Littler Releases European Employer Survey Report 2025

Brussels: European employers are navigating a complex new reality. With major E.U. regulatory deadlines approaching and U.S. policy changes creating widespread uncertainty, companies face mounting challenges in managing their workplaces. Critical issues such as artificial intelligence (AI), pay transparency, and diversity programs are in flux.

Littler's eighth annual European Employer Survey Report, released today, explores how businesses are responding. The survey gathered insights from more than 400 European business leaders, in-house lawyers, and HR executives. A significant 64 per cent of these respondents hold C-suite or other leadership roles.

The data reveals a stark preparedness gap. The year 2026 is set to be a watershed for European workplace regulations. Yet, most companies are not ready. Only 18 per cent of respondents feel their organizations are very prepared to comply with the E.U. AI Act.

A concerning 20 per cent report being not at all prepared. For the E.U.'s Pay Transparency Directive, just 24 per cent indicate they are very prepared. These readiness levels have shown slight improvement since last year.

U.S. policy shifts are also having a direct impact. A striking 75 per cent of respondents with U.S. operations or a U.S. workforce strategy have already taken action in response. These steps include cancelling or reducing business travel to the U.S. (25 per cent) and scaling back U.S. operations (25 per cent).

Furthermore, nearly 70 per cent of those with inclusion, equity, and diversity (IE&D) programmes are now considering

rollbacks due to heightened political scrutiny from the Trump administration.

The report also details the ongoing push for in-office work and other pressing issues. It highlights crucial differences in how companies across various European countries and of different sizes are adapting to this volatile environment.

View Littler’s European Employer Survey Report: https://www.littler.com/sites/default/files/2025-11/2025_littler_european_employer_survey_report.pdf?po6ryewx0x