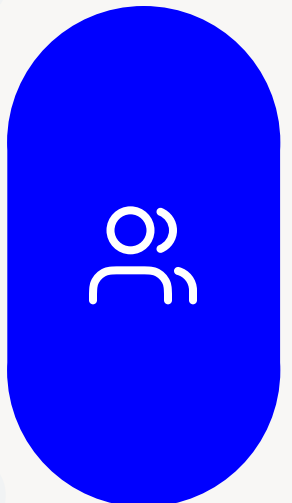




The Legal Leader's Global Hiring Guide



Why you need this guide

Your company wants to hire globally, and you need to make sure it's done legally. Starting with a clear legal framework ensures compliance is covered from day one.

This guide helps you navigate the maze of global compliance. You'll learn about employment law variations, establishing proper documentation, and structuring global hiring to minimize your legal risks while powering global business growth.

About you:

- You're a legal leader evaluating compliance requirements for global hiring
- You're a general counsel building legal frameworks for international hiring initiatives
- You're a legal professional researching employment law and regulatory requirements for global talent acquisition

What's ahead in this guide:

- Understanding the legal risks of global hiring
- Choosing the right hiring approach and managing compliance
- Building your implementation roadmap



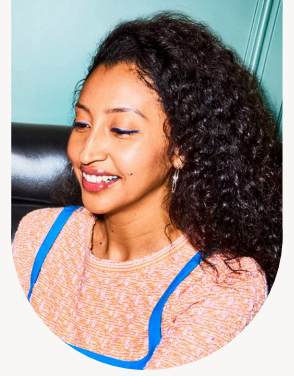


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Chapter 1:

Understanding the legal risks of global hiring



When leadership decides to hire globally, they're relying on you to navigate the legal complexities. You need to know how to structure the initiative properly to minimize risk while working toward the strategic goals your company is trying to achieve.

Your legal objectives for global hiring

Your role

Risk mitigation

Legal enablement

Framework building

Liability protection

What success looks like

No compliance violations or employment law penalties

The business can hire quickly, without legal roadblocks

There are scalable legal structures that work across jurisdictions

Company exposure is limited and clearly defined

The 4 risks to watch out for

When your executive team decides to hire globally, you inherit a web of legal challenges that most business leaders often overlook. They include:



Jurisdictional complexity

Beyond basic employment law, you're dealing with overlapping regulatory frameworks. Consider cross-border data transfers, tax treaty implications, and varying IP protection standards.



Documentation requirements

Each jurisdiction requires specific employment documentation, contract terms, and regulatory filings. A one-size-fits-all template won't work across borders.



Ongoing compliance obligations

Employment laws change often, and maintaining compliance requires continuous monitoring across multiple jurisdictions.



Liability exposure

Misclassification, inadequate contracts, or noncompliance can result in significant penalties, back payments, and reputational damage.



Your 3-step risk assessment

Here's how to evaluate these risks systematically and provide actionable guidance to your business leaders:



Step 1: Research legal requirements and penalties

- Contact local counsel for employment law summaries and penalty schedules.
- Review government resources for published violation fines and enforcement statistics.
- Benchmark against peer companies and their compliance approaches.
- Document findings in a risk matrix with specific penalty amounts and probability assessments.



Step 2: Map requirements to business constraints

- Compare business hiring timelines against legal setup requirements. Entity setup can take 3-12 months, depending on the jurisdiction.
- Calculate internal legal team capacity vs. external counsel costs.
- Identify which business functions require direct legal control vs. acceptable third-party management.
- Research termination costs and wind-down procedures, if needed.



Step 3: Present options with specific recommendations

- Create a decision matrix that shows the legal complexity, cost, timeline, and risk exposure for each approach.
- Provide an implementation roadmap with specific legal steps, timelines, and resource requirements.
- Include contingency planning for compliance issues or business changes.
- Set clear triggers for when to escalate issues or to change your approach.



Chapter 2:

Choosing the right hiring approach and managing compliance



It's time to build your risk management strategy. Focus on two core areas: choosing the right hiring model and maintaining ongoing compliance.

Area 1: Choose your hiring approach and build proper documentation

The problem: You need a hiring model that balances legal risk with business needs and documentation frameworks that protect your company across different jurisdictions.

Understanding your options: There are three global hiring approaches, each with different legal implications:

- **Employer of record (EOR):** A third-party company acts as the legal employer for your team members in different countries. EORs handle all aspects of employment compliance, while you manage your workers' day-to-day.
- **Legal entity:** Establish your own subsidiary or branch office. You'll be directly responsible for all compliance matters.
- **Contractors:** Using contractors reduces your compliance obligations, but it also carries significant risks of misclassification.

How they compare legally:

Legal factor	EOR	Entity	Contractors
Compliance responsibility	Manages compliance for you	You assume full responsibility	High misclassification risk
IP protection	Strong	Strong	Requires careful contracting
Your regulatory liability	Limited (EOR minimizes risk)	Full company liability	High penalty exposure
Documentation burden	EOR provides templates	Create everything yourself	Simplified but risky

When to use each approach:

- **1-10 employees in new jurisdictions:** The EOR manages compliance without the need for complex entity setup.
- **Strategic markets with long-term presence:** Creating your own entity offers you maximum control, but requires a comprehensive legal infrastructure.
- **Specialized project work:** You could use contractors, but you need careful classification analysis and robust contracts.
- **IP-sensitive roles:** Employee relationships (via EOR or entity) provide stronger protection for your IP than contractor arrangements.



Your documentation requirements:

Your needs depend entirely on which hiring approach you choose:

If you choose an EOR, your EOR partner handles most compliance documentation, but you still need to:

- Review your EOR's employment contract templates to ensure they protect your interests.
- Verify that their IP and confidentiality agreements meet your company standards.
- Confirm that their data privacy policies comply with your requirements.
- Understand what regulatory filings the EOR handles vs. what remains your responsibility.

If you choose entity setup or contractors, you're responsible for all legal documentation. You'll need to:

- Engage local employment lawyers in each target jurisdiction.
- Develop jurisdiction-specific employment contracts, don't adapt domestic templates.
- Create IP and confidentiality agreements tailored to local trade secret laws and regulations.
- Develop data privacy policies that meet local data protection requirements.
- Understand all regulatory filing requirements and government notifications.

The impact: With an EOR, you shift from creating documentation to reviewing and overseeing it. With direct hiring, you're building everything from scratch.

Either way, proper documentation frameworks protect your company from employment law violations, ensure your IP protections are enforceable, and create clear legal relationships with your global team members.





Area 2: Monitor compliance and handle issues as they arise

The problem: Employment laws are constantly changing, and compliance issues will arise despite careful planning. Without systematic monitoring and response procedures, minor problems become major liabilities.

Your ongoing compliance approach

You need two things: a way to stay current on changing laws and procedures for handling problems.

How to stay current on legal changes

- Subscribe to employment law updates from local lawyers in each country.
- Check government websites and labor ministry announcements regularly.
- Join international employment law groups for insights from other companies.
- Schedule annual reviews to check for law changes.
- Plan and schedule implementation for new legal requirements.
- Budget annually for ongoing compliance costs.

How to handle issues as they arise

- Train your team to identify potential compliance red flags early on.
- Establish clear steps for who handles different types of legal problems.
- Build relationships with local lawyers before you need them.
- Create processes for documenting compliance incidents.
- Prepare response plans for common issues (misclassification, employment law violations, IP breaches, and data privacy incidents).

The impact: Proactive compliance monitoring prevents regulatory violations and keeps your global hiring framework up to date with evolving legal requirements. Clear incident response procedures minimize legal exposure and ensure your team can handle compliance issues appropriately.

Chapter 3:

Building your practical implementation roadmap

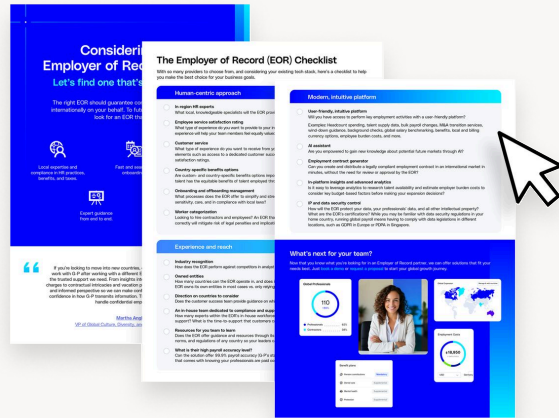


You understand the risks and have your compliance strategy. Here's how to execute your plan, without legal headaches.

Getting started: Your first 30 days

- **Week 1-2:** Legal landscape mapping
 - Start by defining your target countries and researching hiring requirements.
 - Focus on classification rules, mandatory contract terms, termination procedures, and penalty structures.
 - If you're considering an EOR, use this research to evaluate providers. Check if they own entities or use third parties, review how they handle regulatory changes, and request examples of their actual employment contracts.
- **Week 3-4:** Make your model decision
 - Conduct your legal risk assessment using the framework from Chapter 1.
 - If compliance complexity exceeds your internal capacity, partnering with an EOR is the way to go.
 - If you want to maintain maximum control over the employee lifecycle and you have resources to onboard 10+ people, consider direct entity setup.
 - If you're selecting an EOR, evaluate their legal infrastructure, compliance frameworks, and liability coverage.

[Download our comprehensive EOR evaluation checklist](#) to assess potential partners against 17 different factors and make an informed choice.



Common implementation challenges (and how to handle them)

Challenge 1: "Our standard contracts don't work internationally."

- 1 Your domestic templates won't work everywhere. Build jurisdiction-specific contracts with the support of the local counsel. Budget 2-4 weeks for proper contract development in each jurisdiction.

Challenge 2: "We don't know how to approach compliance monitoring."

- 2 Start simple. Subscribe to legal update services from the local counsel, set quarterly check-ins to review regulatory changes, and create a shared calendar tracking compliance deadlines across all jurisdictions.

Challenge 3: "Leadership wants to move faster than legal setup allows."

- 3 This is where EORs come in. You can start hiring within weeks while you're still building your long-term legal infrastructure. Present leadership with timeline comparisons between the hiring models.

Challenge 4: "We're not sure about ongoing legal costs."

- 4 Budget for annual legal reviews in each jurisdiction, plus compliance monitoring services. If you're using an EOR, factor in their fees but reduce internal legal overhead.



Long-term success: scaling and evolution

Months 1-6: Foundation and monitoring

- Track what's working and what isn't. Nurture relationships with local counsel and establish monitoring systems.

Months 6-18: Optimization and scaling

- Evaluate whether your initial approach still makes sense as you grow. This is when companies often transition from an EOR to an entity setup if they're hiring a significant number of people in one country.

18+ months: Strategic evolution

- Consider how global hiring fits into your broader growth strategy. Use what you've learned to inform future growth decisions.

How G-P™ delivers legal protection for your global hiring initiative

“Setting up a legal entity in a new country is not only time-consuming, but it also creates additional layers of complexity around compliance and other potential local requirements. G-P gives us the flexibility we need while ensuring we are totally compliant with all the local rules and laws in that particular country.”

Mick Mag, CFO



Here's how G-P helps with legal challenges:



When legal complexity becomes overwhelming, our entities in 180+ countries provide established legal infrastructure with local employment law expertise.



When documentation requirements stretch your resources, our legal templates and local contracts ensure proper employment relationships while protecting your intellectual property in every country.



When compliance risks lead to legal problems, our 13+ years of global employment experience and local legal experts ensure you have the right guidance and support to navigate challenges with confidence.

The bottom line: Global hiring requires a proper legal structure to minimize risk and ensure compliance. With G-P, you get comprehensive legal protection that scales with you.



Turn legal roadblocks into open highways

[Book a demo](#)

See how G-P global employment products and EOR solutions simplify every aspect of global employment.

Get personalized legal guidance for your specific hiring needs.