The Global Expansion Playbook

A practical guide to hiring and managing international employees through an Employer of Record without the legal headaches, hidden costs, or compliance surprises.

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How to Use this Playbook

This playbook is for founders, HR leaders, and People Ops teams navigating international hiring for the first time, or trying to do it better the second time around.

About Fronted: We're the only partner you need to grow your company internationally. From your first hire abroad, to scaling a global team through our EOR solution, to setting up your first local entity, we handle every step of going global so you don't have to stitch together a patchwork of providers.

What is covered

A note on how to read it

You do not need to read front to back.

- If you already know what EOR is and want to compare providers, start at Chapter 2
- If cost is your main question, go to Chapter 3.
- Each chapter ends with a short note on how Fronted handles that specific area.

We keep those brief. The substance comes first.

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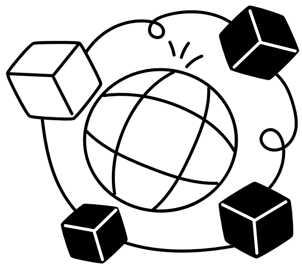
You direct the work. We handle the employment.
That is the whole idea behind EOR, and this playbook explains exactly what that means in practice.



EOR vs. PEO vs. Entity Setup (What is the difference?)

Companies choose EOR when speed matters, when the right hire is in Germany and setting up an entity isn't an option right now. It's one of several ways we help you build global teams, alongside COR, entity setup, and recruitment services.

When you start hiring internationally, **three terms** come up quickly: **EOR**, **PEO**, and **Entity Setup**. They sound like they belong in the same category. They do not work the same way at all.

Getting this wrong is expensive. Here is what each model actually means, when each applies, and the most common mistake companies make when trying to avoid the decision entirely.

The three models, defined

1. Employer of Record (EOR)

An EOR is a company that employs your worker on your behalf in a country where you have no legal entity. You manage the day-to-day work. The EOR handles the employment: contracts, payroll, taxes, benefits, and compliance with local labour law.

👉 The EOR is the legal employer.
👉 You are the operational manager.

This separation is what makes global hiring possible without requiring you to incorporate locally.This does not mean you don't have control over the hire you're making, every decision is in your hands.

Fronted lets you hire anyone, anywhere, with compliant contracts, payroll, benefits, and employment infrastructure handled for you. Read more here.

2. Professional Employer Organisation (PEO)

A PEO also manages employment tasks including payroll, HR admin, and benefits, but it requires you to already have a legal entity in that country. It is a co-employment model: both you and the PEO share legal employer status. PEOs are most common in the US, where the co-employment model is well-established. They are not designed for entering new markets without an existing legal presence.

3. Entity Setup (Direct Hiring)

This means incorporating a local subsidiary in the target country and employing staff directly through it. You become the local employer and own full control over how the employment relationship is structured.
It is the right model eventually, once you have enough stable headcount to justify the ongoing cost and compliance overhead. It is rarely right for a first hire in a new market. Fronted can support you in setting up your own entity when you're ready.

Side-by-side comparison

Factor	EOR	PEO	Entity Setup
Speed to first hire	Days (7-14 typical)	Weeks	4-9 Months (2-3 with Fronted)
Entity required	No	Yes	Yes
Legal employer	The EOR	Co-employment	
Upfront Cost	None	Low-medium	High (10k-20k+)
Ongoing cost	Monthly fee per hire	Monthly fee per hire	Internal overhead
Compliance owner	The EOR	Shared	You
Best for	New markets, 1-15 hires	Established domestic ops	Long-term, 15+ hires per country

Decision framework: Which model fits your situation

There is no universal right answer. The right model depends on three variables: how many people you are hiring in the country, how long you plan to stay, and how much operational risk you can carry.

Use EOR when:

👉🏻 Making your first 1-10 hires in a new country
👉🏻 You need to hire quickly and cannot wait for entity setup
👉🏻 Testing a market before committing to a local presence

Use Entity Setup when:

👉🏻 You have stable headcount above 11+ people in one country
👉🏻 You want full control over local benefits and employer brand
👉🏻 The market is a permanent, strategic part of your business

The contractor trap

The most common way companies avoid this decision is by **hiring internationally as contractors**. It feels safer because it is faster to set up. It is not actually safer.
In most countries, if a contractor works **like an employee**, meaning one main client, a set schedule, your equipment, and integration into your operations, local tax authorities and labour courts will **treat them** as an employee **regardless of what your contract says**.

The penalties for misclassification include back taxes, retroactive benefit payments, and in some jurisdictions, statutory severance. In many countries such as Germany or France, that exposure can span years of contributions.

Read more about hiring a contractor with Fronted, the right way, here.

WATCH OUT

Using a contractor arrangement to avoid EOR or entity setup only works if the relationship is genuinely project-based and arms-length. If it looks like employment, it will eventually be treated as employment.

Fronted operates as an Employer of Record in countries across Europe, Asia, the US, LatAm and beyond - and when you're ready to plant a permanent flag, we can set up a local entity for you too. We employ your team members locally, handle all compliance and payroll, and give you full operational control of the work. You get the speed of EOR without building local infrastructure, and a clear path to ownership when the time is right.

How to Choose an Employer of Record Provider

The cheapest EOR is not the cheapest once something goes wrong in Portugal at 4pm on a Friday.

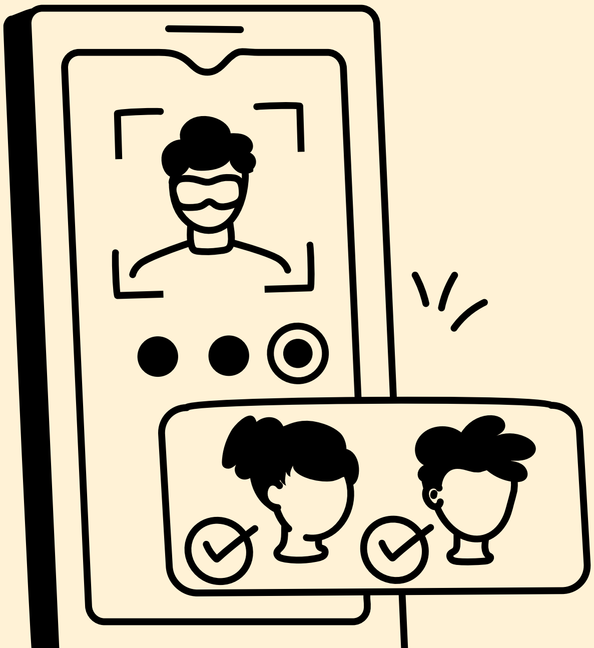
Not all EOR providers are equal. The difference between a good one and a bad one is not always visible in a sales demo:

👉 **It shows up in a compliance question you cannot get answered**

👉 **A contract clause that creates problems nine months later**

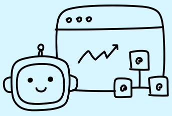
👉 **Payroll error that takes weeks to fix**

This chapter gives you a practical evaluation framework, not a feature checklist.



Own entities or aggregators?

EOR providers broadly fall into two categories. Some operate their own legal entities in each country. Others work through a network of local sub-contractors, acting as intermediaries between you and a third party you may never interact with directly. There is nothing wrong by going with an EOR who is using partners, but make sure you understand who will be responsible for what. This distinction matters for three reasons:

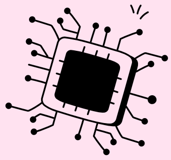


Compliance accountability

Own-entity providers own the compliance relationship directly. Aggregators depend on sub-contractors, and accountability gaps appear when things go wrong.

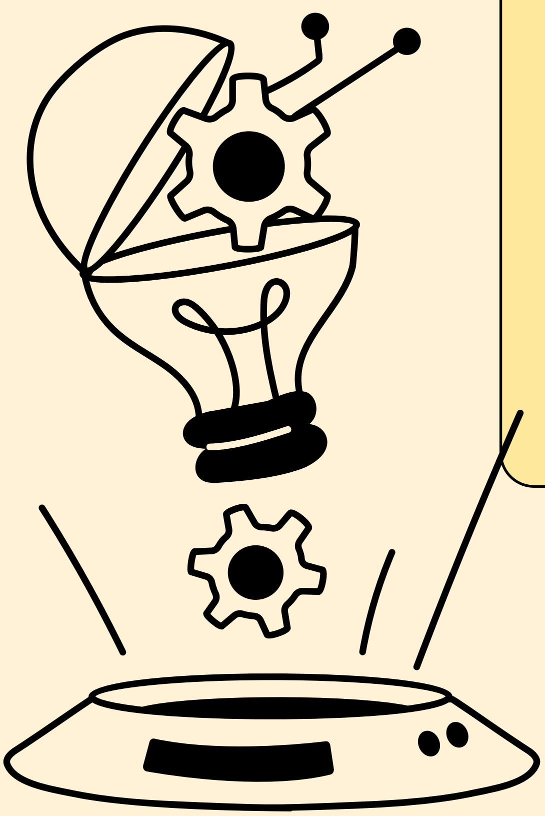
Support quality

If there is an issue in Sweden, an aggregator routes your query through a local partner. An own-entity provider has a team directly responsible for Sweden. Response time and quality differ significantly.



Data security

With an aggregator model, your employee data travels through multiple parties. Under GDPR, understanding who holds what data and under what legal basis is not optional.



GOOD TO KNOW

Ask every EOR provider directly:

- Do you have your own legal entities in the countries where I want to hire
- Do you work through local partners?

If the answer is partners, ask:

- How many layers sit between you and local compliance.

What to look for in the contract

1. Liability and indemnification

Who bears liability if there is a compliance failure? A good EOR contract is clear that the provider takes on liability for employment law compliance in-country. Watch out for broad indemnification clauses that shift risk back to you.

2. Termination rights

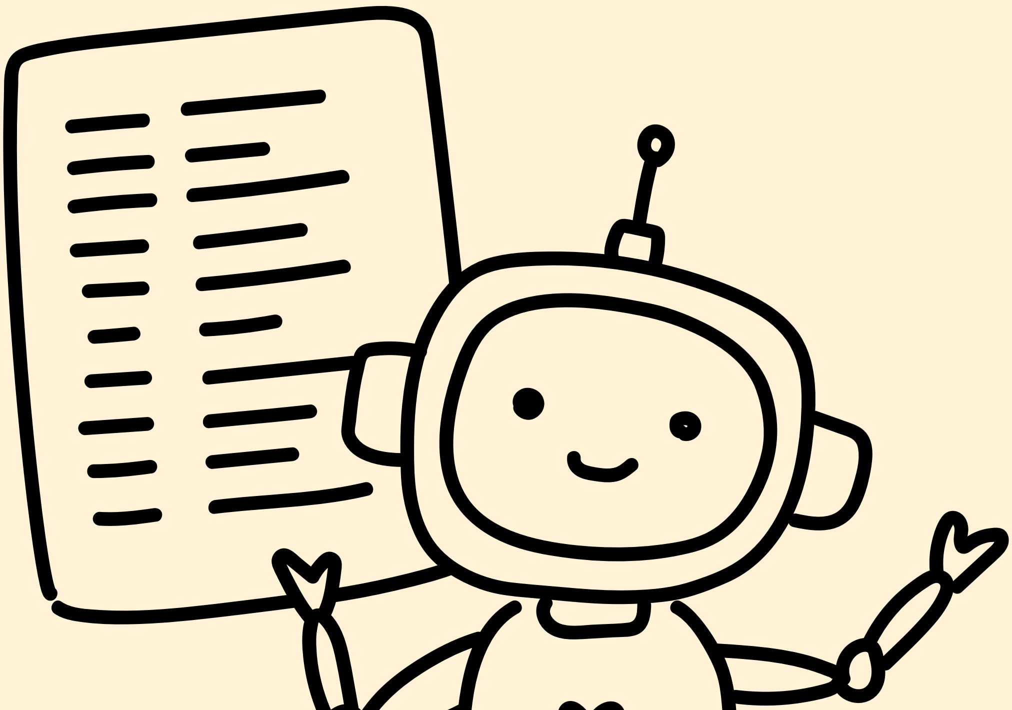
How much notice do you need to give to end the relationship? What happens to your employees if you need to exit quickly? The contract should give you reasonable exit terms without leaving your team in a gap.

3. Data handling

The contract should specify how employee data is stored, in which jurisdiction, under what legal basis, and what happens to it if the contract ends.

4. Currency and payment terms

How are exchange rates applied to your monthly invoices? Some providers apply unfavourable margins to FX conversion. Understand the exact terms before you are locked in.

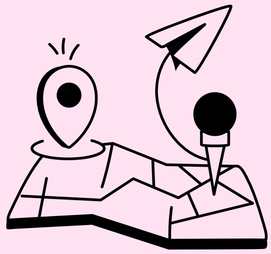


How to evaluate support quality before you need it

Support quality is the hardest thing to evaluate before you have an actual problem. Here are three ways to test it during the sales process.

1. Ask a genuinely hard compliance question about a specific country

Watch how quickly it is answered, how specific the answer is, and whether it comes from someone with actual in-country knowledge.

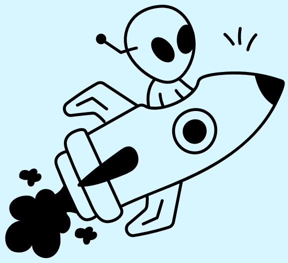


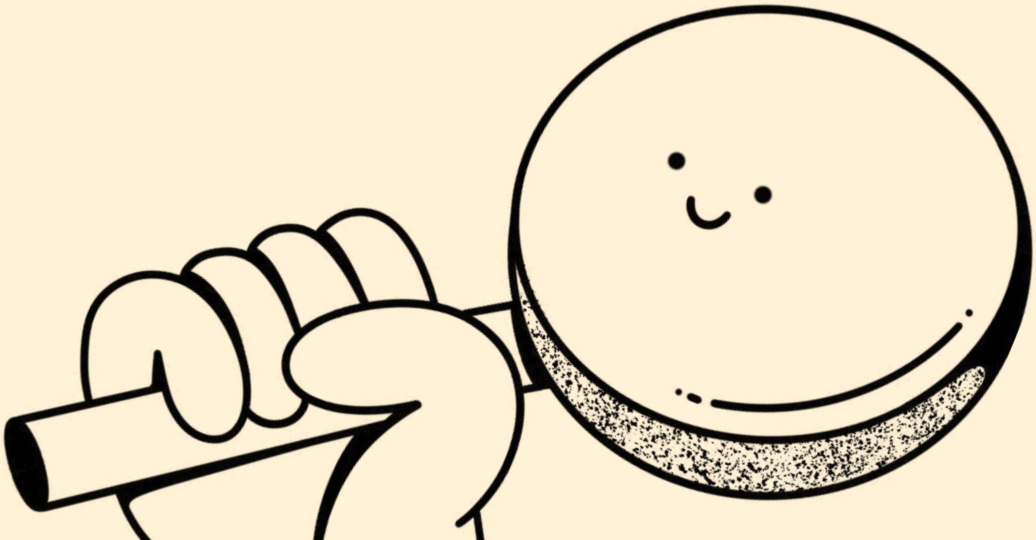
2. Ask to speak with a current customer who has had a problem resolved

How the provider handles the request tells you as much as what the customer says.

3. Ask what the escalation process is

If something goes wrong on a Friday afternoon in a country three time zones away, who do you call, and how fast do you get a resolution?





Pricing models: what each signals:

Model	How it works	What to watch for
Flat monthly fee	Fixed cost per employee per month.	Simpler to budget. Confirm what is included vs. charged extra.
% of gross salary	Usually 10-15% of employee salary per month	Costs scale with seniority. Can be expensive for senior hires.

Neither model is inherently better. The flat fee is more predictable for budget planning. Always model the actual monthly cost for the specific hires you plan to make before comparing headline prices.

At Fronted, these are our pricing models:

Global Recruitment

Build your global team

Global recruitment & workforce solutions

- Recruitment fee from €6500
- Screening, shortlisting & structured interviews
- Smooth and hassle-free transition to EOR or COR

Employment solution

Employ global talent

Compliant teams abroad without the hassle

- EOR from €390/employee/month
- Zero-error payroll & compliance
- Hands on live support

Contractor solutions

Engage contractors

Compliant teams abroad without the hassle

- Engage Global Contractors (COR) from €250/contractor/month
- Compliant contracts and invoicing
- Hands on live support

Red flags to watch out for 🚩

Promises of 48-hour hiring.

Technically possible in a handful of countries. Misleading as a general claim. Most compliant onboardings take 2-4 weeks.

Vague answers to compliance questions.

A good EOR should give you specific answers about notice periods, contribution rates, and termination rules in any country they cover.

No clarity on who holds employee data.

Under GDPR and similar frameworks, you need to know exactly where data lives and how it is processed.

Unusually low pricing with no explanation of what is excluded.

Setup fees, offboarding fees, and mid-term amendment charges are often invisible in headline pricing.

Questions to ask in a sales call

👉 **Do you have your own legal entities in the countries I want to hire in?**

👉 **Who is legally responsible if there is a compliance failure?**

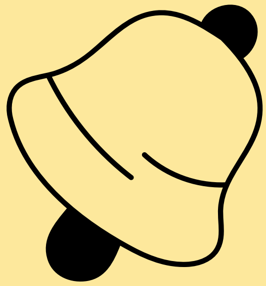
👉 **What is included in the monthly fee, and what is charged separately?**

👉 **How do you handle FX conversion on my invoices?**

👉 **What is your escalation process for urgent compliance questions?**

👉 **Can you connect me with a client who has been through your support process for a real problem?**

Fronted operates its own entities in all markets where we provide EOR services. One point of accountability, direct in-country expertise, and no third parties holding your employee data. Our pricing is a flat monthly fee, fully inclusive, with no setup or offboarding charges.



EOR Costs Explained (What you are actually paying for)

The salary you agree on is not what you will pay. Here is how to model the real number before you make an offer.

Cost surprises are the most **common complaint** from companies new to international hiring. The salary looks manageable, then the full employer cost lands and the budget maths **stops working.**
This chapter makes the full cost model **transparent**, including the parts that providers do not lead with.

The total cost formula

Total employer cost = Gross salary + Employer social contributions + EOR platform fee

The gross salary is what you agree with **the candidate**. The employer social contributions are **statutory**, set by law in **each country** and **non-negotiable**. The EOR fee is the platform charge for managing the employment relationship.

Most cost surprises come from the **second item**. Employer social contributions vary dramatically by country, from around **12%** in **Denmark** to **over 30%** in **Sweden**, **France**, and **Italy**. Not accounting for these upfront is the single most common reason international headcount budgets go over. All our contracts are set up in accordance with local law and contains all mandatory benefits, but companies can add other benefits on top.

Country-by-country employer costs

Country	Employer contributions	Mid-level benchmark	Estimated total monthly cost
United Kingdom 🇬🇧	~18% (NI + pension)	45,000-60,000 GBP/yr	4,400-5,900 GBP + EOR fee
Germany 🇩🇪	~21%	55,000-75,000 EUR/yr	5,500-7,600 EUR + EOR fee
Netherlands 🇳🇱	~18%	50,000-70,000 EUR/yr	4,900-6,900 EUR + EOR fee
Spain 🇪🇸	~30%	35,000-55,000 EUR/yr	3,800-5,900 EUR + EOR fee
France 🇫🇷	~42-45%	40,000-60,000 EUR/yr	4,700-7,200 EUR + EOR fee
Norway 🇳🇴	~14.1%	55,000-76,000 EUR/yr	6,300-8,700 EUR + EOR fee
Sweden 🇸🇪	~31%	50,000-68,000 EUR/yr	6,500-8,900 EUR + EOR fee

Note: These are estimates based on **2026 data**. Contribution rates **change annually** and can vary by industry or employee age. **Always verify** current rates before finalising a budget.

Building an accurate headcount budget

1. Confirm the gross salary you plan to offer.

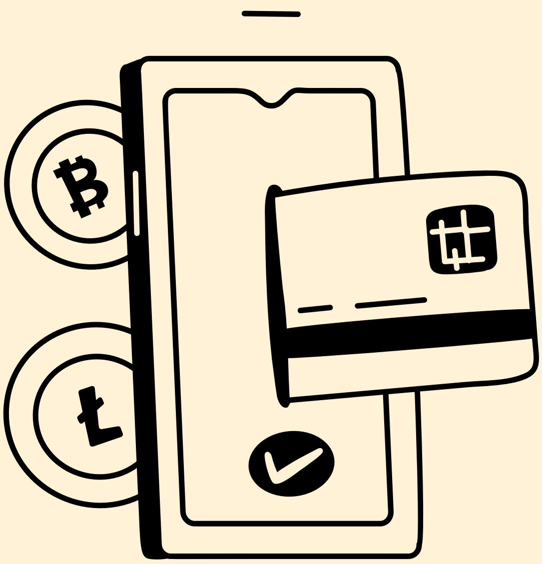
2. Look up the current employer contribution rate for that country.

3. Add the EOR monthly fee and confirm what is included.

4. Add a 5-10% currency buffer if paying across currencies

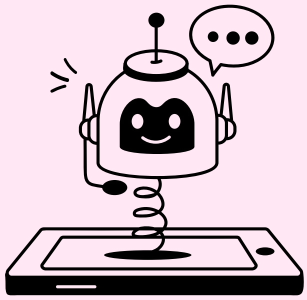
5. Estimate one-time costs: equipment, onboarding, and any setup charges

6. Model a severance scenario: if this person leaves after 2 years, what does termination cost?



Good to know

A working rule: take the agreed gross salary, **add 25-35%** depending on **the country**, then add the **EOR fee**. That gives you a realistic estimate of **total monthly employer cost** before you make the offer.



When EOR stops being cost-effective

Headcount in country	Recommended model	Why
1-5	EOR	#ntity setup rarely justified
5-10	EOR or start evaluating entity	Depends on market stability and long-term commitment.
10+	Own entity	EOR fees may exceed entity overhead. Direct entity gives more control.

The transition point varies by country. Entity setup in Denmark costs far less than in France. A good EOR provider will tell you honestly when it makes sense to move to a direct entity rather than keeping you on EOR beyond its optimal window. We can help you transition and set up your own entity too.

Fronted's pricing is a **flat monthly fee** per **employee**, fully inclusive. **No setup fees**, **no country onboarding charges**, **no offboarding fees**. What you see in the quote is what you pay. We will also tell you honestly when entity setup makes more sense for your situation than continuing with EOR.

EOR Compliance
(What employers need to know)

EOR removes most compliance risk. But "most" is not "all", and knowing the difference matters.

Compliance is one of the main reason companies reach for **EOR** (the other one being the need to hired abroad quickly). But a common **misconception** is that using an EOR means compliance is **no longer your problem**. **That is not** quite right.

The EOR owns the **employment compliance**. **You own** the **commercial relationship**, the **intellectual property arrangements**, and the **data you collect and process**. Understanding where that line sits matters before problems arise.

What the EOR is responsible for

- 👉 Employment contracts compliant with local labour law
- 👉 Payroll processing, tax withholding, and filing
- 👉 Statutory benefit contributions: pension, social security, healthcare
- 👉 Notice period management and termination procedures
- 👉 Annual leave tracking and holiday pay calculation
- 👉 Compliance with working time regulations
- 👉 Keeping current with changes in local employment law

What you are still responsible for

- 👉 How work is directed and managed day to day
- 👉 Intellectual property assignment and protection
- 👉 Non-compete and confidentiality arrangements
- 👉 The data you collect from and about the employee in your own systems
- 👉 The commercial decision of whether to terminate and when

The three compliance areas that catch companies off guard

1. Intellectual property

EOR contracts typically contain **IP assignment clauses** that assign work product to the **client company**. However, enforceability **varies by country**. In **Germany**, specific rules about employee inventions **(Arbeitnehmererfindungsgesetz)** require **separate written agreements** to transfer certain types of **IP to employers**. **France** has similar nuances. If your business model **depends on IP** created by international employees, review those clauses with local legal counsel before the hire starts.

2. Non-compete and non-solicitation clauses

Non-compete enforceability **varies enormously** across **Europe**. In **Germany**, a non-compete is only enforceable if **you pay compensation** to the employee for the restriction period, typically **50% of salary**. In other countries, broad non-competes are routinely **unenforceable** regardless of what the contract says. Do not assume a **non-compete clause** in an EOR contract protects you the way it might in your home jurisdiction. Get **country-specific advice** if non-competes matter to your business.

3. GDPR and data protection

When you hire employees through an **EOR**, you become a **data controller** for the data you hold about those employees in **your systems**. The **EOR** is a **data processor** for the employment data it holds on its side. Both of you have **obligations under GDPR**.
Practically, this means your HR systems, performance management tools, and communication platforms **need to handle** employee data in a **GDPR-compliant way**, regardless of whether those employees are employed directly or through an EOR.

How termination actually works

Termination is the area where compliance expectations diverge most sharply from reality. Here is a country-level snapshot.

Country	Notice period	Grounds required?	Key complexity
United Kingdom 🇬🇧	4 weeks statutory min	Yes (after 2 years)	Fair procedure required, tribunal risk
Germany 🇩🇪	1 month (scales to 7)	Yes (after 6 months)	Strong dismissal protection, works council consultation
France 🇫🇷	1-3 months	Yes, documented	Pre-dismissal meeting required, strict procedure
Sweden 🇸🇪	1-6 months	Yes, objective grounds	LIFO applies to redundancies, union consultation required
Norway 🇳🇴	1-6 months	Yes, reasonable grounds	Proportionality test applied by courts
Netherlands 🇳🇱	1-4 months	Yes, one of 8 grounds	UWV permit or court approval often required

In every case, the **EOR** manages the **procedural compliance**. But the commercial decision to terminate, the documentation of performance issues, and the business rationale for any redundancy are **your responsibility**. **Weak documentation** from the client side is one of the most **common causes of termination challenges**.

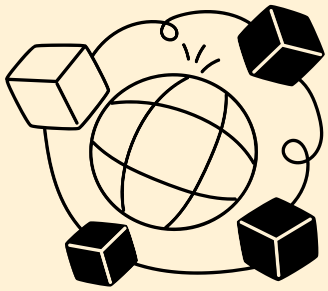
Misclassification risk: contractor to employee conversions

If you are **currently using** contractors and **intend to move** them to **EOR** employment, the transition matters. Converting a contractor to an EOR employee cleans up the relationship going forward. It **does not automatically** resolve retroactive exposure from the prior contractor period. In high-risk markets like

👉🏻 **Germany**

👉🏻 **France**

👉🏻 **Brazil**



getting legal advice before the conversion is worth the cost.

Country spotlights: highest-risk employment markets

1. Germany 🇩🇪

Strong dismissal protection, works council rights, and a sophisticated false self-employment doctrine make Germany one of the most legally complex employment markets in Europe.

2. France 🇫🇷

Extensive employee protections, mandatory consultation procedures, and labour courts that default to employee-friendly interpretation create significant procedural compliance obligations.

3. Netherlands 🇳🇱

The UWV dismissal permit system for economic redundancies and the court-based process for personal dismissals add layers of process that are easy to underestimate.

4. Spain 🇪🇸

High employer social contributions, strong trade union presence, and detailed collective agreements by sector make Spain a market where local expertise is essential.

Compliance questions to ask your EOR before you sign

- **What documentation do you require from us before initiating a termination?**
- **How do you handle country-specific IP assignment requirements?**
- **What is your process for annual employment law updates in each country?**
- **what founders and investors should expect next**
- **Who is the named contact for compliance questions in the countries we are hiring in?**

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When a compliance issue arises, Fronted's in-country will handle it. We're always available as a partner. Reach out to us and we'll make sure you get to speak to the right person.

How Long Does EOR Onboarding Take?

Most EOR providers say "as fast as 48 hours". Most EOR onboardings take 3-4 weeks. Here is the honest version.

Timeline expectations are the most consistently **mismanaged part** of **international hiring**. Companies plan for one week. **Documents are missing**. The country requires a **specific registration**. The start date slips.

Understanding the realistic timeline, what drives delays, and **what you can do to compress it** saves you from a difficult conversation with a candidate who has already given notice.

The typical EOR onboarding timeline

Phase	What happens
Pre-start (internal)	You confirm: role, compensation, start date, reporting line, equipment needs. This is your prep work before the EOR is engaged.
Step 1	EOR engagement. Candidate details submitted, employment contract drafted and sent for review with country-specific clauses.
Step 2	Contract review and signing. Digital signing works in most markets. Some countries require notarised documents or specific steps.
Step 3	EOR registers employment with local authorities: tax office, social security, pension body. Timeline varies by country.
Step 4	Equipment procurement and shipping, system access setup, payroll onboarding with the EOR.
Step 5	Employee starts. Contract active, payroll processing begins, system access confirmed. Onboarding can take as little as 48 hours when all information is available upfront.

What causes delays

Incomplete candidate information

Missing details like a **national ID number**, **tax identifier**, **bank account**, or **residential address** all **stall the process**. Collect these before you start, not after the contract is signed.

Contract review cycles

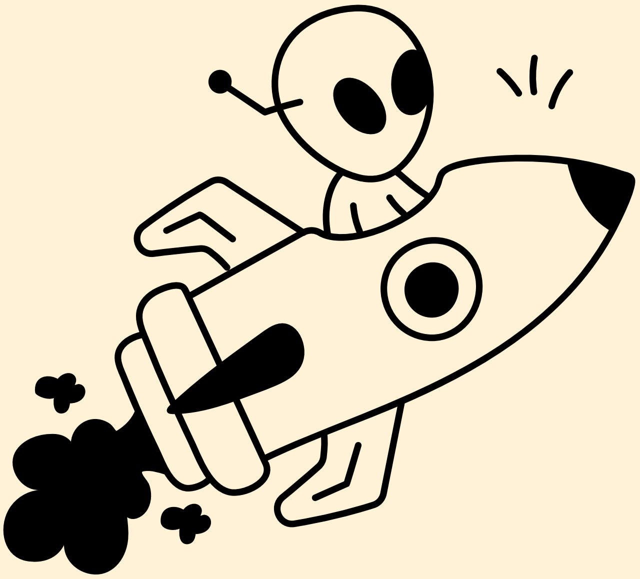
Candidates sometimes request **contract modifications**. Legal teams on both sides take time. Building a **3-5 day buffer** for contract review is realistic.

Country-specific requirements

Some countries add process. In **Germany**, certain employment registrations take **1-2 weeks** to process. In the **Netherlands**, “Digid verification” can add steps. In France, a pre-employment medical check is mandatory in some sectors before the start date.

Equipment logistics

Customs clearance for equipment shipped internationally can take **5-15 business days** depending on **the country**. Buying equipment locally through a procurement arrangement or stipend is almost **always faster**.



The pre-start checklist

Use this checklist to avoid the most common delays. Have everything ready before you engage the EOR.

From the candidate:

👉 Full legal name as on passport or national ID

👉 Date of birth and nationality

👉 Home address including full postcode

👉 National tax identifier or equivalent

👉 Bank account details for salary payment

👉 Copy of passport or national ID

From your side:

👉 Confirmed job title, reporting line, and responsibilities

👉 Gross salary and currency agreed and confirmed

👉 Start date confirmed with realistic EOR lead time built in

👉 Equipment decision made: ship, procure locally, or stipend

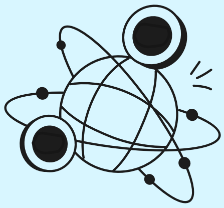
👉 System access list prepared and assigned to an internal owner

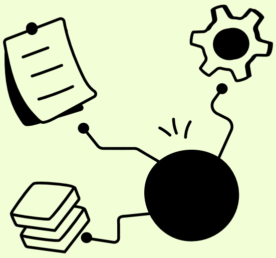
👉 First week onboarding plan ready before Day 1

How to compress the timeline without creating risk

Collect all candidate information at the verbal offer stage,

not after the written offer is signed.



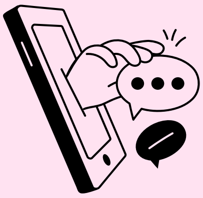


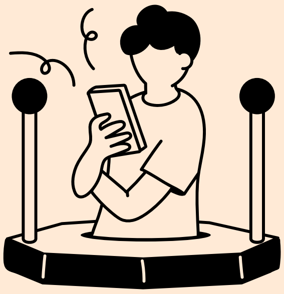
Choose local equipment procurement over international shipping.

Faster and avoids customs.

Alert your legal team early

if they want to review the employment contract.





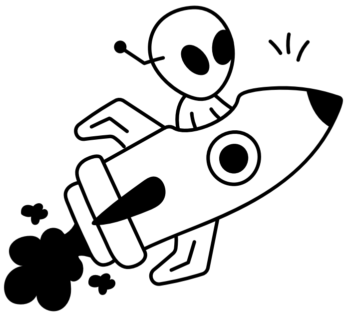
Give the EOR three weeks minimum.

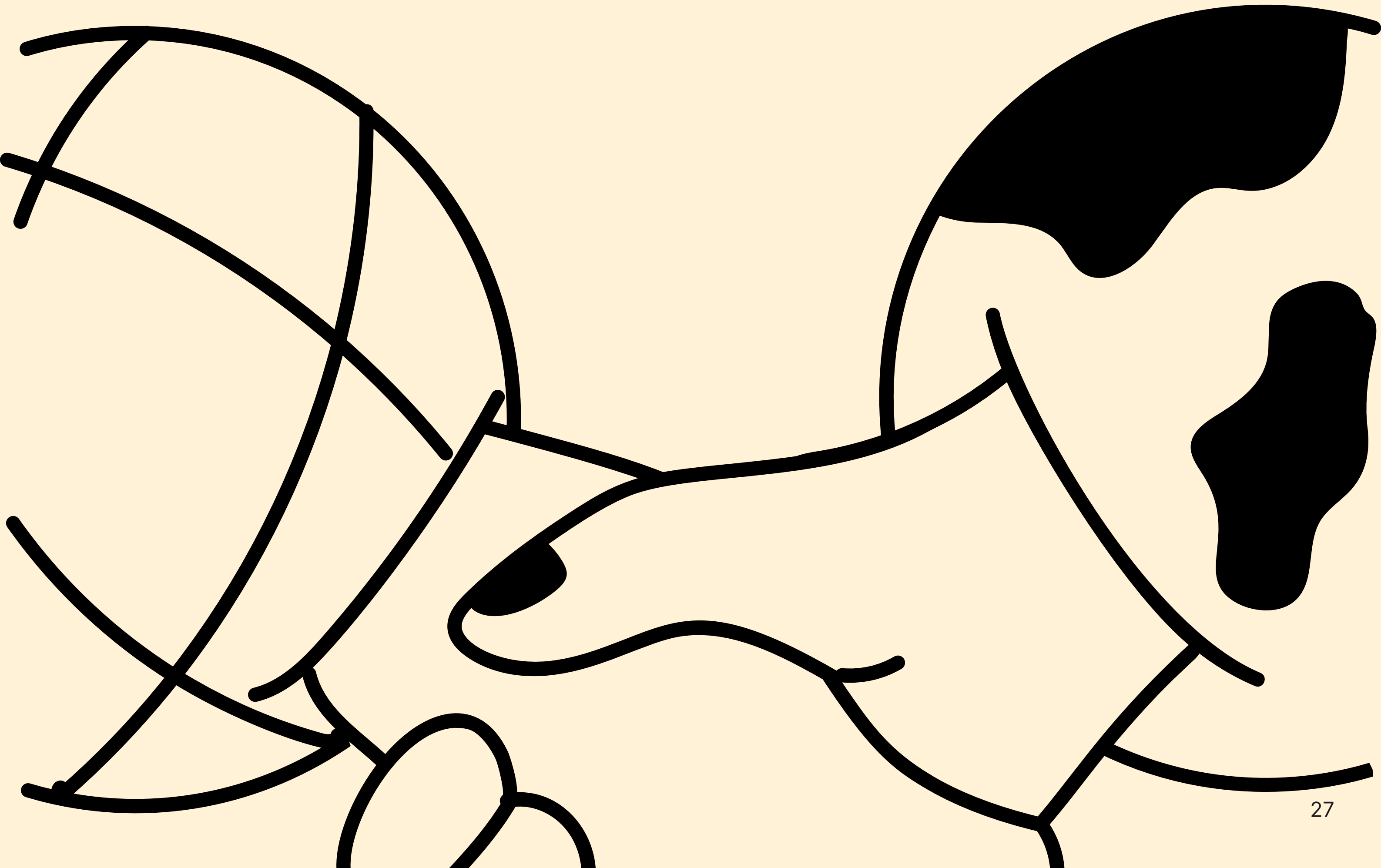
Two weeks is achievable if everything is ready. Involve your EOR as early as possible. They can start preparing the necessary paper work etc. in advance. You won't be charged EOR fees until the employee actually starts working for you.

What the employee experience looks like during onboarding

A well-designed onboarding process should remove unnecessary friction. Through our EOR platform, both the hiring company and the employee are guided through each step, receiving notifications when action is required. Contracts, documentation, and onboarding tasks are managed through a structured workflow and notifications, creating a smoother experience without relying on endless email chains or manual follow-ups.

Fronted's onboarding process is designed to be as fast as possible. UK hires typically onboard in 7-10 days and European hires in a week. We send a readiness checklist to clients before we start so nothing holds up the process at our end.





EOR vs. Contractor of Record

Starting with a contractor feels safe. Staying with one too long is where the risk actually lives.

Contractor of Record (COR) is the **newest model** in the global hiring stack, and most readers **have not heard** of it yet. **This chapter explains what it is**, when it makes sense, and when it starts to create more risk than it resolves.

Understanding the **COR-to-EOR** journey matters because many companies start in the wrong place and stay there too long.

What a Contractor of Record actually is

👉 **A COR** is a company that **manages the engagement** of an independent contractor **on your behalf**. While an EOR **employs someone** as a **full-time employee**, a COR formalises and manages a contractor relationship.

👉 **The COR** handles the **contract paperwork**, **invoicing**, l**ocal payment compliance**, and **tax documentation**. The worker remains an independent contractor. They are not an employee of the COR or of your company.

👉 This is the critical distinction. **COR** makes contractor engagement **cleaner** and **more compliant**. It does not change the legal nature of the relationship.

When COR makes sense

👉 **Testing a new market.** You want to work with someone in a country before committing to a long-term employment relationship. COR lets you structure that engagement compliantly.

👉 **Project-based work.** You need a specific deliverable completed over 3-6 months. The person has multiple clients, sets their own schedule, and is genuinely operating as a freelancer

👉 **Uncertain headcount.** You are not sure whether you need one person or three in a given market yet. COR preserves flexibility while keeping the engagement above board.

👉 **Short-term specialist engagements.** External consultants, interim roles, or advisory arrangements where the independence of the contractor is real and documentable

When COR becomes a liability

COR is not a lower-cost alternative to EOR. It is a different model for a different type of working relationship. Using it for relationships that function like employment creates the same misclassification risk as a direct contractor arrangement.

The signs that a contractor arrangement should be converted to EOR:

- The person has been working primarily for you for more than 6-12 months.
- They follow a schedule set by your team.
- They are integrated into your internal workflows, tools, and communication channels.
- They are performing a core business function, not a defined external deliverable.
- They no longer have other clients in practice.

WATCH OUT

In **France**, **Germany**, **Brazil**, and several **other markets**, courts will look past the contract and assess the actual working relationship. If it looks like employment, it **will be treated** as employment. The **COR structure** does not change that analysis.

The conversion path: COR to EOR

Converting a **contractor to an EOR** employee is the **right move** when the working relationship **has outgrown** the contractor model.

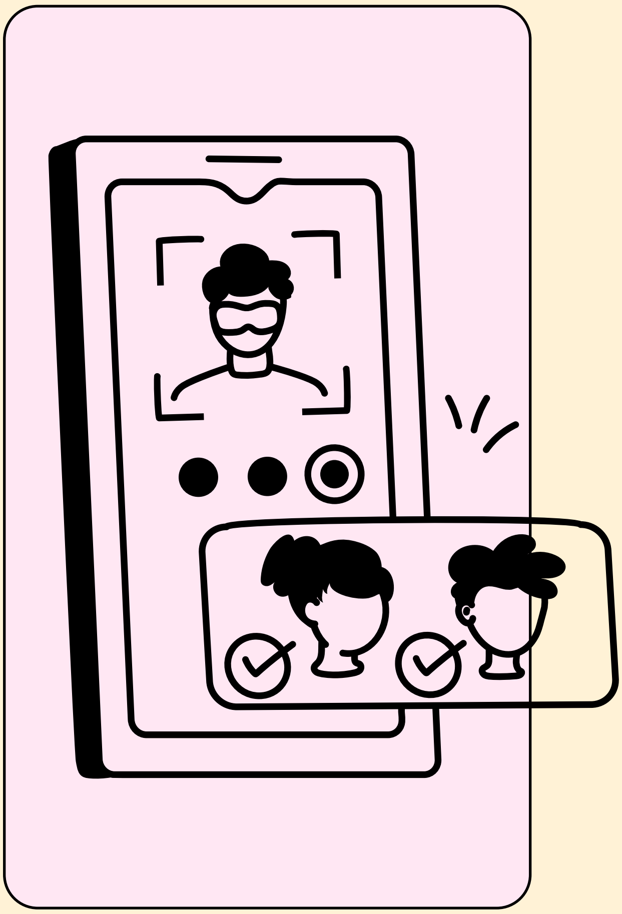
The contractor relationship is **formally closed** through the COR.

A new employment contract is **drafted through the EOR**, reflecting the **correct start date** and **employment terms**.

The employee is **registered with local authorities** through the **EOR** from the **new start date**. Payroll moves from **contractor payment** to **employment payroll**.

The conversion **does not** automatically address retroactive **misclassification exposure** from the prior contractor period.

If there is meaningful exposure, a l**ong-standing arrangement** in a **high-risk jurisdiction**, get local **legal advice** before converting.



The three questions to ask before choosing

Question	If yes...	If no...
Is the working relationship genuinely project-based and time-limited?	COR may be appropriate	Lean toward EOR
Does this person work independently for multiple clients?	COR is more defensible	Misclassification risk rises. EOR is safer.
Will this person become a long-term core team member?	Start with EOR now	COR may work short-term

The employment model should follow the hiring intent

The most important question is not which model is cheapest or fastest to set up,

👉🏻 **It is which model accurately reflects the nature of the working relationship you actually intend to have.**

If you are **hiring someone** to **become part of your team**, own a function, and grow with the company, **start with EOR**.

The short-term convenience of a contractor arrangement is **not worth the long-term compliance** exposure or the **relationship friction** that comes when a person operates like an employee but is **not treated** as one.

If you need a specialist for a specific deliverable and the relationship is genuinely arms-length, **COR** is a **useful and compliant** tool. Just **do not let** the arrangement drift.

fronted

Fronted provides both EOR and COR services and even support you in setting up you own entity if this is what you require. We will tell you which one is right for your situation, including when COR is the better fit. Our view: the employment model should match the hiring intent, not the other way around.

Ready to hire your next international employee?

You now have a full picture of how EOR works, what it costs, where the compliance lines sit, and how it compares to the alternatives. The next step is applying that to your specific situation.

How Fronted can help

Fronted is a global growth partner for companies hiring internationally. We help businesses find, employ, and scale talent across borders through one integrated system covering recruitment, employment infrastructure, and entity setup. With local expertise across Europe and the Nordics, transparent pricing, and hands-on support, we make global expansion simpler and more predictable.

Why work with us

Fronted covers more of the global growth journey than a traditional EOR like Deel, Remote and Multiplier.
We're your end-to-end partner: from your first hire abroad, to a full global team on our EOR, to your own local entity when you're ready to put down roots. When that moment comes, we transfer every employee seamlessly from EOR to entity, no disruption, no re-onboarding. We don't just manage your team. We help you build your company's global footprint from the ground up.
We've redefined the global employment experience by focusing on what large legacy providers overlook: Real Human Support, Flexibility, Radical Simplicity, and Cost Efficient Growth.

Book a call with Fronted

Talk to a Fronted hiring specialist about your nex international hire.