

Employee Termination

Guide

Best Practices Collection 2023

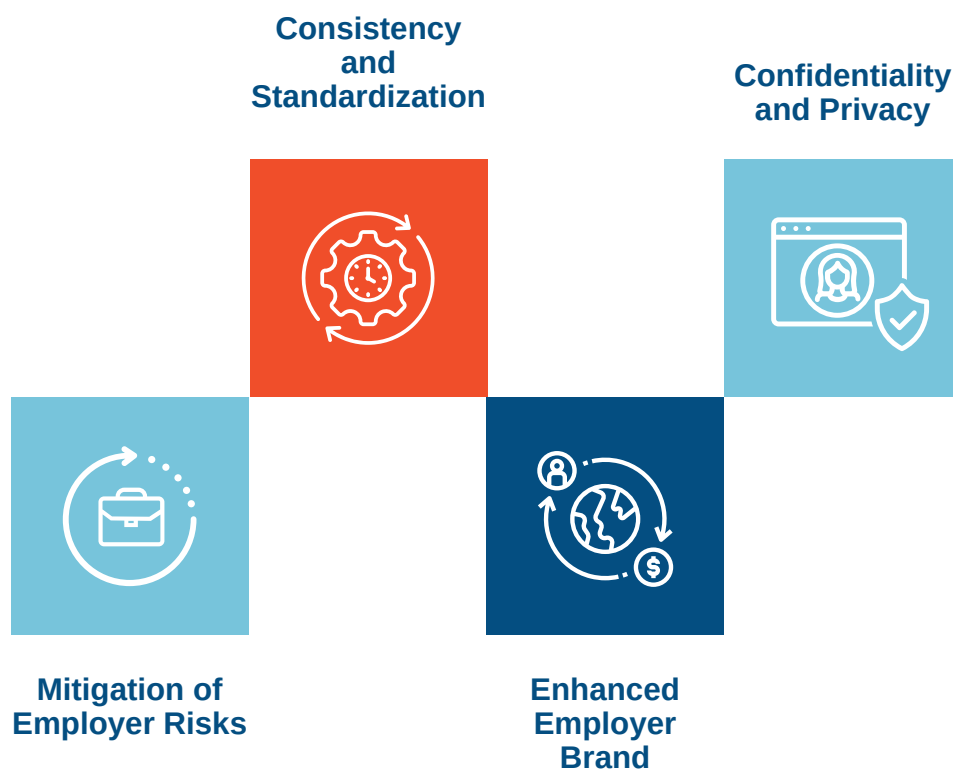


Introduction

This comprehensive Employee Termination Guide covers key areas such as compliance, documentation, communication, and logistics, ensuring a smooth and fair termination process.

But let's not forget the global challenge. When multinational companies find themselves dancing across jurisdictions, it's time to call in the pros. Partnering with a Global Employer of Record offers end-employers operating across multiple locations the expertise, professionalism, and legal compliance necessary to conduct terminations ethically and legally. It ensures adherence to evolving legislative landscapes while protecting employer reputation and mitigating potential legal risks.

By following a systematic approach and leveraging our Employee Termination Guide alongside Acumen's global expertise, organisations can foster professionalism, compassion, and compliance throughout the employee termination journey.





Employee Termination: Legal and Ethical Compliance

Achieving Labour, Tax, and Immigration Law Compliance

Comprehensive Services

We assist with various aspects of the termination process, including reviewing employment contracts, calculating final pay and benefits, addressing severance payments, and managing terminations across diverse jurisdictions.

UK Employment Tribunal Statistics 2021/2022

Unfair Dismissal Landscape



630

Unfair Dismissal Cases



51%

up on the previous year



£14,000

Average Award

CHALLENGES



The termination of an employee is a critical phase in the employment lifecycle that demands meticulous attention to legal obligations, financial considerations, and operational protocols. Failing to comply with labour, tax, or immigration laws during terminations can expose organisations to significant financial risks, legal disputes, and reputational damage. As your trusted Global Employer of Record, we strive to mitigate these risks and ensure compliance with local regulations in every jurisdiction we operate in.

SOLUTIONS



Our Employee Termination Guide encompasses a comprehensive set of guidelines, meticulously crafted by our experienced team of legal and HR professionals. By adhering to this Guide, our clients and partners can rest assured that terminations are carried out in a manner that is both legally compliant and aligned with best practices in the industry.



**Professional
Service**



**100%
Compliance**



**Expert
Guidance**

MANAGE YOUR EMPLOYEES WITH CONFIDENCE

01 Tailored Support

As a Global Employer of Record, Acumen provides customised assistance to clients in handling compliant terminations, taking into account their specific business or regulatory requirements and legal obligations.

02 Risk Mitigation

We help businesses operating across jurisdictions reduce the risk of unfair dismissal claims, minimising the potential costs and reputational damage associated with employment tribunal cases.

03 Focused Core Operations

By relying on our expertise, businesses can concentrate on their core operations while entrusting the complexities of compliant terminations to our experienced team.

Termination Done Right

Notify

01	IT Department	04	Security
02	Legal	05	Finance and Payroll
03	Human Resources	06	Administrative

Reasons for Dismissal

- ✓ **CONDUCT**
When the employee has done something that's inappropriate or not acceptable
- ✓ **CAPABILITY**
When the employee is not able to do the job or does not have the right qualifications
- ✓ **REDUNDANCY**
When the job is no longer needed
- ✓ **LEGAL REASON**
When the employee cannot do their job legally, for example a lorry driver who's banned from driving
- ✓ **OTHER SUBSTANTIAL REASON**

Automatically Unfair Reasons

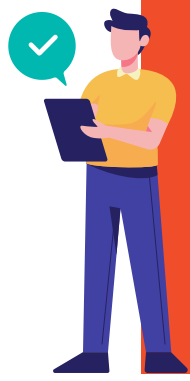
- ✓ Making a flexible working request
- ✓ Being pregnant or on maternity leave
- ✓ Wanting to take family leave
- ✓ Being a trade union member or representative
- ✓ Taking part in legal, official industrial action for 12 weeks or less
- ✓ Asking for a legal right, eg., to be paid the National Minimum Wage
- ✓ Being involved in whistleblowing
- ✓ Being forced to retire
- ✓ Taking action, or proposing to take action, over a health and safety issue

Voluntary Termination

- ✓ Resignation
- ✓ Retirement
- ✓ Relocation
- ✓ Career Change
- ✓ Personal Circumstances

Penalties for Unfair Dismissal

- ✓ Reinstatement: Giving the employee their job back.
- ✓ Re-engagement: Re-employing the employee in a different job.
- ✓ Compensation: Payment based on factors such as the employee's age, gross weekly pay, and length of service.
- ✓ Additional Compensation: Paying extra compensation if a tribunal's order to reinstate someone is not followed.



Employee Termination Checklist

01

Review employment contract

Review employment contract to ensure compliance with termination notice periods, severance pay, and any other contractual obligations.

02

Notify the employee

Provide written notice to the employee regarding the termination. Clearly state the reasons and effective date. Follow any specific notification requirements outlined in the employment contract or local labour laws.

03

Engage stakeholders

Communicate with HR, payroll, legal, and other relevant personnel about the upcoming termination. Foster transparency, collaboration, and alignment for a seamless transition.

04

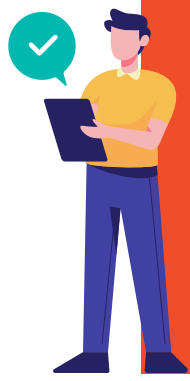
Calculate final pay and benefits

Determine the employee's final pay, including any outstanding wages, accrued vacation or sick leave, and bonuses or commissions.

05

Finalise tax obligations

Ensure that all necessary tax deductions, including income tax and social security contributions, are accurately calculated and deducted from the employee's final pay.



Employee Termination Checklist

06 Severance payment

If applicable, calculate and process the severance payment owed to the employee based on the employment contract, local labour laws, or any collective bargaining agreements.

07 Terminate access privileges

Disable the employee's access to company systems, networks, databases, and physical facilities. This includes revoking login credentials, disabling email and other accounts, and ensuring they no longer have access to sensitive or confidential information.

08 Return company property

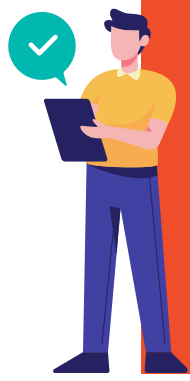
Collect any company property, such as laptops, access cards, keys, and any other assets, from the employee and document the return of each item.

09 Review non-compete or non-disclosure

If the terminated employee has signed non-compete or non-disclosure agreements, remind them of their ongoing obligations and any post-termination restrictions.

10 Inform immigration authorities

If applicable: If the employee is on a work visa or sponsorship, follow the necessary procedures to notify immigration authorities of the termination. This may involve canceling the work permit or updating relevant documentation.



Employee Termination Checklist

11

Provide termination letter

Prepare a termination letter outlining the details of the termination, including the effective date, reason, and any relevant information about benefits, severance pay, and revoking access to corporate systems.

12

Conduct exit interview

Offer the terminated employee an opportunity to participate in an exit interview. This can provide valuable feedback and insights about their employment experience and potential areas for improvement within the organization.

13

Maintain confidentiality

Ensure that all personnel involved in the termination process maintain confidentiality and respect the employee's privacy.

14

Notify relevant departments

Inform all relevant departments, including IT, security, facilities, and others, about the termination. Ensure necessary arrangements are made for a smooth transition.

15

Document the termination process

Keep thorough records of all steps taken during the termination process, including correspondence, agreements, notices, and any relevant discussions. These records can be useful in case of any future legal disputes or audits.

Expert Termination Management on a Global Scale

The Global Employer of Record Advantage



Expertise in Multiple Jurisdictions

Global Employer of Record services possess in-depth knowledge of diverse legal frameworks, ensuring compliant and ethical terminations across multiple jurisdictions.



Keeping Pace with Legislative Changes

In an ever-changing legislative landscape, Global Employer of Record stays updated on labour, tax, and immigration laws, mitigating risks, ensuring adherence to evolving regulations during terminations.



Protecting Employer Reputation

By conducting terminations legally and ethically, Global Employer of Record safeguards the reputation of end-employers, demonstrating a commitment to fair practices and responsible corporate citizenship.



Consistent Application of Best Practices

Leveraging their expertise, Global Employer of Record applies best practices for terminations, ensuring fairness, respect, and adherence to local best practices and labour regulations.



Mitigating Legal Risks

By engaging Global Employer of Record services, end employers minimise legal risks associated with terminations, safeguarding against penalties, disputes, and reputational damage.

In the complex realm of employee terminations, the journey can be arduous and emotionally charged.

However, embracing a strategic mindset, you have the power to turn these challenging moments into opportunities for international growth. Remember, effective communication, fairness, and professionalism should guide every decision.

Embrace this transformative path, where terminations become catalysts for resilience, evolution, and a brighter future.

Together, let us empower your organisation to rise above the challenges and emerge stronger on the other side.

Contact us now to embark on a confident journey into foreign markets.

Contact Us



US +1 (646) 500-8634
UK +44 (203) 468-8777



info@expressglobalemployment.com



www.expressglobalemployment.com

