer to each employee to do all/part of their tasks as telework (always on a voluntary basis by the employee)

Adjust

- Respond to positive and negative feedback
- Share good practices

Organise consultations with

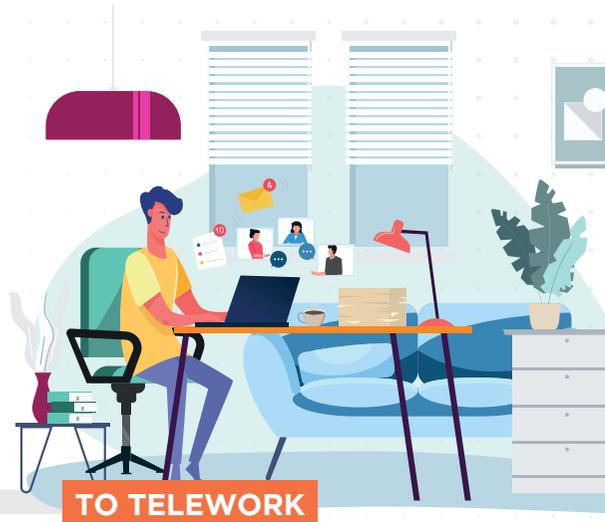
- HR
- The staff delegation, or, if not, with the staff
- IT

Create the means

- To implement the necessary actions following comments from IT, HR and the staff delegation or the staff

Structure the practice of telework

- Create a charter (see *Rules and regulations chapter, page 19*) and a telework guide



Impact on work relationships

Telework has an impact on work relationships and shifts the dynamics between employees and managers. For some, it provides more flexibility and responsibility, which requires knowing how to work autonomously and being well organised; for others, it means a loss of control, which requires learning how to manage from a distance.

Telework is only one component of a wider dynamic that has been underway for several years: a company free of a certain form of hierarchy and control, valuing autonomy, horizontal communication. This means greater responsibility for employees, working by objectives, self-control, favouring telework*.

EMPLOYEES

Review your personal organisation

- **Know how to manage interruptions and / or unexpected notifications:**
 - inform colleagues / managers of the time slots when you are available
 - deactivate notifications
- **Plan regular coordination meetings to consolidate questions and avoid interruptions**
- **Learn to organise yourself, know your rhythm:**
 - define times for meetings, for reflection
 - set aside suitable times to design, plan and reflect
 - plan your day and week with recurring daily tasks
 - make time for the unexpected
- **Be rigorous in making information available to colleagues:**
 - shared, centralised, up-to-date documents



TAKE TRAINING COURSES TO LEARN TO BE MORE ORGANISED

For example: 'Reconciling telework and efficiency'.
See the House of Training catalogue:
www.houseoftraining.lu

AUTONOMY



Family,
personal life



Personal
organisation

*Source: Report on telework in Luxembourg by the Economic and Social Council (CES)
(see *Who can help me* chapter, page 23)

MANAGERS

Develop new managerial practices

- **Manage by objectives:** judge on the deliverable, not on the time it takes. Define measurable objectives and monitor them.
- **Accept** that the employee may not be immediately available, or may not answer the telephone.
- **Do not fall into micro-management**
- **Empower** employees to manage tasks, deadlines and their personal organisation. Help them to develop autonomy.
- **Learn to trust, while providing structure:** experience has shown that most teleworkers work even more than in the office, and profitability is up. By trusting, managers gain commitment. This does not prevent rules from being established, with full transparency. Trust does not eliminate control.
- **Remain flexible:** remember that an employee is also in a family setting
- **Set up indicators** to evaluate and monitor the commitment and well-being of employees: be vigilant about situations of overwork and isolation.
- **Develop emotional intelligence:** identify drivers for motivation, signs that should raise an alarm.
- **Create connections,** be the glue of the team.
- **Communicate** to 'demystify' the teleworker and prevent suspicion.
- **Distinguish** between meetings that can be held remotely (technical meetings) and meetings that require face-to-face exchanges (personal feedback).





FOSTER COMMUNICATION & COLLABORATION

Have spontaneous interactions just like in the office, organise presentations in small, medium or large groups



GET ORGANISED, MANAGE PROJECTS & PRODUCTIVITY

Define and assign missions, objectives, plan projects and their progress, distribute the workload



ORGANISE INTERACTIVE MEETINGS

Plan creative meetings, encourage interactions, and foster collective intelligence to innovate together



WELCOME NEW EMPLOYEES

Welcome and integrate new employees, deliver key information, encourage a sense of belonging

Challenges and solutions for telework

EMPLOYEE

Lack of proper equipment

- Identify equipment needs (on a case-by-case basis and in collaboration with the employer)

Lack of IT skills

- Assess skills needs and training opportunities

Increased workload, hyperconnectivity

- Train managers / employees to manage and organise remote working (see *Impact on work relationships* chapter, pages 12-13)

Difficulty with self motivation

- Set up individual exchanges with employees (see *Good practices* chapter, page 22)
- Encourage celebrating achievements
- Review personal organisation (see *Impact on work relationships* chapter, pages 12-13)

Working environment at home not always optimal

- Convert a room into an office or organise a space in a room and establish rules with the people around you

Difficulty in separating private and professional life

- Establish clear schedules (e.g. office hours), and boundaries (turn off the work phone, etc.), and create rituals to mark the beginning and end of the working day (a walk after work, etc.)



EMPLOYER



Fragmented communication in the team, lack of creativity

- Clarify the internal communication process
- Plan regular meetings
(see Good practice chapter, page 22)
- Brainstorm remotely using creativity tools
(see Tools for remote working chapter, pages 14-15)

Integration of new employees

- Create induction cycles for new employees
(see Tools for remote working chapter, pages 14-15)

Mood and collaboration, exchange of informal information, preventing employee isolation

- Maintain moments of conviviality and informal exchanges (collaborate with the CSR team)

Increased communication channels

- Clarify which communication tools to use and in what context to use them

Less possibility of control

- Develop new managerial practices *(see Impact on work relationships chapter, pages 12-13)*
- Stipulate roles and responsibilities and a reporting system (objectives, criteria for success)
- Establish a culture of regular feedback

Access to useful information / files

- Set up central servers to access necessary documents

Capabilities and security of IT systems

- Consult a specialist to upgrade systems

Difficulty including employees

- Create a climate of trust
- Implement a participatory management style
- Collect and take into account feedback from employees
- Acknowledge and value the work done
- Continue yearly evaluations

Rules and regulations: Telework convention

Legal framework for telework

In Luxembourg, telework is governed by an interprofessional convention applicable to all companies established on national territory ('Convention').



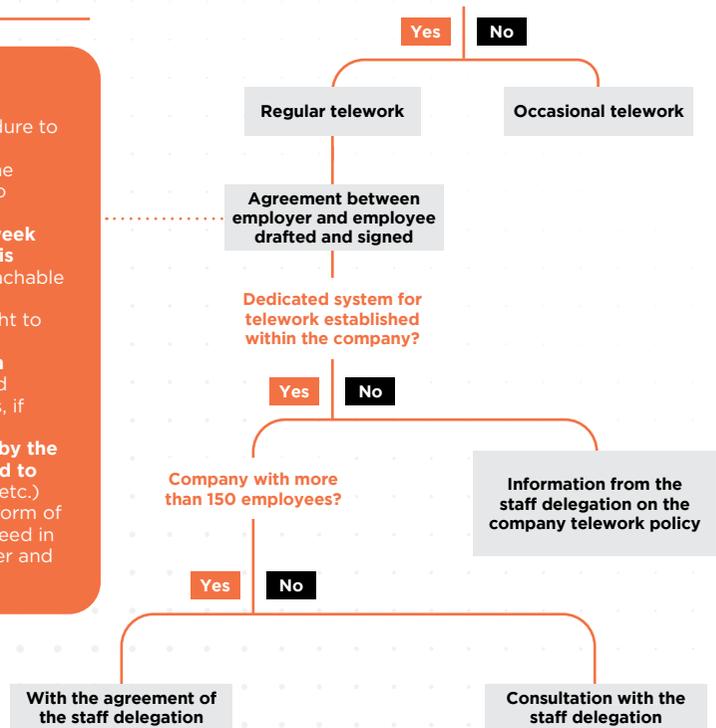
NEW

The convention of 20 October 2020 now covers regular telework as well as occasional telework.

Items to be defined by mutual agreement

- **Place of telework** (or procedure to determine this location)
- A **description of the tasks** the employee will be expected to perform
- **The days and hours of the week during which the employee is teleworking** and must be reachable (or procedure to determine them). Application of the right to disconnect, if applicable
- **Details of any compensation** to which the employee would be entitled (or other benefits, if existing)
- **The nature of the coverage by the company of the costs related to telework** (connection costs, etc.) This coverage may take the form of a monthly amount, to be agreed in writing between the employer and the employee

Telework >10%? ⁽¹⁾



(1) Average of normal annual working time (calendar year)

At company level:

A telework charter can complement the telework agreement.

What's the difference?

The telework agreement

- is **obligatory**
- is established and negotiated **before** being implemented
- defines a structure to be respected
- must address specific points (see preceding page)
- consists essentially of information connected to labour law

The telework charter

- is **not obligatory**
- is established **following** a trial period and assessment with employees (see *Testimonials chapter, page 7*). It is therefore established on the basis of good practice
- is freely structured (depending on the needs of the company)
- consists essentially of information connected to company functions and organisation

What goes in a telework charter?

- conditions for eligibility for authorisation to telework, suspension, withdrawal
- procedures for implementation: system for requests, team work and connection between collaborators, alternating in cases of mixed office / home team
- accident insurance
- IT charter (obligations related to equipment, data protection, backups, etc.)
- monitoring telework days (in line with fiscal thresholds)



As from 30 September 2021, employers in the financial sector must, in addition to the convention, ensure compliance with the Circular CSSF 21 / 769⁽²⁾.

Companies in the financial sector

Telework convention
20 October 2020

Circular CSSF 21 / 769
Entry into force on 30 September 2021

All employees teleworking

**Employees of the supervised entity
+ staff of external company(ies)**

The financial sector employer must:

- retain full control (including remote control) of the data and business applications stored on the teleworker's private media
- obtain the employee's express and informed consent as to the procedures for access, administration and control of private equipment used for professional purposes
- provide technical mechanisms to ensure that rest periods are respected
- conduct analyses of the impacts of this practice on data protection

(2) 'Governance and security requirements for Supervised Entities to perform tasks or activities through Telework' circular.

Impact on the tax system and social security for cross-border workers⁽¹⁾



SOCIAL SECURITY LAW

The teleworking employee is insured in Luxembourg, as long as they work less than 25% of their time outside the country. Beyond this threshold, the employee must join the social security system of their country of residence which, generally speaking, will be more expensive for the employee and for the Luxembourg employer, who will probably have higher employer contributions.

TAX LAW

The bilateral tax agreements between Luxembourg and the border countries provide for taxation to be maintained at 100% in Luxembourg if these 'tolerance thresholds' are not exceeded. Beyond these thresholds, taxation will be carried out in the country of residence, which leads, depending on the employee's personal tax situation, to a more or less significant tax burden, to be analysed on a case-by-case basis.



The employer must ensure that the correct withholding tax is deducted from wages, that pay slips and certificates are drawn up correctly (within the framework of the automatic exchange of information)



The employee will have to:

- ▶ **if the tolerance thresholds are exceeded:** declare the income received in Luxembourg in their country of residence. They will then be taxed in their country of residence for the percentage of their salary corresponding to the time spent working in their country of residence. Income received in Luxembourg will be exempt in Luxembourg.
- ▶ **even if the tolerance thresholds are not exceeded:** declare the Luxembourg salary in their country of residence:

- 🇩🇪 • to be considered for determining the overall tax rate (exemption method with progressive reserve)
- 🇧🇪 • to be entitled to a tax credit equivalent to the French tax (since the entry into force of the tax convention with Luxembourg on 1 January 2020)
- 🇫🇷

(1) Applies only to the case of an employee who has concluded only one contract with an employer in Luxembourg.

(2) The tax thresholds mentioned are not applicable to days worked at home solely because of the measures to combat COVID-19. For more details, consult Guichet.lu.

Rights and duties



TELEWORKING EMPLOYEE ⁽¹⁾

RIGHTS

- has the **same rights / obligations** as other employees working on the company's premises
- when regular telework entails a loss of a benefit in kind: is entitled to **compensation for the loss of the benefit in kind** ⁽²⁾
- may request appropriate **training** for the technical equipment available to them or for the teleworking arrangement
- may request an **inspection** by the company's occupational health service or a health and safety representative
- may at any time request a change or return to **traditional working arrangement** (when telework is regular: terms to be agreed in writing at the time the employee starts teleworking)

DUTIES

- complies with the rules established by the employer
- **takes care of the equipment** entrusted to them and notifies their employer immediately in the event of a breakdown / dysfunction
- applies the **occupational health and safety** policy

⁽¹⁾ Source: Grand-Ducal Regulation of 22 January 2021 declaring the convention of 20 October 2020 on the legal regime for telework to be generally binding.

⁽²⁾ For the time spent teleworking, the teleworker is however not entitled to compensation when the benefit in kind is closely linked to their presence in the company, such as access to a parking space, a canteen or a gym on the company premises.



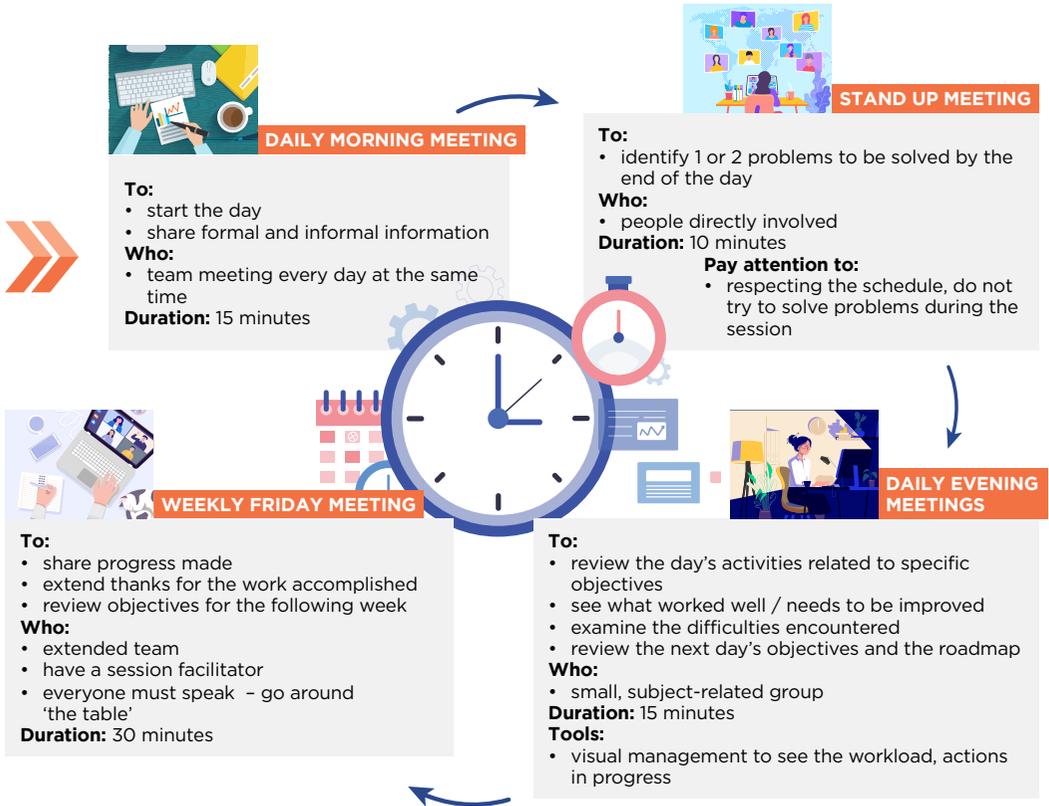
EMPLOYER

- may establish a **specific telework regime**, notably to exclude certain categories of employees from telework, certain types of location
- may **define rules or restrictions** (e.g. on the use of computer equipment or tools) and accompany them with sanctions
- may at any time request a change or return to **traditional working arrangement** (when telework is regular: terms to be agreed in writing at the time the employee starts teleworking)

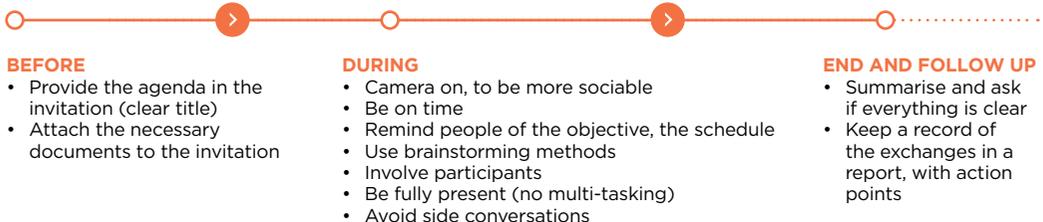
- when telework is occasional: written confirmation of the **telework agreement** (see *Rules and regulations chapter, page 18*)
- ensures that **information circulating** in the company is passed on
- agree with the teleworker on the **terms and conditions** for the provision of **overtime**
- **prevents isolation** of the teleworker
- ensures the **protection of data**, including personal data used and processed by the teleworker
- when telework is regular: provides the **work equipment** (see *Rules and regulations chapter, page 18*)
- assumes **responsibility for costs** related to the loss or damage of **equipment and data** used by the teleworker

Good practice

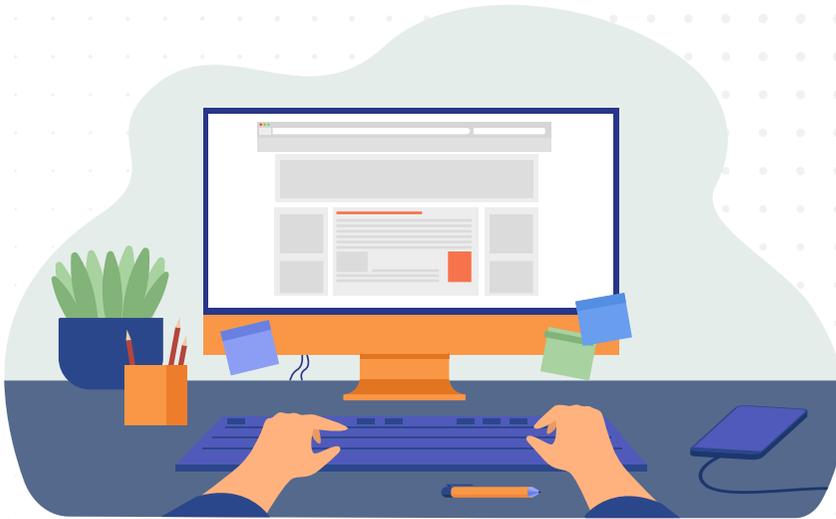
To maintain team cohesiveness, routines must be put in place in order to make the shift to virtual formal or informal exchanges that punctuate the life of the company. This helps to keep employees motivated and resolve situations that arise.



How a remote meeting works



Who can help me?



Do you want to establish a framework for teleworking?

Here are some references to help you in this process.

Learn the procedures involved

- **Guichet.lu:** advice for companies wanting to establish teleworking
guichet.public.lu

Training

- **House of Training:** training to learn how to manage / collaborate remotely
houseoftraining.lu

Information on the taxation of cross-border teleworkers

- 'Taxation: Cross-border employees working from home - What should I keep in mind?'; guide published by the **UEL - Union des Entreprises Luxembourgeoises**
uel.lu

Information on the telework convention

- The telework convention is available in French for download on the **UEL** website
uel.lu

Information on data protection

- **National Commission for Data Protection**
cnpd.public.lu/en

FAQs and advice on telework law

- **Inspectorate of Labour and Mines**
itm.public.lu
- **Chamber of Commerce**
- **Professional associations and federations**
- **Law firms specialising in labour law**

Reports, opinions

- **Economic and Social Council: Opinion on telework in Luxembourg**
ces.public.lu