



Simplifying Employment  
Tasks Worldwide

## Statutory Change Alert

Saudi Arabia Introduces an Amendment to its Labor Law



**KINGDOM OF SAUDI ARABIA**



April 3, 2020



MERCANS

## We help you achieve your global ambitions

Thank you for trusting Mercans to outsource your HR and Payroll functions. We propose HR consulting services, actionable solutions, and cost-effective global payroll processing tools to energize your human capital management in real-time and augment your performance. We are dedicated to becoming your business growth facilitator.



### **Global Payroll Solutions – Boost your HR brand and employee satisfaction**

Rationalize your HR budgets, monitor your data, and optimize your global payroll tasks in real-time. Systematize processes and streamline HRM lifecycles with HR Blizz™, our unified SaaS platform, to ensure your employees are paid accurately and on time.



### **PEO/GEO Services – Easily hire, deploy and manage your workforce abroad**

A reliable Professional Employer Organization (PEO), Mercans is your trusted employer of record to globally select, engage, and manage highly-qualified personnel on your behalf, through integrated Global Employment Outsourcing (GEO).



### **Global Talent Acquisition – Quickly fill vacancies with only the best candidates**

Mercans supports you in designing/deploying long-term HR strategies and processing full-cycle recruitment. Our ATS Suite Mesar™ and our hiring experts help to screen, select, attract the right candidates for your organization, and populate your pipeline of prequalified talents.



### **BPO Services – Reclaim the focus on your core activities to expand your business**

Concentrate on the essentials: outsource non-primary activities and your front- and back-office functions to Mercans. Save the time, money, and energy needed to refine the value chain engagement of your customers and suppliers, and increase revenue.



### **HR Management SaaS – Access customizable cloud-based online platforms**

Centralize your HR function on an all-in-one user-friendly and self-service platform. Combined with the expertise of our consultants, the Mesar SaaS offers a built-in applicant tracking system and easy-integration features to improve internal processes.



### **Local Statutory Compliance – Forget the hassle of setting up branches abroad**

Mercans seasoned HR advisory team are compliance experts specialized in local cultures, business protocols, and tax and legal specificities. They are committed to ensure quick go-to-market abroad and achieve a compliant global expansion, risk-free from A to Z.



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## Mercans at a Glance

**140+**

Countries

**20**

Years of Success

**500+**

Specialists

**5k+**

Customers Worldwide

**97%**

Client Retention Rate

**1.5X**

Annual Revenue Growth

**25k+**

Largest Single Country Payroll

**2.5M+**

Pay Slips per Annum

**0**

Security Breaches

**Number one** for outsourced payroll services, we are endorsed by international authorities.



Mercans has the highest industry quality and IT security certifications.





## Saudi Arabia – Labor law amendment to treat COVID-19 as a force majeure.

The Ministry of Human Resource and Social Development of Saudi Arabia has issued an amendment to the executive regulation of Saudi Arabian Labor Law by adding the following article (Article 41 of the Labor Law):

*If the government has taken measures to tackle certain cases or circumstances, which require the reduction of the working hours or has taken precautionary measures to limit the aggravation of these cases or situations, described as "force majeure", in paragraph 5 of Article 74 of the labor law, the Ministry allows employers, with the consent of its employees, within six months from the start of the enforcement of these procedures, to amend the contractual working conditions, as follows:*

- *Reduce employees' wages to reflect the actual work hours worked.*
- *Grant employees annual leave.*
- *Grant employees exceptional leaves in accordance with the Article 116 of the Labor Law.*

*However, following this, the termination of the employees' employment contracts are not legitimate once it becomes evident that the employer has benefited from this Article or any other government subsidies to deal with this situation. While, the employees have the right to terminate their employment agreements in accordance with the law.*

Separately, the Ministry has temporarily enabled the recruitment of expatriate employees through Ajeer portal as an alternative to recruiting employees from abroad. Ajeer portal was previously available only for Saudi national candidates. Employers with redundant staff will soon be able to list the affected employees on Ajeer for recruitment by alternative employers.

Please contact your Mercans' services delivery team for any additional information regarding the implications of the above change.



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## They already trust Mercans

accenture



AIRBUS



ATKearney



BLACKROCK

BOMBARDIER

CLARIANT



ERICSSON

Johnson & Johnson

KRATOS

KÄRCHER



ManTech  
International Corporation

NOKIA



3M



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# What Makes Mercans your HR and Payroll **Partner of Choice?**

## We Simplify Employment Tasks Worldwide

### Everywhere for Everyone

We are a borderless people engagement enabler, driven by technology and innovation. We deliver bespoke human capital management services and global payroll solutions to empower businesses across 110+ countries regardless of their organizations' size and their industry. We pride ourselves on being global people experts with a striking local presence, committed to making your teams happy, and ensuring the consistent and sustainable growth of your organization.

### Local Presence. Regional Strategy. Global Success

Supported by 500+ payroll and HR specialists with in-depth local knowledge, Mercans operate globally. Our pioneering human resources consulting services and trailblazing SaaS platforms are already satisfying 5,000+ international clients, ensuring timely measurable results and bottom-line savings. Thanks to success-oriented teams striving for excellence and taking care of our clients' tasks within budget, we have gained the trust of major multinational companies.

### A Revolutionary Service Delivery System

Say goodbye to third-party service providers, offshore call centers, fragmented data, and endless chains of sub-contracts.

Mercans cloud-based SaaS Products, HR Blizz™ & Mesar™, combine the performance of proprietary technologies with a human touch. Cost-effective, they are fully-compliant self-service tools, packed with smart built-in features for your peace of mind. All your data are integrated into single interfaces accessible from everywhere and on any device.

### Trailblazing Cloud-Based SaaS Products

HR Blizz & Mesar, our Software-as-a-Service platforms, both propose a preconfigured API integration capability with all the major global HRMS platforms, including SuccessFactors, Workday, Oracle HCM, and MS Dynamics. All Mercans systems and processes are GDPR compliant, ISO 9001, 20000, 27001 certified, and SOC 1 and SOC 2 audited. A registered Finpro expert, Mercans is also a member of the Global Payroll Association and the Global Payroll Management Institute.



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