



Talent Access: Tapping Into Dynamic Global Talent Pools





Now that the employer of record (EOR) model has been embraced globally, companies everywhere have started looking beyond borders and boundaries to hire the best talent, anywhere in the world. That has prompted the emergence of a rich marketplace of vibrant global talent hubs offering diverse skill sets.

Today's top companies are now learning to tap into this talent landscape to create competitive advantages for their businesses. They're discovering the many benefits of building an everywhere workforce: the ability to discover diverse talent that creates more innovative solutions; to access new markets through in-region teams in tune with local employment laws, norms, and nuances; to overcome regional talent shortages and take advantage of surpluses; and much more.

As a true pioneer of the EOR space, G-P has helped countless companies find, hire, and manage diverse teams, quickly and compliantly, as a key strategy for high-growth global success. To help even more companies along this global growth path, we've created this guide exploring some of the most promising talent hubs worldwide.

A glimpse at the local talent markets

By recruiting top talent worldwide, organizations can assemble the best minds to propel their business forward, outperform competitors, and remain at the forefront of industry trends. But where should you begin your international hiring efforts? Let's briefly examine the global markets.



EMEA:

EMEA (Europe, Middle East, and Africa) is a diverse region with varying politics, economics, linguistics, and cultural norms. These differences are also fully apparent in the market where variations in labor regulations and compliance exist from country to country.

In Europe, employment has grown in sectors like telecommunications, financial services, real estate, and education while declining in manufacturing and agriculture.

Recently, the [European Institute of Innovation & Technology \(EIT\)](#) partnered with numerous tech corporations, such as Intel, for the Deep Tech Talent Initiative, aiming to train over 500,000 Europeans.

APAC:

As surveyed by [North Ridge Partners](#), 97% of APAC business leaders described the tech talent market as “sizzling hot.” With one of the world’s biggest populations, the Asia-Pacific (APAC) region will become the largest consumer market by 2040. Global leading economies China and India drive global economic growth through manufacturing and industrial expansion.



Talent pool spotlight

Poland: As the ninth-largest country in Europe with a population of 37.8 million, Poland has become a hotbed of tech talent, and one of the biggest hubs in Europe for global tech companies. Poland is home to over 100 colleges and universities and holds the fourth-highest place in Europe for the number of people enrolled in any higher education program.



Talent pool spotlight

Vietnam: The country’s universities have made significant investments in technology education, leading to world-class software developers. Vietnam has more than [280,000 graduates](#) joining the workforce every year, of which 40,000 are tech educated.



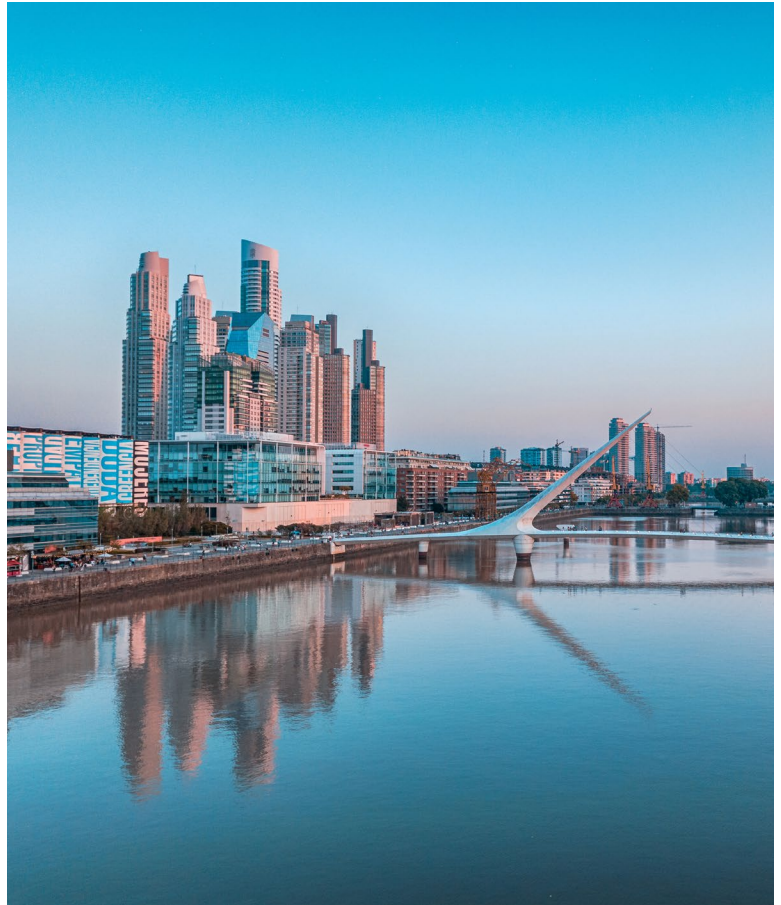
LATAM:

According to [Grand View Research](#), the Latin American software market is projected to reach USD 37.2 billion by the end of 2023. Hiring Latin American developers offers cost-effective access to high-quality professionals due to the lower cost of living in this region. As salaries tend to be much lower in these jurisdictions, companies can reserve their budget to offer competitive benefits and work toward other key business improvements.



Talent pool spotlight

Argentina: Argentina has begun nurturing a highly skilled tech talent pool. The capital of Buenos Aires is home to three internet companies worth over USD 1 billion: MercadoLibre, OLX, and Despegar. Additionally, many Argentines have a high English-speaking proficiency. The country also has favorable time zones with Central and North America, Australasia, and Africa.



NAMER:

There are approximately [6.5 million tech workers](#) in the U.S. and Canada, with 5.5 million in the U.S. alone. The U.S. is the world's [second-largest economy](#) and offers stability and confidence to international investors. However, hiring employees in the U.S. from another country can be challenging due to varying U.S. employment laws and state-specific regulations.

Compared to the United States, Canada offers unique advantages for companies hiring employees from other countries. This is due in large part to the fact that Canada's employment laws and regulations are generally less complex and more streamlined than the U.S. equivalents.



Talent pool spotlight

Canada: Canada's booming tech hubs include Toronto, Montreal, and Ottawa. Between 2017 and 2022, Toronto added 63,800 [tech jobs](#), the second most in North America (trailing only behind the San Francisco Bay Area). Montreal was third, adding 51,500 tech jobs.



A guide to getting started:

When considering tapping into dynamic global talent pools, knowing various factors directly impacting recruitment is essential – local currency exchange rates, tax regulations, and labor laws all play a significant role in a company’s ultimate success. Each country has [specific laws](#) governing recruitment and hiring practices, and your company must understand and comply with them.

For example, some [countries](#) may require companies to hire a certain percentage of candidates with disabilities. In [Romania](#), large companies must ensure that employees with disabilities make up 4% of their staff. To ensure fairness, many countries have laws specifying the factors that can and cannot be considered in hiring decisions.

It is also essential to compile and organize the necessary documents for easy reference when embarking on the more detailed aspects of global recruitment. Suppose your new country has regulations specifying quotas, such as hiring a certain percentage of domestic nationals. In that case, it is crucial to have those regulations readily accessible.

Remember that your job descriptions must also comply with regulations in the new country. Being well-informed about the relevant regulations, labor laws, and language considerations is crucial for successful international

recruitment and ensuring compliance with local requirements throughout the hiring process. With that in mind, let’s examine five key areas of compliance that companies should prepare for.

1. Data compliance: When hiring global workers, [data compliance](#) is essential. It ensures the handling of sensitive information, such as resumes and personal details, is in line with data protection laws, preventing unauthorized access or disclosure. Compliance is necessary due to varying data protection laws across countries governing the collection, storage, processing, and transfer of personal data.

Understanding and complying with local data protection requirements, including data localization laws, is crucial to avoiding fines, penalties, and reputational damage to your brand. For example, the Luxembourg National Commission for Data Protection [fined Amazon](#) USD 887 million for noncompliance in processing employees’ data per the EU’s General Data Protection Regulation (GDPR).

2. Payroll compliance: Prioritizing payroll compliance when hiring global workers is essential due to country-specific laws and regulations governing employee compensation calculation, taxation, and reporting. It

includes accurate tax withholding, adherence to tax rates, deductions, and reporting requirements, and fulfilling social security obligations.

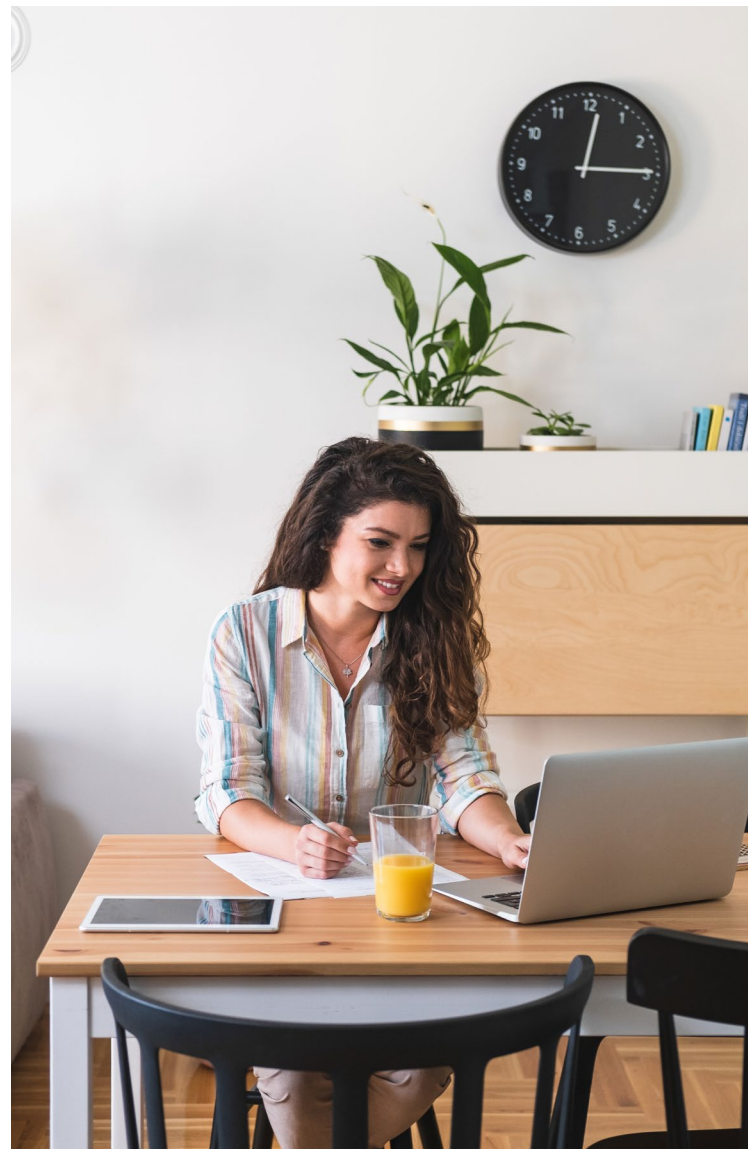
Payroll compliance can be quite complex depending on the varying regulations that a country deploys. For example, the Employees' Provident Fund Organization (EPFO) administers India's social security system. In this scheme, the employee pays 12% of their basic salary to the Employees' Pension Fund (EPF). Another 12% from the employer matches this. However, just over 8% of the employer's 12% contribution, up to a maximum of INR 1,250, is allocated towards the Employees' Pension Scheme (EPS), not the EPF.

3. Health and safety compliance: Employers must protect workers' wellbeing and promote a safe working environment by providing necessary guidance, information, and resources. Health and safety compliance reflects a company's commitment to employee welfare and is equally important for remote workers.

Speaking at [G-P's Pangeo conference](#) in October 2022, Michael Acton Smith, founder and CEO of meditation app Calm, urged companies to prioritize their workers' happiness and engagement within the workplace, not just their work output. A fundamental way to nurture the wellbeing of employees is for companies to incorporate wellness support systems and tools. These include flexible mental health days, pre-scheduled wellness days, meeting-free days, and meditation and sleep-aid app subscriptions.

4. Intellectual property compliance: IP compliance safeguards a company's intangible assets like inventions, trademarks, copyrights, and trade secrets, preventing unauthorized use or disclosure. Secondly, IP compliance ensures remote workers understand and adhere to IP policies and confidentiality agreements, minimizing the risk of IP theft or misappropriation. Failure to understand, respect, and follow the laws of another country could result in a loss of protection for the company's IP and invention rights.

Without proper protections regarding remote global workers, you could find yourself fighting in another country's court system to keep your IP. These battles can be challenging to win, especially in countries where laws on creation favor creators over companies. One way to avoid these issues and ensure your company



is well-informed of your country's IP regulations is to understand the [local IP success rates](#).

5. Equipment compliance: When hiring remote global workers, it is essential to consider equipment compliance for several reasons. Firstly, compliance maintains a safe working environment by ensuring tools and devices meet safety standards, reducing the risk of accidents or health hazards. Secondly, compliance guarantees access to reliable tools for effective job performance, avoiding disruptions, and promoting productivity.

Poland recently amended their [Labor Code Act](#) and updated regulations around equipment compliance for remote work. Employers must now cover the costs related to installing, servicing, and operating equipment for remote workers. This also includes the costs of electricity, internet, and phone services.



Specific issues to be aware of

Misclassifying workers: Misclassification can result in legal and financial consequences, violate labor rights and benefits, harm the company-worker relationship, and create unfair competition. In [Germany](#), employers can be liable for up to four years of social security contribution arrears, including 12% annualized interest.

Suppose the misclassification was proven to be intentional. In that case, the penalties grow even more severe – companies are liable for up to 30 years of back payments in these cases. Proven intent cases can also result in criminal charges.

Underestimating global payroll complexity: Failing to maintain payroll compliance can lead to penalties, fines, and legal issues. Managing global payroll requires adhering to country-specific reporting and documentation rules.

Exchange rates and currency fluctuations add complexity, necessitating accurate calculation and conversion of wages, taxes, and benefits.

Cultural differences impact payroll, including local best practices, pay during holidays, and employee compensation expectations. Staying current with [evolving payroll regulations](#) is essential – underestimating complexity results in errors, inefficiencies, financial risks, and strains on employee relations. Timely and accurate payments are crucial for building a culture around employee satisfaction and trust.

Noncompliance with global employment laws: Each country has laws governing employer-employee relationships, and adhering to them prevents penalties, reputation damage, and financial consequences.



Employment laws cover various areas such as minimum wage, working hours, leave entitlements, and termination procedures. Compliance demonstrates a commitment to fair practices and provides remote workers with the necessary rights and benefits.

Understanding employment laws also promotes a respectful and inclusive work environment by considering cultural norms and values. Ultimately, it enables companies to establish robust, compliant, and ethical relationships with their remote workforce.

Disregarding cultural differences: It is essential to consider cultural differences when hiring remote global workers because it impacts communication styles, norms, and expectations. Understanding these differences allows employers to adapt communication strategies, fostering collaboration and enhancing productivity. Acknowledging and respecting [cultural differences](#) creates an inclusive work environment, boosting employee morale and job satisfaction.

Cultural differences also influence teamwork and decision-making processes, so considering them encourages collaboration and mutual understanding.

Failure to develop a remote-friendly onboarding program: Onboarding helps remote hires define responsibilities, align with company objectives, foster relationships, and kick-start collaboration. Comprehensive training enhances skills while familiarizing remote hires with work processes and boosting productivity. Onboarding also helps cultivate company culture, increases retention and engagement, and ensures legal compliance.

What our experts say:

There are several reasons behind today's talent shortages. A contributing factor is the integration of advanced technology, AI, and automation in the workplace. Due to production and supply chain issues during the pandemic, there was a stronger push for automation in the workplace.

This increased use of technology emphasized the need for companies to acquire the right tech-related skills. Although automation streamlines business processes, it also requires workers with the skills to operate them. So, why is tapping into dynamic global talent pools the answer to combatting this shortage?

In a digital-first economy, global hiring means companies are no longer limited to hiring only local talent. Therefore, organizations can fill their skills gaps with highly qualified individuals from anywhere in the world, particularly when seeking positions with specific technical skills and specialized experience. By shifting toward the new mindset of remote work, companies can hire based on the required skills rather than on a specific travel radius within their office.

Simply put, today, we encourage HR leaders to prioritize skills over location. One such real-world example of where companies are increasingly adopting this mindset

is Germany. In April 2022, Germany's labor shortages reached an all-time high with a deficit of [320,600 STEM](#) (science, technology, engineering, and math) workers. Today, the labor gap continues to widen as the country struggles with an [aging population](#) and attempts to digitize its infrastructure and systems.

A survey by the [research institute IFO](#) found that almost half of Germany-based companies have slowed down their operations due to skills shortages. In this instance, hiring remotely from the world's dynamic talent pools is the perfect solution for Germany-based companies seeking to stem the country's skills shortage. A global approach to hiring can efficiently supercharge Germany's tech industry, bypassing many government migration initiatives laden with red tape.

Of course, finding global talent is just half of the journey. We can't stress enough the importance of hiring compliantly to tap into a global talent pool successfully. A global growth ally like our team at G-P offers expertise in local employment laws and international HR practices. With G-P at your side, you can navigate complex regulations in unfamiliar labor jurisdictions to access global talent pools confidently, whether that is targeting specific candidates or exploring new markets.





How G-P can help:

To fully reap the benefits of the global talent pool, it is essential to partner with a reliable guide who can simplify the hiring process, mitigate compliance risks, and help optimize these opportunities. That's where G-P comes in.

Our dedicated team of HR and legal experts have been helping companies tap into talent pools across the world for more than a decade. We've paired their local knowledge with our #1 Global Growth Platform™ to make it fast and easy to find, hire, and manage employees, anywhere in the world. From recruitment and onboarding to compliant payroll management, we streamline each step of the employee lifecycle so you can focus on building your global teams. Remove the friction of global expansion and start hiring employees and contractors in 180+ countries in minutes, not months.

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