



HOW TO HIRE MY FIRST EMPLOYEE IN POLAND

MAIN LEGAL STEPS TO FOLLOW TO HIRE A FIRST EMPLOYEE

- Signing a contract of employment
- Notification to the Social Insurance Institution ("ZUS")
- Setting personal records
- Initial medical examination and Health & Safety training

DESIGN AND CONTENTS OF AN EMPLOYMENT CONTRACT

There are different types of employment contract in Poland:

- Employment contract for an indefinite period ("umowa o pracę na czas nieokreślony")
- Fixed-term employment contract ("umowa o pracę na czas określony")
- Employment contract for a trial period ("umowa o pracę na okres próbny")
- Employment contract for replacement ("umowa o pracę na zastępstwo")
- Employment contract for a specified task ("umowa o pracę na czas wykonania określonej pracy").

The most common type of an employment contract is for an indefinite period.

The content of employment contract must include:

- 1) Type of work,
- 2) Place of work performance,
- 3) The remuneration for the type of work, called gross salary, indicating the remuneration components,
- 4) Working time
- 5) The date of commencement of work.

The employment contract is concluded in writing.

An employment contract can be terminated on the basis of:

- Notice of termination of employment contract
- Termination of employment contract without notice
- Parties' agreement
- Expiry

CAN SOMEBODY DO BUSINESS FOR ME AND NOT BE AN EMPLOYEE?

Yes, on the basis of civil law agreement. Types of civil agreements:

- Contract of mandate/freelancer contract ("umowa zlecenie") - commitment of one person (Contractor) to perform a specific legal action (eg. work) for another entity (Principal). Employers often use the mandate contracts as a replacement for the employment contract due to lower costs. In this form of employment, a particular job is essential, not its effect. Conclusion of contract of mandate is therefore justified in works like distribution of leaflets or telemarketing, security services, catering, cleaning, childcare, outsourcing legal services, accountancy and IT.

- Specific task contract ("umowa o dzieło") - the condition for the existence of this contract is determination of the task. It may have the nature of creative activity. The effect is what is important, not the fact of performing. For instance, such effect can be: drawing up the the balance sheet, creation of computer program or website, architect's design, organization of a concert or conference, presentation, sculpture, etc.

Apart from civil agreements, in Poland we can hire an employee on the basis of so called Management Contract. It is a specific form of employment, it can be either employment contract or civil agreement, and it concerns management personnel.

Other unusual employment occurs when a natural person conducts business activity. So called "Self-employment" (one-man company) is the act of generating one's income directly from customers, clients or other organizations as opposed to being an employee of a business. Such contract is popular with hairdressers, architects, accountants, lawyers or artists.