



# Compliance Workbook for Global Hiring

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## A three-step guide to ensure legal compliance in **international markets**

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# Introduction

Global hiring is evolving in ways we could have never imagined. We are witnessing the emergence of new work models, compensation structures, and employment regulations that are putting traditional business practices to the test.

Although change is now the new normal, we know one thing is for sure: Companies must amp up their compliance game to keep up with this workplace evolution. As businesses increasingly look beyond borders for talented individuals to skyrocket their growth and success, it's imperative to have a deep understanding of the legal intricacies involved in hiring in different jurisdictions.

At G-P, we understand the complexity of the global employment landscape. **Our Global Growth Platform™**, along with our robust team of legal and HR experts, have been helping companies hire around the world compliantly for over a decade.

As a result, we've taken the insight we've gathered along the way and put it into this comprehensive three-step guide to equip HR professionals, recruiters, and business leaders with the ultimate knowledge and essential tools to achieve successful global hiring in full compliance.



## Step 1: Understand the dynamic nature of global compliance.

Global compliance has undergone a significant transformation in recent years, evolving from a static and rigid concept to a dynamic and ever-changing landscape. Several key factors have contributed to this shift:

### Skills shortages

One of the factors that has shaped the dynamic nature of global compliance is the prevalence of local skills shortages. As organizations expand their talent search across borders, they often face a variety of disparate employment laws. The ever-changing regulatory landscape demands specialized knowledge and skills, making it crucial for organizations to have a robust team of HR and legal experts to help them navigate global compliance requirements. As employment becomes more location-agnostic, companies must invest in continuous education and training to keep up with each country's policy changes and regulations.



### New work models

The emergence of new work models has contributed to the evolving landscape of global compliance. With the rise of remote work, freelancing, and the gig economy, organizations are increasingly relying on flexible and non-traditional work arrangements. This shift presents unique compliance challenges, as companies must ensure workers are classified correctly according to each jurisdiction's criteria. It requires a dynamic approach to compliance where companies must adapt their processes and policies to accommodate the changing nature of employment laws around the world.



## Contingent workers

The rise of contingent workers has had a profound impact on global compliance. Contingent workers, such as independent contractors and temporary employees, are becoming more prevalent in workforces around the world. However, compliance obligations for these workers can differ from those of traditional employees. Companies must carefully navigate the legal and regulatory frameworks of each country to ensure compliance with labor laws, tax obligations, and other relevant regulations.

## Geopolitical shifts

Changes in political landscapes, trade policies, and international relations can lead to adjustments in regulatory frameworks and compliance requirements. Geopolitical shifts and global events, such as [Brexit](#), require employers to stay informed and adapt their compliance strategies to align with unforeseen regulatory environments.

## Organizational agility needs

Companies must be agile and responsive to emerging risks, abrupt regulatory changes, and evolving societal expectations. Compliance programs need to be nimble enough to not only adjust to new requirements but to proactively anticipate and respond to compliance challenges as they arise. Minimum wage laws, collective bargaining agreements, and labor regulations can fluctuate and change, further fueling the dynamic nature of compliance today.

A proactive approach that extends beyond mere rule-following is essential and requires robust monitoring mechanisms. But now that we've covered the dynamic nature of global compliance, let's explore a few key areas companies need to address.

## Step 2: Research the **main compliance areas.**

Mastering the legal frameworks and local labor laws in different countries is crucial to guarantee compliance. Companies must be familiarized with key regulations related to employment, immigration, anti-discrimination, data protection, health and safety, intellectual property, and confidentiality policies to successfully hire across borders.

### **Employment laws and contracts**

Each country has its own set of employment laws governing areas such as working hours, minimum wage, overtime, leave entitlements, termination procedures, and employee benefits.

We know that crafting employment contracts that align with local legal requirements can be complex. Language barriers, differences in contract law, and conflicting jurisdictional rules can create ambiguity and lead to noncompliance. Failure to accurately address these matters in international contracts can result in financial penalties, legal disputes, reputational damage, and strained international relationships.

However, G-P can help you navigate the complexity of contract generation. Our Employment Contract Generator feature automates, expedites, and eliminates compliance risks throughout the contract-signing process. You can customize, review, and approve contracts while leveraging the expertise of our legal advisors, eliminating the risks associated with exchanging sensitive information.

### **Immigration laws and work permits**

When hiring talent internationally, organizations must navigate strict immigration laws and obtain the appropriate work permits or visas for their employees. These laws vary from country to country and may require sponsorship, labor market testing, and specific skill criteria. Understanding the immigration processes, documentation, and timelines is essential to ensure legal compliance and avoid business disruptions.

#### What our customers say

“ [With G-P.] We now have the possibility to get access to local labor laws of 180+ countries – [paired with the] easiness to hire people identified without legal entities in place – through one unique global contact.

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Managing a global visa and immigration program is daunting and hugely time-consuming. G-P works with a trusted team of visa and immigration experts, attorneys, and migration consultants with ample experience. Our team can solve even the toughest hiring and visa challenges anywhere in the world.

Our Global Growth Platform™ also includes a visa support feature that allows companies to obtain work permits that meet local requirements, making the process quicker, easier, and compliant.



### What our customers say

Their thoroughness, professionalism, and genuine friendliness made hiring an international employee easy. I would [recommend G-P to anyone](#) needing to hire an employee outside their established country(ies).



## Anti-discrimination laws

Discrimination based on race, gender, age, religion, nationality, or any other protected characteristic is prohibited in most countries. Organizations must familiarize themselves with the nuances of anti-discrimination laws and ensure that their hiring practices, policies, and decisions adhere to these regulations. This includes ensuring equal opportunity in recruitment, fair treatment of candidates, and providing adequate facilities for individuals with disabilities.

Note that it is easy to unknowingly violate anti-discriminatory laws. In [Brazil](#), for example, including terms like “young” in job descriptions or asking questions related to marital status or family situation during interviews can be considered age-based discrimination.

## Data protection and privacy laws

In an increasingly digital world, organizations must keep a close eye on data protection and privacy laws. These laws regulate the collection, storage, and transfer of personal data, imposing obligations on organizations to protect individuals’ privacy rights.

Before hiring internationally and managing candidates' data, companies should:

1. Conduct thorough research on data protection laws in each jurisdiction.
2. Implement robust data security measures through encryption, access controls, and regular audits.
3. Obtain consent from candidates before collecting personal data.
4. Establish compliant data transfer mechanisms.

Our Global Growth Platform™ is SOC 2 certified and has been designed and built according to the highest security and compliance standards in the industry. We manage customer data based on the five “trust service principles”: security, availability, processing integrity, confidentiality, and privacy.



#### What our customers say

Love the local experts that know how to explain their [countries' compliance and statutory requirements](#) to a foreign mind. They are comfortably versed in U.S. offerings and laws to understand how best to offer parity or ensure understanding.



## Health and safety regulations

Workplace health and safety regulations vary across countries, and organizations must adhere to the specific standards and requirements in each jurisdiction. This includes providing a safe and healthy work environment, conducting risk assessments, implementing safety protocols, and providing appropriate training to employees. Compliance with health and safety regulations is vital for protecting employee wellbeing and minimizing the risk of accidents and injuries. Bear in mind that these rules are established by each country's regulatory entity. For example, in the U.S., the Occupational Safety and Health Administration (OSHA) sets and enforces the safety standards for workers. In the UK, it's the Health and Safety Executive (HSE).

## Intellectual property and confidentiality

When hiring global talent, organizations should also be mindful of protecting their intellectual property (IP) and maintaining confidentiality. Understanding IP laws and implementing appropriate measures, such as non-disclosure agreements, can help safeguard sensitive information, trade secrets, and proprietary knowledge. Intellectual property and confidentiality have become



potential compliance risks due to digital information sharing, rapid technological advancements, and cross-border collaborations, which have increased intellectual property theft and unauthorized disclosure. In the past few years, several countries, [such as China](#), have made substantial progress in improving IP laws. However, as these laws shift, companies must continually stay abreast of the latest updates and ensure their operations align with the changing requirements.

Failure to address these variations can result in financial losses, reputational damage, and legal consequences.



#### What our customers say

The best thing about G-P is their [breadth of country-specific knowledge](#). They have HR experts in many countries, who can answer specific questions and provide solutions and benchmarking data. The platform is extremely easy to use and is powerful when it comes to updating individual data and reporting. Their support model is also highly effective.



## Taxation

Tax structures differ not only between countries but also across industries. Governments typically collect several common taxes from local corporations, including:

- Sales tax on products and services
- Property taxes on real estate holdings
- Employment and payroll taxes

Failing to grasp the intricacies of tax laws or miscalculating tax liabilities exposes companies to fines and noncompliance risks. Hence, it is crucial to establish control, visibility, transparency, and governance on a global scale by ensuring accurate and timely local tax filings. Global companies can benefit from exploring time-saving and cost-efficient technologies for taxation compliance while quickly adapting to new regulations. Companies with international ambitions should seek centrally managed, integrated services that provide a single source for meeting diverse and complex global tax and statutory reporting obligations.

## Termination

Terminating an international employee is never ideal and can have unforeseen consequences if managed improperly. Each country has nuanced termination laws, making it easy to overlook crucial details. Additionally, terminated employees may file claims, leading to costly lawsuits in addition to legal penalties.

Termination compliance is crucial for maintaining ethical standards in the workplace. It ensures that employers adhere to applicable laws and regulations when ending an employment relationship. Compliance protects both the employer and the employee, promoting fairness and preventing disputes.

Properly executed terminations can safeguard against potential litigation, reputational damage, and financial liabilities. Compliance also upholds employee rights, such as providing notice periods, severance packages, and respecting non-discrimination policies.

### **Step 3:**

## **Build a compliant global hiring framework.**

Preparing for global hiring requires careful planning and extensive research, but we can help you simplify the process. Here are six steps you can follow to build a compliant global hiring framework.

### **Leverage technology to streamline the global hiring process.**

Technology plays a crucial role in simplifying various aspects of a company's business operations, and the hiring process is no exception. Leveraging technology can significantly improve the global hiring process, making it more efficient, cost-effective, and inclusive.

#### **What do to:**

- Take advantage of applicant tracking systems (ATS) to manage and automate the recruitment workflow. ATS software enables recruiters to organize and track candidates, review resumes, and schedule interviews.
- Utilize video interviewing platforms to conduct virtual interviews with candidates from around the globe. This expedites the screening process, enabling faster decision-making.
- Implement remote collaboration tools, such as project management platforms and communication software to facilitate seamless communication and collaboration regardless of geographical locations.
- Leverage chatbots or AI-powered virtual assistants to provide instant responses to frequently asked questions and guide applicants throughout the application process.





### **Establish an effective cross-border recruitment process.**

A global recruitment process begins with a thorough understanding of local markets, cultural nuances, and legal requirements.

#### **What to do:**

- Partner with experienced recruiters or global growth experts to leverage their expertise in navigating complex international recruitment landscapes.
- Develop clear and consistent job descriptions, tailored to specific regions to attract qualified candidates.
- Emphasize cultural sensitivity and provide relocation support (if needed) to ensure a smooth transition into your organization.
- Implement standardized recruitment processes and verification procedures to maintain consistency and mitigate risks associated with hiring biases.

### **Identify visa requirements and worker classification.**

Identifying and understanding the specific immigration regulations and processes is vital to ensure compliance, especially now that geographical boundaries no longer confine workforces. Companies are expanding their business operations globally, and employees are increasingly seeking flexible arrangements and greater control over their work hours and location. This can be a potential compliance risk since accommodating these preferences involves navigating worker classification and global mobility regulations.

#### **What to do:**

- Determine the appropriate visa category, sponsorship obligations, and any necessary documentation.
- Consult with immigration experts and legal professionals.
- Research your target country's classification criteria for employees and independent contractors before onboarding.

## Ensure fairness and equal opportunity throughout the recruitment process.

Ensuring compliance in terms of diversity, inclusion, equity, and belonging principles promotes a fair work environment.

### What to do:

- Consider a [skills-based hiring](#) approach to screen in candidates.
- Create job descriptions that are free from bias and discriminatory language.
- Implement standardized interview techniques and assessment criteria to evaluate candidates objectively.
- Train recruiters and hiring managers on unconscious bias and provide guidelines for decision-making.
- Conduct periodic audits to monitor and improve the recruitment process.

## Verify employment contracts and compensation.

Review and verify contractual terms, including benefits and obligations, and conduct salary benchmarking to ensure competitive and equitable compensation packages for employees.

### What to do:

- Craft employment contracts that comply with local labor laws.
- Address compensation and benefits in accordance with regional norms.
- Research tax implications for both your company and employees.

## Safeguard personal information during the recruitment process.

Safeguarding personal information during the recruitment process is necessary to follow global and local data protection laws. One such regulation is the General Data Protection Regulation (GDPR) that requires all companies operating in the European Union to adopt new policies, processes, and practices to manage the personal data of their customers, users, suppliers, and workers.

### What to do:

- Implement secure data management systems.
- Obtain candidate consent for data processing.
- Protect sensitive information.
- Establish secure data transfer practices.





**G-P**

Global Made Possible

## Build your everywhere workforce quickly and compliantly with G-P.

Successful global hiring requires a delicate balance between talent acquisition and compliance. By embracing compliance as an integral part of the hiring process, organizations can attract and retain top talent while avoiding costly penalties and safeguarding their reputation in the global marketplace.

HR. Legal. Compliance. Hiring. There's a lot to think about when you're expanding. Leave the details to us: Our fully customizable SaaS-based global employment product suite, G-P Meridian Suite™, can help you find, hire, and manage talent anywhere in the world – quickly and compliantly – without setting up new entities.

Apart from our industry-leading technology, you can rest assured that our robust team of legal and HR experts keep up with ever-changing, country-specific labor laws, so you can continue your global growth remaining confident that every step is compliant.

Grow beyond borders and boundaries by **requesting a proposal** today.

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