

Employer of Record

The how-to guide to getting the most out of Mauve Group's Employer of Record solution.

WHITEPAPER | MAUVE GROUP

Mauve Group's Employer of Record Solution



Mauve Group has been a trailblazer in the global employment solutions arena since 1996 and is a pioneer of the Employer of Record (EoR) model.

Mauve's Employer of Record solution enables organisations of all sizes to expand their operations overseas, without the cost, time and resource commitments of establishing their own entity abroad.

By compliantly hiring and employing staff through Mauve's established local entities, we ensure that your team are employed in line with all local laws and regulations. By leaving onboarding, offboarding, HR, and payroll to us, you are free to focus on the day-to-day management of your team.

Our Employer of Record solution can be packaged with complementary services such as Global Payroll, Salary Benchmarking, and more, to ensure that your staff are properly supported no matter where in the world they are.

Mauve offers solutions in over 150 countries and operates wholly owned entities in over 70, while collaborating with trusted partners in the remainder. Our team of experts ensures that your business, no matter your size or industry, can begin its global journey with ease and expert guidance.

How does EoR work?

Mauve Group owns entities in over 70 countries worldwide, and works with vetted, trusted partners in many more. Mauve Group can compliantly hire staff on behalf of other organisations who wish to operate in any of these regions without setting up their own local business. By hiring and employing their staff, Mauve Group supports these organisations to navigate what can be complex local employment laws and tax regulations.

EoR is a service that is rapidly growing in popularity, bolstered by the increase in remote working after the pandemic. During the restrictions of the COVID-19 era, EoR provided a way for employers to continue to compliantly employ and support their staff overseas.

Who can use an Employer of record?

You may think your business is too small for global expansion, but with Mauve's EoR solution, you can take your business to the next level.

Mauve Group's Employer of Record service can be, and is, utilised by organisations of all sizes, across the spectrum of industry.

From multinational corporations to SMEs, NGOs to educational institutions, Mauve Group's EoR solution can help all types of organisations to hire abroad.



Can an EoR support remote employees?

Yes, an EoR can be suitable for employing workers both at home and abroad.



EoR is most often used by employers who do not have a foreign entity to employ expatriate workers abroad. However, EoR can be utilised to employ workers at home, too. If the client does not have an entity in the worker's home country, the client can use an EoR provider to employ the worker in their home country. Mauve can also provide EoR services in locations where the client is operating their own entity. However, this is only done in limited circumstances where it is deemed to be fully compliant.

How does using an EoR benefit my company?

There are many benefits to engaging Mauve Group's Employer of Record service to begin your global expansion journey.

Cost efficient

Establishing and operating a business abroad will generate significant costs when it comes to employing staff. In addition to worker remuneration packages, you will face costs associated with establishing and maintaining a business, such as insurances, corporate taxes, utilities, premises and more. On top of these, if you establish an entity abroad without the support of experts, you risk falling foul of complex local tax and employment laws, which can result in hefty fines and penalties.

Choosing an EoR to hire and employ your staff abroad means that the system is simplified. Your organisation pays a consolidated monthly margin to your EoR provider. The EoR provider then shoulders all in-country employment duties. Mauve Group's inhouse Compliance team and network of local partners all over the world will make sure that your organisation remains completely compliant throughout the process.

Choosing an EoR also means that you reduce the costs associated with engaging several different service providers, for example, accountants, visa and immigration support, and consultants if undertaking the project without support. When you choose a global employment solutions provider such as Mauve Group, you streamline these services under one roof, simplifying operations and reducing costs.



Transparent



When engaging Mauve Group's Employer of Record solutions, you will be charged a oneonce-off set-up fee. You will also pay a subsequent monthly margin based on the salary amount. The monthly fee accounts for all EoR costs, so you can rest assured that with Mauve Group, there are no hidden charges.

If a situation arises wherein external advice is required to ensure complete compliance, there may be once-off extra costs from external partners. However, this advice will only ever be sought out with prior consent from the client.

Suitable for assignments of any size and length

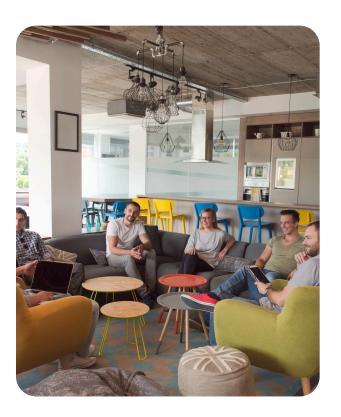
An Employer of Record solution can support long-term and short-term global mobility projects. If you are seeking to hire employees abroad long-term, EoR is a cost-effective, reliable way to achieve this. A provider such as Mauve Group can also support you with company formation if, at any stage, you decide to expand permanently. Mauve can also facilitate fixed term contracts as well as indefinite, in line with the applicable local laws.

On the other hand, if you wish to test the waters in a new market without the long-term commitment, EoR is an excellent choice.

Mauve's EoR solution can support you to employ any number of staff - from one worker or many workers, across multiple countries at a time.



Allows you to retain control of your teams



Engaging an EoR does not mean that the EoR deals with all aspects of your workers' management. Mauve Group works closely with the client to carry out the administration of the workers' employment. This allows the client to manage their day-to-day tasks as normal. Mauve is on hand to guarantee compliance, handle onboarding and offboarding, and oversee issues such as termination or disciplinary actions, while the client oversees the day-to-day management of workers. The best EoRclient relationships are ones where strong, holistic communication between all parties in the contract chain is fostered.

Ensures compliance

At Mauve Group, we never cut corners. We are efficient and transparent with our processes, and always ensure that workers are onboarded completely and compliantly, prior to commencing their roles. This may mean that, on occasion, our standard onboarding times are slightly longer than some of the market, but we have steered away from a "bare minimum" template approach in order to ensure there are no surprises or difficulties with your workers' employment further down the line. From our experience, it pays to be meticulous from the outset to prevent future headaches.



Understands your vision



A reliable and engaged EoR will allocate time to truly understand and connect with your organisation's guiding principles and values. This will allow them to offer a consistent service to your worker or workers. At Mauve Group, we pride ourselves on the strong people-centric values on which our organisation is based, and we endeavour to share these values with our clients. Collaboration and communication take place in both directions to create a united partnership.

Supports your workers

At Mauve Group, we take worker wellbeing extremely seriously. It is important to us that we build and maintain strong worker relationships throughout your workers' employment with us. People are at the heart of any employment solution, and we value their personal and professional happiness highly.

Account Managers and Sales Support staff are available throughout the EoR set-up process to guide and support the worker. Once the solution is established, our Client Liaison department or in-country representatives regularly check in. Over the past number of years, we have enjoyed hosting social events for workers, including our Christmas Cocktail Party in London. We hope to begin hosting these events in other countries in the future.

Many Mauve EoR workers go on to provide references and <u>testimonials</u> in support of our service offering, and often request us as an EoR provider when they move on to new contracts.



Considerations when choosing an EoR

Choosing an Employer of Record can seem intimidating. As EoR solutions grow in popularity, the EoR marketplace is becoming heavily populated. This is why it is crucial to know exactly what you are looking for when considering engaging the services of an EoR.

What employment options are offered?

When partnering with an Employer of Record, firstly you need to know that they have the capacity to compliantly employ workers abroad, not just handle payroll and HR, so you must confirm that your Employer of Record offers a full suite of global employment services and is dedicated to upholding 100% compliance in all areas, as if they are not, this could jeopardise your workers and your business.

Who will actually be employing your workers?

Once you have established that the EoR offers completely compliant employment options, you need to know if the EoR is the direct employer, or if it partners with a local entity in-country.

Partnering with a local entity is not necessarily an issue, and many EoRs do this in some regions. It is, however, important for any business partnering with an EoR to have visibility on the various parties involved in the EoR arrangement. Businesses need to know that in some cases they may be put in touch with a tertiary provider. If the EoR under consideration partners with a local provider in the country in which you are seeking to hire, you need to ensure you know exactly who will be responsible for your workers. Who will be handling performance issues, the transfer of data, the latest updates to local law, and what due diligence has been carried out?

Recently, Mauve took on a complex case for a US university needing support with a project in Sierra Leone. The university's local employment partner had unexpectedly gone into liquidation, and an emergency solution was required to employ the local workers who had not been paid for two months. Mauve stepped in to take over the employment of 26 employees and facilitate emergency payments, compliantly and successfully guiding the university and its workers through a complex legal situation. This example demonstrates the risks associated with engaging unvetted employment partners, the challenges of overseeing partners in different time zones, and the importance of securing reliable partnerships.

What will the Employer of Record's responsibilities be?

While the day-to-day running of operations should remain with the client, the Employer of Record is usually responsible for payroll, legal compliance, tax filing, and HR duties such as onboarding and offboarding. Your business will need to be clear on the exact responsibilities that the potential EoR undertakes, and if they match your needs. The division of responsibility will also depend on the local legislation of the country in which you are employing staff.



Who is involved in the employment contract and what happens if you need to end it?

In every case, the contract will be between the Employer of Record and the worker. Your business may or may not be mentioned, depending on the country. Employment contracts vary between regions. When choosing an EoR, you should:



- Request to view the templates used for each jurisdiction in which you would like to hire.
- Ensure that you are happy with the information contained in the contract, especially regarding EoR responsibility and employee working conditions.
- Ensure that these align with your company.

If you need to terminate an employment contract, the EoR should offer precise guidance and manage the process with full compliance, ensuring everything is handled correctly. When assessing a possible EoR, ask to see their procedure for terminating contracts in the region in which you are hiring.



How is data managed?

Managing employee data is a highly sensitive undertaking which must be handled with care. So, when choosing an Employer of Record, you must be certain that their data management system is efficient and compliant. Read the EoR's security and privacy policies closely to deduce their compliance level. Make sure to ask:



- What is their data recovery plan in the event of a system failure?
- Are they ISO27001 certified?
- Where are their servers located?

Payroll data is a specific branch of data management that can cause major upset if managed incorrectly or if mistakes are made. When partnering with an EoR, you need to know that their methods are foolproof. Ask whether there is a platform on which you can review final payroll calculations, for example.

How long has the EoR been in operation?

An Employer of Record does not necessarily need to have been operating for a long time to be a reputable and dependable service provider. However, as in any industry, experience helps. Choosing an EOR provider that has been in business for a number of years means that you are working with a team of experts.

Mauve Group was founded in 1996, and many members of the Mauve team have been with the company for ten, fifteen, and even twenty-plus years.

Mauve Group's expertise in Employer of Record (EoR) services is built on decades of firsthand experience, making us a leader in the field. Unlike today, where globalisation infrastructure is readily available, the landscape in the 1990s was far less developed. When our founders received inquiries about expanding into new countries, they didn't have the wealth of resources accessible today. Instead, they personally researched local contacts, visited government offices, filed applications, made calls, and sat in boardrooms to ensure compliance and success. This hands-on experience forms the foundation of the expert advice we offer our clients today, drawing from real-world challenges and solutions encountered throughout our journey.



Global visa and immigration



Mauve Group's Global Visa and Immigration services ensure compliance with visa, immigration, and residency regulations when expanding into a new country. Mauve Group's team of experts is equipped to advise on the best immigration routes and will complete and submit all associated paperwork, saving time, costs, and ensuring compliance every step of the way.

This service combines nicely with the Employer of Record service, as once the worker is compliantly established incountry, with all of their immigration paperwork in order and visa status/work permit secured, they can then commence working for their company via Mauve's Employer of Record service. Engaging both of these services allows your company to maintain compliance at every step of the visa and immigration process, and, once this is accomplished, to ensure the smooth handling of worker onboarding and HR processes.

Global Payroll

Mauve Group's Global Payroll service involves our local experts establishing in-country payroll for your employees, and this includes registering your employees with the appropriate local authorities. If and when the employee ceases working in this location, we will deregister them. Salary calculations, including taxes and mandatory contributions, are generated and provided upon the registration of a new employee. Where possible, Mauve Group will then ensure the timely remittance of your employee salaries, in line with local laws and where permitted by client and individual circumstances.



Benefits



Our comprehensive benefits packages allow you to take care of your employees, in their country of work. Depending on local legislation, we can offer travel insurance, life insurance, dental insurance, health insurance, long-term disability/income protection, and pensions, as part of our Benefits service.

This service is a popular choice with Employer of Record clients, as it allows organisations to ensure that their employees are looked after while working abroad via EoR. Offering a comprehensive benefits package is proven to increase employee retention rates and make your company more attractive to prospective employees.

Consultancy Services

Our Consultancy Services allow businesses to explore a range of services – such as compliance, contracts, salary benchmarking, and background checks.

Our Consultancy Services correspond well with our Employer of Record service, as they allow organisations to continue exploring ways in which to best expand their business, support their workers, and remain compliant with all regulations in all locations.



Why Mauve?

People focussed

As a family-run business, Mauve Group prides itself on its 'people first' approach, bringing humanity to global business expansion and mobility. Each of our clients is assigned a dedicated account manager – not just a chatbot – to guide them on their journey and support them every step of the way.

98% of our Trustpilot reviews are fourand five-star ratings. Many of these reviews are from EoR workers who enjoyed their relationships with their Mauve contacts and felt supported throughout their time with Mauve.

Compliance orientated

Mauve Group is dedicated to achieving 100% compliance, 100% of the time. Our in-house Compliance team, led by our Legal and Compliance Director, Lorna Ferrie, ensure that all our solutions are compliant with the local laws and regulations everywhere we operate. This means you can rest assured you have chosen the EoR best suited to guaranteeing compliance at every step of your global expansion.



Why Mauve?

Versatile

At Mauve Group, we cater to organisations of all sizes, and we understand that no two are the same. Our tailored solutions offer flexibility, allowing your organisation to customise a bespoke package of services to fit your needs.

Comprehensive renumeration packages

In today's increasingly competitive, employee-driven marketplace, it is important to retain your edge with your global employee benefits package. Choosing Mauve enables you to offer these statutory and additional benefits to your employees whether they are working locally or overseas.



Get in touch



For further guidance about any of the hiring options detailed in this guide, or how we could help your organisation to expand its global operations via our Employer of Record service, please contact Mauve Group.

Send us a message via the online contact form on our website, and our team of experts will respond to you promptly.

With staff stationed around the world, in multiple time zones, we are ready and waiting to hear from you.