

## **The methods of terminating employment**

### **Abstract**

This diploma thesis primarily purports to describe and summarize individual methods of terminating employment in the Czech Republic with an emphasis on legal acts leading to and resulting in employment termination. As a result, this thesis includes applicable case law of the Czech Supreme Court. I further focused on recently adopted Act No. 365/2011 Coll., which amends the Labour Code, and the resulting changes impacting the area of employment termination. The primary sources I applied to this thesis include Act No. 262/2006 Coll. the Labour Code, applicable rulings (case law) by the Czech Supreme Court, and specialized literature, including articles in legal magazines.

This diploma thesis consists of three main chapters.

The first chapter is a glossary of basic terms and expressions relative to employment termination.

The second chapter is the key chapter and deals with legal acts to be taken to terminate employment. The first section of the first chapter describes an employment termination agreement, including the related requirements and a review of applicable law. The second section deals with employment termination notices, including the related requirements, the notice period, grounds for notice, and protection against being served a notice. I also pay attention to the case law applicable to notices and deal in greater detail with a new ground for giving notice that was included in the Labour Code as of 1 January 2012. The third section of the second chapter is dedicated to methods of terminating employment within the trial period. Here I describe, among other things, the institute of the trial period and related formal requirements. The fourth section of the second chapter describes immediate terminations of employment, including the requirements related to this extreme termination method. Involvement of unions in employment termination is described in the fifth section. I pay special attention to the particular forms the involvement may take. The sixth section defines collective layoffs (redundancy) and the requirements imposed on employers to be able to exercise collective layoffs, including the employer's duty to cooperate with the relevant labour

authority. The seventh section of the second chapter deals with what the employer is obliged to do/pay/provide to the employee whose employment is to be terminated, such as severance pay, issuing of an employment confirmation, and employment report. This thesis provides more room to discuss severance pay, primarily due to the principal changes resulting from the amendment to the Labour Code. The last – eighth – section of the second chapter deals with the consequences of a null and void termination of employment, whether by the employer or the employee.

The third chapter of the diploma thesis is dedicated to events independent to the will of the parties that result in termination of the employment. The first section of the chapter deals with termination of employment in the case of death of the employee or employer. In the second section, I deal with the passage of time as a fact that results in termination, including employment agreed for a definite term.

In the final part of my diploma thesis I generally reviewed the laws applicable to employment termination in the Czech Republic and summarized the changes that have been introduced by the recent amendment.

I endeavoured to provide an overall picture of the latest changes in the current legislation that apply to employment termination and to point out some shortcomings, if any, and, if applicable, to suggest ways of resolving them.