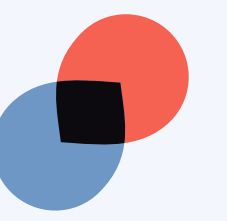


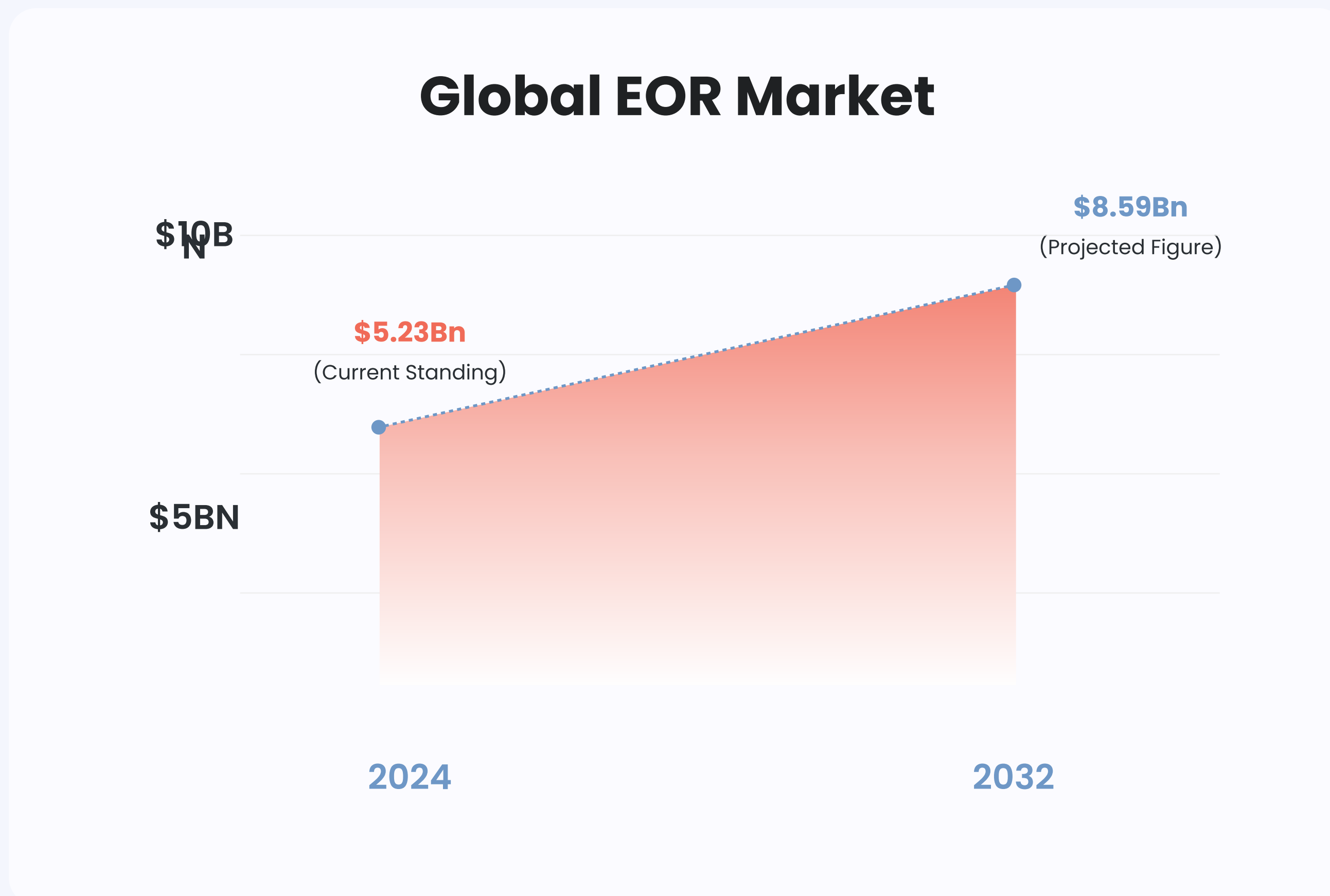
Global Employer of Record Guide

ASIA PACIFIC





If you're a business looking to expand operations across the globe you may be wondering how to best navigate the complexities of local labor laws, cultural nuances, and regulatory requirements—not to mention tax implications and payroll processing in various currencies. Many businesses opt to engage an Employer of Record (EOR) to help steer them through the nuances of growing their workforce across borders, but many aren't sure where to start. Our Global EOR Guide for Asia Pacific will help you better understand what to look for, how to engage an EOR, and what to expect on your journey.

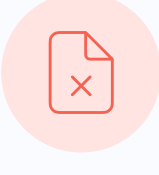
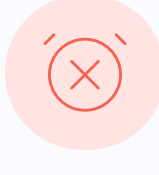
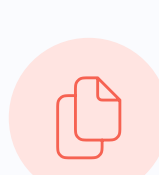


According to **Business Research Insights**, the global EOR market is currently valued at \$5.23 billion in 2024, and is projected to reach \$8.59 billion by 2032, exhibiting a Compound Annual Growth Rate (CAGR) of 6.8% during the forecast period. The Asia Pacific region is expected to witness the **highest growth rate**, thanks to the region's rapidly growing economies and an increasing demand for foreign talent, making it a perfect time for organizations to consider EOR solutions.

What's included in this guide?

This guide is designed to equip you with the essential knowledge and information needed for understanding the complexities of choosing a global EOR within the Asia Pacific region.

Here's what you can **expect**:

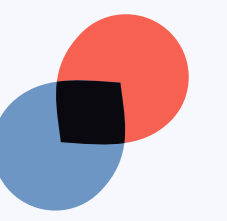
-  In-depth understanding of EORs across Asia Pacific.
-  Key considerations for selecting an EOR provider.
-  Benefits and challenges of utilizing an EOR.

By the end of this guide, you will be able to make informed decisions regarding your EOR strategy within the Asia Pacific region, enabling your business to thrive in the competitive global marketplace.



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01

Benefits of Using an Employer of Record



30% of APAC countries

use EOR services to solve hiring problems, retain talent, and tackle other global expansion challenges.

If you're still on the fence about hiring an employer of record, learning about the benefits it brings may paint a clearer picture and solidify your stance.

Here's what you can expect from an employer of record:

1. Hire local talent

When hiring talent across borders, the conventional hiring process can be time-consuming and costly. Not to mention the cultural and language barriers that you might face. With an employer of record, the global talent pool is readily available. An EOR connects you with an on-call network of potential hires, creates and manages employment contracts, and handles the foreign worker [recruitment process](#) on your behalf.

Additionally, [working with a diverse global team](#) allows companies to leverage their employees' wide range of skills, expertise, and perspectives. This can further contribute to the growth and innovation of your company.

Relevant Reading

⌚ 12 min read

[**The Cost of Recruitment: HR's Guide to Creating, Tracking and Implementing a Salary Budget**](#)

2. Compliance

Labor laws are complex, subject to frequent changes, and vary between countries, regions, and territories. Non-compliance can result in hefty fines and legal repercussions.

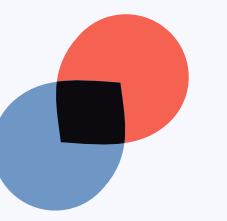
An employer of record offers a comprehensive understanding of relevant employment laws, ensuring your organization remains compliant and free of penalties and fines. This includes knowledge of minimum wage regulations, social insurance contributions, [employment contracts](#), and termination procedures.

3. Risk mitigation

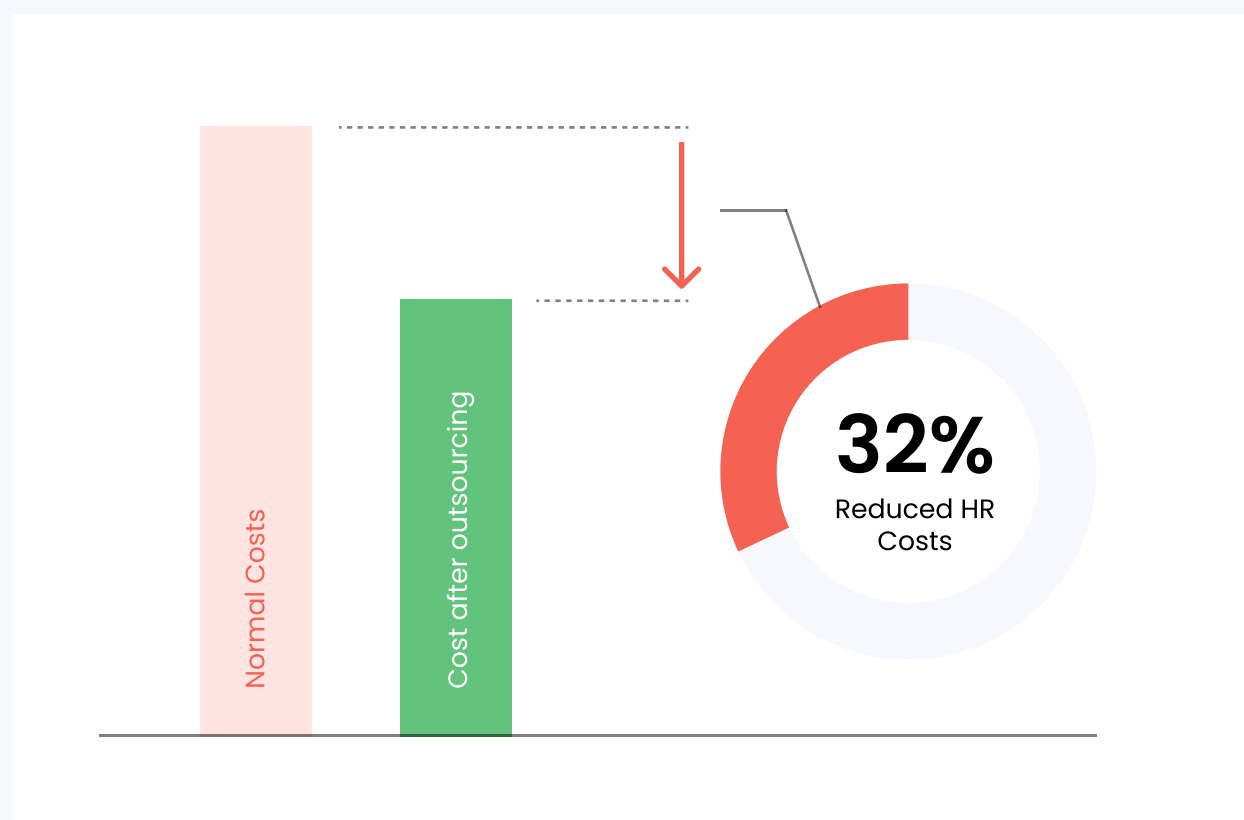
Expansion to a new country is always filled with risks like wrongful termination, reputational damage, litigation costs, and legal penalties. Additionally, employment laws may vary from your country, and without a well-versed third party, businesses may face challenges in [managing compliance](#).

By delegating your HR responsibilities to an employer of record, companies can mitigate the risks associated with managing their global workforce.

Additionally, an employer of record provides reassurance to employees, managing the intricacies of global hiring such as withholding the correct taxes, planning insurance policies compliantly, issuing employee [fringe benefits](#) as required by law, and compensating workers accordingly in cases of worksite accidents.



4. Cost-effective



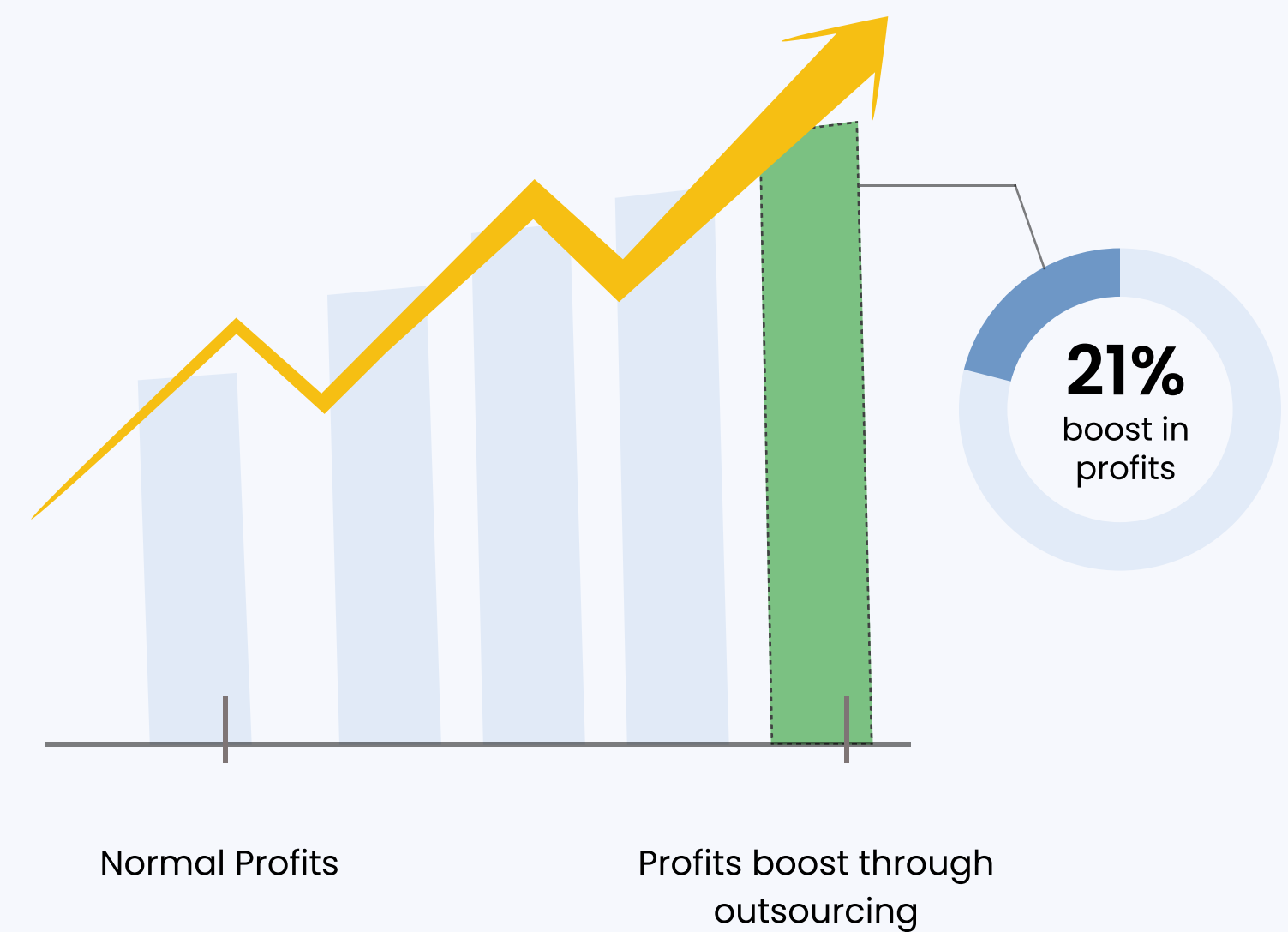
Companies can reduce their HR costs by as much as 32% through outsourcing.

An employer of record eliminates the costs associated with setting up a legal entity in the country you wish to operate, offering a more affordable solution for global expansion.

Moreover, managing payroll, benefits, and compliance for global employees can stretch your HR team thin. An EOR takes care of all that, allowing your team to hire quickly, scale your workforce, and focus on strategic initiatives and business growth. Additionally, the employer of record ensures your company remains compliant with labor laws, significantly reducing the risk of fines and penalties.

5. Focus on core businesses

Last but not least, an employer of record alleviates the administrative burden on HR teams. By streamlining processes such as payroll, training, hiring, onboarding, and tax filing, an EOR enables employers to dedicate more time to their core business activities. This shift not only increases efficiency but also opens the door to more profitable opportunities. In fact, companies that outsource their HR functions report a 21% boost in profitability.

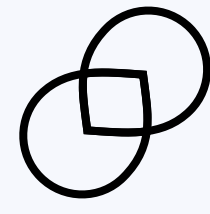


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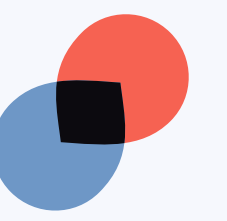


Global **Employer of Record** Guide
for Asia-Pacific



AUSTRALIA





Estimated population	27.1 million
Capital	Canberra
Languages frequently used	English
Currency	Australian Dollar
Minimum wage	AUD\$24.10 per hour
GDP	USD\$1.74 trillion

With natural resources, a thriving economy, a diverse social component, an up-to-date digital infrastructure, and a business-friendly environment, Australia is a popular spot for international business owners looking to grow their businesses. It's also no surprise that it's listed as one of the top 15 countries with the best GDP in 2024.

With Australia's foreign policy regulating international hiring alongside its existing labor laws, it takes an expert to abide by these regulations skilfully. This is where an employer of record comes in.

EORs act as your trusted business partner and the official employer for your Australian workforce, handling payroll, taxes, and compliance. They save you months of paperwork and relieve you of the stress of compliance with Australian labor laws.

How does an employer of record in Australia work?

By understanding the responsibilities of how an employer of record works, you'll gain insights into how they'll help you through business expansion and determine whether you want them in the picture or not.

1. Hiring process

The EOR recruits Australian employees fast, given their access to a wide pool of top Australian talents. Vacant positions will be posted on popular networking platforms, such as CareerOne, CareerJet, Adzuna, and Indeed Australia. Then, the employer of record will shortlist applicants based on the criteria and job scope. Most importantly, it ensures that the chosen applicants are legally eligible to work in Australia.

2. Employment contract

After the hiring process, the employer of record drafts a legally sound and personalized employment contract for your Australian hires. They should include the following key information:

- Employer and employee name and details
- Job titles and descriptions
- Employment type
- Compensation, such as rates, benefits, bonuses, and overtime
- Leave entitlements
- Work schedules
- Probation period
- Start date and work locations
- Termination and resignation policies
- Confidentiality agreements
- Dispute resolution policies
- Intellectual property rights
- Privacy policies
- Non-compete agreements (prohibiting your employees from competing with your business during or after their employment period for a specific period)

Read Next:

⌚ 12 min read

How to Define Your Employee's Job Scope (With a Template!)

3. Payroll and benefits

Payroll and benefits management for the new Australian hires, while minding the local policies and regulations, falls under the responsibilities of the employer of record.

They are in charge of processing payroll, which includes enrolling employees into the system, withholding taxes, issuing payslips, and managing deductions and allowances.

4. Compliance

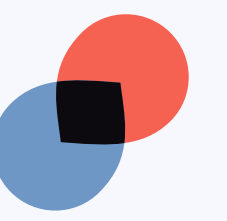
As mentioned above, an employer of record can help ensure compliance, which is possible with their in-depth knowledge of Australian employment.

The main regulation that applies is the Fair Work Act, which governs employment relations in Australia. It also sets the minimum statutory standards and conditions, including the 11 obligatory entitlements in all employment contracts. Additionally, separate state legislation may apply to public sector employees, such as in South Australia, Queensland, and Tasmania.

As per the National Employment Standards (NES) as set out in the Fair Work Act, employees are entitled to:

1. *Maximum weekly hours*

Employers are not allowed to request an employee to work more than 38 hours per week. However, they are allowed to request their



employees to work some additional hours, given that it is reasonable based on the following factors:

- Employees personal circumstances, working role, and family responsibilities.
- Whether notice to work additional hours was provided.
- Whether overtime/penalty rates will be provided.

2. Flexible working arrangements

Employees who have worked for the same employer for at least 12 months can request flexible working arrangements. These include changes to work hours, work patterns, or locations.

3. Casual employment information statement

Employers must provide a casual employment information statement outlining the specific rights and entitlements for their casual employees.

4. Parental entitlements

Employees who have worked for their employer for at least 12 months are entitled to all parental leave entitlements. These include paid and unpaid parental leave, including maternity, paternity, adoption, and other related leave entitlements. Employers must abide by these entitlements, as refusal or failure to comply can give rise to employees bringing claims of discrimination and unfair dismissal.

5. Annual leave

The minimum entitlement for annual leave is 4 weeks. However, a modern award, enterprise agreement, or employment contract may stipulate for larger amounts of leave. For example, shift workers generally have more than 4 weeks of annual leave due to the strenuous hours of work.

6. Personal/carer’s leave, compassionate leave, and family and domestic violence leave

Personal and carer’s leave, also known as sick leave, refers to the 10 days of leave that are available for employees who are ill or must care for an ill family member to utilize.

As for compassionate leave, it’s only available for 2 days and is commonly taken when an employee’s family member passes away or develops a serious illness or condition. Employees may also take up to 5 days of unpaid family and domestic violence leave if they are experiencing such cases.

7. Community service leave

This type of leave refers to unpaid leave for jury duty, volunteer work, and other community service activities.

8. Long service leave

Long service leave refers to the amount of leave for an employee who has worked in the company for a sufficient period of time.

9. Public holidays

Most employees will receive time off work on public

However, it’s important to take into consideration the state and territory that your employee is residing in, as the date differs.

10. Notice of termination and redundancy pay

Both employers and employees should give notice of the termination of their employment relationship. A letter of resignation is the most common way to give notice. However, if your employment is terminated due to redundancy, the employee shall receive at least 16 weeks of severance pay.

11. Fair Work Information Statement

Employers must provide employees with a copy of the Fair Work Information Statement, as the statement sets out all aspects of the NES to ensure employees are aware of their rights and responsibilities.

An EOR Australia guides you through local taxes, payroll and benefits management, and termination procedures. Think minimum wages, resources, superannuation contributions, first aid, and workplace health and safety regulations.

5. HR administration

EORs take on global HR functions for the outsourced Australian hires. You can count on an employer of record to provide you with local, continuous HR support with recruitment, onboarding, and performance management.

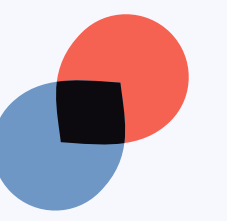
Things to Consider When Choosing Employer of Record Australia

For an employer of record to truly facilitate global expansion, you must assess them according to the following criteria:

Local expertise

Australian EORs must have thorough knowledge and experience in the local employment laws and regulations. This guarantees compliance in their processes concerning HR administration, payroll management, immigration procedures, benefits administration, and tax filing.

Additionally, an employer of record helps you navigate cultural nuances. For instance, they should be aware that bonuses are common in Australia and when it’s advisable to issue them. Not to mention, their established networks can help connect you with Australian talents during the hiring process.



Compliance track record

Checking an EOR's compliance track record is a no-brainer because it helps you hand over part of your business with confidence.

Ask yourself how responsive they are. Are they transparent about their processes? Do they have sufficient experience? Look at their social proof, and avoid EORs with past legal issues and compliance breaches.

Service offerings

Aside from the basics like compliance and payroll management, what services are you looking to outsource to the EOR? What are your business needs? Make a list and evaluate different EOR packages accordingly.

For example, do they give you access to the HR integration you want? Are their data security measures sufficient? How much do they communicate with you? Better yet, do they have customizable or flexible packages?

Technology platform

An Australian employer of record should give you access to [remote management tools](#) and payroll solutions that are compliant with local labor laws.

Such platforms should help [onboard employees](#) (like signing local employment contracts), process payroll, administer benefits, manage your outsourced Australian workforce, and give you control over labor costs. It might even alert you to local labor law changes, ensuring your business is 100% compliant.

References and testimonials

It's always a good idea to check the online reviews, ratings, testimonials, references, and press coverage of the EOR service providers you're eyeing.

Try third-party review sites, such as [Capterra](#), [Trustpilot](#), and [G2](#). By conducting such research, you can learn about each service provider's operations and see how satisfied their former and current clients are with their services.

Challenges and Risks for Australia Employer of Record

You've learned the perks of an employer of record in Australia, but it's important to consider the challenges and risks as well. This way, you can form an unbiased opinion, make an informed decision, and consider how you'll navigate these potential hurdles.

Complex Australian employment law

Australia's labor laws are complex, designed to regulate employment while being mindful of various factors such as employment types, sectors, age groups, ethnicities, genders, religions, races, and socioeconomic backgrounds. These laws aim to create fair and favorable working conditions for employees while ensuring that employers are not overly burdened financially.

As a result, Australia's employment laws include complex regulations regarding taxes, stringent visa requirements, and workplace standards. For an employer of record, it is essential to stay up to date regarding these laws. Key provisions that must be understood include the following:

📖 [Fair Work Act 2009](#)

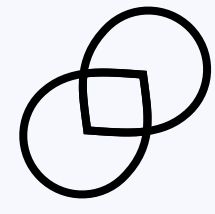
📖 [State and Federal Anti-Discriminatory Law](#)

📖 [Work Health And Safety Act 2011](#)

📖 [Disability Discrimination Act 1992](#)

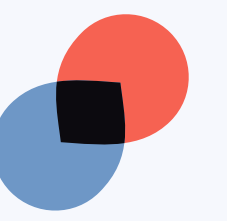
Protecting employee data

Sharing data with third-party vendors creates risks of data breaches from manual uploads, so security measures are crucial. EORs should offer secure storage solutions, encryptions, around-the-clock maintenance, and industry-standard privacy regulation compliance to protect your company, intellectual property, and employee data and prevent security attacks.



Global **Employer of Record** Guide
for Asia-Pacific





Estimated population	1.41 billion
Capital	Beijing
Languages frequently used	Mandarin, English
Currency	Chinese Yuan/Renminbi
Minimum wage	RMB2,690
GDP	USD\$17.8 trillion

China is one of the main drivers of global business and economy. As such, it's no surprise many organizations are looking to conduct business there. But more so than elsewhere in the world, China has a complex system of labor laws, prone to change and heavily scrutinized by the government.

Due to this, many companies turn to an employer of record (EOR) when thinking of expanding to China. These local experts, based in China, should know the ins and outs of local laws and customs and help you with everything from hiring to compliance and every HR task in between.

How does an employer of record in China work?

1. Hiring process

During the recruitment process, the employer of record can help you advertise the position, screen resumes, interview candidates, and select the best fit for your team. The EOR can also help handle all the onboarding paperwork and legal requirements to ensure you remain compliant with China's stringent labor laws. This includes drafting compliant employment contracts, setting up payroll, and ensuring all necessary tax and social insurance registrations are in place.

While the employer of record handles the administrative and legal aspects, you retain full control over your employee's day-to-day work, assigning tasks, providing feedback, and managing their performance.

Read Next:

 12 min read

[How to Define Your Employee's Job Scope \(With a Template!\)](#)

2. Employment contract

The EOR ensures that all employment contracts comply with Chinese labor laws and regulations. This

includes aspects like mandatory probation periods, working hours, minimum wage, termination rules, and social insurance contributions.

The EOR drafts contracts that protect both your company and your employee, minimizing the risk of legal disputes and ensuring a clear understanding of rights and responsibilities.

3. Payroll and benefits

The EOR takes care of all payroll processing, including calculating salaries, deducting taxes and social insurance contributions, and making timely payments to your employees in their local currency. They can also assist in designing and administering competitive benefits packages that comply with regulations and attract top talent. This may include health insurance, housing funds, paid time off, and other perks.

4. Compliance

The employer of record stays up-to-date on the ever-changing labor laws and regulations in China, ensuring your company remains compliant and avoids potential penalties. They handle all tax calculations, deductions, and remittances to the relevant authorities, as well as manage your employees' mandatory social insurance and housing fund contributions.

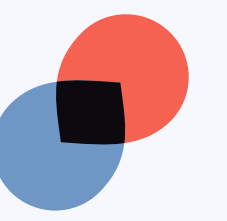
If you're hiring foreign nationals, the EOR can assist with obtaining the necessary work permits and visas, navigating the complex immigration process on your behalf.

5. HR administration

An employer of record manages the entire employee lifecycle, from onboarding new hires to handling terminations and exit procedures while ensuring compliance with local laws. They can implement systems to track employee attendance, leaves, and absences, ensuring accurate payroll calculations and adherence to company policies.

The employer of record in China maintains secure and up-to-date records of all employee information, including personal details, employment contracts, and performance reviews. They can act as a point of contact for your employees in China, addressing their queries and concerns regarding payroll, benefits, and other HR matters.

In essence, a Chinese employer of record acts as your local HR department, handling all the administrative, legal, and compliance aspects of employment. This allows you to focus on your core business activities, expand your global reach, and tap into the vast talent pool that China offers.



Things to Consider When Choosing Employer of Record Australia

Partnering with the right EOR is crucial for a smooth and successful expansion into China. With a multitude of providers available, it's essential to make an informed decision that aligns with your business needs and goals. Here are five key factors to consider when choosing an EOR in China:

Local expertise

In-depth knowledge of Chinese laws: Ensure your EOR has a comprehensive understanding of Chinese labor laws, tax regulations, and compliance requirements. They should be well-versed in the nuances of local legislation, including social insurance, housing fund contributions, and individual income tax.

Cultural awareness: A strong employer of record should also possess cultural awareness and sensitivity to navigate the intricacies of the Chinese business environment. This includes understanding communication styles, business etiquette, and local customs, which can be crucial for building positive relationships with your employees.

Compliance track record

Proven experience: Look for an EOR with a proven track record of compliance in China. Inquire about their experience working with foreign companies, their familiarity with your specific industry, and their ability to handle any unique compliance challenges.

Transparent processes: Choose an EOR that is transparent about their compliance procedures and can provide evidence of their adherence to local laws and regulations. Ask about their internal controls, audit processes, and how they stay updated on any changes in legislation.

Service offerings

Comprehensive solutions: Beyond basic payroll and tax services, a good EOR should offer a comprehensive suite of HR solutions tailored to the Chinese market. This may include onboarding, visa and work permit assistance, benefits administration, employee data management, and even local HR support for your employees.

Customization options: Your business needs are unique. Look for an EOR that can tailor their services to your specific requirements, whether you're hiring a small team or rapidly expanding your operations in China.

Technology platform

User-friendly interface: An intuitive and easy-to-use platform can simplify payroll and HR management for both you and your employees. Ensure the EOR's technology is accessible and efficient.

Integration capabilities: The EOR's system should integrate seamlessly with your existing HR and payroll software to ensure smooth data flow and avoid manual errors. Inquire about their API integrations and data security protocols.

Data security: Choose an EOR that prioritizes data security and has robust measures in place to protect sensitive employee information in compliance with Chinese data privacy laws.

References and testimonials

Client feedback: Don't hesitate to ask potential EOR providers for references or testimonials from their existing clients. This will give you valuable insights into their service quality, reliability, and customer satisfaction.

Online reviews: Read online reviews and ratings from other businesses that have used the EOR's services. This can help you gauge their reputation and identify any potential red flags.

Challenges and Risks for China Employer of Record

While an EOR offers significant advantages for expanding into China, it's essential to be aware of potential challenges and risks to make informed decisions and ensure a smooth experience.

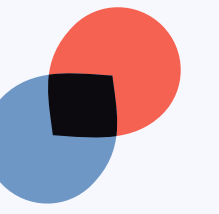
Complex China employment law

Chinese labor laws are complex and subject to frequent updates. This includes regulations on contracts, working hours, mandatory benefits, termination procedures, and data privacy. Staying compliant requires constant vigilance and expertise.

Understanding workplace culture and expectations in China is crucial for effective employee management. Differences in communication styles, hierarchy, and work ethic can sometimes lead to misunderstandings if not properly addressed.

Protecting employee data

China has stringent data privacy laws, including the Personal Information Protection Law (PIPL), which imposes strict requirements on the collection, use,

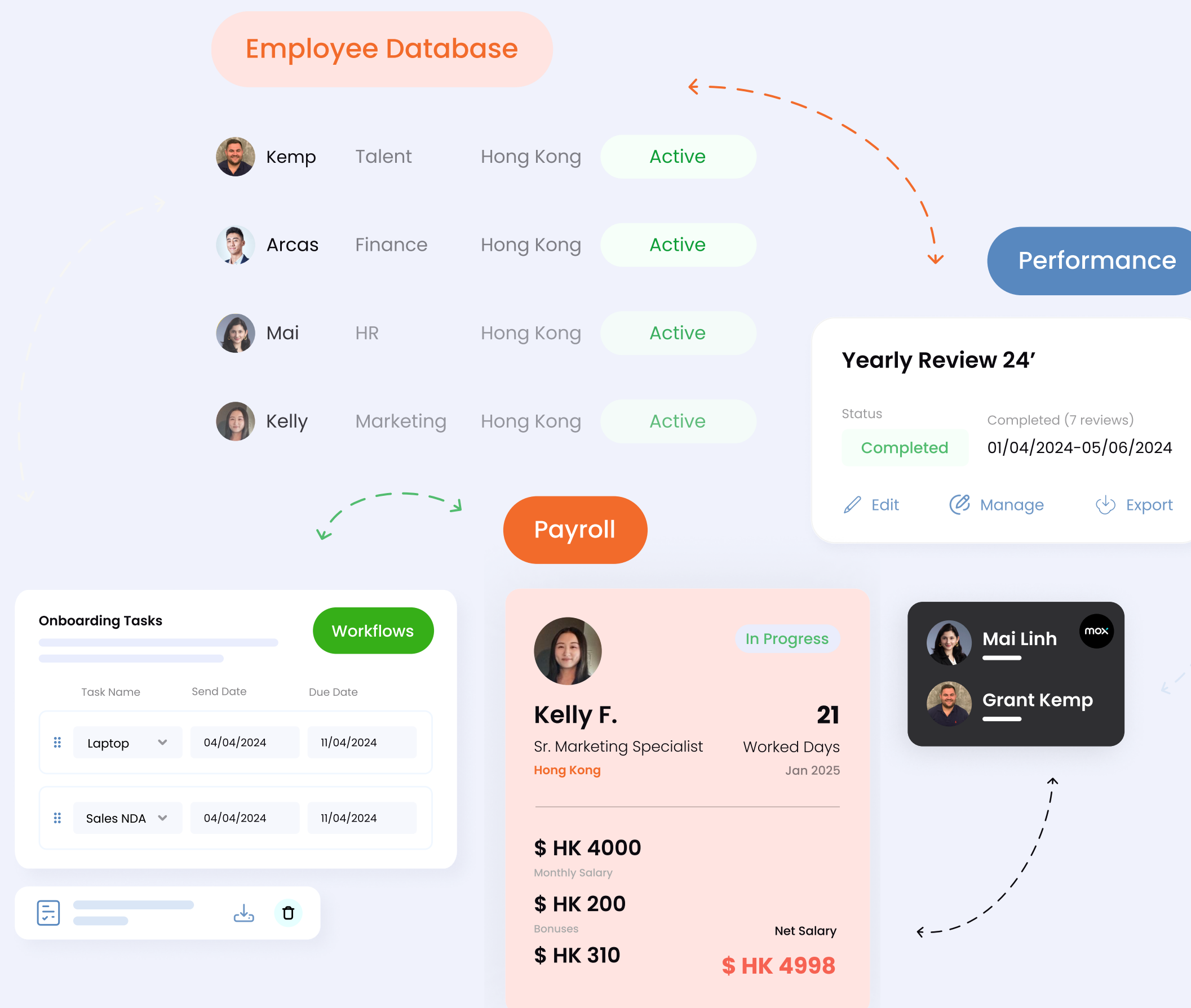


and transfer of personal data. Your EOR must have robust data security measures in place and comply with all relevant regulations.

China's data localization requirements mandate that certain types of personal data be stored within the country. Ensure your EOR has the infrastructure and processes in place to comply with these requirements.

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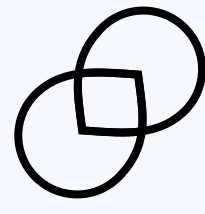


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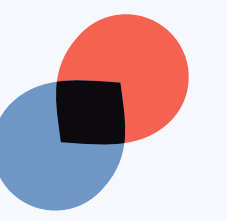
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Global **Employer of Record** Guide
for Asia-Pacific

HONG KONG





Estimated population	7.40 million
Languages frequently used	Cantonese, English
Currency	Hong Kong dollar
Minimum wage	HKD\$40 per hour
GDP	USD\$381 billion

Hong Kong remains a top market for international businesses. With a booming economy, low tax rates, world-class infrastructure, and status as a leading international financial center, it's no wonder that many international companies are expanding into Hong Kong through an employer of record.

EORs provide a streamlined solution by managing essential HR functions, such as payroll, compliance, and employee benefits, without the need to establish a local entity. This allows businesses to quickly and efficiently tap into Hong Kong's dynamic labor market while minimizing administrative burdens and ensuring compliance with local regulations.

How does EOR Hong Kong work?

Whether you're a small business, startup, or large enterprise looking to partner with an employer of record to manage your legal and HR functions, it's crucial to understand the various services an EOR in Hong Kong can offer.

1. Hiring process

Before an EOR takes over the hiring process, the company has to identify its hiring needs, such as exact roles to be filled, skills needed, and the number of employees. The EOR then starts the recruitment process by sourcing for talents through various channels such as job boards, recruitment agencies, and local networks. The EOR also conducts screening interviews and assessments to evaluate candidates. They ensure that the selection process aligns with the company's requirements and local hiring practices.

Read next:

⌚ 12 min read

[Global Hiring Guide: Hong Kong](#)

2. Employment contract

Once candidates are selected, the EOR helps in drafting employment contracts with the employee, ensuring that it complies with Hong Kong employment laws. These contracts specify the job scope, working hours, salary, and termination conditions.

3. Payroll and benefits

The employer of record manages payroll processing, including salary disbursement, depositing and filing Hong Kong tax returns for employees, and mandatory contributions such as social security. They also oversee benefits administration by looking for a wide range of benefit options for employees, including retirement plans, health insurance, and other perks, taking into consideration benefits that are compliant with Hong Kong's labor laws.

Learn more:

⌚ 12 min read

[Your Guide to Managing Payroll Hong Kong](#)

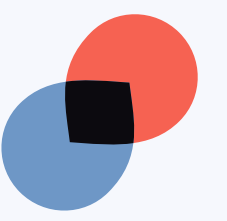
4. Compliance

The primary legislation governing employment in Hong Kong is the Employment Ordinance, along with other laws concerning minimum wage, Mandatory Provident Fund (MPF) contributions, and employee rights.

An EOR works with companies to ensure that all employment practices are in line with the country's labor laws; this includes the creation of employment contracts, work hours, termination procedures, and statutory benefits.

5. HR administration

EORs effectively manage HR-related tasks such as employee data management, performance reviews, and disciplinary actions so the company can operate easily in new territories. However, while the EOR handles these administrative tasks, the client company retains control over the day-to-day management of the employees, such as assigning work and overseeing performance.



Things to Consider When Choosing EOR Hong Kong

When selecting a Hong Kong EOR provider, you should consider the following key factors to ensure they are the right choice for your company:

Local expertise

Hong Kong is protective of workers' rights and implements strict laws and a comprehensive framework to uphold them.

To make expanding your operations in the Hong Kong market seamless, you must choose an employer of record that possesses an in-depth understanding of the country's labor laws and employment practices. Failing to do so may result in significant legal and financial consequences.

For example, employers risk severe consequences for non-compliance, including fines of up to HKD 500,000 for safety violations and potential imprisonment for serious breaches. Additionally, misclassifying employees can also result in significant financial penalties.

Compliance track record

Compliance track record is another important factor to consider when choosing an Hong Kong EOR. This means assessing to see if the EOR has a proven track record of adhering to local employment laws and regulations.

This can be done in several ways. You can begin with researching the EOR provider's history for any compliance violations or legal issues. You should also look for news articles, press releases, or regulatory actions that may indicate past non-compliance.

Reputable EORs often obtain compliance certifications from industry organizations or regulatory bodies. Therefore, ask the EOR to provide copies of relevant certifications to demonstrate their commitment to compliance.

Lastly, make inquiries about their compliance process. A strong EOR should have well-defined procedures for monitoring regulatory changes, conducting audits, and ensuring adherence to local laws and regulations.

Service offerings

Choosing an effective employer of record in Hong Kong to partner with involves identifying the specific

HR functions you need to outsource. This is because EORs offer a range of services and packages to meet different business needs.

What HR-related tasks are essential to your business and can be handled externally? Whatever it is, ensure the EOR you select aligns with your business goals and can effectively manage these tasks to support your growth.

Additionally, perform a cost analysis by comparing the costs of handling HR tasks in-house versus outsourcing them. This will also help you determine which functions can be more efficiently managed by a Hong Kong employer of record.

Technology platform

Assessing the EOR's technology platform is essential because it directly impacts the efficiency, accuracy, and transparency of HR processes like payroll processing, employee management, and reporting. A robust platform can help to streamline these tasks, reduce errors, and provide real-time access to important data, ultimately improving the overall employee experience and operational efficiency.

Ask the Hong Kong EOR provider directly to demonstrate their technology platform. This will allow you to assess how user-friendly and efficient the system is for managing payroll, employee data, and reporting.

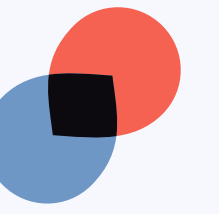
Seamless integration prevents data silos, reduces manual data entry, and ensures consistency across all business processes. It's also important to ensure the platform can integrate with your existing systems or third-party tools, such as accounting software or HR management systems.

References and testimonials

Look for reviews on third-party websites, industry forums, or social media platforms where current or past clients may have shared their experiences with the EOR.

You can also engage with industry-specific groups or forums where professionals discuss their experiences with different EORs. Ask for recommendations or feedback from others who have used the service.

By seeking out clients testimonials and reviews, you can effectively gauge the reliability and performance of the EOR.



Challenges and Risks for Hong Kong Employer of Record

When choosing an employer of record in Hong Kong, businesses may face several challenges and risks along the way, including:

Complex Hong Kong employment law

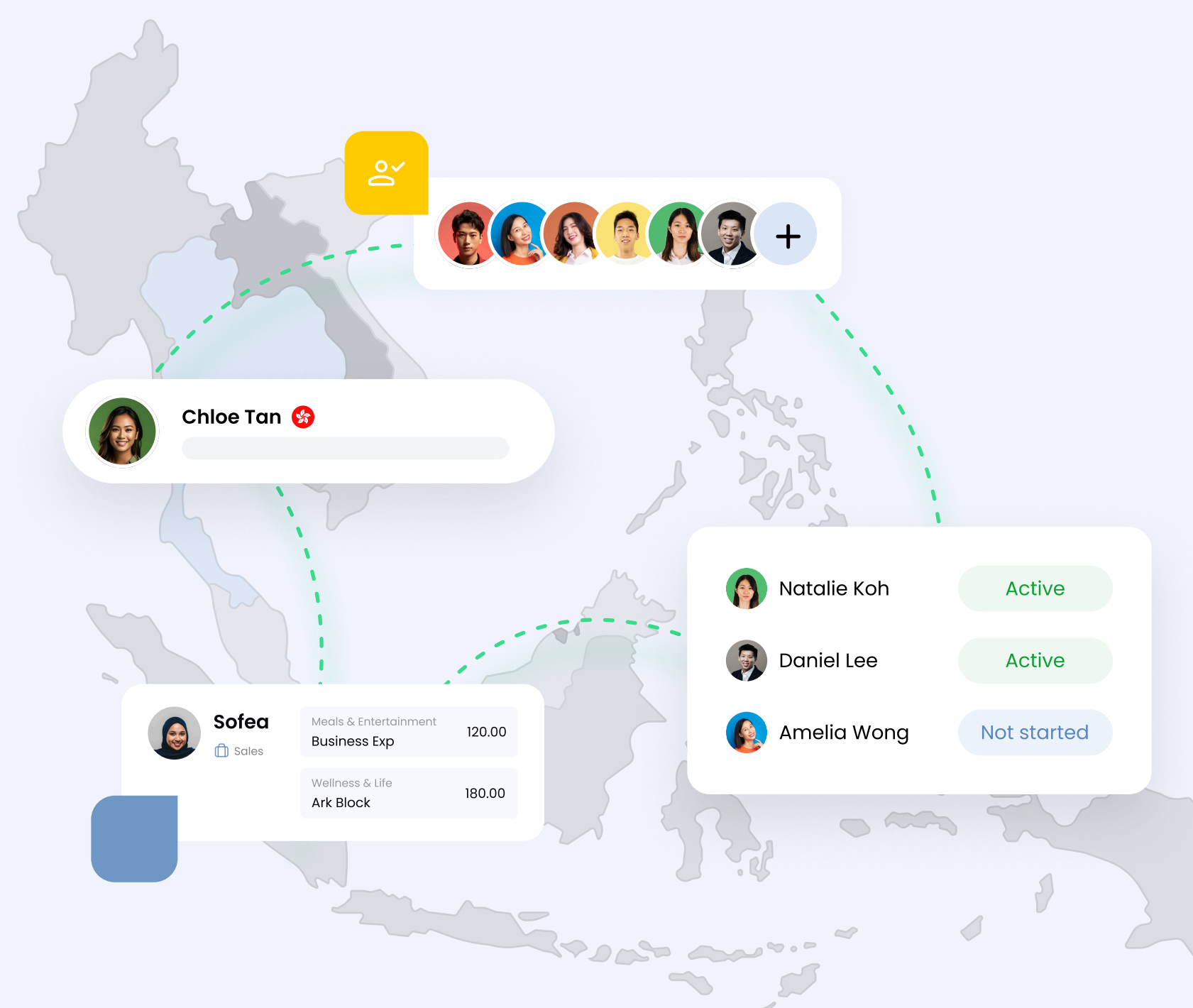
Hong Kong's employment laws can be intricate, and any missteps in areas such as contracts, terminations, or employee benefits can result in penalties. It's essential to ensure that the EOR is well-versed in these regulations to avoid non-compliance.

Protecting employee data


Hong Kong has stringent data protection laws. It is crucial that the EOR has robust data protection measures in place to safeguard employee information.

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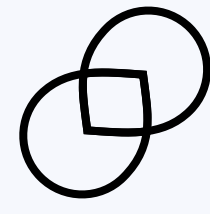


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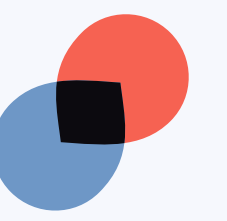


Global **Employer of Record** Guide
for Asia-Pacific



INDONESIA





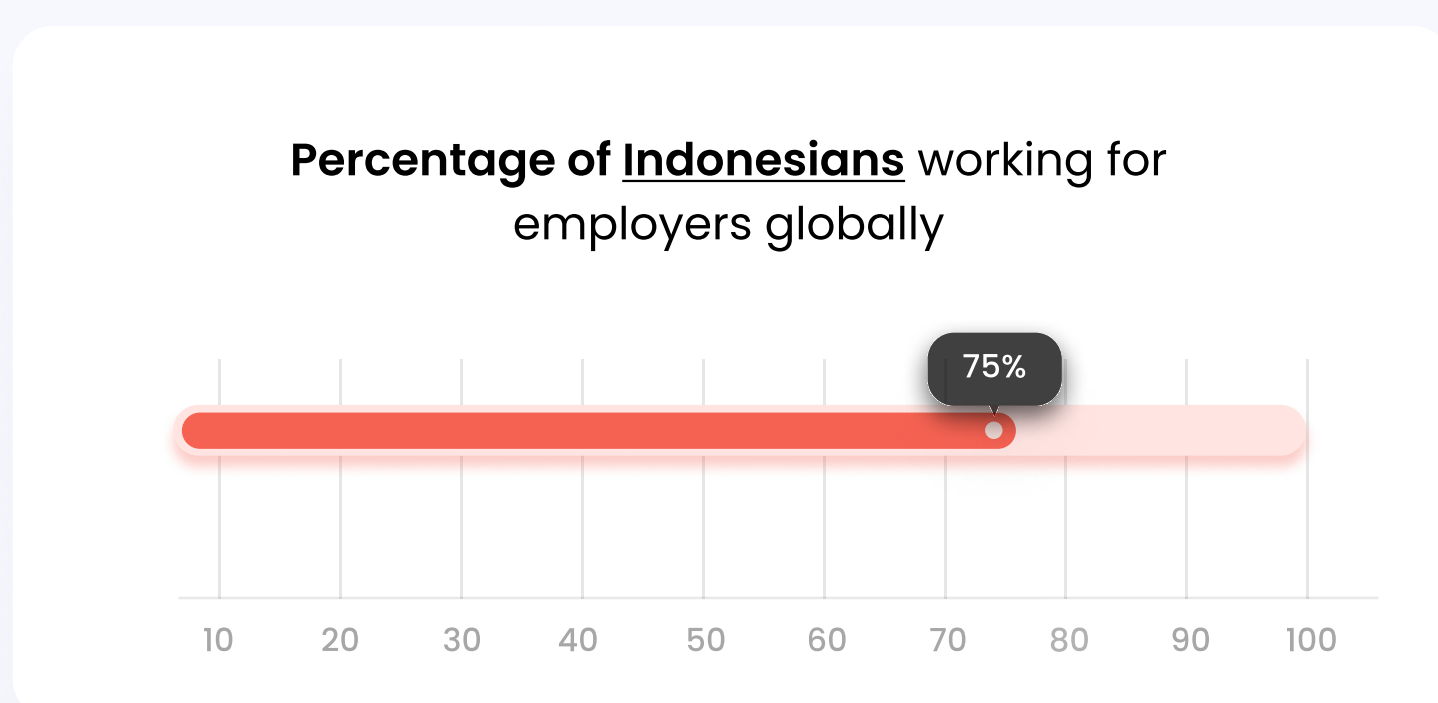
Estimated population	270.2 million
Capital	Jakarta
Languages frequently used	Indonesian, Javanese
Currency	Indonesian Rupiah
Minimum wage	IDR 29,000 per hour
GDP	USD\$1.37 trillion

Read next

⌚ 12 min read

[Hiring in Indonesia: How to Prepare a Foreign Worker Utilisation Plan](#)

Indonesia, with its vast labor force and strategic location, is a prime market for international businesses, with more than 75% of Indonesians working for employers all over the world. As a member of the United Nations, the G20, and the World Trade Organization, Indonesia offers a stable and attractive business environment. When expanding into Indonesia, businesses have two primary options: establishing a local entity or utilizing an employer of record in Indonesia.



Indonesia Employer of Record, which is also known as an Indonesia Professional Employer Organization (PEO) and sometimes called international PEO, takes on the regulatory and legal framework needed in order to hire in Indonesia. It enables you as an employer to hire and onboard your employees in Indonesia even without establishing a local entity in the country.

By partnering with an Indonesia EOR, you can tap into Indonesia's rich talent pool while still ensuring compliance with local labor laws and regulations. It simplifies the process of individual employment by acting as an official employer and overseeing duties such as onboarding, payroll, tax, and benefits management.

How does **Indonesia EOR** work?

1. Hiring process

An employer of record assists your business in finding and hiring the right talent during the recruitment process. They are also knowledgeable on the local job market and regulations, ensuring that the entire process is compliant with local labor laws.

2. Employment contract

EOR services in Indonesia take care of all employment-related matters, which include the drafting of employment contracts. Therefore, after hiring, the next step is to issue a locally compliant employment contract. It outlines the terms of employment, including job scope and responsibilities, salary, and benefits, according to Indonesian law. This makes sure all the terms are clear and legally binding, minimizing the chances of disputes.

3. Payroll and benefits

Both employers and employees in Indonesia are responsible for contributing to Indonesia's social security, BPJS, which can be difficult for foreign companies to navigate. Indonesia's EOR services can handle payroll processes by preparing salaries and allowances in accordance with local standards. They also ensure that employee benefits such as health insurance, holiday allowances, and social security are calculated accurately.

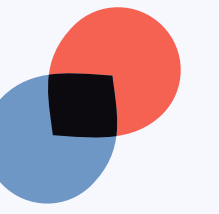
4. Compliance

Having an official Indonesia EOR service helps you stay compliant with all forms of Indonesia employment laws, allowing you to focus on direct day-to-day operations and employee relationships.

For example, an employer of record in Indonesia can ensure you follow the Manpower Law that regulates the practices of employment in Indonesia.

Key Points of Indonesia's Manpower Law:

- **Employment contracts:** Both definite and indefinite term contracts are recognized.
- **Working hours:** The standard workweek is 40 hours, spread over 5 or 6 days.
- **Wages:** Minimum wages are set by regional governments. Overtime pay is required if employees work beyond regular hours.
- **Social Security:** Employers must contribute to social security funds for employees.
- **Leave entitlements:** These include annual leave, sick leave, maternity leave, and others.
- **Termination:** Both employers and employees can terminate their employment relationship under specific circumstances, often with notice periods and severance pay.



- **Dispute resolution:** Labor disputes are typically resolved through mediation or arbitration.
- **Occupational health and safety:** Employers are responsible to ensure a safe and healthy working environment for all their employees.

5. HR administration

An Indonesia EOR provides a variety of HR administrative services for your company, following the right policies without necessarily having an HR department in your startups. This can also help to save costs on having to hire full-time staff.

Things to Consider When Choosing EOR Services Indonesia

For foreign companies looking to hire through an employer of record in Indonesia, it's crucial to consider some points when choosing a suitable EOR provider, such as:

Local expertise

Ensure the EOR service has deep knowledge of Indonesian employment laws, tax law, and cultural influences. Their local expertise will help you navigate any complex compliance process and will make sure your operations are up and running smoothly.

Compliance track record

When picking EOR services in Indonesia, a reputable track record is something to watch out for. An EOR service with experience is likely to be more reliable and competent when handling delicate matters as compared to new EOR providers. Another good practice is checking online reviews for better decision-making.

Service offerings

Choose an employer of record that offers a wide range of comprehensive services that align with your company's needs. Avoid overlooking the long-term impact of your EOR provider's service offerings on your company's growth.

Technology platform

You should also consider choosing EOR services in Indonesia with advanced technology capabilities. This can help streamline your HR processes and improve service delivery. EORs that are driven by technology also provide a competitive edge in today's competitive market.

References and testimonials

Before choosing EOR services to partner with, it is imperative to verify if such services have a positive track record. Consider assessing their performance on third-party sites like [G2](#) and [Capterra](#). Prioritize an EOR service with a good track record and an excellent client testimonial.

Challenges and Risks for Indonesia Employer of Record

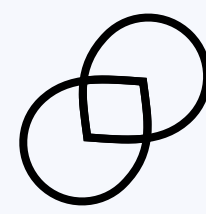
By this point, an employer of record sounds like the perfect solution for companies hoping to hire in Indonesia without a local entity. However, there are some challenges and risks associated that you need to consider:

Complex Indonesian employment law

Navigating Indonesia's complex labor laws can be challenging for EOR service providers. Compliance requires obtaining necessary licenses and permits, drafting accurate employment contracts and agreements, and ensuring adherence to minimum wage and employee benefit regulations. Failure to comply with these laws can result in significant penalties, legal disputes, and damage to the company's reputation.

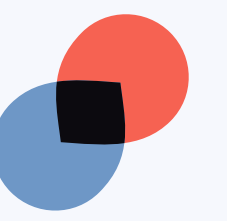
Protecting employee data

An EOR often serves as a third-party company with legal responsibilities such as data security. Hence, when selecting an EOR provider, it's essential to prioritize providers with the proper certifications to [safeguard employee data](#). This is crucial for maintaining compliance and protecting sensitive information.



Global **Employer of Record** Guide
for Asia-Pacific





Estimated population	270.2 million
Capital	Kuala Lumpur
Languages frequently used	Bahasa Melayu, Tamil, Mandarin, English
Currency	Malaysian Ringgit
Minimum wage	MYR 1,500 per month (MYR 1,700 effective 1 February 2025)
GDP	USD\$264 billion

Once the candidates are selected, the EOR provider handles payroll, taxes, benefits, and statutory contributions, simplifying the process for businesses. This allows companies to quickly expand their workforce in Malaysia without needing to establish a local entity while maintaining full operational control over their employees' day-to-day tasks.

[Learn more](#)

🕒 12 min read

[Global Hiring Guide: Malaysia](#)

With a dynamic economy, growing sectors, highly skilled workers, and impressive cost savings, Malaysia is a hotspot for global business expansion. This is no surprise, as the country has maintained its place as the third-top country in the 2021 and 2023 [Global Services Location Index \(GSLI\)](#).



Third

Malaysia has maintained its place as the third-top country in the 2021 and 2023 [Global Services Location Index \(GSLI\)](#).

Country	2023 Rank	2021 Rank
India	1	1
China	2	2
Malaysia	3	3

2. Employment contract

Malaysia requires a [written employment contract](#) for new hires, which the EOR provider can help draft to ensure its terms comply with Malaysian labor laws. After all, one employment type might have different working hours, conditions, or benefits regulations from another, and the EOR must mind that. The contract must comply with all regulations concerning:

- Job titles and descriptions
- Compensation and benefits
- Start date and work locations
- Termination
- Resignation
- Confidentiality agreements
- Death and disability
- Dispute resolution policies
- Intellectual property ownership
- Non-compete clauses

Despite favorable conditions, hiring international employees the traditional way can be logistically challenging. This includes setting up a subsidiary, registering the company, and complying with local laws can be burdensome.

Luckily, with an employer of record, these tasks can be handled in an efficient and compliant manner. They act as your official employer for the Malaysian workforce, managing HR and [payroll processes](#) and ensuring country-specific tax and legal compliance.

How does Malaysia EOR work?

To understand how the arrangement of an employer of record in Malaysia works, we'll go over the process so that you can make an informed decision.

1. Hiring Process

An employer of record streamlines the hiring process by acting as the legal employer for the employees you wish to hire. Additionally, it manages all administrative and compliance-related tasks, including recruitment, onboarding, and contract management, while ensuring that Malaysian labor laws and regulations are met.

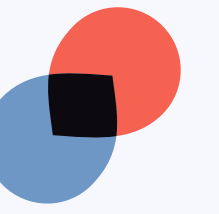
3. Payroll and Benefits

With an employer of record, Malaysian businesses delegate them to handle payroll and benefits, allowing them to run the monthly payroll and provide local and global benefits. To illustrate, they add allowances to basic salaries, withhold salary contributions, and issue payslips.

Furthermore, Malaysia mandates certain mandatory benefits to the employees, which are the [Employees Provident Fund \(EPF\)](#), [Social Security Organization \(SOCSO\)](#), and [Employment Insurance System \(EIS\)](#). Optional ones include health insurance and [voluntary time off](#). These are all important contributions that the employer of record can help manage to ensure compliance.

4. Compliance

The employer of record complies with Malaysian labor laws like [the Employment Act](#), which is the main law overseeing employment in Malaysia, and the



Industrial Relations, which regulates the relations between employers and employees and trade unions in Malaysia.

Additionally, the EOR guarantees compliance when it comes to payroll, taxes (like filing income tax returns with the IRBM by a specific deadline), benefits regulations, and termination procedures.

5. HR administration

An employer of record provides local, continuous HR support and conducts global HR processes for outsourced Malaysian hires, including recruitment, onboarding, and performance management.

Things to Consider When Choosing EOR Malaysia

When it's time to pick an employer of record Malaysia, you can make the most out of EOR services and boost employee satisfaction with the following features:

Local expertise

An employer of record should have a thorough understanding of Malaysia's laws and regulations to effectively implement HR and payroll processes, manage immigration procedures, administer benefits, and handle tax filings.

Also, EORs should typically have established networks that can connect you with Malaysian talents. Not to mention, they're expected to be familiar with local customs, culture, and business practices, which help them navigate cultural nuances.

Compliance track record

How is the EOR's compliance track record looking? Are they responsive enough to keep you updated about their HR and payroll duties, experienced enough to run their services smoothly, and transparent about their processes? Verify their social proof and ensure that there aren't legal issues, compliance breaches, or negative reviews about them.

By confirming that their track record is clean, you can feel confident handing over your business's compliance liability.

Service offerings

What range of services is available by the EOR in question? Each business has its own specific EOR needs, so how well does each provider serve them?

Think payroll, fringe benefits management, compliance requirements, HR integrations, streamlined databases for maintaining employee records, and financial packages.

Technology platform

Ideally, you should seek an employer of record that provides access to remote management tools and global payroll solutions, which adhere to local regulations and payroll deadlines.

This software may help with employee onboarding (like signing local employment contracts), payroll processing, and benefits administration. It may alert you to local regulation updates and ensure that your business remains fully compliant and error-free.

References and testimonials

To verify an EOR provider's track record, you can look at references, reviews, and testimonials. Looking at current and former clients' reviews, ratings, and testimonials on unbiased sites tells you how satisfied they are with the services.

Challenges and Risks for Malaysia Employer of Record

Understanding the challenges for an employer of record in Malaysia enables you to optimize the process, anticipate potential hurdles, and prepare for them.

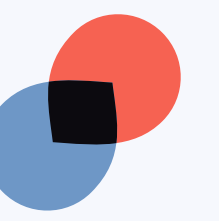
Complex Malaysia employment law

Malaysian labor laws and regulations are certainly complex. Mostly falling under the Employment Act of 1955, this legislation regulates payroll, tax filing, working hours, working arrangements, working conditions, time off, benefits, and overtime.

The complexity within any piece of legislation comes from minding different factors, such as economic growth, employee well-being, living costs, and social issues. It attempts to be fair to all employees while minding their different social, gender, religious, and economic backgrounds.

Along with that, it does so while ensuring that the rights of employees don't present a burden on employers to the point where it impacts economic growth negatively.

As an employer, you don't want to spend more time maneuvering the complexities of Malaysian employment law than on your business operations, which is where an employer of record Malaysia comes in.



Protecting employee data

Hiring an employer of record in Malaysia means entrusting a third-party provider with your employee data, which introduces certain risks regarding data protection.

An employer of record must protect employee data by complying with the Personal Data Protection Act 2010 and processing data security. For that, they should possess robust data protection and secure technology for the protection of corporate information and intellectual property.

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Payroll

1 Edit | 2 Review | 3 Summary

Employee | Country | State | Compensation

Chloe Tan	Singapore	In Progress	\$SGD 2,500.00
Peter Chan	Hong Kong	In Progress	HKD 2,300.00
Luiz Garcia	Philippines	Done	
Lovely Tan	Indonesia	Done	

Shux Mazur
Chief People Officer at Endowus

Having a single source of truth has definitely improved the accuracy of our data and reporting.

Lovely Tan
Philippines Country head of People at Qashier

Reports that used to take three to five working days can now be done in half the time

Chloe Tan
Product Manager Indonesia

21 Worked Days OCT 2024

\$ SGD 4000 Monthly Salary

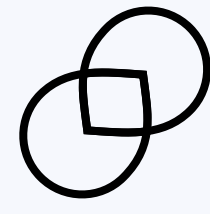
\$ SGD 200 Bonus

\$ SGD 310 CPF (Employer)

\$4998 Net Salary

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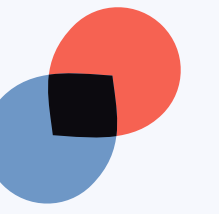
💰 Transparent pricing
⚡ Fastest implementation on the market
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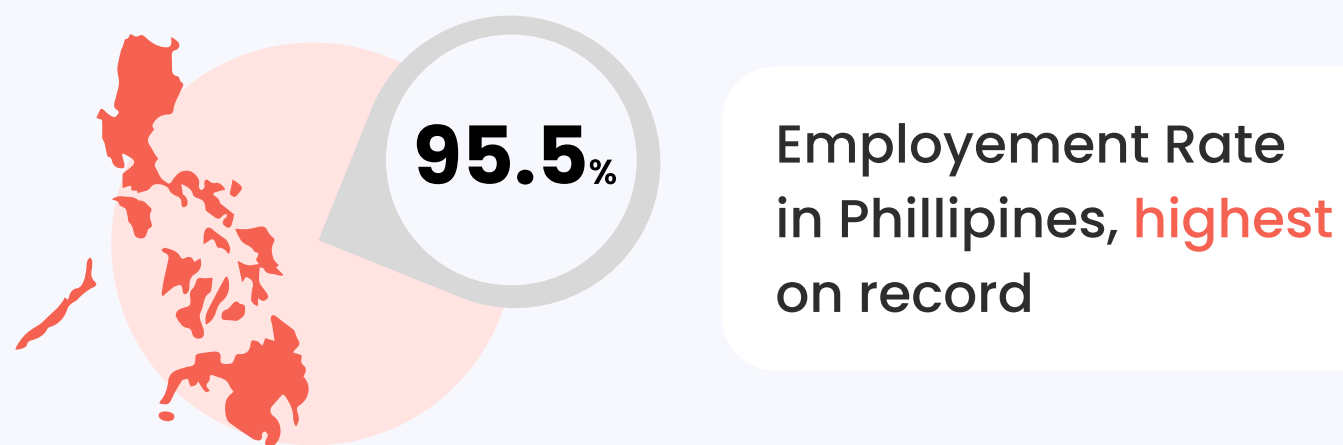
PHILIPPINES





Estimated population	109.03 million
Capital	Manila
Languages frequently used	Filipino, English, Tagalog
Currency	Philippine Peso
Minimum wage	PHP645 per day
GDP	USD\$437.15 billion

The Philippines is an attractive place to do business in. With a high English literacy rate, a growing economy, and a robust tech sector, it's no wonder that as of 2024, the Philippines has an employment rate of 95.5%—its highest on record.



If your organization has plans to expand to the Philippines, it needs to be ready for the complexity that goes along with it. One solution to mitigate these potential problems is working with an employer of record. Having a representative to handle the HR and legal issues with local expertise can be a game changer.

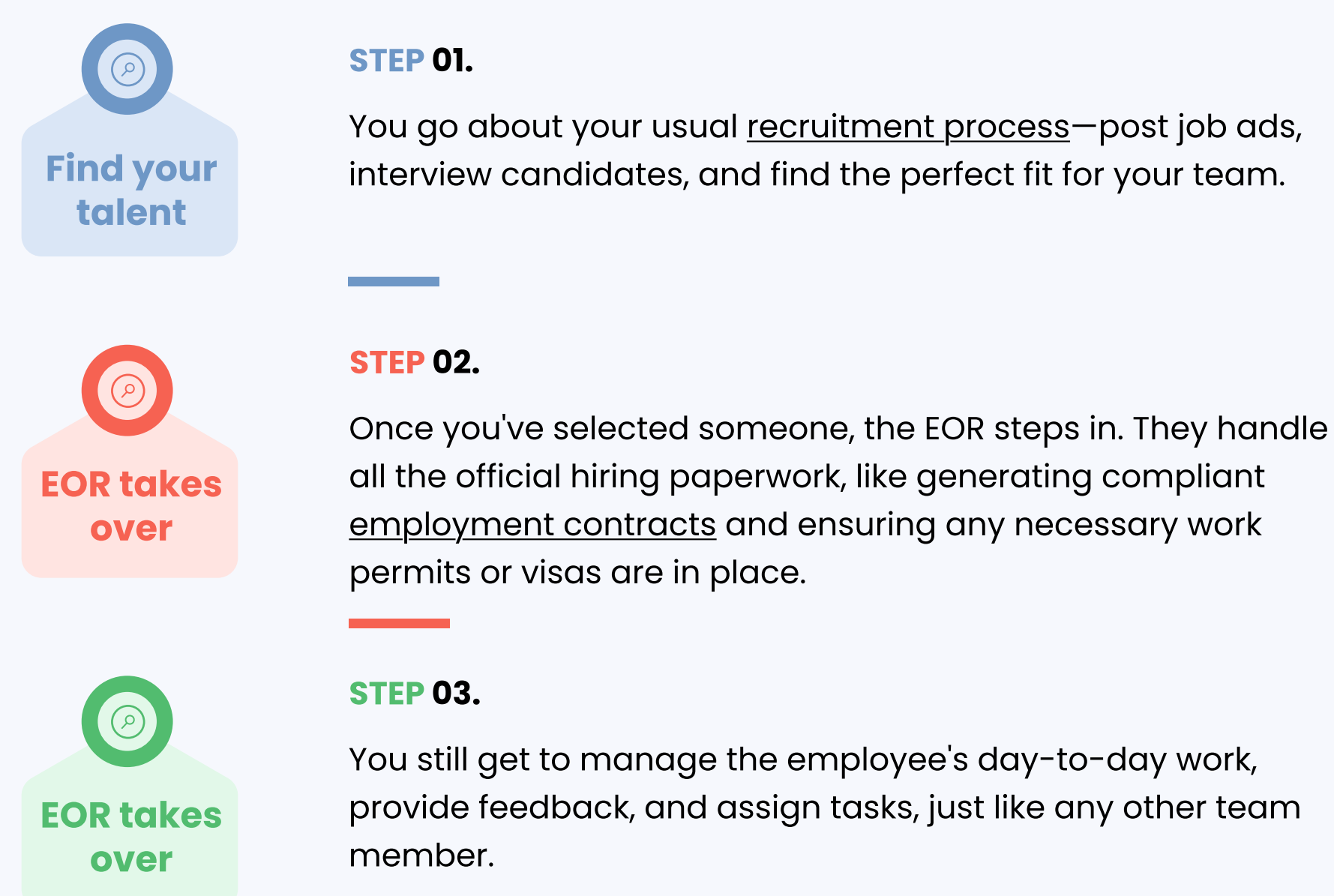
Relevant reading:

⌚ 12 min read

What Is a Professional Employer Organization (PEO)? Understanding the Pros & Cons

How does EOR Philippines work?

1. Hiring process



2. Employment contract

Local expertise: The EOR makes sure all employment contracts comply with Philippine labor laws and regulations. This includes things like minimum wage, leave entitlements, and termination procedures.

No more legal jargon worries: You don't need to be an expert in Philippine employment law. The employer of record ensures all contracts are legally sound and protect both you and your employee.

3. Payroll and benefits

Payroll made easy: The EOR handles all the calculations and processing of payroll, including tax deductions and mandatory contributions like SSS contributions, PhilHealth, and Pag-IBIG.

Benefits management: They can also help you set up and administer employee benefits, ensuring compliance with local requirements and offering attractive packages to your team.

On-time payments: Forget about missed paydays. The EOR ensures your employees receive their salaries on time, every time.

4. Compliance

Labor law expertise: The EOR stays on top of the ever-changing labor laws and regulations in the Philippines, ensuring your company remains compliant and avoids any legal headaches.

Tax and social security: They handle all payroll tax calculations, deductions, and remittances to the relevant authorities, as well as manage your employees' social security contributions.

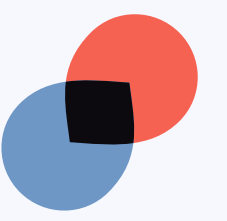
Work permits and visas: If you're hiring foreign workers, the EOR can assist with obtaining the necessary work permits and visas, navigating the complex immigration process on your behalf.

5. HR administration

Onboarding and offboarding: The EOR handles the entire employee lifecycle, from onboarding new hires to managing terminations and exit procedures, in compliance with local laws.

Time and attendance tracking: They can implement systems to track employee attendance, leaves, and absences, ensuring accurate payroll calculations and adherence to company policies.

Employee data management: The EOR maintains secure and up-to-date records of all employee data, including personal details, employment contracts, and performance reviews.



Employee support: They can act as a point of contact for your employees in the Philippines, addressing their queries and concerns regarding payroll, benefits, and other HR matters.

In essence, an EOR takes the complexity out of managing your Philippine workforce. They act as your local HR partner, handling all the administrative, legal, and compliance aspects of employment, allowing you to focus on growing your business and achieving your strategic goals.

Things to Consider When Choosing EOR Philippines

Selecting the right employer of record in the Philippines is crucial for a smooth and successful global expansion in the Philippines. With several providers vying for your attention, it's important to be discerning and make an informed decision. Here are five key factors to consider:

Local expertise

In-depth knowledge of Philippine laws: Make sure your EOR has a deep understanding of Philippine labor laws, tax regulations, and compliance requirements. They should be able to navigate the complexities of the local legal landscape and ensure your company stays on the right side of the law.

Cultural awareness: A successful EOR should also have a strong grasp of Filipino workplace culture and communication styles. This will help them bridge any cultural gaps and facilitate smooth interactions between you and your employees.

Compliance track record

Look for an EOR with a proven track record of compliance in the Philippines. Ask for references from other companies they've worked with and research their reputation in the industry.

Make sure to choose an EOR that is transparent about their compliance procedures and can provide evidence of their adherence to local laws and regulations.

Service offerings

Beyond basic payroll and tax services, a good EOR should offer a comprehensive suite of HR solutions, including onboarding, benefits administration, employee data management, and even local support for your employees.

Your business needs are unique. Look for an EOR that can tailor their services to your specific requirements and scale with your company as it grows.

Technology platform

An intuitive and easy-to-use platform can simplify payroll and HR management for both you and your employees. The EOR's system should integrate seamlessly with your existing HR and payroll software to ensure smooth data flow and avoid manual errors.

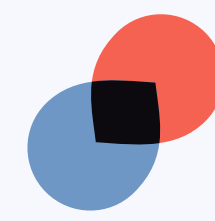
Choose an EOR that prioritizes data security and has robust measures in place to protect sensitive employee information.

References and testimonials

Don't hesitate to ask potential EOR providers for references or testimonials from their existing clients. This will give you valuable insights into their service quality, reliability, and customer satisfaction.

Read online reviews and ratings from other businesses that have used the EOR's services. This can help you gauge their reputation and identify any potential red flags.

By carefully evaluating these five key factors, you can choose an EOR partner that empowers your business to expand seamlessly into the Philippines. Remember, a good EOR is more than just a service provider; they're your strategic ally in navigating the complexities of global hiring and ensuring your company's success in a new market.



Challenges and Risks for Philippines Employer of Record

While an EOR can be a game-changer for global expansion, it's important to be aware of some potential challenges and risks you might encounter when operating in the Philippines:

Complex Philippine employment law


Ever-changing regulations: Philippine labor laws are intricate and subject to frequent updates. It's crucial to partner with an EOR with deep expertise in local regulations to ensure ongoing compliance.

Cultural nuances: Understanding Filipino workplace culture and expectations is essential for effective employee management. Your EOR should be able to bridge any cultural gaps and facilitate smooth communication between you and your employees.

Protecting employee data

Data privacy laws: The Philippines has strict data privacy laws, and any mishandling of employee information can lead to severe penalties. Your EOR must have robust data security measures in place and comply with all relevant regulations.

Data transfer. If you're transferring employee data outside the Philippines, ensure it's done securely and in compliance with data protection laws.

 **Asia-friendly times.** No alarm clock needed!

Leave the admin and onboarding to us

Onboarding - Sydney Team

Task	Reimbursed	Assign To	Actions
Purchase a laptop	7 days before start date	IT department	
Enrol in insurance	5 days before start date	Michael Bronson	
Welcome lunch	2 days after start date	Manager	
Choose a task	Choose a task first	Assignee	

Onboarding

Template Settings

Name of Task: Complete new hire onboarding form

Send Date: 7 Days Before Start date

Task is Due: 3 Days Before Start date

Which forms do you want to include?


Request for information to be filled up

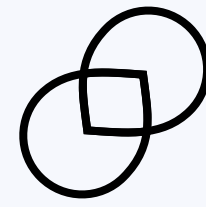
Request for documents to be uploaded

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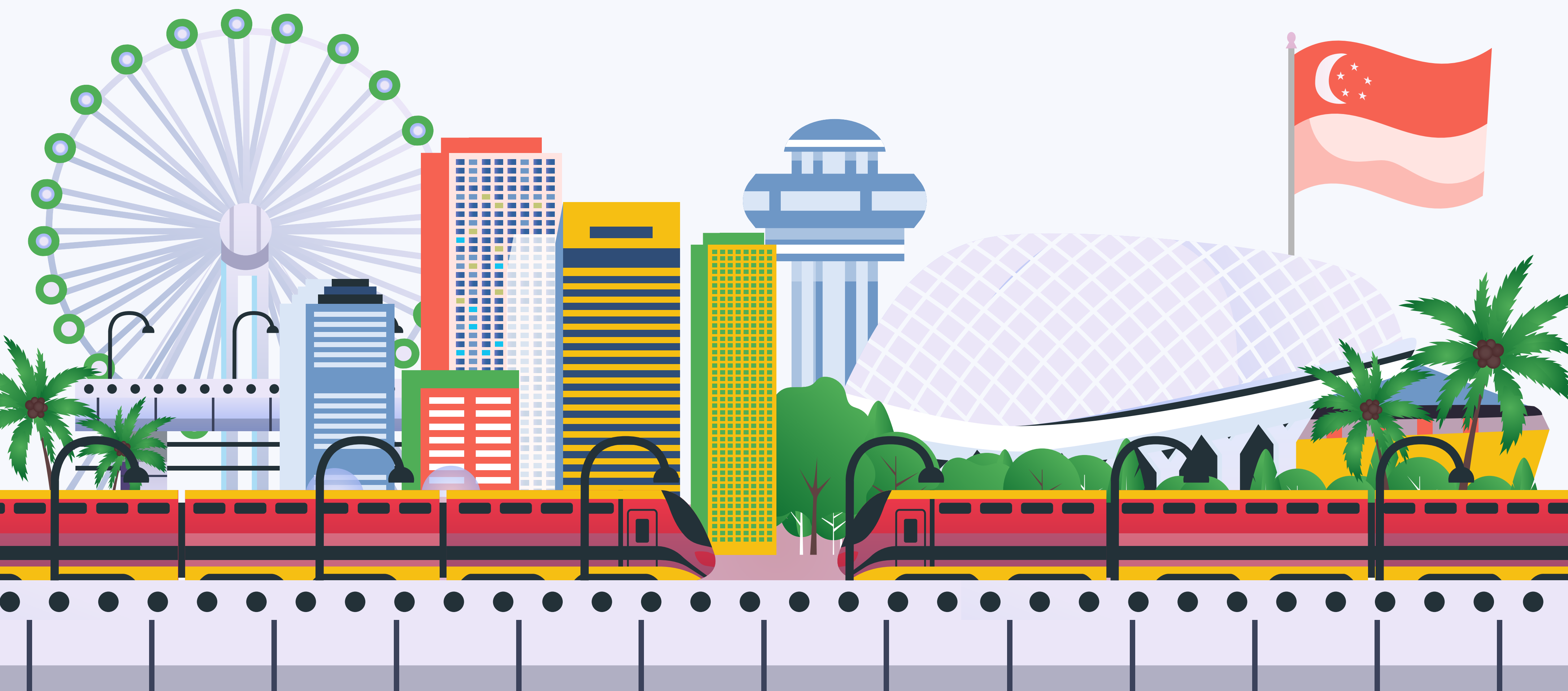
 Fastest implementation on the market

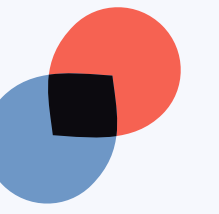
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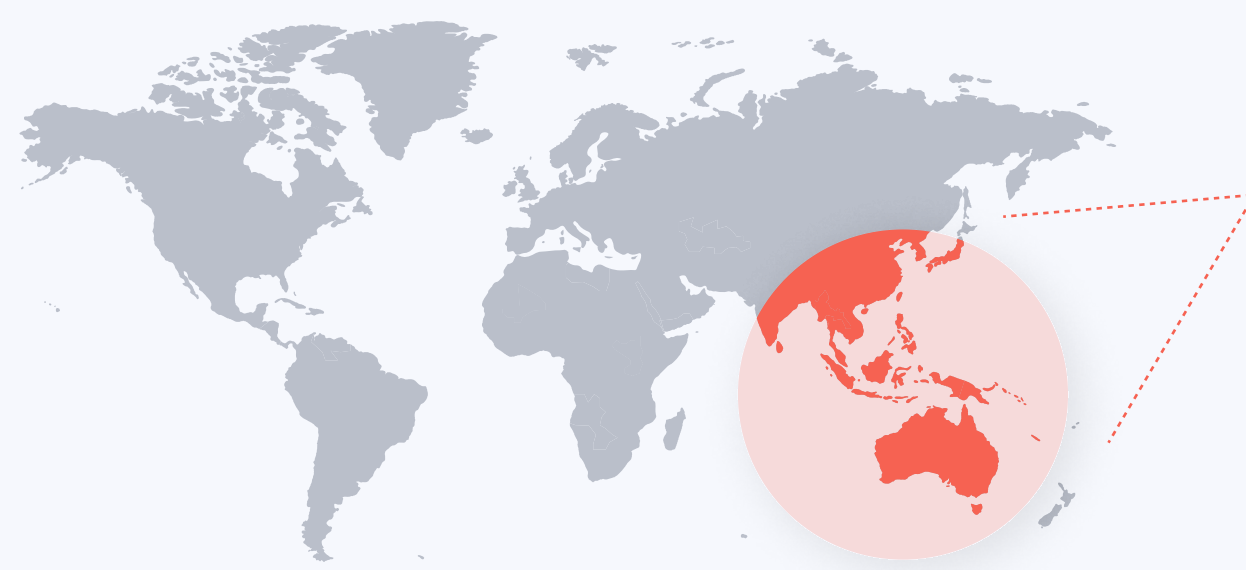
SINGAPORE





Estimated population	5.83 million
Capital	Singapore
Languages frequently used	English, Tamil, Malay, Mandarin
Currency	Singapore Dollar
Minimum wage	No minimum wage
GDP	USD\$673 billion

With a population of under six million and a labor force participation rate of 68.6%, Singapore is fertile ground for expanding your business or hiring remote employees. But employing labor in Singapore can be tricky, especially if it's your first time hiring there or your organization doesn't have the resources or expertise to handle the complexities of global expansion. Working with an Employer of Record Singapore is the safer option for many companies. Atlas reports that 30% of APAC countries use EOR services to tackle hiring problems, retain talent, and solve other international expansion challenges.



30%

of APAC countries use EOR services to tackle hiring problems, retain talent, and solve other international expansion challenges, as per Atlas

How does an employer of record work in Singapore?

An EOR in Singapore acts as the legal employer for your workforce. Here's how it works:

1. Hiring process

Singapore's employment law is based on several regulations, including:

- [The Employment Act](#)
- [The Child Development Co-Savings Act](#)
- [The Employment of Foreign Manpower Act](#)
- [Work Injury Compensation Act](#)
- [The Workplace Safety and Health Act](#)

Besides ensuring full compliance with these regulations, an EOR helps you find the right candidates. Simply list your desired skills and qualifications in a candidate, and your EOR services in Singapore will assist in recruiting suitable talent.

Ultimately, they help you save time, money, and the effort you'd have spent on screening several applications to find the perfect match. And once they find a new hire, the employer of record also manages the onboarding process and prepares the necessary documentation.

2. Employment contract

After recruitment and hiring, the EOR drafts an employment contract that complies with Singaporean legal standards.

An employment contract in Singapore spells out the rights and obligations of the employer and employee. The key terms included in the contract are:

- Job title and description
- Employment commencement date
- Employment duration for temporary contracts
- Working hours, work days per week, and rest days
- Workplace details (optional)
- Salary, overtime pay, bonuses, and other forms of compensation.
- Probationary period
- Allowances and deductions
- Types of leave
- Additional medical benefits
- Identities of both parties (employer and employee) involved
- Notice periods for termination of employment

Additional resource

⌚ 12 min read

[How to Define Your Employee's Job Scope \(With a Template!\)](#)

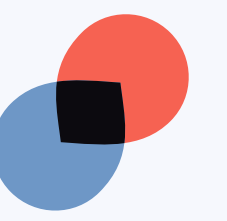
3. Payroll and benefits

Once the EOR legally employs the candidate on your behalf, they register the new employee for payroll and prepare payslips every month while making the necessary deductions.

Singapore's Employment Act specifies that an employee's salary must be paid at least once a month within seven days after the end of a salary period. It also stipulates that additional payments for overtime work must be paid not later than 14 days after the last day of the salary period during which the employee performed the overtime work.

4. Compliance

Navigating Singapore's Employment Act, payroll systems, and tax rules can be complex and lead to costly mistakes if not handled properly. What better way to solve this than collaborating with a company



well-versed in Singapore labor regulations?

An employer of record in Singapore helps you effectively manage your overseas payroll to ensure compliance and achieve consistent and accurate pay and tax withholdings for your Singapore-based employees. They're your company's global HR team that understands the complex labor laws and payroll regulations of the Singaporean landscape.

For example, a Singapore worker record understands that all Singapore-sourced income is taxable regardless of resident status. Hence, they can make the necessary deductions on your behalf to align with taxation in Singapore. By partnering with an employer of record, your company can legally and efficiently engage with Singapore employees without worries.

5. HR administration

The employer of record also handles HR tasks such as payroll, taxes, benefits, performance reviews, employee relations, and disciplinary actions. The EOR is the main point of contact between your Singaporean employees and your company for HR-related matters. They ensure HR practices align with local laws and company policies.

Things to Consider When Choosing EOR Services in Singapore

Before working with any EOR services in Singapore, consider the following:

Local expertise

Ensure the Singapore EOR services company thoroughly understands the country's tax regulations and compliance requirements. They must have local expertise regarding the Employment Act, CPF contributions, work permits, and other legal employment matters to avoid penalties, fines, or other legal issues.

Furthermore, they must have legal entities, networks, and resources to handle Singapore's operational requirements like payroll processing and benefits administration.

Compliance track record

Check for reviews on third-party sites like G2 or Trustpilot to be sure the Singapore EOR has actually achieved compliance for past clients. A good employer of record should have a strong track record that proves their expertise in achieving compliance for businesses similar to yours.

Service offerings

Weigh the various services the EOR offers to ensure they can handle all aspects of employment and support your employees well enough.

An ideal employer of record Singapore should offer a comprehensive package that comprises relevant HR support and employee relations throughout the employee lifecycle. They include:

- Recruitment and hiring support
- Employment contracts
- Visa and work permit applications
- Employee benefits administration
- Payroll management
- HR advisory services
- Employee termination

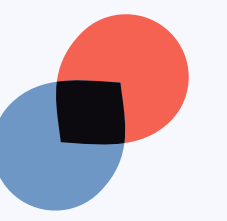
An EOR with extensive service offerings can save you time and money, freeing your company from administrative burdens.

Technology platform

Assess the technology platforms the EOR provider uses for human capital management, payroll processing, and communication. This is necessary as a centralized, secure, and user-friendly platform will double efficiency, ensure data accuracy, and achieve clear communication between your company, the EOR, and your employees.

References and testimonials

Check for client testimonials and case studies that demonstrate the EOR's reputation, work ethic, and successes. If their clients' feedback is positive, the provider is more likely to deliver reliable and compliant services.



Challenges and Risks for Singapore Employer of Record

Complex Singapore employment law


While EOR services specialize in navigating complex regulations, there's still a risk of compliance. For one, Singapore's legal environment may change over time, and if your EOR Singapore fails to adapt promptly, your business may incur fines, increased costs, operational delays, or other legal consequences.

Protecting employee data

Singapore's 2021 Pandora papers leak reveals that any organization can be hacked or suffer data leaks if it lacks the right data protection systems.

Since a third party will be handling your employment affairs in Singapore, there is a risk of employee data breaches. Hence, the chosen employer of record services in Singapore should adopt strict data protection standards to safeguard your data from the wrong hands.


Ensure your EOR company works in line with the Personal Data Protection Act (PDPA) Singapore. The PDPA comprises the demands governing the collection, use, disclosure, and protection of personal data in Singapore. It also recognizes organizations' need to collect and use employee data for legitimate purposes while protecting such data.

 Asia-friendly times. No alarm clock needed!


Get local support that actually understands Asia

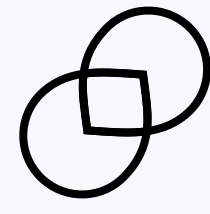


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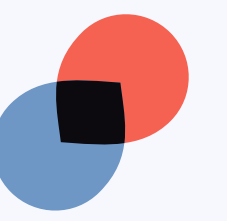
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Global **Employer of Record** Guide
for Asia-Pacific

TAIWAN





Estimated population	23.18 million
Capital	Taipei City
Languages frequently used	Taiwanese Hokkien, Mandarin
Currency	New Taiwan Dollar
Minimum wage	NT\$176 per hour
GDP	USD\$791.61 billion

Taiwan, a vibrant island with bustling cities, rich cultural heritage, and technological advancement. The nation boasts a population of around 23 million people, a well-educated workforce, and a healthy economy spurred on by industries including electronics, manufacturing, and services. Their market economy is heavily dominated by trade and export, and it is ranked high in terms of civil liberties, healthcare, and human development.

An employer of record, also called a Professional Employer Organization (PEO), takes on the legal responsibility of employing staff on behalf of a company. This includes payroll, tax compliance, fringe benefits, and other administrative tasks. The EOR model allows businesses to hire employees in Taiwan without the necessity of setting up a legal entity in the country.

How does an employer of record in Taiwan work?

With an employer of record, your journey on expanding to Taiwan will be much more smooth sailing. Here's how:

1. Hiring process

The employer of record in Taiwan will handle all the hiring processes on your behalf. With their local knowledge, they can source and recruit competent candidates that are fitting your requirements. As they are well-versed in Taiwan's job market, the EOR can navigate their way through any language or culture barriers with ease, making the hiring process quicker and more efficient.

2. Employment contract

Once the ideal candidate is identified and selected, the employment contract is drafted and maintained by the EOR. These contracts are tailor-made for Taiwanese labor laws and include

important topics such as job scope, remuneration, and termination conditions. In this way, you and the performing employee will be on the same page as to what exactly is expected of the employee and avoid misunderstandings and disputes that may occur.

3. Payroll and benefits

The EOR also assumes total responsibility for payroll and ensures that salaries are paid in a timely and accurate manner. They handle tax withholdings and social security contributions like Labor Insurance and National Health Insurance (NHI) in compliance with local regulations. The employer of record also manages employee benefits, covering health insurance and pensions to ensure all statutory and company-specific benefits are provided.

4. Compliance

From the labor law standpoint, it is compulsory for your company to follow Taiwanese labor-related laws such as the Labor Standards Act (LSA). The employer of record will ensure your company is liable for all the legal issues required in the domain of employment, tax, and laborers' rights, reducing the risk of receiving any legal issues or fines.

5. HR administration

The employer of record also manages day-to-day HR administration tasks. This includes maintaining employee records, handling leave requests, and addressing any HR-related queries or issues.

Things to Consider When Choosing Employer of Record Taiwan

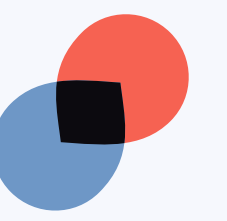
Selecting the right employer of record is necessary for your successful expansion into Taiwan. Here are some key factors to consider:

Local expertise

You have to ensure the EOR has deep knowledge of the Taiwanese market. Their understanding of local culture, language, and business practices will be invaluable in hiring and managing employees in Taiwan. You can find reviews online and ask business associates in Taiwan for recommendations.

Compliance track record

You can also check the EOR's history of compliance with Taiwanese labor laws. A strong track record in legal compliance ensures your business avoids potential legal issues and penalties, providing peace



of mind. One practical way to do this is to check their website and look at companies they've worked for to evaluate their track record.

Service offerings

Also, you should evaluate the range of services the EOR provides. Beyond payroll and benefits, look for additional support in areas like recruitment, employee training, and performance management. Hiring an employer of record in Taiwan with a comprehensive service package can simplify your business operations.

Technology platform

It's also best to consider the technology platform the EOR uses to manage HR processes. A user-friendly HR software like Omni can streamline payroll, benefits administration, and employee management, making it easier for your workplace to be efficient.

References and testimonials

This is intertwined with some of the factors above; references and testimonials from other companies that have used the employer of record's services will help you evaluate if they're a good fit for you. Positive feedback from satisfied clients will give you confidence in the Taiwan PEO's ability to meet your business needs.

Challenges and Risks for Taiwan Employer of Record

When using a Taiwan PEO, you should be aware of potential challenges and risks like:

Complex Taiwan employment law

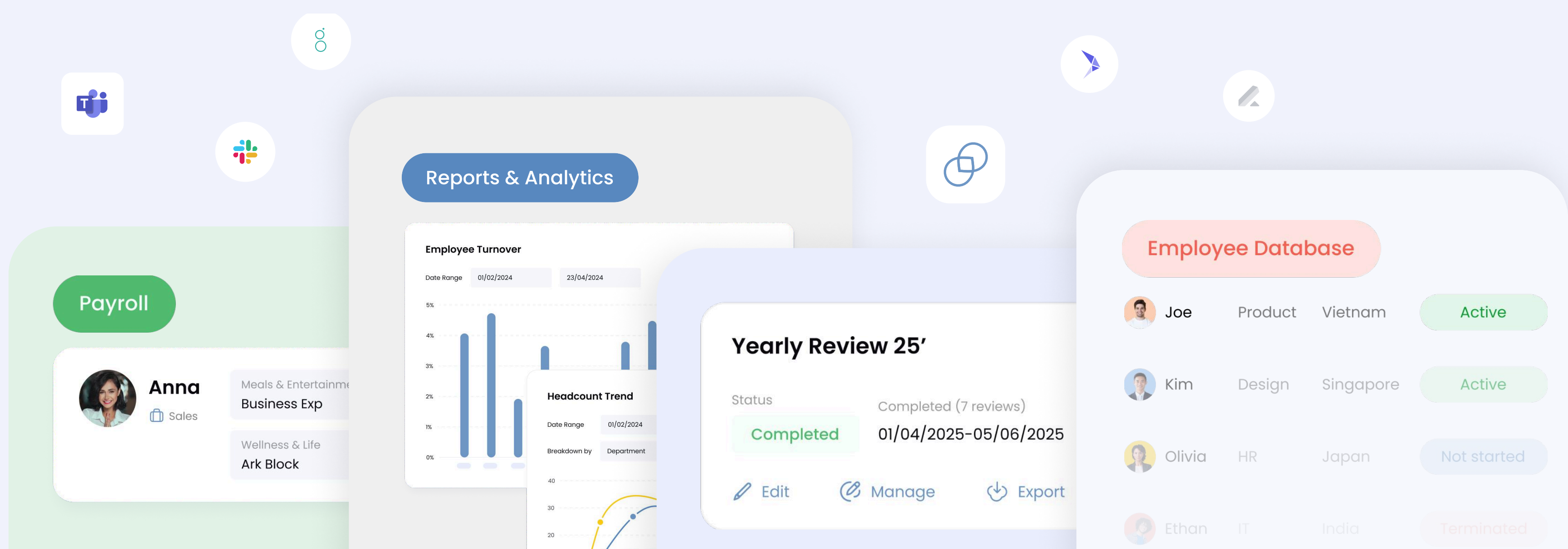
Taiwan's employment laws are constantly evolving, and businesses need to always adjust. For new businesses, navigating labor laws around contracts, benefits, and terminations requires expertise. As mistakes can lead to legal complications or financial penalties, this is why you need to work with an EOR that has a comprehensive understanding of local laws.

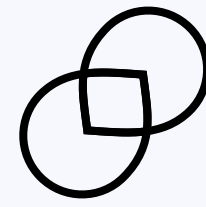
Protecting employee data

Data protection is a big deal in today's world, especially with the increasing focus on privacy regulations as regulated by Taiwan's Personal Data Protection Act (PDPA). The chosen EOR should implement strict data security measures to safeguard sensitive information about employees. It should be pursued with due compliance regarding local and international data protection laws to avoid breaches of trust.

Save time and grow your business with HR tools built for modern businesses

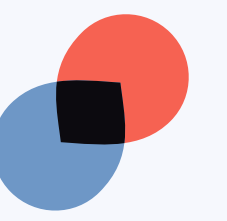
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Global **Employer of Record** Guide
for Asia-Pacific





Estimated population	71.65 million
Capital	Bangkok
Languages frequently used	Thai
Currency	Thai Baht
Minimum wage	THB\$354 per day
GDP	USD\$548.89 billion

Thailand offers a stable and attractive business environment suitable for global expansion. As evidenced by Statista, 99% of the Thai population was employed in 2023. Buttressing the country's economic strength, McKinsey highlights a 2.3% GDP growth rate in the second quarter of 2024, up from 1.6% in the first quarter.

However, while Thailand's labor market is rich with opportunities, hiring and managing local talents poses challenges. Strict compliance requirements, cultural nuances, and administrative burdens can complicate the entire process.

That's where a Thailand Employer of Record (EOR) steps in. As a third-party organization, a Thailand employer of record legally hires workers, manages payroll, and ensures compliance with local employment regulations on behalf of your company.

How does an EOR Thailand work?

1. Hiring process

An employer of record in Thailand helps your business find and hire the right talent during recruitment. They know the demands of the Thai local job market and the job portals, such as JobsDB, to find the right talent for your needs. All you need to do is specify your preferred candidate requirements, and the EOR will scout candidates, schedule screening interviews, and recruit the best Thai talents while ensuring compliance throughout the process.

2. Employment contract

After recruiting a new hire, a Thai employer of record drafts an employment contract that complies with Thai labor laws such as the Labor Protection Act (LPA), protecting both the employee and the client company. The employment agreement includes crucial terms such as job scope, start date, salary, benefits, working hours, rest days, probation periods, and termination policies like notice periods and severance pay.

3. Payroll and benefits

Once the Thailand EOR legally employs a candidate, they set up payroll for the new employee and prepare payslips every month. First, they choose a payroll system compliant with government regulations and your company policy, then assign workers Tax Identification Numbers (TIN). They also calculate and process pay in Thai Baht and withhold tax, insurance contributions, and other mandatory deductions for compliance.

[Learn more](#)

🕒 12 min read

[How to Run Payroll in Thailand](#)

4. Compliance

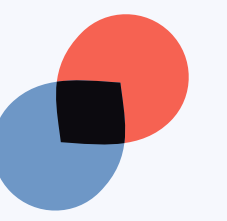
The EOR also stays informed of any regulatory updates, such as minimum wage adjustments, tax rates, or new labor protections. They ensure these changes are reflected in employment activities such as proper documentation and statutory filings.

For instance, the Labour Protection Act B.E. 2541 mandates all employers to provide annual holidays of no fewer than six working days to Thai employees who have worked consistently for one year. Similarly, employers must give workers at least one hour of rest after every five working hours.

This streamlined compliance helps you avoid administrative burdens and legal consequences, allowing you to focus on other crucial business operations and employee relationships.

5. HR administration

An employer of record provides continuous support for employees and manages routine HR tasks, such as onboarding, payroll, taxation, benefits, employee relations, performance reviews, and disciplinary actions. They become the main point of contact between your Thai hires and your company for HR-related matters.



Things to Consider When Choosing EOR Services in Thailand

Consider the following before choosing an EOR Thailand:

Local expertise

Before investing in a Thailand employer of record, evaluate their knowledge and experience with the Thai hiring environment. Ensure the Thailand EOR thoroughly understands the local employment regulations and compliance requirements, including the Labor Protection Act (LPA), tax implications, Social Security Fund contributions, work permits, and other crucial Thai-specific labor laws.

This expertise is necessary to navigate the Thai employment landscape and avoid legal penalties. Furthermore, the EOR must be familiar with local customs, culture, and business practices and have established networks that ease their operations.

Compliance track record

Non-compliance can cost your company financial losses and reputational damage. So, when choosing an EOR Thailand, review their track record for achieving compliance, especially regarding payroll processing, taxation, and benefits administration. Check for reviews on third-party sites to ensure that your chosen Thailand employer of record is well-experienced and competent in handling delicate business matters for clients.

Service offerings

Confirm if the EOR Thailand services meet your company's needs and growth trajectory. This is important as your business may need to scale up or down, depending on its needs.

Regardless, an ideal employer of record offers a comprehensive HR package that includes advisory services, hiring, work permit applications, payroll management, employee contracts, and termination.

Technology platform

Weigh the HR tools and [global payroll](#) solutions the EOR uses for onboarding, employee relations, payroll processing, and communication to ensure compliance with local regulations. A centralized, secure, and user-friendly technology platform is necessary for achieving compliance, efficiency, data accuracy, and clear communication between your company, the EOR, and your employees.

References and testimonials

Check for industry reviews, [client testimonials](#), and [case studies](#) on third-party sites like [G2](#) or [Trustpilot](#) that prove the employer of record has a great work ethic and a track record of success. Also, request references from past and present clients who have used their services in Thailand. If the feedback is positive, the EOR will likely deliver excellent services.

Challenges and Risks for Thailand Employer of Record

Aside from the benefits it brings, here are some challenges and risks that you need to account for if you choose to utilize an employer of record.

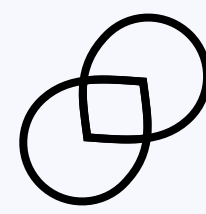
Complex Thailand employment law

Thai labor legislation is subject to frequent changes, including laws regarding taxation, employee protection, employment contracts, benefits, and termination. So, if your employer of record doesn't adapt to evolving regulations, it can cause increased costs, fines, operational delays, labor disputes, or other legal penalties.

Protecting employee data

Hiring an employer of record in Thailand means handing over your employment affairs to a third-party provider. As such, you may encounter risks regarding employee data protection and breaches. Hence, your Thailand employer of record must have robust data protection standards to protect your corporate information and intellectual property.

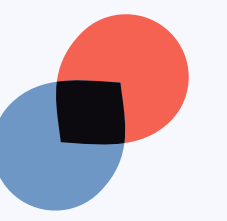
Thailand's [Personal Data Protection Act \(PDPA\)](#), which took effect on 1 June 2022, regulates and protects how businesses handle personal data. It applies to all businesses operating in Thailand and foreign businesses offering services or products to Thai residents.



Global **Employer of Record** Guide
for Asia-Pacific

VIETNAM





Estimated population	101.19 million
Capital	Hanoi
Languages frequently used	Vietnamese
Currency	Vietnamese Dong
Minimum wage	VND\$4.68 million per month
GDP	USD\$429.72 billion

Vietnam is recognized as one of the fastest-growing economies in Asia, with key sectors including manufacturing, technology, agriculture, and tourism. Given these favorable conditions, it's no wonder that many businesses are eager to expand their operations in the country. To facilitate expansion, many companies utilize an employer of record.

An employer of record Vietnam allows businesses to navigate Vietnam's regulatory landscape effectively, ensuring they can focus on growth while adhering to necessary legal requirements, thus unlocking the potential of this vibrant market.

How does an employer of record services in Vietnam work?

1. Hiring process

Vietnam is an attractive destination for businesses due to its growing economy and highly skilled workforce. For example, the country has a large number of IT professionals, producing about 50,000 graduates annually, making it a rapidly growing center for tech talent. Vietnamese workers are also known for their adaptability and commitment to skill development, with 71% eager to enhance their capabilities.

An employer of record in Vietnam takes over the hiring process, from sourcing candidates, reviewing resumes, conducting screening interviews, to onboarding the new hire, ensuring the recruitment process is efficient and compliant with Vietnamese labor laws.

Read next

🕒 12 min read

[Global Hiring Guide: Vietnam](#)

2. Employment contract

Without an employment contract, businesses risk misunderstandings about job scope, pay, and legal rights. In Vietnam, having a contract is legally required. It protects both the employer and employee by clearly stating the terms of employment, such as salary, benefits, and working conditions. An employer of record ensures that the contract follows local labor laws, preventing disputes and legal issues. Without a proper contract, companies can face penalties and difficulties in managing their employees.

3. Payroll and benefits

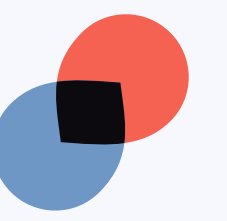
According to the Vietnam Labor Code, employers are required to adhere to the minimum wage and pay employees in full and on time, including salaries, overtime, and bonuses. They must also provide mandatory benefits such as social insurance, health insurance, and unemployment insurance. Working with a Vietnam employer of record simplifies this process by ensuring full compliance with these regulations, including managing deductions and contributions accurately, preventing legal complications, and ensuring that employees receive their full entitlements.

4. Compliance

An employer of record in Vietnam manages compliance by taking on the legal responsibilities associated with employment, such as minimum wage, employment contracts, employment benefits administration, and workplace safety standards. They actively track labor laws and update their clients on any changes in policies or procedures. For instance, employing foreign workers without valid work permits can lead to significant penalties, including fines ranging from VND 500,000 to VND 3,000,000 for employers who fail to comply with labor laws regarding work permits and contracts. An EOR manages the entire process of obtaining necessary work permits and ensures that all employees are legally authorized to work in Vietnam, thus preventing potential legal disputes and financial liabilities associated with non-compliance.

5. HR administration

All day-to-day HR tasks, such as managing employee performance and handling grievances and maintaining employee records, are managed by the EOR. This frees up the client company to focus on their core business activities.



Things to Consider When Choosing Employer of Record Vietnam

Local expertise

If you want to work with an EOR in Vietnam, it's essential to choose one with strong local expertise. An EOR with deep knowledge of Vietnam's labor laws, tax regulations, and cultural nuances will ensure your business remains compliant and operates smoothly. They will also be better equipped to manage local talent effectively, ensuring a positive employee experience while navigating the unique challenges of the Vietnamese market. This expertise can prevent costly mistakes and improve overall operational efficiency.

Compliance track record

An employer of record in Vietnam with a compliant track record means that the EOR has a proven history of adhering to local laws and regulations. For businesses looking to enter the Vietnamese market and carry out operations, this is important as it reduces the risk of legal penalties and employment disputes.

To learn more about their track record, you can research the EOR's reputation through testimonials and reviews from other businesses, particularly those in your industry. Also make inquiries about past instances where the EOR successfully navigated complex compliance issues. This can provide insights into their reliability and service quality.

Service offerings

Businesses have varying needs, and different employers of record in Vietnam offer a range of services. It's important to evaluate each Vietnamese employer of record to ensure they provide the specific services your business requires, such as payroll management, employee benefits administration, compliance support, and day-to-day HR tasks. You can ask for a detailed service proposal, which includes a breakdown of the services they offer to ensure they meet your specific needs. Additionally, you must consider the cost of each service to ensure it aligns with your HR budget.

Technology platform

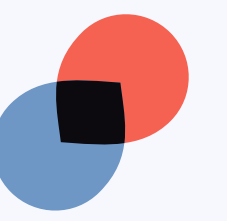
Assessing the right technology platform is also crucial when choosing an appropriate EOR for your foreign businesses. With a robust platform, you can expect efficient handling of payroll, compliance, and employee data. The right platform should offer user-

-friendly features, transparency, and real-time access to important information, helping you streamline HR processes and maintain control over your operations, even from abroad.

Request a demo that shows you a demonstration of how their technology platform works. It is at this stage that you pay attention to how it integrates with your existing HR systems and processes. A seamless integration can enhance data flow, reduce manual entry errors, and ensure that employee information is consistently updated across platforms.

References and testimonials

When in doubt about which EOR provider to choose, look for reviews online from social media platforms, industry forums, and business review sites. These sources can provide unfiltered feedback from other companies that have used the EOR's services. Additionally, reaching out directly to other businesses for testimonials or case studies can give you a clearer idea of the provider's reputation, reliability, and overall service quality. This helps ensure you make an informed decision before committing to an EOR.



Challenges and Risks for Vietnam Employer of Record

Complex Vietnam employment law

Vietnam's labor laws are intricate and change frequently. Employers must ensure compliance with local laws regarding employee contracts, working hours, social insurance contributions, and labor union requirements. An EOR must stay updated to avoid legal disputes or penalties.

Protecting employee data

Vietnam has regulations on data privacy and security, particularly for handling employee data. The employer of record Vietnam must comply with data protection laws and ensure they have secure systems to manage and store sensitive employee information.

For example, under the Personal Data Protection Decree (PDPD), which took effect on 1 July 2023, organizations must obtain explicit consent from employees before collecting or processing their personal data. This includes informing them about how their data will be used and ensuring secure storage and management of that information.

Non-compliance can lead to significant penalties, emphasizing the importance of robust data protection systems for employers operating in Vietnam.

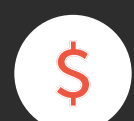
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Employee Data Management: How HRIS Can Help Achieve Accuracy and Security

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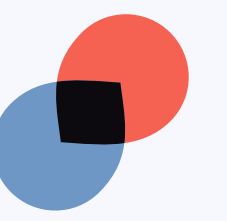
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Frequently Asked Questions

for Employer of Record

1. What is an EOR?

An employer of record is an independent organization that manages all employment-related tasks for companies without establishing a local legal entity.

2. How long does it take to hire an employee through an employer of record?

one to three weeks

(depending on the role's complexity, the candidate's availability, and the required documentation processes.)

Omni's EOR services offer seamless set up and onboarding within 5-7 business days. [Chat with our team](#) to get started.

3. What are the costs associated with using an employer of record?

The costs of using an EOR typically include:

- monthly service fees (based on the number of employees managed)
- payroll expenses
- setup costs
- bank charges.
- Hiring-associated costs such as salaries, contributions, employee benefits, and termination fees.

4. Can I terminate an employee through an employer of record?

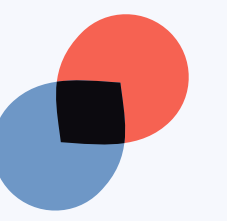
Yes, you can terminate an employee through an EOR. However, the offboarding process must comply with relevant labor laws to meet all legal requirements regarding notice periods and severance payments.

5. Does an employer of record provide benefits to employees?

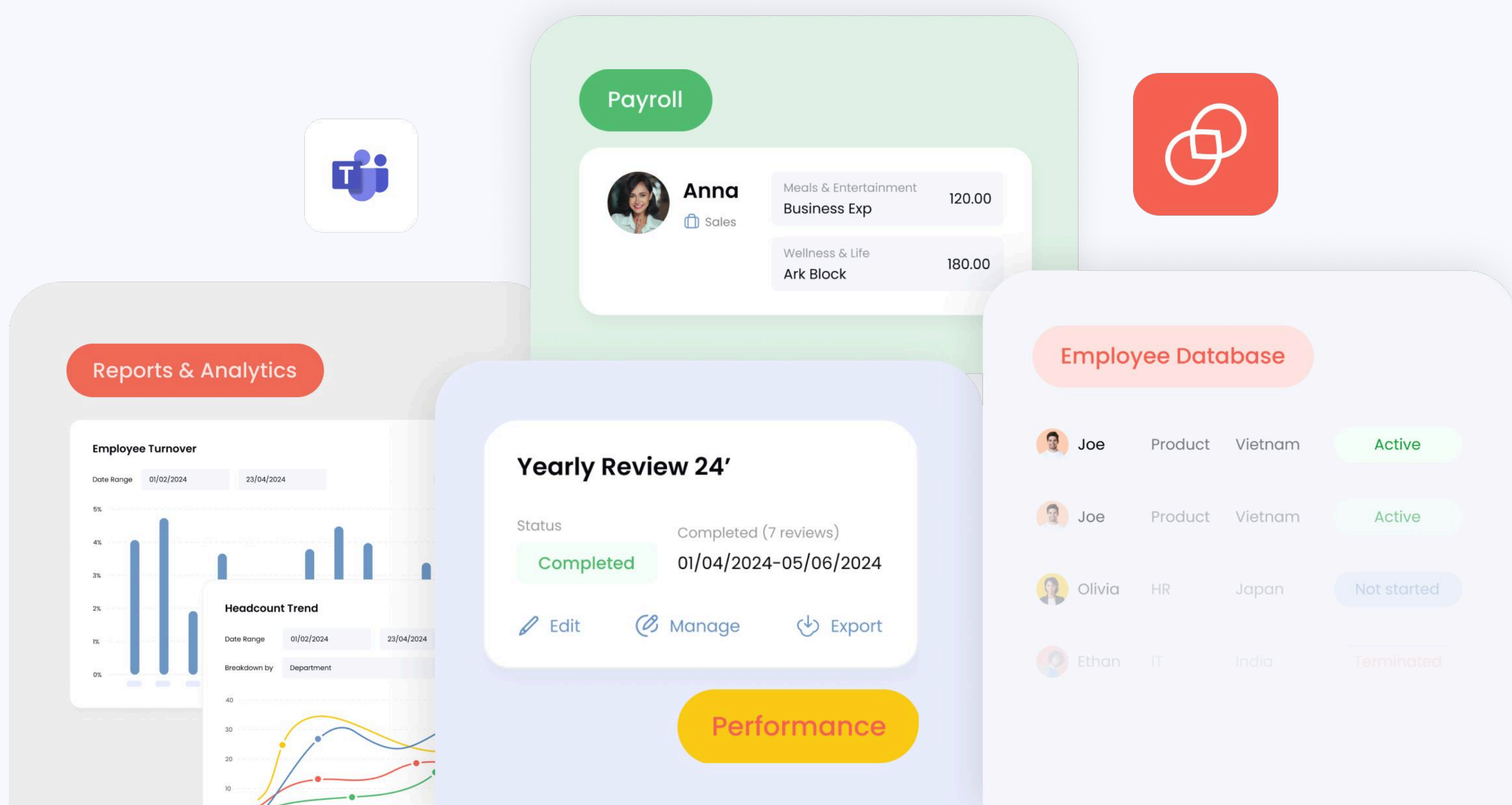
Yes, an employer of record administers employee benefits as part of their service. This includes health insurance, retirement contributions, paid leave, and other statutory benefits the local law requires. However, not all EORs do this; some may focus solely on legal compliance and payroll. So, identify your company's needs and ensure the EOR services align with them.

6. Can an employer of record help with visa and work permit applications?

Yes, an EOR can help with visa and work permit applications for foreign employees. They're well-versed in local regulations and are the legal employers responsible for handling all employment-related tasks, including obtaining work permits and visas.



Grow Your Global Team with Omni



Omni makes it easy to support employees across multiple countries, time zones, and currencies with EOR support and multi-country payroll across Asia Pacific.

How Omni supports global team expansion

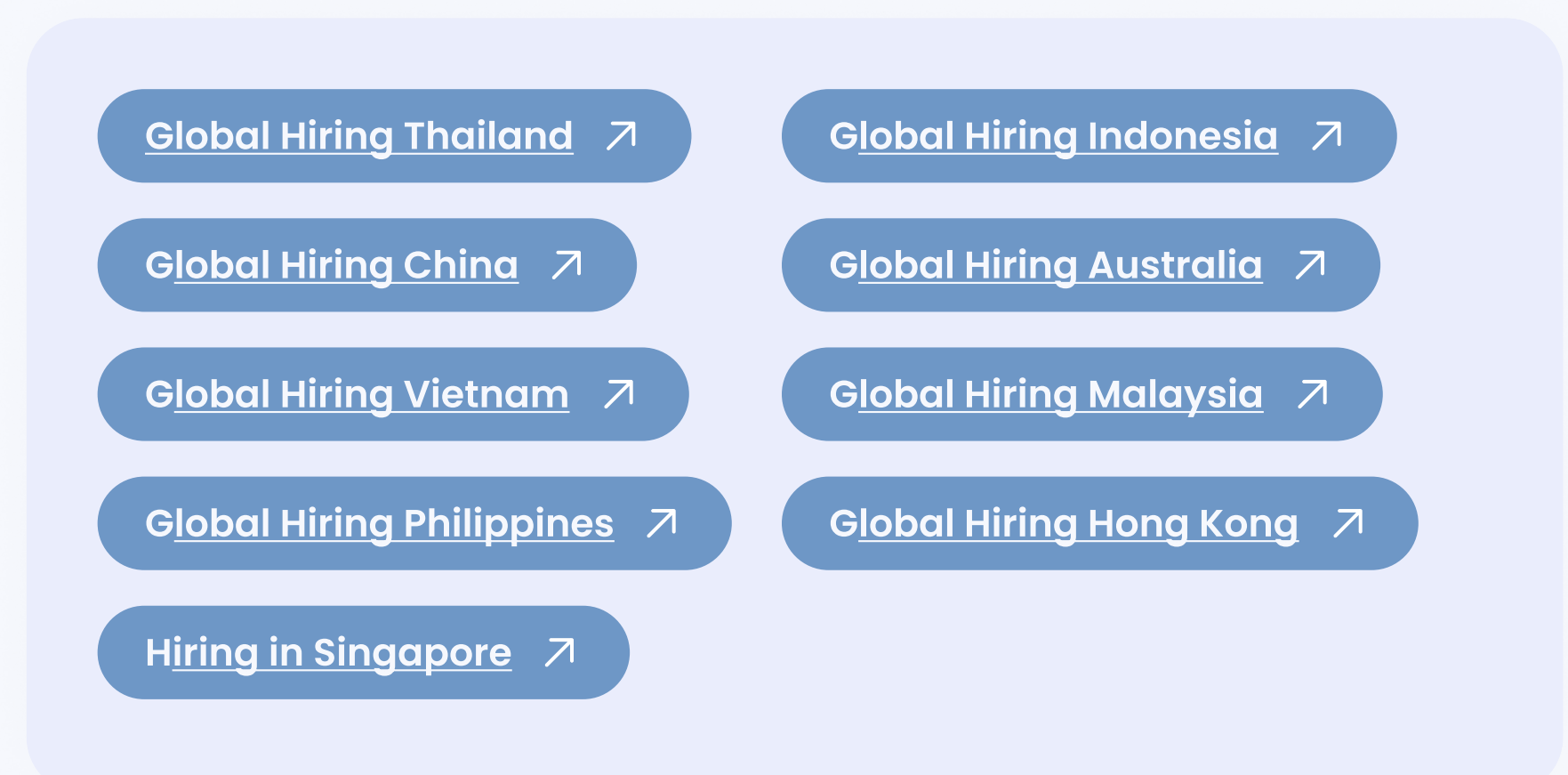
- Our **expert support and multi-country payroll** features help you manage your distributed workforce efficiently, ensuring compliance with local laws and regulations in 190+ countries and 10+ languages.
- **Centralized document management** to help make gathering the necessary data required to apply for employment passes, rental schemes, and other country-specific initiatives seamless and timely.
- **Customized workflows and automated reminders** empower your employees to manage the deadlines and documentation requirements for applications and renewals.
- **Real-time, secure data** allows easy access to accurate salary information and produces customized reports and documentation necessary for verification and compliance.

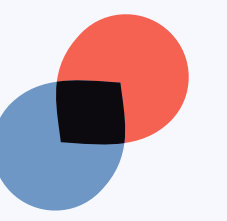
- A **customizable employee portal** for teams to set and manage calendars pre-loaded with country- or region-specific holidays and timezones, seamlessly onboarding individuals in various locations and supporting leave management across borders.

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with our team to learn more about how Omni can support your international workforce.

Want to hire globally? Check out our Global Hiring Guides by country:





Frequently Asked Questions

Omni's Employer of Record

What countries do Omni's EOR services cover?

We cover 10+ countries across Asia Pacific, as well as the US and UK.

How long does it take to set up an EOR with Omni?

We can typically set up EOR services and onboard your first employee within 5-7 business days.

How does Omni's Employer of Record work?

Omni acts as the legal employer for your international team members, handling all employment-related compliance and administration while you maintain day-to-day management.

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