



The Complete Guide to Building a Remote Global Team





What we do

G-P helps growing companies unlock their full potential by making it possible to build highly skilled global teams in minutes instead of months. G-P Meridian Suite™, our fully customizable suite of global employment products, makes it easy to find, hire, onboard, pay, and manage team members, quickly and compliantly – without the hassle of setting up local entities. We pair the industry’s most responsive technology with our world-class legal, HR, and tax experts to guide your growth, anywhere in the world.

G-P: Global Made Possible



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The future of work

In 2010, analyst firm Gartner predicted that by 2020, half of the world would be working outside of the traditional office setting. Today, an International Workplace Group study showed that [70%](#) of the global workforce telecommutes at least one day per week. Remote workers have increased by 115% over the last decade. And according to Deloitte, almost 75% of millennials believe that a remote work policy is important.

The nature of how we work is shifting thanks to technology advancements and generational mindset changes. Data shows that distributed, flexible, and now, global teams are the future, and they're certainly the answer to creating business resiliency in times of crisis.

Now you must be wondering: what does this mean for your business? Why should you build a remote, global team? And what should you do first? This guide will walk you through how to approach building a remote global team: the crucial first steps, the best approach to finding candidates, how to train managers to lead effectively, and how to lay the foundation for a healthy, empowering work culture.

What's so great about a remote, global team?

A remote, global team gives you two specific advantages: proven efficiency and increased success. The remote aspect brings the efficiency and building a team with

global perspectives increases overall performance of your business. But it's the combination that gives your business an added measure of resilience, and that is what will put you ahead of the competition. Here are other key benefits:

Diversification

Diversification is often viewed as a risky endeavor. To diversify a business, the organization must be willing to explore new markets, test new products, and go outside the norm of what's already working. However, businesses that have built a strong foundation can unlock new opportunities by diversifying their operations around the world. Benefits include a distributed supply chain and a much more diverse consumer market. As a result, companies are well-positioned for success in a quickly changing world.

With a diverse foundation in place, what could be a devastating long-term crisis is limited to a short-term, lower impact setback.

Access to top talent

One of the biggest benefits to building a remote team is the ability to hire the best candidates for your open roles, no matter where they live. While local hiring restricts the candidate pool to a commutable distance, a global hiring strategy allows you to build a team of top performers

anywhere in the world.

As fierce competition and local talent shortages persist, tapping into the global talent pool presents a promising opportunity for companies to stay ahead of the competition.

Lower stress, lower turnover

[G-P's Global Employee Survey](#) found that 48% of employees are happier about work since working remotely. In addition, companies that allow remote work report a 25% decrease in voluntary employee turnover.

With average turnover replacement costs at 1.5 to 2 times the employee salary, hiring remote-first or including a flexible work arrangement is an effective way to save costs and boost retention.

Diversity is your strength.

Workers on diverse teams are happier and more engaged, and businesses benefit as a result. In our Global Employee

Survey, employees at diverse companies were three times more likely to report feeling happy at work. Additionally, 88% of the employees at diverse organizations feel listened to, report a stronger sense of belonging, and are less likely to consider leaving their jobs in the next year.

Global perspectives

Many businesses fail when expanding globally because they want to apply the same strategy in every market without contemplating cultural nuances and local customs.

For this reason, having global team members in-country is critical for any company that hopes to successfully scale at an international level. When you have team members that are truly native to the region, it provides invaluable insights into local markets. Local hires will speak the language, understand the norms and customs, and make partners and customers more comfortable.



01

The logistics

If you're hiring a remote candidate within the borders of your country of origin – that's a simpler task. However, adding an international team member and creating a truly global team has unique challenges.

The first step to any global hire is to figure out the logistics. It's not as simple as sending a local offer letter to an international candidate – you need to set up the legal structure to handle the entire employee lifecycle.

Legal, tax, and compliance challenges

To hire compliantly in any country, you must follow the proper legal procedures in-country before onboarding your candidate. First, it's essential to set up a legal entity.

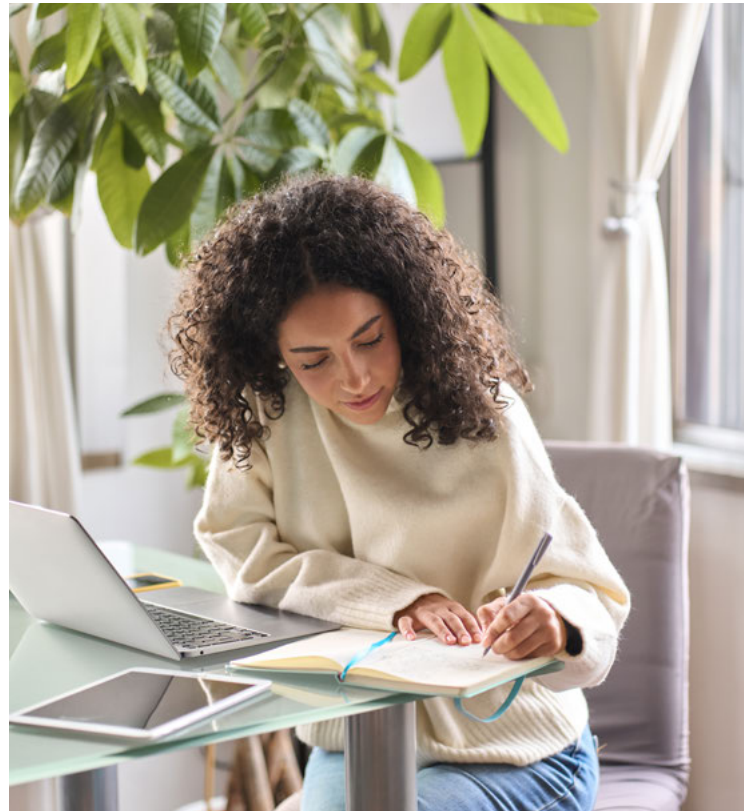
This will allow your business to pay the appropriate taxes, file payroll, and remain compliant throughout the employment relationship. The only problem? These laws and regulations vary from country to country, and it puts a major burden on the business to manage the unknowns and ensure compliance.

For example, when U.S.-based companies begin expanding into different regions of the world, they must contend with the fact that [at-will employment](#) does not exist outside of the United States.

Companies can quickly step into legal quicksand without the right guidance from experts who are familiarized with employment laws and have experience working on the ground.

Entity setup

If your organization elects to set up a legal entity in your target country, it's important to know what to expect. It's not usually as simple as sending in paperwork. For example, here are three things that may be needed for entity setup:



- 1. Some countries require in-person bank account setup.** In many countries, the only way to legally set up an entity is to open a bank account. And many countries require you to physically be there to complete the process.
- 2. Bank accounts could have capitalization requirements.** To complete bank account setup, many countries require you to deposit a large sum of money, in the local currency, into the account.
- 3. It could take months to process.** In some countries, official paperwork must be signed in black ink and take months to process.

Using a local employment law expert to help navigate the process is essential, especially for businesses that may have limited in-house legal resources.

Competitive benefits packages

Do you know the parental leave policy in Mexico? What about the paid time off policy in Japan? When hiring internationally, forming a compliant, competitive benefits package is not only required legally, it's essential to attract top talent. There are three categories of benefits that employers must consider when putting together packages for their international team members:

- 1. Government-provided benefits:** These are benefits that are administered by the government, such as healthcare or retirement, but could also include life insurance or disability.
- 2. Government-mandated benefits:** These are benefits provided by the employer, as required by law. These are commonly known as statutory benefits.
- 3. Voluntary employer benefits-** Provided at the employer's discretion – also known as fringe benefits.

Special note for U.S.-based companies

Many employee benefits not required in the United States are mandatory in other countries.

Medical leave, parental leave, paid time off, and more could all look very different for international employees versus the package that is standard for employees in the U.S. Additional international benefits that are common outside of the U.S. may include housing, goods and services, children's school expenses, and more.

Another aspect of international benefits administration to consider is the impact of local discrimination laws. If an international employee from one location is brought in to work with employees in another location and there is a discrepancy in benefits, the employer should consider offering equal benefits in that location, and the law may require it. No matter which benefits are mandatory or voluntary, it's critical for employers to clearly define eligibility across all benefits to eliminate any confusion.



Hiring independent contractors

When faced with the prospect of international entity setup and the accompanying legal, tax, and compliance challenges, many businesses consider hiring independent contractors instead of full-time employees while they test the market.

However, every country has its own definition of a contractor versus an employee, as well as penalties for violating the regulations and [misclassification](#).

When is a worker considered a contractor? As a rough guideline, contractors are defined as individuals who are:

1. Hired on a short-term basis (project-based), for less than six months.
2. Working for multiple employers and have a portfolio of their own clients.

Employees are classified as such if they:

1. Work full-time for one company.
2. Take management direction from that company.
3. Have no other clients.
4. Receive employee benefits (i.e. vacation days, stock options, car allowances, private health insurance, etc.)

If you're hiring a contractor that should be classified as an employee, there could be complications down the road. This is particularly true if the relationship with the contractor doesn't end on a positive note. If you decide to terminate your engagement with a contractor, and the negotiation does not go well, the contractor could take legal action.

Maintaining compliance

The challenges don't end once you've hired your candidate internationally. Instead, one of the biggest challenges for any company is maintaining compliance over time. Employment laws vary per country and are constantly changing – staying up to date on each adjustment is essential. Ensure your internal team has the bandwidth to both track and implement all necessary changes on an ongoing basis.



Terminations and severance

Though not the preferable situation, companies may need to terminate an international employee. When this happens, navigating the process legally requires a complete understanding of the country's termination and severance regulations.

Special note for U.S.-based companies

Most countries have strict laws surrounding both terminations and severance that favor the employee more than in the U.S. For example, in China, employers are required to give workers one to 12 weeks of notice.

In Mexico, as in many countries in Latin America, it is difficult to prove a justified dismissal without sure evidence. Companies must send a representative to go in person to a local labor court to file a settlement agreement with the worker, along with paying the exiting employee an amount based on their salary and years worked. If companies fail to follow the country's laws on termination and severance, the exiting employee has a case for an unjustified dismissal.

These cases go to labor courts that typically favor the employee and can end up costing the business a significant sum – more than they would have spent by offering a legally acceptable severance package. This area of managing a remote, global team is one of the more intricate tasks, requiring a high level of local law expertise and HR experience.

What is an employer of record?

In a typical employment model, the employer hires the employee and takes on the responsibility of all tax, legal, and benefits provisions. However, if a business does not wish to take on this burden or does not yet have the infrastructure in a specific country to do so, they can use an employer of record (EOR).

The EOR takes on full employment responsibility from a legal perspective. Some of the items the EOR handles include payroll, filing taxes, creating and maintaining employment contracts, offering and administering benefits, and terminations.

The logistics can be overwhelming and challenging, but that's where G-P can help. As the industry leader in the EOR category, our mission is to help you succeed. We handle all aspects of international employment, freeing you to focus on running your business.



02

Finding talent

While broadening the talent pool is an undeniable benefit of global, there is still a challenge involved with attracting the right candidates to apply.

According to our [2022 Global CFO Survey](#), 29% of CFO's believe that talent attraction and retention are their second biggest challenge impeding their global growth plan. In addition, a study by [Manpower Group](#) revealed that 45% of employers are having trouble finding workers with the right skills.

What can you do differently to make your job listings stand out and attract the highest performers to your team? In times of uncertainty, finding a good candidate becomes even more challenging, as many may prefer to stay at their current role instead of switching jobs.

So, what's the first step to attracting the best candidates?

Create an impactful role description.

Start by thinking about the roles you're opening on your team. How will the new team members' success be measured? Once the internal team has a clear picture on what success looks like, include as many specifics as possible in the job description.

Be realistic about the everyday demands of the job, outline how the role will impact business goals, and be upfront about the challenges they'll be navigating with the team.

Work on your employer brand.

Make the mission, vision, and values of your company visible and clear.

From public relations efforts to organic social media posts, be vocal about the impact your company is having on the industry and the world – it's a tried-and-true way to attract top performers. Another way to strengthen your

employer brand is to encourage your employees to speak for you. Encourage honest feedback and public reviews, then promote the voices of the people on your team. Even if the reviews aren't from employees located in the country where you're expanding to, "social proof" helps candidates learn about your company.

Start the candidate search.

With an impactful role posted and a strong employer brand to back it up, the candidate search begins. The best way to break into a new talent market is through a personal connection. First, leverage all connections and consider implementing an employee referral program to fill the job applicant pool. For companies that are just beginning the process of hiring internationally, using a local recruitment company could help make the first hire on the ground much faster.

The interview process

Interviewing remotely requires thoughtful planning and smart execution. There are three areas companies must assess when reviewing candidates that will be working remotely:

1. Communication style: Using video technology will give hiring managers the ability to review how the candidate

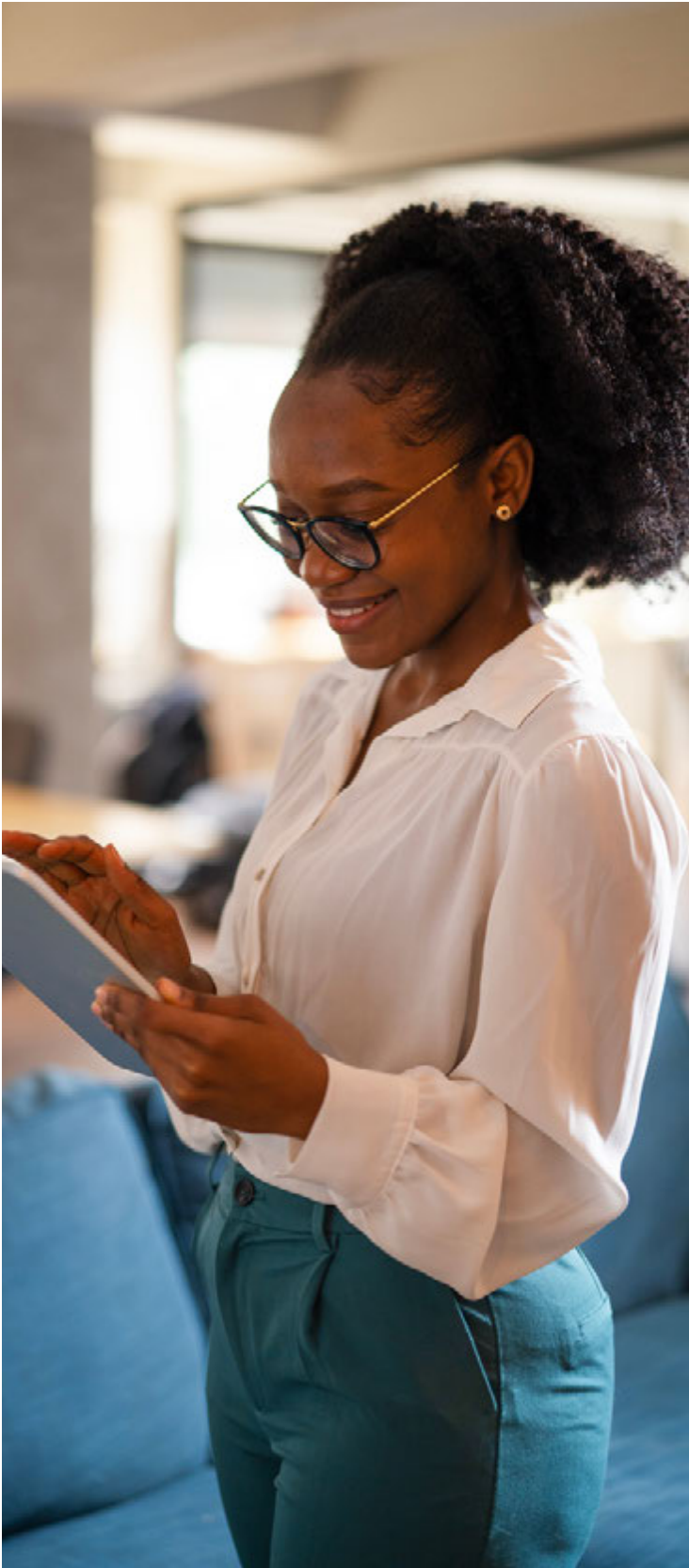
communicates. In a remote environment, candidates who are comfortable proactively communicating, through both video and via text, will likely perform much better in the day-to-day work environment.

2. Capabilities and skills: Consider assigning the candidates a test project to review how they approach work. This is one of the best ways to assess whether the applicant has the skills required to meet the demands of the role.

3. Character traits: Some of the key characteristics of employees who thrive in remote environments include:

- Results-driven
- Self-starter
- Both punctual and responsive
- A natural problem solver
- Efficient communicator
- Able to demonstrate attention to detail
- Interview questions should be open-ended and designed to reveal the candidate's aptitude in this area, such as: "Tell me about a time you managed a project from start to finish. How did you keep everyone informed along the way?"





Employment contracts

The excitement you feel when you find the perfect candidate is unmatched. However, before you send the employment contract to your chosen candidate, you must verify that it is legally in line with the regulations and requirements of the country in which the candidate lives – not where your business is registered.

Sending an employment contract before learning about the in-country employment laws is one of the biggest mistakes companies make when they first begin hiring internationally. Without an understanding of local employment law, an offer letter could commit the business to a lot more compensation than they expected.

For instance, if the business makes an offer of EUR 120,000 annually to an employee in Portugal, the country's custom of a 13th- and 14th-month bonus could add another EUR 20,000 onto the total compensation, if not specified in the contract. Even though companies may not want to delay an offer to the best talent, if the candidate is in another country, it's best to get a local labor law expert involved before making any offer, verbal or written.

An expert can inform on what is custom for total compensation, including benefits in the candidate's country and offer guidance on the best legal way to proceed. While companies want to secure their candidate, they also want to protect the interests of the business, and experts can help organizations walk that line.

Our experts can help.

Onboarding a candidate in a different country is challenging, but G-P has the largest team of in-country HR and legal experts to help you navigate these waters. As part of our comprehensive solution, you and your candidate will have an HR expert available to answer questions, and manage the benefits and payroll onboarding process, giving them a smooth employment experience while lifting the burden off your team.

03

Effective management

Once you've hired the candidate, it's time to actively immerse them in the business and in their role. Accomplishing this goal begins with effective management.

[Qualtrics](#) reported that employees are five times more likely to stay in a role when their manager consistently recognizes their good work. In addition, 79% of employees who leave their companies cite “lack of appreciation” as the main reason for departure.

Managing people is challenging no matter the circumstances, but effectively doing so across time zones and cultures, with limited face-to-face interaction, makes it even more essential that managers receive the right training and support.

How can you effectively manage a remote, global team and lead the way for others?

Get cultural training.

You're not just managing remotely – you're managing globally. Do your culture homework. Having empathy and

a willingness to learn makes a big impact coming from a manager. This means more than asking your global employee about their cuisine or holiday traditions – it also means learning about cultural values and their views on teamwork and collaboration.

In addition to understanding culture, get to know your employees as individuals. Ask them about their motivations or participate in group testing. Be sensitive toward people from underrepresented regions or those with distinct cultural norms and values to ensure everyone feels included and appreciated.

Likewise, a cultural standard that can hinder team dynamics is the difference between people who come from collectivist cultures versus those who come from individualist cultures. In individualistic cultures, individual goals come first. In collectivist cultures, the needs of the group matter most. Team, company, community, and family needs matter more than those of the individual.

It's important to address this potential disconnect, so both of these philosophies can co-exist and thrive.



Know your values.

Determine and share your values as a manager. While the cultures employees bring to your team are important, you are also in the process of creating your own, shared team culture. Facilitate this by taking some time to share company values with your team and explain the different ways in which they can apply them in their day to day.

Communicate clearly.

Set up centralized information sharing. Make sure all of your team members can access the same files and tools, and establish centralized, cloud-based sharing to facilitate communication. Check in frequently and consistently. There are three kinds of distance to account for on global teams.

1. Physical distance – geographic location and time.
2. Operational distance – how far an employee is from you in the organization, due to things like team size or bandwidth.
3. Affinity distance – how close employees feel to your values, their level of trust, and emotional commitment. For a remote, global team, physical distance is a constant, and operational distance is in flux. But managers can shorten affinity distance by prioritizing clear communication.

Slowing down and being clear about your day-to-day expectations is important, but it's worth taking extra time to be clear with remote employees in other countries. Ask employees questions to make sure they understand you before you send them off to complete projects. Consider also using less slang, jargon, metaphors, idioms, or cultural references when talking to a group that has mixed first languages or culture backgrounds.

Build relationships.

Another way to increase a remote team members' feeling of ownership is to remind managers that they are responsible for their team's development as well as deliverables. Regular one-on-one meetings are an effective way to ensure the relationship between manager and employee develops.

And as this is unfolding, it's easier to delegate and empower the remote, global employee to truly have an impact. Highly empowered teams, who can act autonomously according to your high-level direction and



values, will accomplish more, work faster, and feel more empowered. Add to this healthy amounts of thoughtful feedback, and positive recognition and reinforcement, and you have a recipe for building trust in both directions across your team.

Use the right communication software.

The technology chosen to engage with a remote, global team is critical to success. Choose your tech stack wisely. Plan for differences in schedules and augment text-based communication (email, instant message, text, collaboration tools) with periodic face-to-face meetings (both online video tools or in-person meetings).

Be available.

Rotate time zones fairly. Try not to constantly put the burden on one time zone to work off hours. Use a meeting planning tool to coordinate overlap across time zones.

Leverage global growth technology.

When managing a remote global team, you don't want to waste your time on administrative items. Working with G-P to build your global workforce makes it easy to scale your team and ensure they have the information they need, when they need it. From onboarding to ongoing expense management, our global growth technology streamlines the entire employee lifecycle.

04

Building a strong company culture

Culture isn't just a buzzword. A [2021 report by BambooHR](#) revealed that one in five employees were looking for a new job due to a decline in their company's culture.

Top talent wants to be a part of a supportive, connected community as well. Organizations must be even more intentional about cultivating this type of culture when the team is distributed and diverse.

What are some areas to focus on?

Communication logistics

G-P's 2020 [Global Employee Survey](#) found that communications logistics as another big challenge for global teams. Even for co-located groups, communication can be tricky. Many companies suffer from communication overload, so this can be a special challenge when a team relies on technology to connect.

We recommend bridging this gap by enabling video conferencing. Our own team, around half of which is dispersed around the world, reports that using video communication internally enormously improves their work

experience and feelings of team inclusion across borders.

Encourage ownership.

Encourage active participation from all groups. Make sure the processes and tools you put into place encourage people from all backgrounds to have a voice in the conversation. People who connect daily with global team members feel more connected, engaged, and involved than those who don't. Set up systems and processes to make it easier to ask for and collect honest feedback, such as weekly work summaries or surveys. Not only does having a routine place to offer up comments a good opportunity for the employee, it also gives management a view into the climate around the organization, even if some of those team members are located far from headquarters.

Focus on what matters.

At G-P, we enable companies to focus on hiring the best talent, create a meaningful place to work, and achieve new milestones. When companies use our global entities, lean on our expertise, and leverage our technology, they can achieve global success faster.



05

Build your global team with G-P.

As you start building your global team, don't forget that G-P can help you hire talent quickly and compliantly in 180+ countries – without setting up a new entity.

Here are a few key ways we can help you achieve global success:

- **Hire internationally without setting up a legal entity.**

The budget and resources required to set up an entity do not have to deter your business from hiring a remote, global team.

G-P takes on the burden of legal, tax, and payroll setup, allowing you to quickly hire talent around the world in minutes. Our #1 suite of global employment products, G-P Meridian Suite™, delivers a control center for hiring, onboarding, and managing global teams anywhere in the world.

- **Deliver a great employee experience and build trust with your new hire.**

Part of getting the most out of your employees and ensuring they thrive in their new role, is building a great experience for them – from beginning to end.

If you're rushing to figure out payroll and benefits last minute, and potentially not providing a competitive package, it won't feel like their experience is top of mind for you.

Let G-P put together a complete benefits package, consistent and compliant with local norms and regulations, as well as fully, and legally, onboard your employee.

Again, this enables your internal team to focus on building the relationship with your new hires.



- **Stay compliant with local laws and protect the interests of your business.**

Laws and regulations are constantly changing. As you onboard employees living in other countries, the resources required to stay up-to-date and compliant will multiply.

Let G-P handle the complexities around global labor laws, so you can focus on growing your business. We combine our full-suite solution with the industry's largest team of in-country HR and legal experts for a faster and better way to scale your company.



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