

READY-TO-CUSTOMISE MASTER DOCUMENT

Global Overtime Management Policy & Compliance Guide

For international organisations operating across multiple jurisdictions.

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Prepared for	[Company Name]
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Owner	People & Culture / HR
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Next review	Annually or upon major legislative changes
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OVERVIEW

A single, practical global framework

“Overtime is discretionary. It must be pre-approved, evidence-based, and minimised through better planning, forecasting and process improvement — not normalised as the default mode of delivery.”

This document provides a complete, practical framework for managing overtime across every country in which [Company Name] operates. It combines clear policy rules, a mandatory approval workflow, manager decision-making guidance, jurisdictional compliance requirements, and best-practice recommendations into a single reference.

The goal is to:

- Protect employee wellbeing and prevent burnout.
- Control discretionary labour costs — often one of the largest variable expenses.
- Ensure full legal compliance in every jurisdiction.
- Promote sustainable delivery over a “hero hours” culture.
- Give line managers and executives the tools to make consistent, defensible decisions.

SECTION 01

Scope

This policy applies to all employees worldwide — full-time, part-time, casual, and contractors where applicable. Where local law, a modern award, a collective agreement, or an individual contract provides more favourable rights, the stricter or more favourable provision always prevails.

SECTION 02

Definitions

Common terms used throughout this policy.

Ordinary / standard hours	Normal working hours defined in the employee’s contract, local law, award, or agreement.
Overtime / additional hours	Any hours worked beyond ordinary hours, as defined locally.

Pre-approval	Formal approval obtained before overtime is worked (except genuine emergencies).
Time off in lieu (TOIL)	Compensatory time off granted at the applicable overtime rate.
Reasonable additional hours	Hours that comply with local “reasonableness” tests (see Appendix A).

SECTION 03

Core global principles

These apply in every jurisdiction without exception.

- Overtime is the exception, never the norm.
- Employee health, safety, and work-life balance take absolute precedence.
- All overtime requires pre-approval via Overtime Solved (or an approved equivalent system).
- Decisions must be evidence-based, not automatic.
- Chronic overtime is a leading indicator of poor planning, scope creep, or under-resourcing.
- Employees have the right to refuse unreasonable additional hours where local law permits.

Mandatory approval process

All overtime must be pre-approved — a minimum of 24 hours in advance where possible. The workflow is identical in every jurisdiction.

Step 1 — Employee submits a request

Each request in Overtime Solved must include:

- Project, client, or deliverable.
- Reason and business justification.
- Estimated hours and dates.
- Supporting evidence (project plan, client email, etc.).

Step 2 — Line manager reviews using the Three Pillars

- **Verification** — Is the need real, urgent, and correctly scoped?
- **Evidence** — Is there documentation proving necessity?
- **Right questions** — Asked on every request (see below).

Questions managers must ask, every time

- What specific deliverable requires this? Why can't it wait?
- Have we explored alternatives — re-prioritisation, reallocation, automation, timeline extension?
- Will this create burnout or recurring issues?
- Does the business value justify the 1.5x–2x premium cost?
- What process fix will prevent this next time?

Steps 3 to 5

- **Step 3.** Manager approves, denies, or requests more information — always with a written rationale.
- **Step 4.** HR and Finance receive an automatic notification.
- **Step 5.** After completion, actual hours are logged and reviewed within 48 hours.

Emergency overtime

Genuine emergency overtime may be approved retrospectively within 24 hours — but it remains subject to the same full scrutiny as pre-approved overtime, including written rationale and post-completion review.

SECTION 05

Compensation & TOIL

Compensation is paid according to local law, contract, or award (see Appendix A). Common global patterns include:

- **Australia** — usually 1.5x or 2x.
- **USA** (non-exempt) — 1.5x after 40 hours per week.
- **UK / EU** — often contractual only, no statutory premium.
- Many countries allow TOIL by written agreement.

TOIL must be taken within the period required by local law or paid out. All arrangements must be documented in writing.

SECTION 06

Recording & record-keeping

- Every hour — ordinary and overtime — must be recorded daily in the approved system.
- Managers must review and approve timesheets promptly.
- Records are retained for the minimum period required by local law (typically 3–7 years).

SECTION 07

Responsibilities

Roles in the overtime management lifecycle.

Employees	Request pre-approval, record time accurately, and raise workload concerns early.
Line managers	Apply the three pillars on every request, monitor team workloads, act on recurring patterns, and model sustainable work practices.
People & Culture / HR	Provide training, monitor global trends, and support local compliance.

Leadership

Ensure resourcing, forecasting, and process improvement reduce the underlying need for overtime.

SECTION 08**Non-compliance**

- Unauthorised overtime is generally not paid unless local law requires it.
- Falsification of records or repeated unjustified approvals may result in disciplinary action up to and including termination.
- Managers who routinely bypass the process will face performance management.

SECTION 09**Best-practice recommendations**

- Require capacity planning and monthly re-forecasts on every project.
- Use Overtime Solved analytics to alert when overtime exceeds 8–10% of labour cost.
- Invest in automation to reduce manual work that drives overtime.
- Celebrate teams that deliver sustainably without excessive overtime.
- Review overtime quarterly as a key operational health metric.

Jurisdictional compliance matrix

An authoritative quick-reference for ten of the most common markets. Always consult local legal counsel for your specific situation.

Jurisdiction	Ordinary hours	OT trigger	Min OT rate	Major exemptions	Limits / notes	TOIL	Refuse ?
Australia	38 hrs / week	Beyond ordinary (award-specific)	1.5x or 2x	Some salaried roles	Reasonable additional hours only	Yes	Yes
United States	40 hrs / week	>40 hrs / workweek	1.5x	Executive / admin / professional	No statutory maximum	Limited	No
United Kingdom	48 hrs avg (17-wk ref)	Contractual only	None (contractual)	Almost all (opt-out common)	11 hrs daily rest, 48 hrs avg	Yes	Yes (opt-out)
Canada	40–44 hrs / week (province)	>40/44 hrs or 8 hrs / day	1.5x	Managerial / executive	Varies by province	Yes	Yes
Germany	8 hrs / day (48 max avg)	Beyond contractual	Contractual / collective	Executives often salaried	10 hrs / day max, strict rest	Yes	Yes
France	35 hrs / week	>35 hrs / week	1.25x then 1.5x	Collective agreements vary	220 hrs / year quota	Yes	Yes
Singapore	44 hrs / week	>44 hrs or 8 hrs / day	1.5x	Managers & certain salary levels	72 hrs / month max	Yes	Limited
India	48 hrs / week	>48 hrs or 9 hrs / day	2x	IT / ITES state exemptions	60 hrs / week total incl. OT	Usually paid	Limited
Netherlands	40 hrs / week avg	Beyond contractual	Contractual / CLA	All employees	12 hrs / day, 60 hrs / week max	Yes	Yes
New Zealand	40 hrs / week (typical)	Beyond agreed hours	Contractual	All employees	Health & safety limits	Yes	Yes

Disclaimer. This matrix is for guidance only (as of May 2026). Laws change. Always verify with local counsel before acting.