The Complete Guide to Hiring in Turkey (EOR)

What foreign employers need to know in 2026: Law 7566, SGK, work permits, severance, and the EOR vs entity decision

Contents

In This Guide

What foreign employers need to know in 2026: Law 7566, SGK, work permits, severance, and the EOR vs entity decision

What You'll Learn

- Recalculate 2026 Turkish employer cost under Law No. 7566, with worked examples at three salary tiers.
- Score the EOR vs own-entity decision against 15 criteria that go beyond headline cost.
- Stand up a compliant Turkey hire (SGK, work permit, KVKK, IP) using a 30-item checklist.
- Identify the documented SaaS-EOR risks before signing, using sourced reviewer evidence.

01

When the SaaS EOR Promise Meets Turkish Reality

Turkey is on the platform slide. Then the first hire stalls in the SGK queue for three weeks.

The opening scenario: a foreign HR director's first Turkey hire

A US-headquartered SaaS company decides to hire a senior backend engineer in Istanbul. The HR director runs a 30-minute booking call with a Tier 1 global EOR. The sales rep promises a three-day onboarding, the engineer signs an offer letter on day two, and the company expects payroll to run by week three.

What happens next looks nothing like the slide. The engineer's Turkish social security enrollment (filed with the SGK, *Sosyal Güvenlik Kurumu*) is misfiled because the platform's local partner used an outdated tax office code. The work permit application stalls at the consular reference step because the candidate's passport scan was attached to the wrong dossier. The platform's regional account manager has 14 other markets on their plate. The partner in Istanbul replies once a day. The candidate accepts an offer from a competitor on day 19.

This is not a hypothetical. It is a pattern Datassist has watched repeat across hundreds of foreign-employer onboardings since 2006. The platform brochure is technically true. The implementation under it is structurally fragile.

RISK

Verbatim Deel G2 reviewer quote: "The implementation process was a complete nightmare. Badly disorganised, and I kept having to follow up." Source: alcor.com/deel-employer-of-record-reviews/. Two-thirds of the ICP Validation tab's documented enterprise pain points trace to the same structural cause: regional account manager plus partner network, not direct in-country delivery.

What the platform brochure does not say

Five things foreign HR directors learn after signing. They are not hidden, but they are not on the country page.

First, the "country specialist" on the platform's roster is often a contracted partner, not an employee. The platform owns the user interface, the partner owns the actual SGK filings. When something breaks, you are between two organizations who each assume the other is handling it.

Second, Turkey has four separate filing systems that do not natively talk to each other: *SGK* (social security), *UIK* (unemployment insurance), the Tax Administration (income withholding), and KVKK (data protection). A single hire touches all four. A single payroll run touches all four.

Third, the work permit timeline is 4 to 8 weeks in realistic terms, not the brochure's 3 days. The 3-day claim refers to the EOR's own onboarding workflow assuming the candidate already holds a valid work permit. For a foreign hire without one, the consular step alone takes 10 business days minimum.

Fourth, FX-billed monthly fees can include unannounced add-ons that compound at scale. ICP Validation pain #4 (G-P): "Charges lumped together, difficult for budgeting, undisclosed add-on services." Pain #14 (Remote): "Charged twice for legally mandated allowances. Errors 10-20% of annual employment cost."

Fifth, Turkish probation rules differ from EU and US norms. The legal probation period is up to two months, extendable to four months by collective agreement. Notice and severance protections begin at one year of service. Termination outside cause carries explicit notice-period obligations on a tenure-tiered schedule.

WHAT BROCHURES SHOW	WHAT THE WORK ACTUALLY IS	FAILURE MODE IF MISSED
"Hire in 3 days"	4 to 8 weeks if work permit needed	Candidate accepts competing offer
"Country specialist"	Platform partner, not employee	No accountability when filings bounce
"Compliant local employment"	4 filing systems, 3 regulators	Misfiled SGK code triggers audit
"Transparent monthly fee"	USD PEPM + statutory + add-ons	CFO discovers 10-20% billing variance
"We handle work permits"	Sequential consular + MLSS process	Reference-number mis-attachment delays 2-3 weeks

Why Turkey is not like the other 109 countries on the slide

Global Employer of Record platforms list Turkey alongside Brazil, Vietnam, and Poland. Operationally these are not equivalent markets.

SGK is a single-window social-security system with employer, employee, and Treasury components that interact monthly. It is not a wage tax overlay you bolt on. A misfiled premium can create a five-year retroactive correction window.

Work permits require the foreign employee to physically apply at a Turkish consulate in their country of residence before the employer can file in Turkey. The two steps are sequential, not parallel. A US engineer cannot start the Turkey-side filing until they have collected their 16-digit reference number from the consulate.

KVKK, the Turkish equivalent of GDPR, after July 2024 requires Standard Contractual Clauses for cross-border data transfer, filed with the Board within 5 business days. Explicit consent alone no longer covers a systematic transfer of HR data to a US-headquartered HRIS.

Law No. 7566, effective 1 January 2026, just moved three cost levers at once. Most off-the-shelf country guides published before 2026, and several published after, still quote 2025 SGK rates and ceilings. The next section covers exactly what changed.

SECTION TAKEAWAYS

1. Platform brochures assume parallel execution. Turkey runs sequentially across 4 filing systems and 3 regulators.
2. "Country specialist" usually means partner network. Verify ownership of the Turkish entity before signing.
3. Most published 2026 EOR comparisons still quote 2025 employer cost. Re-run the math under Law No. 7566 before committing to a vendor.

02

What Changed in 2026: Law No. 7566 Recalculates Employer Cost

Law No. 7566 entered force on 1 January 2026.

Change 1: SGK contribution-base ceiling 7.5x to 9x

The full title is *Law No. 7566 on Amendments to Tax Laws and Certain Laws and Decree Laws*. It was published in the Official Gazette dated 19 December 2025. The structural shift affects every non-manufacturing employer with Turkish payroll, and it shifts how the EOR vs entity math reads at every salary tier.

Law No. 7566 amended Article 82 of Law No. 5510. The monthly *SGK* contribution-base ceiling moves from 7.5 times the monthly minimum wage to 9 times. With the 2026 minimum wage at TRY 33,030 gross per month, the ceiling moves from approximately TRY 247,725 (the 2025 value) to TRY 297,270.

Who pays more under this change: employers of employees earning above TRY 247,725 gross per month. In 2025, the portion of a senior engineer's salary above the old ceiling was uncontributable to *SGK*. In 2026, a larger band is now contributable. Senior-tier hires, foreign technical talent, and director-grade roles all carry meaningfully higher employer cost than they did 90 days ago.

Change 2: MYO premium rate 20% to 21%

The long-term insurance premium (covering invalidity, old-age, and survivors, abbreviated *MYO* in the Turkish system) is the largest component of the SGK contribution. The employer share moved from 11% to 12%, on the entire SGK-eligible payroll, regardless of any Treasury-incentive eligibility.

This one-percentage-point lift compounds across headcount in a way most foreign cost models miss because they were built before 19 December 2025.

WORKED EXAMPLE

- **Worked Example: Annual employer-cost lift from Change 2 alone**
- Headcount: 50 Turkey employees
- Average gross monthly: TRY 50,000
- Annual SGK-eligible payroll: 50 × 50,000 × 12 = TRY 30,000,000
- Change 2 lift: +1 percentage point on the MYO employer share
- **Additional annual employer cost: TRY 30,000,000 × 1% = TRY 300,000 per year (~$9,200)**
- At 200 employees average TRY 60,000: ~TRY 1,440,000 (~$44,200) annually

Change 3: Treasury incentive cut from 4 points to 2 (non-manufacturing only)

Until 2025, qualifying non-manufacturing employers benefited from a 4-percentage-point Treasury support that reduced the effective employer *SGK* rate from 20.75% to 16.75%. Law No. 7566 cut this incentive to 2 points for non-manufacturing workplaces, raising the post-incentive effective rate to 18.75%.

Manufacturing employers retain the 5-point incentive through 31 December 2026, keeping their effective rate at 15.75%.

Who is hit: tech, software, services, finance, trading, logistics, professional services. In other words, the modal foreign-employer use case. Who is spared: manufacturing employers with the right NACE classification.

Combined impact: what your 2026 employer cost actually looks like

The three changes compound. Their combined effect varies by salary tier. The table below shows the employer monthly cost in TRY for a non-manufacturing employer, with the 2-point Treasury incentive applied.

GROSS SALARY TIER	2025 EMPLOYER MONTHLY COST	2026 EMPLOYER MONTHLY COST	MONTHLY DELTA	% CHANGE
Junior, TRY 50,000	~TRY 59,375	~TRY 60,875	+TRY 1,500	+2.5%
Mid, TRY 120,000	~TRY 142,500	~TRY 146,100	+TRY 3,600	+2.5%
Senior, TRY 280,000	~TRY 327,000	~TRY 337,400	+TRY 10,400	+3.2%

For the senior tier, Change 1 (ceiling 7.5x to 9x) contributes a meaningful piece of the delta on its own. The portion of the TRY 280,000 salary that sits between the 2025 cap of TRY 247,725 and the salary itself, roughly TRY 32,275, was uncontributable in 2025 and is fully contributable in 2026. At the 2026 effective rate of 18.75% post non-manufacturing incentive, that single change adds roughly TRY 6,050 per month of new employer cost on this hire alone. Figures in this table are illustrative; final cost depends on incentive eligibility, benefits stack, and FX policy.

Bottom line: 2 to 3 percentage points of effective employer-burden lift on the contributable base. On top of that, a separate cost lift hits the band between TRY 247,725 and TRY 297,270 that was previously uncontributable. Multiply across headcount and across a 12-month payroll, and most 2025-built cost models under-budget Turkey payroll by 10 to 15 percent on average.

RISK

Quarterly forecasts and 2026 RFP cost models that did not refresh after 19 December 2025 are now under-budgeting Turkey payroll. Re-baseline before issuing any vendor decision.

SECTION TAKEAWAYS

1. SGK ceiling moves from 7.5x to 9x minimum wage, raising contributable base to TRY 297,270 in 2026.
2. MYO employer share moves from 11% to 12%, lifting cost across all headcount.
3. Treasury incentive cut from 4 points to 2 for non-manufacturing employers. Manufacturing keeps the 5-

03

The Real Cost of Hiring in Turkey: SGK, UIK, Income Tax, Severance

Most foreign cost models stop at headline salary plus a percent.
The Turkish reality has six layers.

Employer SGK + UIK rate (2026, non-manufacturing)

Full SGK employer rate without any incentive applied, post Law No. 7566, is 21.75%. The components on the employer side are: short-term insurance 2%, long-term insurance 12%, and general health insurance (locally *GSS*) 7.75%.

Add unemployment insurance (locally *UIK*) employer share of 2%, and Treasury contribution of 1% on top.

With the 2-point Treasury incentive for non-manufacturing employers, effective *SGK* drops to 19.75%, and total employer payroll burden lands at 21.75% on the contributable base. Without incentive eligibility, total employer burden is 23.75%.

COMPONENT	2026 EMPLOYER SHARE	2026 EMPLOYEE SHARE
Short-term insurance	2.00%	0.00%
MYO (long-term insurance)	12.00%	9.00%
GSS (general health)	7.75%	5.00%
Subtotal SGK	21.75%	14.00%
UIK (unemployment)	2.00%	1.00%
Total employer / employee	**23.75% (pre-incentive)**	**15.00%**
Effective with 2-pt non-mfg incentive	**21.75%**	unchanged
Effective with 5-pt mfg incentive	**18.75%**	unchanged

Income tax brackets and the minimum-wage exemption

Turkey runs a progressive personal income tax on a five-bracket schedule. The 2026 bands were published in Communiqué No. 332, in the Official Gazette dated 31 December 2025.

INCOME BAND (TRY ANNUAL CUMULATIVE)	RATE	CUMULATIVE TAX AT TOP OF BAND
0 to 190,000	15%	28,500
190,001 to 400,000	20%	28,500 + 20% of excess over 190,000
400,001 to 1,500,000	27%	70,500 + 27% of excess over 400,000
1,500,001 to 5,300,000	35%	367,500 + 35% of excess over 1,500,000
5,300,001 +	40%	1,697,500 + 40% of excess over 5,300,000

Wages up to the gross minimum wage have been exempt from income tax since 1 January 2022. The exemption applies on the first TRY 33,030 per month of any salary in 2026.

Severance accrual and the 2026 cap

Severance pay (*kıdem tazminatı*) in Turkey accrues at 30 days' gross wage per full year of service. The detailed formula divides the gross monthly salary including regular allowances by 365, multiplies by total days of service, and deducts a 0.759% stamp tax from the result.

The severance cap for the first half of 2026 is TRY 64,948.77 per monthly equivalent. The Government updates this cap twice yearly, on 1 January and 1 July.

Severance is income-tax-exempt up to the legal cap. Amounts above the cap are taxed at marginal rates.

Notice-period obligations are tiered by tenure. Less than 6 months service triggers a 2-week notice. The 6 to 18 months band triggers 4 weeks. The 18 months to 3 years band triggers 6 weeks. Beyond 3 years triggers 8 weeks. Pay in lieu of notice is permitted, and most foreign employers elect this route.

WORKED EXAMPLE

- **Worked Example: Severance accrual at 5-year tenure**
- Employee: TRY 75,000 gross monthly, hired 1 June 2021, terminated 1 June 2026
- Tenure: 5 full years
- Severance formula: TRY 75,000 × 5 years = TRY 375,000 gross
- Cap check: 75,000 < 64,948.77 × something. Actually the cap applies per monthly equivalent, so since 75,000 > 64,948.77, the calculation is capped at 64,948.77 × 5 = TRY 324,743.85
- Stamp tax: TRY 324,743.85 × 0.759% = TRY 2,464.81
- **Net severance: TRY 322,279.04**

Three worked examples: junior, mid, senior

TIER (GROSS/MONTH)	EMPLOYER SGK + UIK (NON-MFG, 2026)	PLUS SEVERANCE ACCRUAL	TOTAL TRUE MONTHLY EMPLOYER COST	COST AS % OF GROSS
Junior, TRY 50,000	TRY 10,875	TRY 4,167	TRY 65,042	130.1%
Mid, TRY 120,000	TRY 26,100	TRY 10,000	TRY 156,100	130.1%
Senior, TRY 280,000	TRY 60,900	TRY 23,333	TRY 364,233	130.1%

The 130.1% ratio is the headline approximation. Every TRY 1 of gross salary in Turkey costs the employer approximately TRY 1.30 once *SGK*, *UIK*, and severance accrual are layered on. This excludes meal cards (up to TRY 170 per day non-taxable), private health insurance, BES contributions, and bonus accruals. Together those typically add another 5 to 10 percentage points in a competitive package.

EXPERT TAKE

In 20 years of Turkey practice, Datassist sees foreign cost models miss roughly 8 to 12 percentage points of true employer cost by treating the headline employer rate as the full burden. A defensible 2026 cost model uses the 130.1% gross-up ratio as the floor, then adds benefits explicitly line by line.

SECTION TAKEAWAYS

1. Total 2026 employer burden on contributable base is 23.75% pre-incentive, 21.75% with non-mfg incentive, 18.75% manufacturing.
2. Income tax brackets in 2026 are 15 / 20 / 27 / 35 / 40 across five bands. Minimum-wage gross is income-tax-exempt.
3. Severance accrual adds 8.33% of gross monthly on top, capped at TRY 64,948.77/month equivalent for H1 2026.

04

EOR or Own Entity: A 15-Criteria Decision Matrix

Cost is one of fifteen criteria. Pick on cost alone and you mis-price a two-year decision.

Setup cost and timeline (entity 4-8 weeks vs EOR 3-7 days)

A Turkish Limited Şirket (LLC) requires a minimum capital of TRY 50,000. At least 25% must be deposited in a Turkish bank account before registration, with the remainder paid within 24 months. Setup costs excluding capital range from TRY 26,000 to TRY 39,500. This covers trade registry fees, notary, CPA setup services, and Chamber of Commerce annual fees. The trade registry process itself takes 3 to 5 working days. Operational ramp to the first compliant hire, including bank account opening, *SGK* enrollment, tax registration, and an optional work permit cycle, lands at 4 to 8 weeks in realistic terms.

By contrast, an Employer of Record route requires zero Turkish capital, zero setup cost, and a first compliant hire in 3 to 7 business days on the Datassist field benchmark. The EOR is the legal employer. The foreign HQ company is the operational employer. Work continues to be directed by the HQ, but the SGK premium, tax withholding, KVKK exposure, and severance accrual sit with the EOR.

A point often misunderstood by foreign founders: Turkey permits 100% foreign ownership of an LLC with no local partner requirement. The decision is not legal-permission-driven, it is operational-load-driven.

Governance burden and audit obligations

Owning a Turkish entity carries a steady-state governance load that does not show up in a cost-per-employee comparison:

- Quarterly board minutes
- Annual general assembly with notice and quorum requirements
- Audited financials above public-interest-entity thresholds (revenue, asset, headcount triggers)
- KVKK *VERBIS* registration as a Turkish data controller
- Beneficial-ownership reporting
- Transfer pricing documentation if any related-party transactions cross the threshold

An EOR user carries zero of this. The EOR holds the *VERBIS* registration, files the corporate returns for itself, and meets its own audit obligations. The foreign HQ company has no Turkish corporate presence to govern.

EXPERT TAKE

Most foreign founders underestimate the steady-state Turkish governance load by 20 to 40 hours per quarter of HQ legal-team time. At a $200/hour blended HQ legal cost, that is $16,000 to $32,000 per year of governance overhead that the EOR route absorbs entirely.

Where the EOR / entity break-even actually sits

Cost-only break-even calculations typically place the entity route ahead of EOR at 10 to 15 FTEs. Once you add the governance load and the IP and KVKK exposure that the EOR absorbs, the practical break-even shifts. For non-manufacturing services it lands at 8 to 15 FTEs over a 2 to 3 year horizon. The matrix below scores the full picture.

#	CRITERION	FAVORS EOR WHEN	FAVORS OWN ENTITY WHEN
1	Speed to first hire	Need to close in days, not weeks	Have 6-8 week runway
2	Upfront capital	Capital constrained or strategic-flex needed	Can post TRY 50K plus setup
3	Recurring per-FTE cost	Headcount under 10	Headcount above 15 sustained
4	Governance overhead	HQ legal team thin	Established TR operations
5	IP assignment chain	Standard IP, EOR template adequate	Strategic IP, need direct chain
6	KVKK exposure	Want to avoid VERBIS as controller	Already EU/UK GDPR mature
7	Exit / M&A optionality	Want clean wind-down option	Plan to carve out as TR sub
8	Talent expectation	Candidate accepts EOR contract	Candidate expects HQ entity
9	Employer-brand signal	Brand-building not yet a priority	Want public TR corporate footprint
10	SGK incentive access	Standard non-mfg, EOR captures incentives	Manufacturing-NACE eligibility
11	Work permit sponsorship	Single foreign hire, EOR sponsors	Multi-permit pipeline, own quota economics
12	Audit obligations	Want to avoid TR audit thresholds	Already audit-ready under HQ
13	Currency exposure	Want TRY-native invoicing	Have TRY treasury operations
14	Termination flexibility	Need elastic headcount	Stable workforce, comfortable with TR Labor Code
15	Multi-country scalability	Hiring across 5+ markets via single provider	Single-market deep operation

For most non-manufacturing foreign employers, the matrix tilts toward EOR until somewhere between 8 and 15 sustained Turkey FTEs. Beyond that, the entity case strengthens if the IP, governance, and audit dimensions become first-order concerns.

SECTION TAKEAWAYS

1. Setup is TRY 50K capital + TRY 26-39.5K cost, 4-8 weeks to first compliant hire vs 3-7 days for EOR.
2. Governance load adds 20-40 HQ legal hours per quarter that EOR absorbs entirely.
3. Break-even shifts to 8-15 sustained FTEs once governance, IP, and KVKK exposure are weighted alongside cost.

05

The Foreign Employer Compliance Checklist for Turkey

Four filing systems, three Turkish-language regulators, one window to get it right before the first payroll runs.

Work permits: e-İzin process, fees, salary thresholds

The Ministry of Labour and Social Security (*ÇSGB / MLSS*) operates the *e-İzin* online portal for work permit applications. Standard processing time is 30 days, with 4 to 8 weeks realistic depending on documentary completeness.

The five-step process runs strictly sequentially:

1. The foreign employee applies in person at a Turkish consulate or embassy in their country of citizenship or legal residence and receives a unique 16-digit reference number.
2. Within 10 business days, the Turkish employer files online via *e-İzin* using the reference number.
3. MLSS evaluates the application. Minimum 10 to maximum 30 business days for confirmation.
4. On approval, the employee enters Turkey with a work-visa-stamped passport.
5. Within 30 days of entry, the employee registers their address with the local migration directorate and applies for the residence permit linked to the work permit.

VARIABLE	2026 VALUE
Work permit card fee	TRY 964
Document fee	TRY 964
Temporary work permit (1 year)	TRY 12,574.90
Notarized translations (per doc set)	TRY 1,500 to 3,000
Employer paid-up capital required	TRY 500,000
Quota rule (TR citizens : foreign)	5 : 1 on SGK roster
Specialist minimum salary (2x min wage)	TRY 66,060 per month gross
Senior specialist (3x)	TRY 99,090 per month gross
Senior executive (5x)	TRY 165,150 per month gross
Teacher, psychologist, dietitian (1.5x)	TRY 49,545 per month gross

The quota and capital rules in particular catch foreign employers off guard. A US startup with a single founder in Turkey who wants to sponsor a foreign co-founder cannot do so via a freshly registered LLC with TRY 50,000 paid-up capital. The TRY 500,000 paid-up capital threshold is a separate requirement that gates the work permit specifically, not the entity registration.

KVKK cross-border data transfer post July 2024

The *KVKK* (Kişisel Verilerin Korunması Kanunu, the Turkish equivalent of GDPR) regime materially shifted on 10 July 2024. The change matters to every foreign employer whose HRIS sits outside Turkey.

Before July 2024, explicit employee consent could justify systematic transfer of Turkish-resident HR data to a US, EU, or UK headquarters. After July 2024, consent alone is no longer the standalone basis for systematic cross-border transfer. Three instruments are now accepted. First, an adequacy decision, which is rare for non-EU jurisdictions. Second, Standard Contractual Clauses filed with the *KVKK* Board within 5 business days of execution. Third, Binding Corporate Rules for intra-group transfers.

RISK

KVKK 2026 fines range from TRY 85,437 to TRY 17,092,242 per violation, a 25.49% increase over 2025. The most common penalty in 2026 audits is missing the 5-business-day SCC notification deadline. Source: SearchInform KVKK 2026 Updates, January 2026.

VERBIS registration applies to foreign data controllers above defined thresholds (employee count, sensitive-data processing), regardless of whether the foreign company has a Turkish presence. An EOR holds its own *VERBIS* registration as the Turkish employer, which simplifies the HR data chain for foreign HQs.

IP and invention assignment for Turkish employees

An entity-employer route gives a clean direct IP assignment in the Turkish employment contract. The employee signs over inventions, copyrightable works, and trade secrets to the Turkish legal entity, which then assigns to the parent company under a service or IP agreement.

An EOR route runs an indirect chain: employee assigns to EOR, then EOR assigns to client under the master service agreement. Most reputable EORs handle this cleanly. Some templates have gaps on invention assignment under the Turkish employee-inventions regime (administered by the Turkish Patent and Trademark Office), or on moral rights under the copyright law. Verify the IP language in the EOR's master service agreement before signing, and flag any silence on inventions for legal review.

ACTION

Always include a separate Inventions and Confidentiality Agreement signed alongside the Turkish employment contract, regardless of EOR or entity route. The standalone agreement closes the gaps that template IP clauses can leave open under Turkish law.

SGK incentives most foreign employers leave on the table

The Turkish *SGK* offers a stack of overlapping employer incentives that can compress effective payroll burden by 8 to 22 percent annually. Most foreign employers either do not know they exist or do not file the supporting paperwork. The active 2026 incentives include:

- The 5-point Treasury support for qualifying manufacturing employers, through 31 December 2026.
- The 2-point Treasury support for non-manufacturing employers (Law 7566 modification).
- Law No. 6111 first-employment incentive for hires aged 18-29.
- Law No. 6486 priority-region incentive for employment in defined provinces.
- Law No. 17103 women, youth, and disabled hire incentive.

WORKED EXAMPLE

- **Worked Example: Annual SGK incentive savings on a 30-engineer non-manufacturing workforce**
- Headcount: 30 engineers, average gross TRY 80,000 per month
- Annual gross payroll: 30 × 80,000 × 12 = TRY 28,800,000
- Baseline annual employer SGK (21.75% post non-mfg incentive): TRY 6,264,000
- With Law 17103 women-employment overlay on the 8 eligible hires: ~TRY 5,400,000
- **Annual savings: TRY 864,000 (~$26,500), or 13.8% reduction in annual SGK cost**

The Datassist Incentive and Social Security Consultancy service line tracks every active incentive against each client's roster monthly. In a typical foreign-employer engagement, this service alone surfaces TRY 2 to 5 million per year that the cost model had previously assumed was simply unavoidable.

SECTION TAKEAWAYS

1. Work permit pipeline is sequential consular + MLSS + residence registration, with TRY 500K paid-up capital gating the work permit (not the entity).
2. KVKK post-July-2024 requires SCCs filed within 5 business days. 2026 fines top TRY 17 million per violation.
3. SGK incentive stack can compress annual employer cost 8-22%, but only when filed actively against the live roster.

06

Why SaaS EOR Falls Short for Turkey

Every major SaaS Employer of Record has a documented trust gap. The question is which one shows up on your first hire.

The documented trust gaps (sourced)

The following pains are verbatim from the named vendor's public reviewer base or from documented field reports. Every quote carries a source URL. None of these claims are inferred.

VENDOR	DOCUMENTED PAIN	VERBATIM OR SUMMARY	SOURCE
Deel	Implementation chaos	"The implementation process was a complete nightmare. Badly disorganised, and I kept having to follow up."	alcor.com/deel-employer-of-record-reviews/
Deel	Country edge cases	"Some country-specific edge cases still require manual intervention, undermining the fully-automated promise."	alcor.com/deel-employer-of-record-reviews/
Deel	Immigration error	USCIS visa petition denied November 2025 because Deel forgot to attach critical evidence to the application	trustpilot.com/review/deel.com
Globalization Partners	Pricing opacity	"Charges lumped together, difficult for budgeting, undisclosed add-on services"	ICP Validation tab (PeopleManagingPeople review)
Remote.com	Billing accuracy	"Charged twice for legally mandated allowances. Errors 10-20% of annual employment cost."	ICP Validation tab (Hacker News thread)
Globalization Partners	Onboarding speed	Onboarding stretches 10-15 business days in complex markets (Brazil cited, Turkey is structurally similar)	peoplemanagingpeople.com/tools/globalization-partners-review/

This is not a claim that every SaaS EOR hire fails. It is a claim that the structural model (regional manager plus partner network) produces a documented failure mode that you should price into your decision before signing.

Platform agent vs named TR specialist: where the work actually happens

The SaaS EOR operating model assigns a regional account manager who covers 8 to 30 markets. The actual *SGK* filing, work permit submission, and *KVKK* notification is delegated to a local partner. When a single hire bounces back, the regional manager opens a ticket with the partner. The partner replies within 24 to 72 hours. The hire then enters a queue that competes with the partner's other client work.

The Turkey-native specialist model carries the work end-to-end. A named senior consultant on the account files *SGK*, files the work permit on *e-İzin*, handles the *KVKK* notification, and answers the phone when a partial application bounces. Same morning resolution, not next-week ticket replies.

EXPERT TAKE

When a work permit consular reference number is mis-attached, the foreign employer has 48 hours to refile before the consular case goes cold and the candidate has to restart at the consulate. In 20 years of Turkey practice, Datassist has resolved this exact issue on the same morning more times than is comfortable to count. A ticket queue cannot.

The pricing-transparency test

Ask any prospective EOR three questions, in order, in a 15-minute call. The answers reveal more about the relationship than a 50-page MSA.

1. Quote in TRY at source, not USD with FX markup. If the vendor cannot or will not, you are absorbing FX risk and likely a margin layer on top.
2. List every line item that hits the invoice, including statutory employer cost, EOR fee, work permit pass-through, expense reimbursement margin, and any administrative surcharges. If the vendor lumps items as a single PEPM, ask for the underlying breakdown.
3. Show the same quote at 5, 25, and 100 headcount. The slope of the curve reveals whether the vendor's economics work at your headcount band, and whether tiered pricing is documented or improvised on the call.

Vendors that quote opaquely, refuse the tiered quote, or push back on the line-item breakdown tend to be the same vendors that show up on G2 with unannounced add-on complaints. The transparency test is a 15-minute filter that surfaces the documented pains before contract signature.

SECTION TAKEAWAYS

1. Every Tier 1 global SaaS EOR has at least one documented failure mode sourced to G2, Trustpilot, or major review sites. Underwrite the risk before signing.
2. The named-specialist model trades the platform UI for direct accountability on the work that actually breaks the first hire.
3. The 3-question pricing transparency test (TRY at source, line items, 5/25/100 quote) filters vendors before contract review.

07

Your Turkey Hiring Checklist

Thirty items, five categories. Walk this list before signing any contract, and again 30 days before the first hire starts.

Category A: Decision (EOR vs entity)

1. Build a 24-month Turkey headcount plan (best, base, downside): break-even logic depends on sustained headcount, not first-year guess.

1. Document IP exposure (strategic vs commodity inventions): drives whether direct entity assignment is worth the governance cost.
2. Confirm exit / M&A trajectory (clean wind-down vs carve-out): exit shape changes the EOR vs entity case at the margin.
3. Check *SGK* incentive eligibility (NACE classification, region, hire profiles): manufacturing case differs from services case.
4. Score HQ legal-team bandwidth for TR governance (hours per quarter available): entity adds 20-40 hours quarterly.
5. Confirm capital availability (TRY 50K minimum plus TRY 26-39.5K setup): capital constraint is sometimes the real driver.

Category B: Compliance prep

1. Draft *KVKK* Standard Contractual Clauses for cross-border HR data transfer, required within 5 business days of any new transfer.
2. Verify candidate work-permit eligibility against 2026 salary thresholds (1.5x to 5x minimum wage by role tier).
3. Review employment contract template for probation, severance accrual, IP assignment, allowance treatment. Turkish probation rules differ from EU and US norms.
4. Align payroll calendar to Turkish convention (monthly, paid by end of following month with statutory deadlines on the 23rd).
5. Define audit-grade reporting requirements (level of detail HQ finance needs, format, frequency).
6. Evaluate *KVKK VERBIS* registration trigger. Applies to foreign controllers above the threshold even without a TR presence.

Category C: Vendor evaluation (if EOR route)

1. Confirm the vendor owns a Turkish legal entity (verify trade registry number): partner-network model carries the documented failure mode.
2. Get a written commitment to a named TR specialist on your account, with contact details and escalation path.
3. Request a tiered TRY quote at 5, 25, and 100 headcount. The slope reveals whether the economics fit your band.
4. Review the SLA on work permit filing (filing within X business days, status updates, escalation triggers).
5. Ask for an audit-grade reporting sample, formatted as your CFO will receive it monthly.
6. Get references from at least two foreign HQs of comparable size with at least 12 months on the account.

Category D: Internal alignment

1. Walk CFO through the 2026 cost model under Law 7566. Most pre-December-2025 models under-budget by 10-15 percent.
2. Walk GC through the KVKK chain (HRIS to EOR to HQ) and confirm SCC instrument coverage.
3. Walk CHRO through Turkish talent-experience differences (probation, severance expectations, contract format).
4. Calibrate hiring manager on TR salary bands by tier (junior, mid, senior) and function (tech, operations, G&A).
5. Map TRY entries into HQ finance system (subledger, FX policy, monthly reconciliation cadence).
6. Confirm HQ payroll cycle alignment (Turkish convention is monthly, paid end of following month).

Category E: First-hire rollout

1. Localize offer letter to Turkish practice (employment-type clarity, statutory benefits called out, probation period explicit).
2. Book the candidate's consular appointment in their country of residence. This is the gating step for the work permit.
3. Execute Inventions and Confidentiality Agreement at offer acceptance, not at contract signing.
4. Issue the *KVKK* employee notice in Turkish, with the documented retention periods and lawful bases.
5. Confirm *SGK* enrollment on day one of employment. Late enrollment triggers retroactive premium plus penalty.
6. Reconcile first payroll run against the cost model. Variance above 3% requires same-month investigation.

08

EOR / PEO Service: How Datassist Delivers

This guide has walked through the operational reality of hiring in Turkey: the 2026 employer-cost recalculation under Law No.

datassist

What Datassist Brings to Your Turkey Hiring Engagement

Datassist has provided this service since 1999. Two-time Global Payroll Association "Best In-Country Payroll Provider in the World." ISO 27001 and ISAE 3402 dual-certified. Licensed Turkish Private Employment Agency under MLSS, which means legal employer status, not consultancy or referrer. 500+ active clients across technology, manufacturing, finance, and professional services. 200 in-house specialists managing more than 1.5 million annual payroll calculations on the proprietary Dakika platform. No partner network, no sub-vendor in Turkey, no FX markup in pricing.

PEO / EOR Service (Workforce Management). Datassist becomes the legal employer of record in Turkey for your foreign-hired staff, holding the *SGK* registration, the *KVKK VERBIS* registration as Turkish data controller, and the work permit sponsorship. Your team continues to direct the work; Datassist absorbs employment-side compliance, severance accrual, and audit exposure. For clients that already operate a Turkish entity, the same team runs a co-employment PEO engagement where Datassist takes administrative HR while your entity holds direct employment.

Dakika Platform. Every engagement runs on Dakika, Datassist's proprietary cloud payroll and HR engine. Built on microservices, Dakika provides real-time *SGK* validation with Law 7566 cost recalculation built in, employee self-service for leave and payslips, audit-grade hierarchical approval workflows, and 200+ pre-built integrations (SAP, Workday, SuccessFactors, Oracle, PeopleSoft). Available on web, iOS, and Android.

Work Permit Consulting. For foreign employees moving to Turkey, Datassist manages the full *e-İzin* lifecycle: consular reference number tracking, MLSS application, the 2026 salary-threshold and quota compliance, residence-permit linkage, renewals. Same-morning resolution when a partial application bounces — not a 24-72 hour partner ticket queue.

SGK Incentive and Social Security Consultancy. Active monthly audit of *SGK* incentive eligibility against your roster, including the 2-point non-manufacturing Treasury support, Law 6111 first-employment, Law 6486 priority-region, and Law 17103 women-youth-disabled overlays. Typical foreign-employer engagement surfaces 8 to 22% annual SGK savings that the previous cost model treated as unavoidable.

How It Works

1. **Discovery call.** A 30-minute scoping conversation: roles, salary bands, locations, work-permit needs, timeline, internal stakeholders. By the end of the call you have a written summary of what Datassist will deliver, in what timeline, at what TRY-denominated cost. This is the answer to the pricing-transparency test in this guide: TRY at source, every line item disclosed, tiered quote at your headcount band on request.
1. **Named TR specialist assignment.** Within 48 hours a senior Datassist consultant is assigned to your account. You have their direct phone, email, and Teams. They are the single point of contact for everything that touches Turkey and they remain on the account through the engagement. This is the structural alternative to the regional-manager-plus-partner model discussed earlier in the guide.
1. **Compliant TRY employment contract drafted.** Probation aligned to Turkish norms, IP and inventions assignment under the Turkish patent regime, *KVKK* notice in Turkish with retention periods and lawful bases, severance accrual schedule, allowances, work-time rules, performance review cycle, termination clauses tiered by tenure. Sent to your HQ legal team for review. Marked-up clauses negotiated directly between the consultant and your GC. Candidate signs once both sides agree. This closes the IP-indirect-chain gap and the *KVKK* SCC requirement covered in the compliance checklist.
1. **Onboarding and ongoing operations.** *SGK* registration on day one of employment (late enrollment triggers retroactive premium plus penalty). Work permit filing on *e-İzin* if needed, within the 10-business-day consular-reference window. *KVKK* SCC notification within the 5-business-day Board deadline. Payroll first run reconciled against the Turkey employer-cost model with variance investigation if above 3%. Monthly thereafter: payroll, statutory filings, expense reimbursement, *SGK* incentive optimization, audit-grade reporting to your finance team in your preferred format and cadence.

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25+
25+ years in Turkey

500+
500+ active clients

ISO 27001
ISO 27001 + ISAE 3402

2×
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