

NEWSLETTER

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„POLAND IS CONSIDERED DYNAMIC, FAST-GROWING AND FORWARD-LOOKING”

How would you evaluate the current direction of the Polish government's economic policy? What outcomes of the most recent German-Polish bilateral talks are of particular significance from a business and economic standpoint?

In addition to its overarching goals – growth and advancement in international value chains – the Tusk government recently formulated three priorities for its economic policy: security, competitiveness and an efficient state. These priorities have been underpinned by specific projects and investments.

The specific projects include, for example, the expansion of the so-called 'Eastern Shield' on the border with Belarus (security), investments in major state projects such as the central airport 'Port Polska' (competitiveness) and the expansion of the digital administrative structure (efficient state). Security is always taken into account.

Therefore, the government is strengthening planning security for companies. This is a strategically important step, especially now.

The issue of security also played a central role in the latest German-Polish bilateral talks. Of particular interest to the economy is the announced expansion of cross-border infrastructure. More infrastructure facilitates trade. Poland is Germany's fifth most important trading partner globally, following the United States, China, the Netherlands, and France. Moreover, the trend of dynamic growth in German-Polish economic relations persists.

Poland is one of the preferred locations for German companies doing business in the EU. In your opinion, what conditions currently underpin this position, and which trends will play a key role in shaping Poland's future as a business location?

Poland is considered dynamic, fast-growing and forward-looking. Since the 1990s, its economy has been growing faster than in any other large EU country. According to IMF forecasts, Poland will soon join the ranks of the world's 20 largest economies, which would be a milestone.

Thus, for many German companies, Poland has become a strategic growth market. There are many reasons for the growth in Poland, including: the structural reforms of the 1990s, access to the single market and EU subsidies, and a favourable economic policy environment for companies, such as support from the authorities.

Risks arise primarily from geopolitical uncertainties. However, even these are not currently slowing down Poland's economic growth.

**Adrian Stadnicki**

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In your opinion, which industries are gaining strategic importance, and what developments are playing the most significant role in this?

Compared to other countries in Central Eastern Europe, it is striking that Poland's economy is more diversified and less dependent on the automotive industry. The Volkswagen plant in Poznań and the Mercedes-Benz facility in Jawor have resulted in significant investments and opportunities. However, the Poland's economy is far more diverse. For example, not many know that it is the world's largest exporter of furniture. This is just one example of the diversity of the Polish economy. The broad base of the economy pays off, especially in times of crisis.

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Regarding German-Polish cooperation: over 6,000 German companies are active in Poland. The cooperation is cross-sectoral. In addition to the manufacturing industry, many service providers, such as shared services centres, have also settled in Poland. There are also numerous development centres currently being established.

We continue to see great potential for expanding economic cooperation between Germany and Poland in the areas of defence, digitalisation and green transformation. Poland is investing billions in its security. It has many IT-savvy specialists, particularly in the AI sector. Although the country continues to face the challenge of reducing coal's dominant role in electricity generation, the government's current priorities are expected to fuel significant growth in the infrastructure sector. In general, the pie is currently getting bigger for everyone in Poland.

How does Poland compare to its neighbouring countries in terms of the labour market? Which aspects are particularly relevant for German companies?

In Czechia, Hungary and Slovakia, the shortage of skilled workers is considered a major challenge for German companies, and in some cases, the biggest challenge.

This trend will also intensify in Poland. In general, however, the situation in Poland is more relaxed. The country, which has a long history of emigration, has become a country of immigration for the first time in recent years. In addition to numerous Belarusians and Ukrainians, people from the EU, the South Caucasus and Central Asia have moved to Poland. Many Poles are currently returning to their homeland.

Wages in Poland are rising, in some cases by double digits. In the IT sector, where Poland is particularly well positioned, salaries are on a par with those in Germany. Therefore, companies seeking low-cost production, including cheap labour, need to look to other markets. Poland offers good quality, but this comes at a price. Wages and worker productivity are likely to rise in the coming years.



RECENT DEVELOPMENTS IN POLISH LABOUR LAW

What are the most recent changes in Poland's labour and corporate legislation?

Several important changes have been made to the country's labour law, which are of particular importance to employers in Poland.

1. Partial implementation of the EU Pay Transparency Directive

Starting from 24 December 2025, employers must provide candidates with written information on the remuneration offered. This information must be included in the job advertisement, provided before the interview, or at the latest before the employment relationship is established. Employers must also refrain from asking candidates about previous remuneration. In addition, job advertisements must be gender neutral.

The primary aim of these new regulations is to enable candidates to conduct informed and transparent salary negotiations. In practice, this is intended to increase transparency in recruitment processes, combat wage discrimination and strengthen the principle of equal pay for work of equal value.

Further implementation of the directive is expected until 7th of June 2026 and a draft act is already under discussion, which will introduce regulations that have not been adopted yet, including obligations to maintain gender-neutral pay structures, internal pay reporting and joint pay gap analyses.

2. Immigration law changes

In 2025, significant amendments were introduced to the regulations governing the employment of foreign nationals. These changes include, in particular:

- a) full digitalisation – all applications for work permits and declarations of entrusting the work to the foreigner must be submitted exclusively online via Praca.gov.pl webportal;
- b) removal of the labour market test – the previous requirement for "starost information" is abolished. Instead, authorities may impose local restrictions or bans on certain occupations;
- c) increase in work permits fee (from PLN 100 to PLN 400 – for the most popular permit);
- d) the obligation to conclude a written agreement with a foreigner in a language they understand and to submit this agreement to the office that issued the permit;
- e) obligation to inform the foreigner of the right to join trade unions;
- f) broader list of mandatory notifications regarding the work of the foreigners.

3. Act on Collective Labour Agreements and Collective Arrangements

The Act on Collective Labour Agreements and Collective Arrangements, effective as of December 2025, introduces a comprehensive reform of the previous regulatory framework. The provisions governing collective agreements have been removed from the Labour Code (former Title XI) and transferred into a standalone statute, with the aim of streamlining and clarifying the system.

The new Act significantly broadens the scope of matters that may be regulated in collective agreements. Parties may now include provisions on work-life balance, the use of artificial intelligence, measures to prevent stress and burnout, gender equality and enhanced mechanisms for social dialogue.

The Act also replaces the former paper-based registration process with an electronic system. A central register, the National Register of Collective Labour Agreements, has been established and is maintained exclusively in digital form. Submission of agreements is now performed online using a qualified electronic signature or Profil Zaufany, a national digital identification instrument enabling secure access to public online services.

4. Changes in social security obligations

Effective June 1, 2025, significant amendments to the Social Security Act were introduced alongside new provisions under the Labour Market and Employment Services Act. One of the key changes is a significant increase in fines for non-compliance, from PLN 5,000 to PLN 46,000.

Additionally, employers are no longer required to retain paper copies of social security registration forms if these were submitted electronically to ZUS. Previously, employers had to keep signed paper copies of forms for five years.

5. E-Delivery-Box

The use of an e-Delivery mailbox is now compulsory for all companies and certain regulated professions, including lawyers. This system is designed to replace traditional channels such as registered mail and the ePUAP platform, by establishing a single, secure channel for official correspondence with public authorities and courts.

From a legal perspective, e-Delivery functions as the electronic equivalent of a registered letter with proof of receipt and carries the same legal validity and evidentiary strength. All companies are therefore required to maintain an active e-Delivery mailbox, while newly established entities must adopt the system immediately upon registration.

6. Pregnancy loss – Amendment Facilitating Access to Maternity Allowance Following Miscarriage or Stillbirth

On 6 August 2025, an amendment to the applicable legislation entered into force, aimed at simplifying the procedure for obtaining maternity leave and maternity allowance in cases of miscarriage or stillbirth. Under the revised provisions, the requirement to present a child's death certificate has been abolished, which also removes the need to determine the child's sex.

In practical terms, this change extends eligibility to early-stage miscarriages in which establishing the child's sex is not possible, thereby allowing affected women to apply for both maternity leave and the corresponding allowance.

Pursuant to Article 180¹ of the Labour Code, the entitlement consists of eight weeks of leave from the date of delivery or pregnancy loss, with the maternity allowance paid at 100% of the benefit base.

Which specific labour law requirements are particularly relevant to the managers' responsibilities in Polish subsidiaries?

From a practical perspective, several labour law requirements are particularly relevant for the work of managers in Polish subsidiaries.

1. Definition of employment

Polish law defines employment as work performed under the employer's direction, at a specified place and time, for remuneration. Where these elements are present, the relationship is legally classified as employment, even if the contract is labelled as a civil-law agreement such as B2B.

For legal purposes, an employee is deemed employed at the location where their actual supervisor operates. This is a key consideration when structuring international corporate groups and when entering into non-employment contracts with managers. Misclassification is a significant compliance risk in Poland, particularly in light of the increasing scrutiny of B2B arrangements.

2. Requirements at the commencement of employment

When an employment relationship is established, employers must comply with several formal requirements, including:

- a. issuing a referral for medical examinations;
- b. providing occupational health and safety training;
- c. creating and maintaining personnel files;
- d. keeping records of working time;
- e. concluding the employment agreement in writing and providing the employee with written information about certain working conditions.

3. Requirements related to termination of employment Polish labour law also imposes specific requirements in connection with the termination of employment, in particular:

- a. notice periods – statutory periods generally ranging from 2 weeks to 3 months;
- b. the obligation to indicate a specific and actual reason for termination in writing in most cases;
- c. severance pay and holiday allowance – if applicable.

4. Remuneration

From a remuneration perspective, several statutory rules must be taken into account:

- a. The statutory minimum wage for 2026 is PLN 4,806 gross;
- b. From the gross salary social security contributions and tax advances are deducted, there are also additional costs to be paid by the employer

5. Anti-discrimination and anti-harassment obligations

The Polish Labour Code imposes a strict obligation on employers to prevent discrimination and workplace mobbing. This includes the implementation of internal policies, the establishment of clear reporting channels, and ongoing compliance ensured through training and monitoring. Legislative work is underway to refine the legal definition of mobbing and to broaden employer responsibilities.

If mobbing is confirmed, potential consequences include employee compensation (of at least one month's salary), damages for non-material harm, and reputational risks. Therefore, proactive compliance measures are essential to mitigate potential liability.

What recommendations would you give to German employers who want to modernise and digitalise their HR processes in Poland in a legally compliant way?

The modernisation and digitalisation of HR processes in Poland requires careful attention to legal and formal requirements.

1. Ensure that your HR team holds qualified electronic signatures in compliance with the eIDAS Regulation or a Profil Zaufany, as these tools are useful while signing various documents (including those HR-related) and can be easily integrated with online public registries.
2. Create and maintain employee personnel files in a digitalised form
3. Use professional payroll software to properly calculate working time and remuneration.
4. Implement and regularly update relevant policies, in particular those concerning remote work, data protection and the use of AI tools
5. If you entrust work to foreign nationals, additional measures should be taken, including:

- a. integrating your processes with the [Praca.gov.pl](#) portal;
- b. using bilingual employment contracts;
- c. implementing a secure system to store and regularly review documents related to the legality of employment.

EXECUTIVE LEADERSHIP IN POLAND: KEY MARKET TRENDS AND EXPECTATIONS

Which labour-market trends will most affect the availability of qualified leaders in the coming years, and how should German companies prepare?

The Polish executive market remains dynamic. Management positions are in high demand, particularly in the areas of tech and IT, business services, industry, FMCG, and shared service centers. However, filling management positions in these segments is becoming increasingly selective, as companies set higher requirements. According to current labor market studies, this trend is expected to continue in the next few years.

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shift in requirements comes at a time of increased market dynamics: studies such as Randstad Employer Brand Research Poland 2025 show a fundamentally high level of job-hopping among employees, but at the same time a growing reluctance in making concrete decisions to change jobs. For the availability of qualified executives, this means that a willingness to discuss a job change does not automatically equate to interest in a concrete change or availability.

Companies also require executives who can provide international experience and at the same time accurately assess the Polish market, for example for positions with regional responsibility or for cross-border business models. Candidates pay greater attention to economic stability, a clear definition of their role in the company, and realistic individual development prospects. In practice, this means that role profiles must be defined more precisely and thought out more long-term in order to be attractive to experienced top managers.



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Which sectors and regions in Poland offer the strongest talent pools for German subsidiaries today?

Today, Poland is the most important location for German industrial companies in Central Eastern Europe. According to statistics from the German Chamber of Commerce and Industry in Poland, more than 6,000 companies with German capital participation and around 483,000 employees are active in the neighbouring country.

The manufacturing industry plays a key role in this. Industry sectors such as mechanical engineering, electrical engineering, and the furniture and food industries have traditionally been among the mainstays of German-Polish economic relations and are closely integrated into joint value chains. In these areas, management positions in production, engineering, quality, purchasing, and plant control are constantly being created, which are particularly relevant for German subsidiaries.

In addition to the industrial base, technology- and process-related activities have expanded significantly. The outsourcing shared services sector now employs nearly 500,000 people and primarily comprises IT-related functions, finance and controlling positions, and HR roles.

These talent pools are concentrated in several hubs. Cities such as Wroclaw, Katowice, Poznan, Lodz, and the Tri-City area (Gdansk, Gdynia, and Sopot) on the Baltic Sea combine industrial production sites with technology and service-related functions. Competition for experienced specialists and managers is particularly fierce in these regions, but at the same time they offer German companies a broader selection of qualified profiles.

What factors most influence whether top Polish managers accept an offer from a German company, and how has this changed over the past year?

Whether Polish managers accept an offer currently depends primarily on a few clearly identified factors. Compensation remains the top priority. According to Randstad Employer Brand Research Poland 2025, 53 percent of respondents cite salaries that are too low in relation to the increased cost of living as the main reason for changing employers. Overall, wage growth in the country remains dynamic. By 2025, salaries will have risen by 8.1 percent.

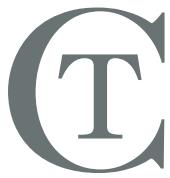
Overall, the criteria for accepting an offer have not changed fundamentally, but their weighting has shifted. While remuneration and development remain consistently important, the economic stability of the employer has become more prominent in the past year.

Twenty-nine percent of respondents cite insufficient financial stability of the company as a reason for changing jobs. This factor has gained significantly in importance compared to the previous year. In a labor market with low unemployment—according to Eurostat, it was around 3 percent in Poland in 2024—experienced managers usually have alternatives and examine risks more closely.

The question of career prospects remains relevant. For one-third of respondents, a position with no creative freedom and no realistic prospects for advancement is a reason to change jobs. At the management level, too, greater attention is being paid to whether a position offers long-term prospects or is structurally limited.

In addition, factors such as flexibility and work-life balance are having an increasingly significant influence on the decision to accept a job offer. Clear regulations on working from home, hybrid working models, and expectations regarding presence are now considered part of standard market offers and are actively addressed by candidates. Leadership style and organizational context are also relevant. Job title, position, and visible responsibility are weighted more heavily in Poland than in many German organizations with flat hierarchies.

Polish candidates generally expect quick feedback during the application process. Companies that send unclear signals or act indecisively during the recruitment process lose good candidates, and often to competitors who are quicker to act.



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