

EMPLOYMENT CONTRACTS GUIDE

Practical steps to draft and manage effective contracts

The individual employment contract is the document that defines the employment relationship. Clear and complete drafting reduces the risk of disputes, sanctions, and economic contingencies.

1. Most commonly used types of contract

Type of contract	Main characteristics
Indefinite-term	This is the general rule. It may only be terminated for legally justified causes or by mutual consent.
Fixed-term	Requires an objective cause (project, season, substitution). If extended or used repeatedly without justification, it is deemed indefinite-term.
Project-specific (<i>obra determinada</i>)	Ends upon completion of the project. The scope of the work must be clearly specified.
Trial period / Initial training	Maximum 30 days (90 days for management or specialized technical positions). Must be in writing.

2. Minimum elements the contract must contain

- Name, nationality, age, sex, marital status, CURP and address of the employee and of the employer.
- If the relationship is for a specific project or fixed term, the objective justification.
- Service or services to be performed (job description and functions).
- Place or places where the work is to be performed.
- Duration of the working day (day, night or mixed) and schedule.
- Form and amount of the salary (integrated salary where applicable).
- Day and place of payment.
- Indication that the employee will be trained or instructed.
- Other working conditions (benefits, rest days, vacation, etc.).

3. Practical recommendations

- Deliver a signed copy to the employee and keep the other.
- Avoid generic or copied clauses. Adapt the contract to the reality of the position.
- Include internal policies by reference (code of ethics, use of equipment, confidentiality) and have the employee acknowledge and sign receipt.
- Periodically review existing contracts, especially after reforms to the Federal Labor Law.
- Document any subsequent modification (salary, position, schedule) in writing.

4. Frequent errors that generate contingencies

- Using fixed-term contracts without a real objective cause.
- Failing to deliver the contract or to keep evidence of delivery.
- Describing functions that are too broad or too limited.
- Omitting the integrated salary or the minimum legal benefits.
- Failing to update the contract when substantial conditions change.

A well-drafted contract not only complies with the law: it is the first line of defense in a labor lawsuit.

Guidance document. It does not replace personalized legal advice.