

Compensation and benefits are the backbones of employment. No matter what country you're in, your employees want to make sure your benefit management plan provides all the statutory benefits they deserve and extra compensation and benefits that will sweeten the job.

At Globalization Partners, our experts truly understand Lithuania's compensation laws and benefit requirements. We'll work hard to source the best benefits for your team, and we can take on the risk of compliance as the Employer of Record. When you choose us for Lithuania compensation and benefit outsourcing, you'll only need to worry about running your company.

Lithuania Compensation Laws

As of January 2021, your employees must make at least 642 EUR per month to meet Lithuania's compensation laws. While bonuses are not mandatory, many employees expect to see bonuses included in an employment contract. Workers with particularly in-demand skills may expect a higher wage for their time as well as annual raises.

As of January 1 2022, all employee compensation will need to be paid by transfer to the worker's chosen account. Cash payments will no longer be permitted and failure to comply will lead to administrative fines.

Guaranteed Benefits in Lithuania

Every Lithuania benefit management plan must meet all guaranteed benefits for companies to stay compliant. Lithuanian employees should receive time off for the country's 13 national holidays, plus four weeks of annual paid leave. Single parents of children under the age of 14 are entitled to 35 days of paid annual leave instead of four weeks.

Lithuania offers generous maternity leave for female employees. You should give pregnant employees 70 days of maternity leave before the birth and 56 days after the birth. The State Social Insurance Fund gives these employees an allowance for maternity leave, so companies

don't have to. Paid parental leave is also available during the State Social Insurance Fund for individuals raising a child.

Lithuania Benefits Management

Once you establish a compliant Lithuania benefit management plan, you have to figure out how to give those benefits to employees. It's also important to offer additional benefits to employees that will make them more excited about your open jobs. For example, performance-based bonuses are a common additional benefit that employees may expect when accepting a job.

Other common benefits include supplemental health insurance, a car allowance, a phone allowance, and a fitness allowance. Supplemental healthcare, in particular, is a benefit many employees look for. While Lithuania's state plan is considered good, dental care is not included. If you do not want to source a private plan for your employees, you can also provide a stipend to help cover costs.

Restrictions for Benefits and Compensation

Your biggest restriction related to benefits and compensation is incorporation. Expanding to Lithuania the traditional way means you must set up a subsidiary before you can hire employees and give out compensation and benefits. However, Globalization Partners eliminates the need to establish a subsidiary, saving you weeks or even months. We'll use our existing subsidiary to hire employees that work for you, and we'll use Lithuania compensation and benefit outsourcing to help you stay compliant.

Choose Globalization Partners Today

Globalization Partners can help make your expansion easier and more productive. Contact us today to learn more.