

When you started your parent company, you most likely spent countless hours learning what level of compensation and benefits you needed to provide. It'll be no different when you decide to expand to Malawi. You'll need to learn Malawi's compensation laws and create a Malawi benefits management plan that encourages employees to choose your open jobs and helps you stay compliant.

At Globalization Partners, we know it's difficult to devote time to sourcing compensation and benefits when you're also working on many other aspects of your expansion. Our team provides Malawi compensation and benefits outsourcing services to help you expand quickly without the burden of compliance. We'll provide statutory and market norm benefits, cover employee expenses, and act as the Employer of Record, which means we'll be responsible for following Malawi's employment and labor laws.

## Malawi Compensation Laws

Malawi's compensation laws include a minimum wage of 687.70 Malawian Kwacha (MK) a day. This minimum wage last changed in 2016. The country has three classes of overtime, including:

- Ordinary overtime: Extra hours normally worked by an employee during a working day.
- Day off overtime: Employee works hours on a day they would normally have off.
- Holiday overtime: Any time worked on a public holiday.

Employees should get one and a half their normal wages for each hour of ordinary overtime. Day-off and holiday overtime should get paid at twice the employee's wage.

## Guaranteed Benefits That Companies Have to Provide

Providing all statutory benefits is critical to your company's success and your employees' satisfaction. You should give employees paid time off for Malawi's 11 public holidays. Your Malawi benefits management plan also needs to include annual leave. Employees must receive 18 working days if they work six days a week and 15 working days if they work five

days a week.

It's also important to give female employees at least eight weeks of maternity leave with full pay. While on maternity leave, employees should accumulate all normal benefits and entitlements, as employment is not considered interrupted, reduced, or broken. If there's an illness or complication from pregnancy or confinement, a registered medical practitioner can authorize more paid time off.

### **Best Ways to Disperse Statutory and Additional Benefits**

Your company can attract the highest caliber candidates when you provide market norm benefits in addition to requirements by law. Currently, Malawi does not have any statutory benefits related to paternity leave. You can make your position stand out by offering a few days of paid paternity leave. Employees also appreciate bonuses, so you could include performance-based or yearly bonuses in your employment contract.

### **Restrictions for Companies Dealing With Benefits and Compensation**

Companies that want to start working quickly may experience a disadvantage by expanding on their own. You'll need a registered subsidiary in Malawi — which can take months — before you can disperse benefits and compensation. Fortunately, Globalization Partners can make your expansion fast and simple through our suite of global expansion services, including Malawi benefits and compensation outsourcing. From hiring to figuring out bonuses, we'll handle your expansion so that you can run your business.

### **Contact Globalization Partners to Start Your Expansion**

Globalization Partners wants your company to grow around the world without any additional hassles. Contact us today to learn more about Malawi compensation and benefits outsourcing with us.