



Innovative Employee Solutions

Whitepaper

Hiring contingent workers from other countries: Everything you need to know



Table of contents

Introduction	1
Benefits of hiring remote workers from a global talent pool	2
Understanding the obstacles that come with global talent recruitment	3
Debunking myths of hiring global workers	6
Why you should hire a Global Employer of Record to manage your global talent recruitment	8
Conclusion	10



Introduction

The coronavirus pandemic forced many companies to adopt completely remote workforces, at least temporarily. Although there were plenty of bumps in the road as everyone adjusted to this new reality, the end result turned out to be beneficial for employers and employees alike. Employers discovered that workers often could be just as productive – if not more so – working remotely, and employees often liked the freedom and flexibility that working from home provided.

As remote work stretched on, people realized that they could operate not just within commuting distance from offices, but truly from anywhere. For employers, this meant finding solutions to keep skilled workers on staff while allowing them to travel or move to other countries.

Now, as companies are trying to get back to some semblance of normality, remote work has gone from a temporary solution to a permanent fixture for many. There's a good reason for this. Not only do countless workers prefer it, **but companies that allow remote work also see profit increases of \$2,000 per remote worker**.

With remote work arrangements here to stay (at least for certain companies and positions), the question for businesses should be this: Where can things go from here? The answer is, in short, anywhere they want. The structures in place that supported workers moving abroad during the pandemic offer a unique opportunity for companies to expand their workforces and dip into the global talent pool.



Benefits of hiring remote workers from a global talent pool.



Removing traditional geographic boundaries has a number of benefits. For one, employers can truly prioritize talent and skills when recruiting (rather than being forced to take location into consideration). This is especially useful when seeking out contingent or other temporary workers with highly specialized skill sets who might not be available locally.



If you're able to find someone with the right expertise for a specific job, then you don't have to worry about lengthy training and can hit the ground running on projects that require immediate attention or need to be completed quickly and in a specific time frame.

Hiring globally also provides flexibility in scaling and an easier way to fill labor and skills gaps at a time when many employers are [struggling to find workers](#). For companies looking to expand operations outside the U.S., having staff on the ground in other countries makes it that much easier to enter new markets.



Not to mention, global talent recruitment is also an effective way to increase the diversity of a workforce.



Greater diversity in backgrounds, experiences, and cultures means greater diversity in thinking and collaboration, which can spur creative problem-solving and innovation within companies.

Ultimately, global hiring leads to teams that are more diverse, more dispersed, and more knowledgeable and specialized than ever before.



If you think you could benefit from a remote and global contingent workforce, you might be wondering what it takes to get started. What sort of obstacles should you expect? Do you have the resources necessary for global talent recruitment, or do you need a partner?

Understanding the obstacles that come with global talent recruitment.

Although hiring contingent workers from a global talent pool comes with a host of benefits, it also comes with unique obstacles. Some of these are simple matters of culture and geography, while others require the careful navigation of employment laws in other countries.

Regardless, it's important to understand the challenges you might face when hiring contingent workers in other countries. Here are some of the most common:

1 Talent sourcing and recruitment.

Although the internet has made finding talent easier than ever, the platforms you use within the U.S. might not be the platforms that are most effective when it comes to global talent recruitment. Finding and hiring contingent workers in other countries requires meeting new talent where they are rather than expecting them to come to you.

2 Language barriers.

If you're hiring in non-English speaking countries, then you need to be ready to communicate in their native language. This is especially true if you plan to do business in that country. After all, you will most likely have to interact with customers, officials, and other businesses in that country that won't all necessarily speak English.

Moreover, even if the people you hire speak English, you should still be sensitive to the fact that you might run into unforeseen language barriers and miscommunications that can result when English is a person's second language.

3 Time zone complications.

This is a pretty straightforward obstacle that can still manage to complicate things if you're inadequately prepared. Work that requires regular collaboration or oversight tends to work best in similar time zones. Tasks that allow for a greater degree of autonomy, meanwhile, can handle a greater disparity in time zones. In any case, multiple time zones separated by more than a couple of hours mean an added obstacle to planning out your typical workday.

Understanding the obstacles that come with global talent recruitment.

4 Training tactics.

If you typically train your workers in person, then you'll have to come up with a whole new strategy for training workers overseas. What's more, workers in different countries might come to the table with different skill sets and for more specific projects, which means you might not even be training them on the same things as their U.S. counterparts.

5 Different work cultures.

Even before you get into the complications of dealing with employment laws in other countries, you have to deal with different expectations when it comes to work. For example, the typical 40-hour workweek in the U.S. is not always [typical in other countries](#).

In addition to the number of working hours, there are a variety of other cultural differences to be aware of. From traditional pay cycles to local holidays to the type or intensity of work that's expected – all of these could present bumps in the road if you aren't aware of them in advance.

6 Employment laws in other countries.

This is without a doubt the biggest hindrance for companies looking to expand hiring outside their own country. [Employment laws in other countries](#) can vary widely from one place to the next and cover a whole range of scenarios, so you can't simply copy what you do in the U.S.

In many countries, workers are entitled to much more paid parental leave and vacation time than in the U.S., for example. Working fewer or more hours in a week might also be more than a cultural difference – it could very well be a legal requirement. Hiring and firing, too, won't be the same as in the U.S. A majority of countries do not have at-will employment, which means the process of letting someone go might come with more hoops to jump through.

Understanding the obstacles that come with global talent recruitment.

7 Employment costs.

One common consequence of different employment laws is a difference in **global hiring costs**. Most costs amount to the tax withholdings necessary for each country, but there are also varying employer costs to consider.



The cost of employment in another country might not be higher necessarily, but the source of those costs will be different.



In some countries, for example, the employer cost rate can be as much as half of a worker's wages thanks to mandatory costs.



However, those costs might be offset by factors such as government funded healthcare and other benefits.



Debunking the myths of hiring global workers.

There's no question that hiring global talent comes with its own set of obstacles, but none of those obstacles are insurmountable. However, there are a few common worries that businesses often have when it comes to global talent recruitment that could very well be dealbreakers — that is, if they were true.

The following are three of the most common myths surrounding global hiring and the reasons you don't need to worry about them:

Myth

It's too complex to handle.

Although it is true that hiring contingent workers in multiple countries can be complex and confusing, it's important to remember that companies don't have to take on all of the work of global hiring themselves. There are plenty of partners ready and willing to help businesses get started and ensure they're in compliance with local laws. With the help of a partner, global talent employment can be quick, easy and effective. From your company's point of view, it might even seem simple.

IES, for example, helped a client successfully incorporate its global contingent workers into its total contingent workforce program by providing one point of contact for service, reporting, and billing. This allowed the company to get critical visibility into the total workforce used by its U.S. managers both locally and globally.

Myth

It's prohibitively expensive.

As mention previously, cost calculations for global talent employment are going to be different than those in the U.S. However, that doesn't necessarily mean you'll be paying more. When you compare international costs with the standard costs associated with professional workers in the U.S., including health benefits, PTO, and holiday pay, the sum total is not all that different. In some cases it might even end up being cheaper thanks to favorable currency exchanges.

Debunking the myths of hiring global workers.

Myth

It requires setting up a new business entity.

Creating a separate business entity is not a requirement for hiring contingent workers in other countries. If you're just looking to test a particular market or hire exactly the right person, it often makes more sense to outsource employment to a [global Employer of Record](#), or EOR. This allows you to utilize the talent you need compliantly without having to set up separate entities in every country in which you're hiring.

Partnering with a Global EOR



IES partnered with a European-based company that wanted to test out new markets, but didn't have the business setup in other countries to facilitate this.



We helped the company hire its first workers in the U.S. and expand into the U.S. market.



It eventually reached a point where it was able to expand to Asia as well, and we helped the business hire in the Philippines and Vietnam within weeks.

Why you should hire a Global Employer of Record to manage your global talent recruitment.



One of the main reasons the myths in the previous sections don't hold water is because of the existence of global EORs that can help navigate the complexities and expenses of hiring contingent workers outside of the country.

A Global EOR can improve the experience of global talent employment and management in a variety of ways, including:



Starting quickly.

With a Global EOR, you can begin to hire in multiple countries right away. There's no need to worry about setting up your own business entity or having to learn about the complexities of handling worker registration or payroll internally - the EOR will handle that for you.



Saving on resources.

An EOR takes the burden off your company (especially the HR department) in a variety of ways. All of the steps it would normally take to handle business registration, employment, and payroll internally can be handled by the EOR, saving you both time and money.



Getting some direction.

By necessity, Global EORs should be extremely knowledgeable in the employment laws, tax requirements, and business practices of the countries in which you plan to hire. A good EOR partner, therefore, is also an expert in global talent employment and compliance that you can rely on for advice and direction. It can help you navigate and understand the complex nature of international employment laws, putting you in a better position to do business there in the future.

Why you should hire a Global Employer of Record to manage your global talent recruitment.



Mitigating risk.

One of the biggest sticking points for businesses looking to hire internationally is the riskiness that comes from running afoul of employment laws in other countries. An experienced partner will help you stay in compliance with every country you have workers in, allowing you to reap the rewards of global hiring solutions while avoiding the risks.



Streamlining the process.

The benefit of having one central contact to manage workers and contracts all over the globe shouldn't be underestimated. A Global EOR can take what would be a hodgepodge of different hiring practices, business entities, and cost structures and turn it into a single entity. This takes away the complex headaches that international hiring could otherwise bring to your business.



Global talent recruitment comes with unique benefits that allow you to prioritize skills over location and expand your business into previously untapped countries.



Although there are certainly obstacles to hiring globally, the right partner can easily overcome them. The end result will be a skilled, diverse workforce that can help your company thrive.

Conclusion

Unlocking growth through global talent recruitment.

The global shift to remote work has permanently altered traditional employment structures, creating unprecedented opportunities for businesses to tap into global talent. While challenges exist, they are far outweighed by the benefits of increased flexibility, diversity, and access to specialized expertise. Partnering with a [Global Employer of Record](#), like IES, makes it easier for companies to navigate international employment complexities, enabling them to build skilled and diverse teams capable of driving innovation and growth in a competitive global market. By embracing global talent recruitment, businesses position themselves for success in an increasingly interconnected world.

Ready to unlock the potential of global talent recruitment?

We can help you hire anytime, anywhere in 150 countries. Discover how IES' global workforce solutions can streamline your hiring process, ensure compliance, and build a skilled, diverse team. Schedule a complimentary consultation with a global contingent workforce expert today!

[Consult an expert](#)

Connect with us today!

 innovativeemployeesolutions.com

 info@innovative-es.com

 +1 858.300.2757

ies. Hiring contingent workers from other countries: Everything you need to know