THE CHECKLIST

12 questions to ask every EOR provider before you sign

Most companies choose their EOR provider in about a week. Then they live with that choice for a year or more. The ones who end up regretting it regret the same three things every time. A cost nobody showed them. A country their provider turned out to be quietly bad at. And a contract that made leaving expensive. All three are findable before you sign.

HOW TO ASK

Send them in writing. Email, not a call. You want answers you can put side by side, and you want them on record.

WHAT THE REPLY TELLS YOU

The provider who replies with a short, plain email is already telling you what they'll be like when payroll breaks at 2am in Manila.

FOUR GROUPS, TWELVE QUESTIONS

Coverage. Can they actually do it?	1–3
The money. What does it really cost?	4–6
Service. When you need help.	7–9
The exit. When you leave.	10–12

GROUP ONE Coverage

This is where you find out whether the provider can genuinely employ someone in your country, or is quietly reselling somebody who can.

01 Do you own your company in this country, or do you work with a local partner?

Neither answer is wrong. Owning the local company usually means faster answers and more control. Partners are how almost every provider covers the smaller countries. What you're listening for is whether they tell you which one it is. A good answer sounds like, we own our company in Brazil, but in Vietnam we work with a partner we've used for four years. A bad answer is the word global, three times, and no country names.

02 Whose name is on my employee's contract, and who do they call when payroll is late?

You want the name of the legal company, and the name of an actual human. A good answer gives you both, and mentions the local team behind them. If the answer is our platform, ask again. Platforms don't fix a missing salary payment in Brazil. People do.

03 From signed contract to first working day, how long, in this specific country?

Ask about your country by name. Every provider advertises something like a week or two. That's an average, and averages hide everything that goes wrong. A good answer sounds like, two weeks in Poland, but Brazil is closer to four because of the medical check and the work card. That level of detail means they've actually done it. A few days means they haven't.

GROUP TWO The money

Every answer in this section should be a number you have before the second call.

04 What is the total monthly cost per employee, including everything you charge us?

The advertised fee is not the cost. For a normal country and a normal role, somewhere between two hundred and four hundred dollars per person per month is fair right now. Above five hundred, you should be getting something you can name for it. A difficult country, visa support, a dedicated person. A good answer is one number, with every extra listed underneath it.

05 What is your total exchange rate margin?

Here's what that means. You pay in dollars or euros. Your employee gets paid in their local currency. Somebody converts that money, and they can quietly add a percentage on the rate. Under one percent is fine. Above two percent, undisclosed, is a red flag. On a sixty thousand dollar salary, two percent is twelve hundred dollars a year. Per person. That's often more than the fee they advertised. A good answer is a percentage, in one sentence. An answer that takes three paragraphs is also an answer.

06 What deposit do you hold, and when exactly do I get it back?

A deposit is your cash, parked with them, usually one month of your employee's salary. One month is normal. Two is negotiable. Three shows up in countries where firing someone is expensive. A good answer includes the amount, what triggers the return, and how many days the return takes. And ask whether they'll waive it. Funded companies and companies with a few months of payment history often get it dropped. You just have to ask.

GROUP THREE

Service

This is the hardest thing to test on a sales call, so these three questions are specific enough that a vague answer stands out.

07 Who is my day to day contact, and what response time will you commit to in writing?

In writing is the whole question. A good answer names a person or a named team, gives you hours instead of days, and puts that in the contract.

08 My employee has a legal problem in month seven. Walk me through exactly what happens, and who pays for it.

This is the one they can't have a slide ready for. You're listening for whether they've lived through it before. A good answer sounds like a story about a real case. A bad answer sounds like a policy document read out loud.

09 Can I read the actual employment contract you'd use for this hire?

Before you sign, not after. Check the notice period, the probation period, and who owns the work your person creates. If a provider won't show you the contract your own employee will be signing, that is your answer.

BEFORE THE SECOND CALL

Ask for question nine in writing. A provider who sends the contract early is comfortable with what's in it.

GROUP FOUR

The exit

Nobody asks these on a first call, and these are the ones that cost real money later.

10 What does it cost when someone leaves?

Ending an employment costs money. There's usually a fee for processing the leaver, sometimes a notice period you pay through, and often both. A good answer gives you the fee and the notice period as two numbers. The pattern I keep seeing is that providers who are cheap to join can be expensive to leave.

11 When I open my own company in this country, how do we move my people over to it?

You will want to do this eventually. Once you're past ten or fifteen people in one country, those monthly fees start costing more than running your own company would. So ask now, while they're still selling to you. A good answer describes a process, with a cost. We can discuss that later means it's expensive.

12 Which countries are you weak in?

Every provider is weak somewhere. Partner dependent in one place, slow in another, expensive in a third. The rep who names a real weakness is telling you the truth about the other eleven answers too. The rep who says we're strong everywhere has just answered a much bigger question.

What to do with the answers

Send them in one email to every provider on your shortlist, then put the answers next to each other in a spreadsheet. The differences get obvious fast, and you end up choosing on facts instead of on whoever called you back first.

COMPARE THE ANSWERS

Put the replies side by side

Fill this in as the replies arrive, one column per provider on your shortlist.

QUESTION	PROVIDER 1	PROVIDER 2	PROVIDER 3
01 Own entity or partner			
02 Contract holder, escalation contact			
03 Days to first working day			
04 Total monthly cost per employee			
05 Exchange rate margin (%)			
06 Deposit and return terms			
07 Named contact, response time			
08 Legal issue: process, who pays			
09 Contract shared before signing			
10 Cost when someone leaves			
11 Transfer to our own entity			
12 Countries they are weak in			