

Leverage the Hybrid Workplace to Grow **Anywhere in the World**

The Right Employer of Record Can Get You There

FROST & SULLIVAN VISUAL WHITEPAPER

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State of the Market: The Global Hybrid Workplace

As businesses focus on maintaining a competitive advantage in a global marketplace that's been fundamentally changed by the events of the past several years, they must also maintain staffing levels, fight inflation while keeping an eye on a possible recession, and implement new and ongoing measures to ensure employee productivity and satisfaction.

The move to remote and hybrid work can offer a solution. By designing the workplace around a work-from-anywhere culture, many businesses have met these immediate challenges by enabling their employees to remain productive and collaborative even when they aren't physically in the same location. To support this new way of working, smart companies have deployed a range of new technologies that make it easy for people to work together virtually, through meetings, chats, teaming spaces, shared files and documents, and other hybrid tools.

The result is an agile and resilient organization that can respond to changes and interruptions quickly and effectively while driving routine collaboration and productivity.

Unfortunately, many companies aren't reaping these rewards to their fullest because they're limited by their existing geographic presence—if they don't have established entities in a given country, they can't leverage local resources to fill out their staff, serve new customers, and enter fresh markets. That's where an employer of record (EOR) comes in.

By partnering with a SaaS vendor with legal entities in countries around the world, you can leverage cloud technology to recruit and hire the best people, onboard them with country-specific benefits packages, manage payroll, and support your global workforce with localized human resources (HR) services.






Key Benefits of the Hybrid Workplace

Frost & Sullivan research shows that the hybrid workplace—in which some employees work remotely while others work in-person at the office—has become the new normal for the vast majority of organizations. The hybrid system offers numerous benefits, including flexibility, agility, cost savings, and increased productivity.

Indeed, almost all organizations understand this and have taken active steps to support a hybrid workplace. Now, smart leaders are embracing the change not just as a way to effectively respond to a world that demanded an immediate strategic shift, but also as an opportunity to improve key business processes for the long haul. By implementing new technology while also rethinking corporate culture, companies are seeing the benefits of a flexible, work-from-anywhere approach: higher customer and employee satisfaction, as well as operations that are more effective, resilient, and efficient than they were just a few years ago.

But one of the biggest reasons companies are embracing the new way of working is to be able to hire the best talent, regardless of their location in relation to the organization.



As employees work in a hybrid environment, real-time communications and collaboration tools make it easy for dispersed employees to work together, no matter where they're located.



Is “Anywhere” Really Anywhere?

One of the reasons companies turn to a hybrid or fully virtual workplace is to be able to hire the best talent, regardless of where those people are physically located in relation to the organization. After all, if you can support effective communication and teamwork across locations, you can allow employees to work not just from home, but from anywhere.

Aside from enabling better work-life balance and making it easier to respond to man-made and natural emergencies, this kind of workplace also allows companies to focus on hiring people with the exact skills and experience they need for every job. But while this benefit is often touted by corporate leaders, they usually don't think beyond their current geographic boundaries—they still intend to hire from a relatively “local” pool. Even if it crosses state or regional lines, it doesn't leave the country.

But imagine if you could, in fact, hire people from literally anywhere in the world. Not only would you be able to meet your existing business and productivity goals, you could also test the waters in new markets and accelerate growth by accessing a vastly larger talent pool than previously possible.

Most companies don't explore this option because the challenges are daunting: It's difficult if not impossible to identify, recruit, and hire candidates when you don't have a local presence on the ground—and even when you do, you're faced with legal and regulatory requirements around everything from payroll, taxes, and benefits to cultural integration.





An Employer of Record Makes It Possible

Historically, the EOR model has appealed to companies that were unwilling or unable to manage their global HR functions in-house—either because they wanted to free up staff to focus on other areas or because they couldn't keep pace with their growth.

But today, an EOR can help companies that support a virtual workplace by making it easy for them to recruit, hire, and retain employees anywhere the EOR does business. The client company doesn't need to have a legal entity, operations or local HR expertise in-country. Instead, they can rely on the EOR to manage all tasks and comply with all laws and regulations required by the state or country in question. And they get access to an entirely new workforce—one that could boast talents, experiences, and skills that are tough to find in their home markets.

The right EOR will help clients manage everything from identifying talent worldwide and interviewing and hiring the best people to onboarding new hires, offering comprehensive (and legally mandated) benefits packages, and managing all payroll services and support issues.



An EOR serves as the official employer of a given worker, handling all relevant payroll and human resources tasks and taking on all legal responsibility for the employee. But the employee actually performs work for the EOR's client.



Recruiting and Hiring

Recruiting and hiring are top of mind for the majority of organizations, regardless of their maturity level or broader economic conditions. That's because even in times of contraction, companies must ensure they hire and retain the best talent in order to stay competitive, properly serve customers, increase revenues, and keep a sharp eye on the bottom line.

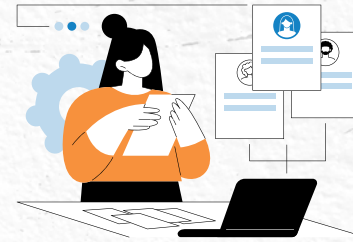
The challenge is especially difficult for growing companies and/or those that must find employees with a unique set of qualifications. It can be nearly impossible to find local resources in these situations, and even expanding the search to anyone in the country only goes so far.

By tapping into a truly global talent pool, companies get access to people who have the exact resumes they want and need—without having to expend the time, expense, and long-term commitment needed to establish a legal entity in the area, or even to put boots on the ground to enable recruiting and hiring. A well-positioned EOR will offer recruiting specialists, too, so that clients know they're seeing the best local prospects to meet their specific needs.

Companies that want to expand into foreign markets can use an EOR to recruit, interview, and hire new employees for the new location. But even organizations that have no interest in operating outside of their current geography can take advantage of an EOR to hire staff from anywhere—without having to worry about language and cultural barriers, local knowledge, or the legal requirements of the location in question.

Steps to Hiring Success:

1



Identify Key Candidates

2



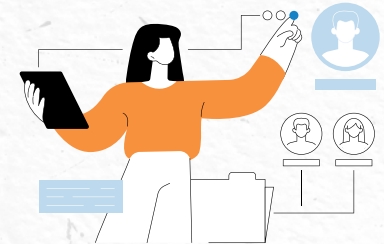
Interview Candidates and Make Offers

3



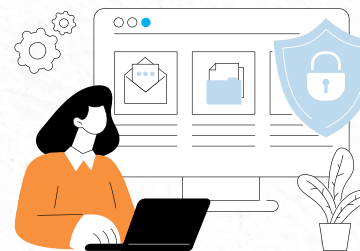
Create a Compliant Contract

4



Onboard the New Hire

5



Manage T&E, Payroll, Benefits, and Private Data

6



Deliver Ongoing Training and Support



Onboarding, Benefits, and Payroll Management

One of the biggest barriers to global hiring is understanding the local cultures and legal frameworks that come with new overseas employees. The EOR handles everything, including the following:

- All hiring paperwork, including government forms, proof of residency, tax information, and so on
- Compiling and managing complete benefits packages that match the at-home standard and meet all local laws and regulations
- Funding and processing payroll, including all tax withholdings and reporting documentation
- Handling unemployment, workers' compensation, insurance, and other mandated benefits
- Writing and retaining enforceable employee contracts
- Conducting background checks, screening, and eligibility verifications
- Onboarding and ongoing HR support for all new employees
- Maintaining the client culture around the world

Managing payroll is hard enough in your own locale. Trying to navigate various currencies, tax laws, and regulatory requirements—as well as bonuses, commissions, and exceptions—demands more resources than most companies can spare. By using an EOR to handle all payroll tasks, companies get all of the benefits of far-flung hiring with none of the headaches. And they can rest easy knowing they're 100% compliant with all laws and regulations.



Diversity, Equity, and Inclusion

Many companies are embracing the movement toward diversity, equity, and inclusion (DEI), which aims to promote equal opportunity and fair treatment for all people, especially in the workplace. DEI is focused on including populations that have historically been under-represented or subject to discrimination because of their background, identity, disability, or beliefs.

But a truly diverse and inclusive workplace is more than just a feel-good PR stunt. Studies show that groups that include people from a wide variety of backgrounds and with a range of lived experiences perform better than those that don't. So, it's in every organization's interest to prioritize DEI across the operation.

Hiring from under-represented populations within a company's home country is a great start, but promoting opportunities around the world is even better. When companies hire local talent and allow those employees to continue to work from their home countries, the benefits are magnified. For starters, the employees and their families reap the rewards: a reliable salary, benefits, and career growth. But the entire community gains when skilled workers stay put—not just economically (since their salaries contribute to the tax base and the local consumer economy) but also socially (these workers serve as role models and mentors, and can often convince others to follow in their footsteps).

Companies that are serious about DEI need to pay it more than lip service. Hiring employees from countries around the world lets them leverage talent while directly contributing to those communities. They also get the benefit of a global workforce and can take advantage of its diversity and unique experiences to improve productivity, creativity, and innovation.



The Internet Society Grows with Help from G-P

The Internet Society is a non-profit organization that supports and promotes the development of the internet as a global technical infrastructure, a resource to enrich people’s lives, and a force for good in society.

To achieve its vision and mission, the Internet Society must attract, recruit, and retain staff from all over the globe. As the organization added staff to the team, it needed the flexibility to transition consultants to employees as well as recruit and pay staff in countries where the group does not have a legal presence and can’t run payroll. The Internet Society decided to partner with a strong EOR to assist its global growth and HR/payroll needs.

The Internet Society operates in more than 35 countries, and it needed an EOR that could quickly hire and manage payroll for each new employee in any location, as well as give the internal HR team the data and tools it needed to support new employees. The company chose G-P to support staff in 27 countries.

“We consider G-P a trusted partner to support our hiring, onboarding, benefits, HR, and payroll processes,” says Jeanette Engel, senior director of global human resources. “G-P’s process is simple and quick, and we know we have a trusted partner to keep us compliant and up to date on the latest HR and payroll laws in the country.”

Looking to the future, Engel hopes to leverage global compensation data from G-P, especially as it rolls out new products and updates.



“Working with G-P has given us the flexibility to recruit the best-of-the-best staff needed to reach our mission.”

—Jeanette Engel, Senior Director of Global Human Resources, Internet Society



Frost & Sullivan's Recommendations for Success

Once you've decided to engage an EOR to empower your global growth, it's critical to partner with a provider that will meet your needs today and into the future. Key considerations include:

- ▶ An end-to-end technology platform for managing everything from recruiting and contract creation to payroll and benefits management;
- ▶ Global reach so that you can access talent from all over the world, without having to invest in your own infrastructure or legal entity;
- ▶ Regional experts on the ground to ensure you get the most culturally aware and compliant services;
- ▶ Transparent, consistent pricing so you know what to expect every month;
- ▶ Automated systems and mobile clients so you can easily run the business from anywhere and make changes in real time;
- ▶ Tools and insights to help you build your strategic growth plans;
- ▶ Integrations with leading payroll and HRIS applications so you can use the systems you already have in place, even as you hire a global workforce; and
- ▶ Secure, compliant solutions that protect employee data according to the strictest local rules and regulations.



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