



GLOBAL TALENT DYNAMICS



**Essential insights to help your business
navigate international hiring challenges and
remote working realities**



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ABOUT



A world leading provider of market intelligence on the Future of Work and HR Technology. **UNLEASH** is a customer-first, global digital media and events business, delivering the latest news, analysis and market trends for HR, technology, learning and recruitment leaders.

UNLEASH has championed HR excellence and disruption since 2011, serving as the strategic transformation engine for Human Resources. We are built to inspire, connect, and empower HR leaders worldwide to navigate the fast-changing world of work.

Our community is a diverse group of leaders, including HR Buyers from over 120 countries, who reimagine work and help optimize, enable and unleash new ideas and thinking that improve the lives of millions of people each year.

unleash.ai

Atlas was built on years of experience navigating the business challenges of quickly deploying and paying international employees, all while ensuring compliance with local regulations.

As the first – and now largest – 100% Direct Employer of Record (EOR), Atlas enables innovative companies to compete in a global economy because we believe that businesses should employ whomever they want, wherever the talent exists – making the world a lot smaller and easier to navigate for everyone. With entities in over 160 countries, Atlas delivers the flexibility for companies to expand across borders, onboard talent, manage compliance, and pay their global workforce without the need for a local entity or multiple third-party providers.

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INTRODUCTION

We live at a time defined by rapid globalization and extreme talent mobility, where the geographical boundaries of the office are being dissolved to leave space for more agile ways of working.

The new era of talent acquisition and workforce planning is already well underway. Today's conversations about hiring revolve around remote and hybrid options, tensions between employer and employee needs, and finding ways to stay competitive in the battle for top candidates.

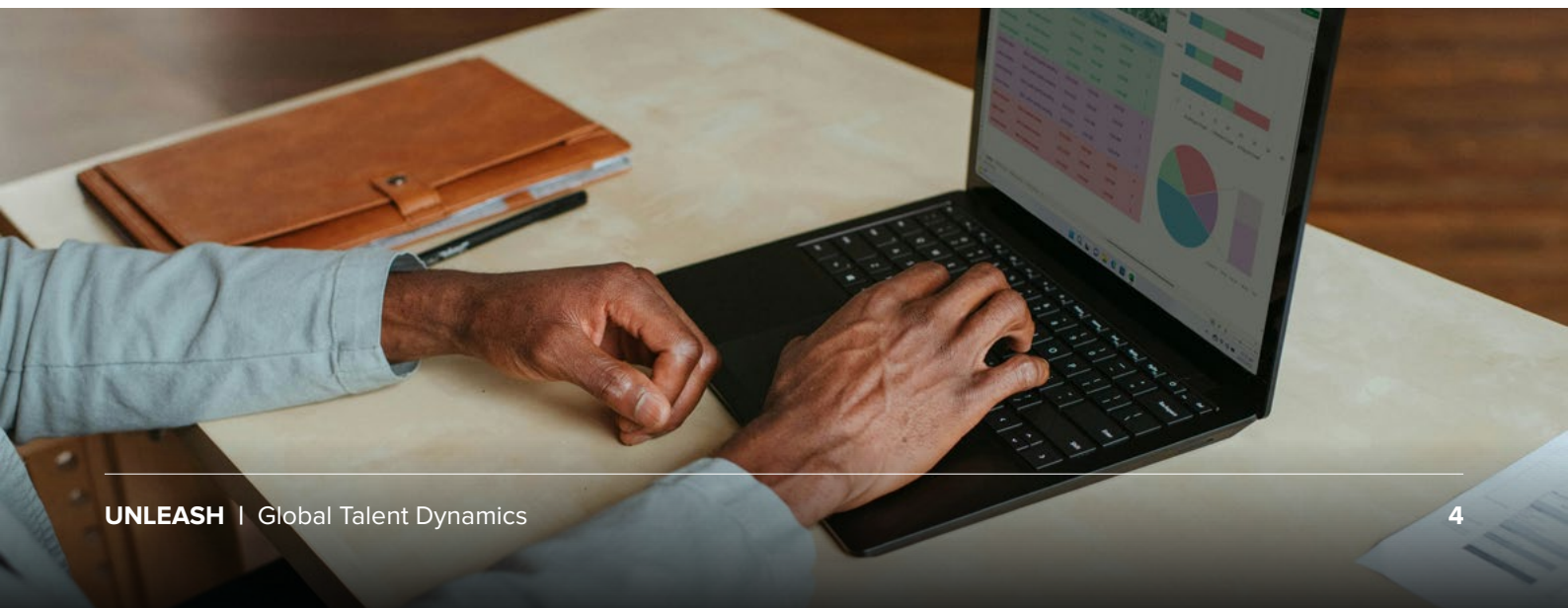
Skills shortages are being created by shifts in industry demands and the redefinition of job roles in the wake of emerging tech and AI capabilities. Other industries are experiencing widespread layoffs and the need to restructure their operations to survive, let alone thrive. Meanwhile, HR and hiring leaders have been tasked to deliver cost savings, long-term retention and a workplace culture in which top talent can thrive.

It's their job to strike a delicate balance between organizational goals and staff expectations, while also keeping pace with the latest trends and best practices.

This is driving organizations to adopt more flexible models for recruitment and people management, in many cases expanding their strategies across borders. It's not just huge multinationals, either; now it's more feasible than ever for smaller companies to fund the digital infrastructure needed to assemble and engage a workforce that spans different countries.

Even so, the shift to global hiring requires careful planning. There's little room for error when it comes to understanding legal compliance, cultural differences, time zone alignment, and data protection, which is why many businesses seek professional support to aid their expansion.

This report showcases our latest research into global teams, providing actionable insights for HR leaders that can inform strategic decisions and help unlock the potential of international and virtual workforces.

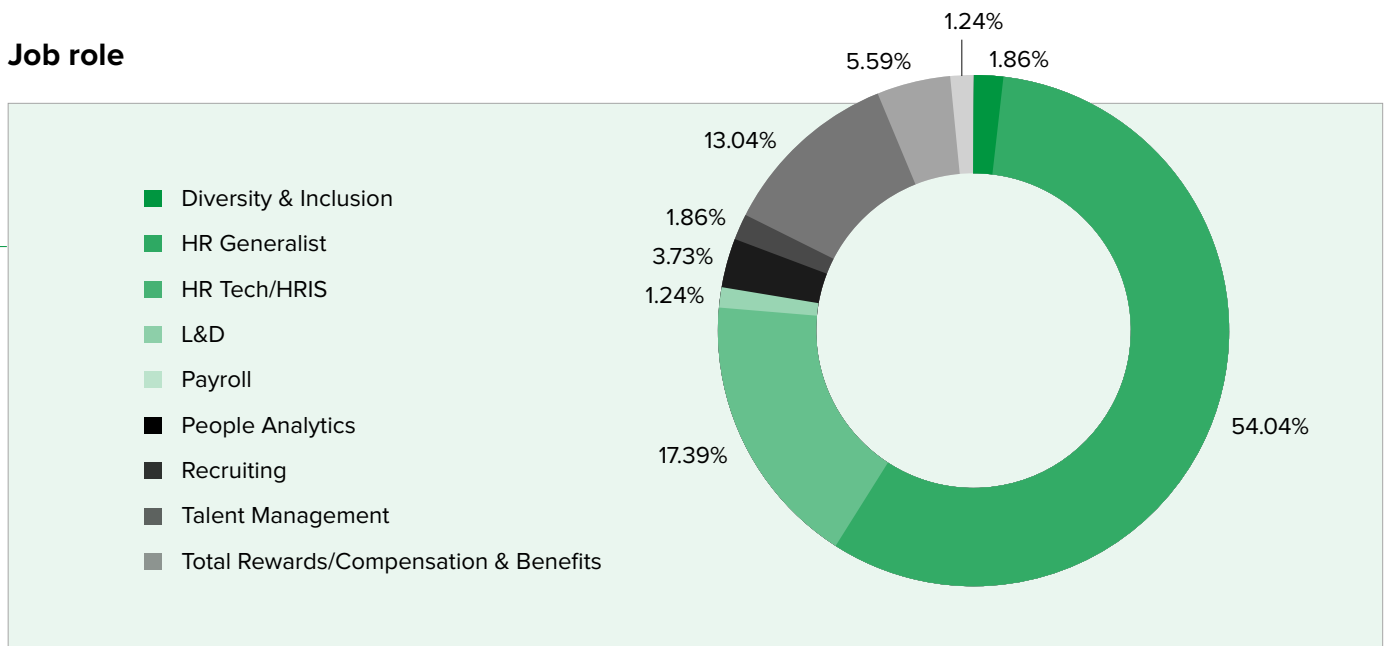


Our research

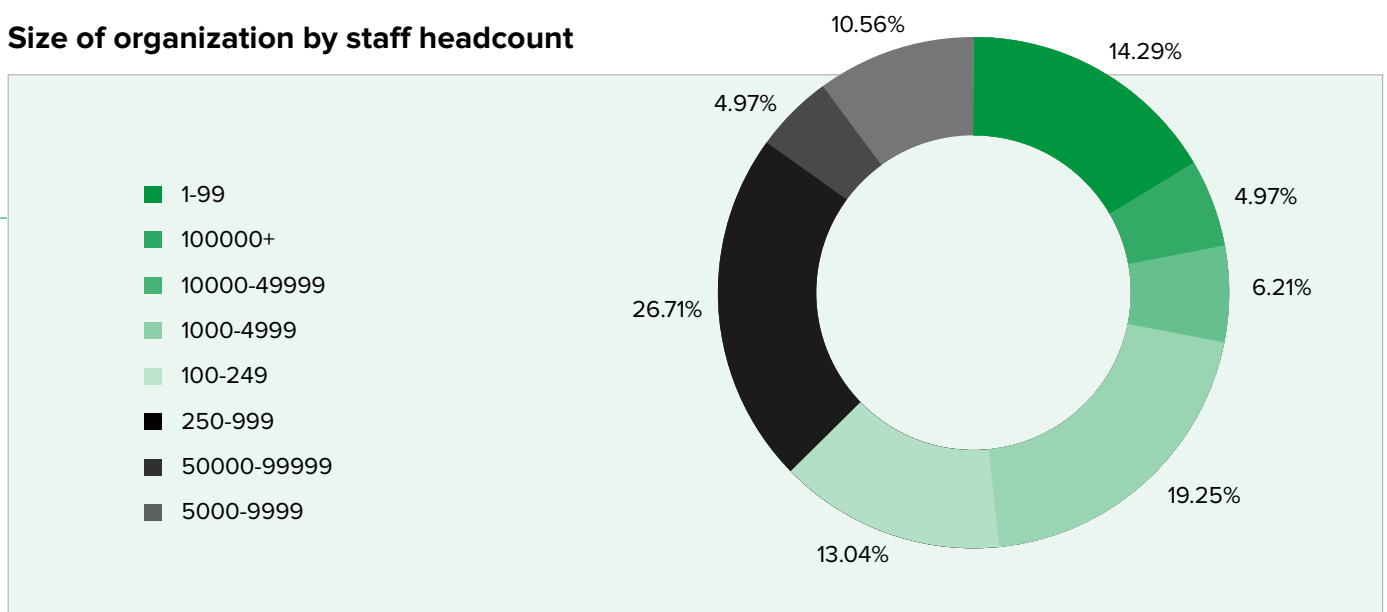
The data featured in this report has been sourced from a comprehensive study of 161 organizations, ranging in size from small enterprises of 1-50 employees to multinational corporations with a headcount of 100,000 or more. The majority of respondents are HR and hiring decision-makers based in the USA and UK. The sample covers a wide range of industries – see Appendix for a full breakdown.

The scope of this research enables us to analyze modern trends and recurring challenges regarding global talent acquisition and remote work strategies, while also highlighting the key opportunities and risks facing organizations of various sizes.

Job role



Size of organization by staff headcount



TAPPING INTO GLOBAL POTENTIAL

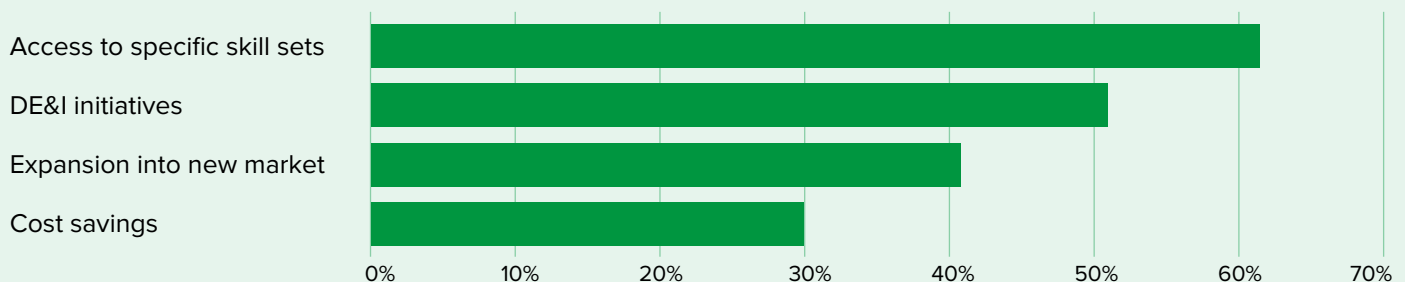
According to Gartner, staffing and recruitment ranks among the top two investment priorities for HR leaders over the coming years, second only to HR technology.¹

That seems a natural response as organizations across all industries continue to face talent shortages and fierce competition for skilled workers in an increasingly interconnected world. Digital transformation and the adoption of remote work are forcing the hands of HR leaders to redefine their approach to hiring in order to match evolving expectations and gain access to larger pools of talent.

Our research shows that 59% of US businesses and 71% of UK businesses now view international hiring as 'somewhat crucial' or 'very crucial' to fulfill their organization's core strategy; whereas only 13% of all respondents say they aren't looking to hire candidates from abroad. It's an emerging trend that's hard to ignore – let's take a closer look at what's driving it.



What business requirements are driving your organization to hire employees internationally?



1. HR Investment Trends, Gartner

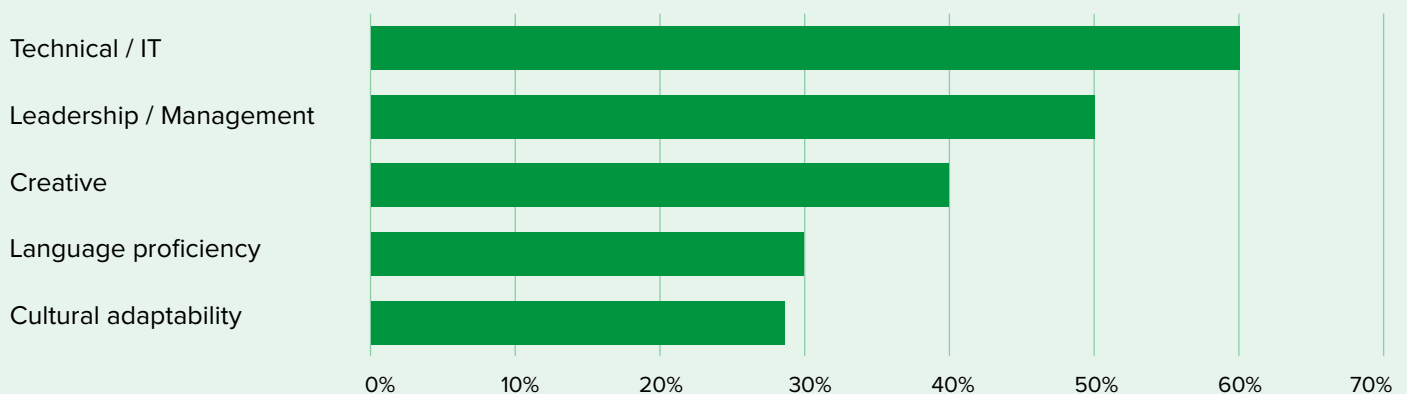
62% of businesses said that **gaining access to specific skill sets** was their most important reason for hiring internationally.

This is a logical step for companies struggling to source in-demand roles or specific skill sets within their local area, as casting a wider net increases the chances of finding ideal candidates for critical positions – more on this below.

Diversity, equity and inclusion initiatives are the second biggest motivation, with half of HR leaders (51%) aiming to benefit from greater diversity among teams and a broader range of cultural backgrounds and perspectives. Expansion into new markets is identified as a driver by 41% of organizations, underscoring the role of global hiring in connecting with local markets and consumer bases.

Despite the fact that cost savings (30%) ranks as the least important driver, the opportunities that global hiring offers in terms of optimizing spend and tapping into competitively priced talent pools is certainly not insignificant.

Which key roles or skills is your organization actively seeking from candidates and independent contractors at present?



Delving deeper into the biggest driver of global hiring – ‘access to specific skill sets’ – it’s no surprise to find tech specialists at the top of the pile. Demand for software development, data analytics, cybersecurity and AI roles is at an all-time high, and looks set to continue rising at an even quicker pace over the coming years.

Half of businesses (50%) say they are looking further afield to source effective leaders from other parts of the world.

Recruiting managers with experience in different regions is a great way to inform strategic decisions and helps prevent ‘blinkered’ thinking from creeping in.

Surprisingly, cultural adaptability was only listed as an important skill by 28% of HR leaders, which may indicate that workplace standards and expectations in different countries are actually aligning as the world of work becomes increasingly globalized.

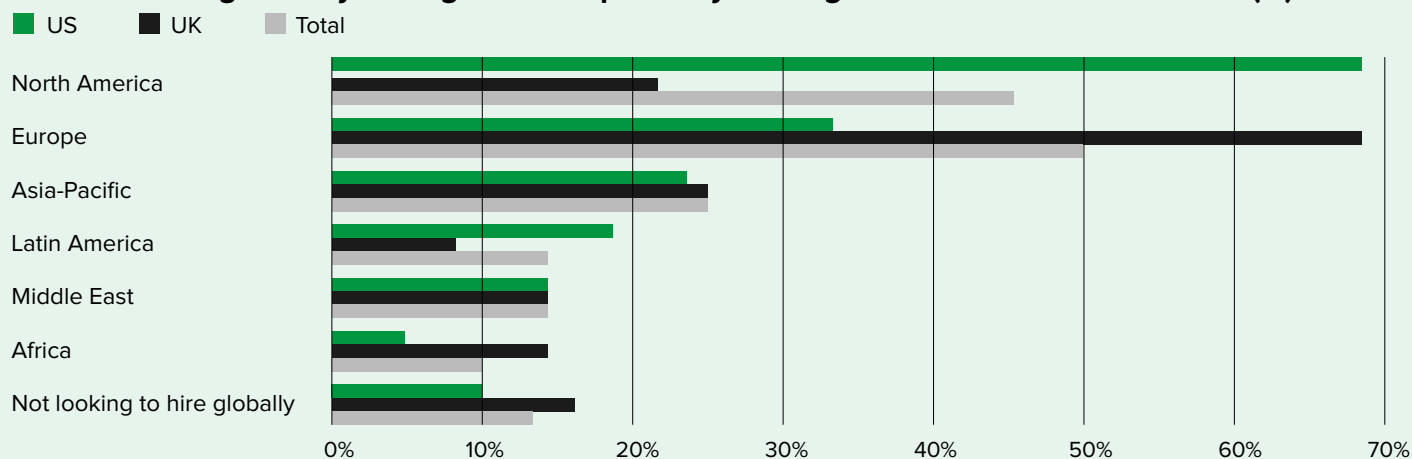
Where are businesses searching for talent?

Taking the decision to expand your talent pool by tapping into international labor markets is one thing; determining where best to cast the net is another. Our data shows notable variances in the global regions from which US and UK organizations are sourcing their international talent.

Looking at the breakdown, it's interesting to find that there are 70% more businesses from our pool of US

respondents who are willing to hire any international talent compared to our UK respondents – 10% not looking to hire globally vs. 17% not looking to hire globally. This may point to greater issues with legal compliance and employee visas facing UK companies, most likely due to the impact of Brexit on recruiting workers from the European Union.

From which regions is your organization primarily looking to hire international talent? (%)



We can see that 68% of US businesses are sourcing international talent from fellow North American countries, Canada and Mexico; while exactly the same percentage of UK businesses are hiring from other European countries. It stands to reason that these are the most immediately accessible job markets to US and UK companies, with the fewest barriers to entry.

However, there is a significant variance in the number of US companies hiring from Europe (33%) compared with the number of UK companies hiring from North America (22%), which indicates that the US is now tapping into European talent pools to a much greater extent.

US businesses are also far more likely to source talent from Latin America (19%), whereas UK businesses

have a stronger focus on Africa (14%) – geographical proximity being the most obvious explanation for this. Both the US and UK source almost the same amount of talent from the Asia-Pacific and Middle East regions.

Overall Africa is the most untapped region for talent

with just 1 in 10 businesses actively looking to source employees from this region.

This could spell a huge opportunity for organizations aiming to cast their hiring net wider than the rest of the competition.

THE REMOTE WORKING EXPERIENCE

Striking the perfect balance between home, hybrid and on-site working is an ongoing challenge facing HR leaders in all industries – so how many are successfully aligning staff expectations with business and hiring needs?

While fully remote doesn't work for every business, there are substantial benefits for employers that offer greater flexibility. Access to larger talent pools, cost savings on office space, lower overheads and higher workforce engagement are all advantages enjoyed by companies employing remote teams.

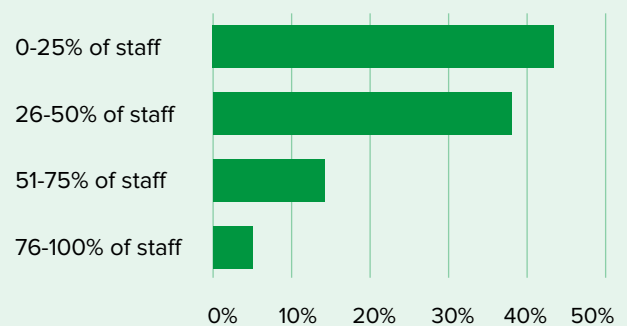
It's also a matter of meeting modern expectations. Research from Gallup showed that 60% of employees with remote-capable jobs want a hybrid work arrangement; 30% want to work fully remote; and just 10% prefer to work predominantly on-site.²

That tallies exactly with our own findings which reveal 9 in 10 companies now offer some form of remote working option to at least a portion of their staff. This shows the demand for flexibility is being met to a large extent, and it's paving the way for companies that aim to build a global remote workforce.

Aligning remote work with global hiring

Our research shows that remote work adoption has influenced talent acquisition strategies to some degree in 85% of companies; and by 'a lot' or 'a great deal' in 50% of companies. We can see a fairly consistent level of influence across small, mid-market and large organizations.

What percentage of your workforce operates remotely?



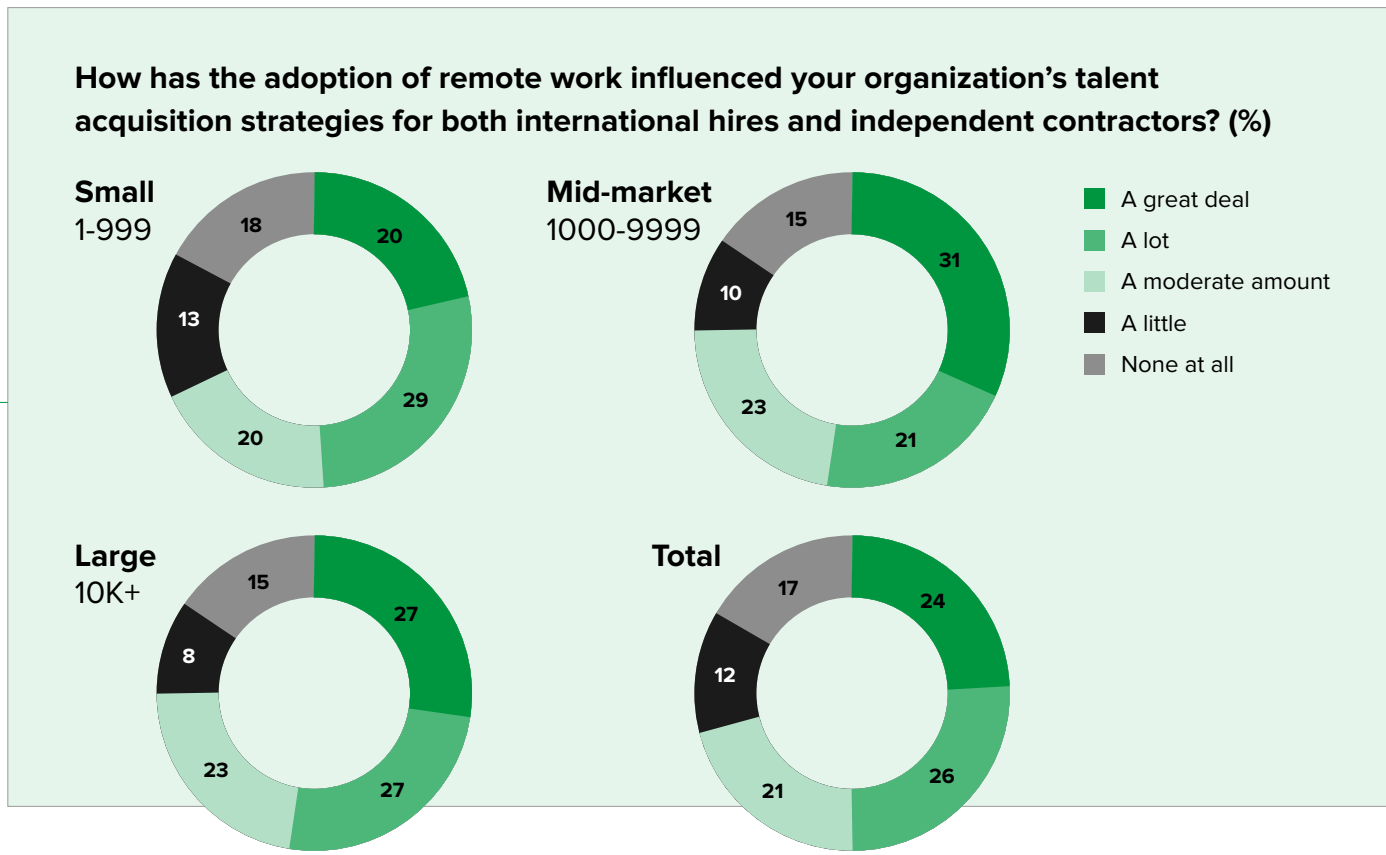
That impact is manifesting in various ways. More and more companies are exploring flexible hiring models, investing in digital infrastructure, conducting virtual interviews and onboarding new recruits remotely, whether they're located in the same country or abroad.

² [Understanding and Managing Remote Workers](#), Gallup

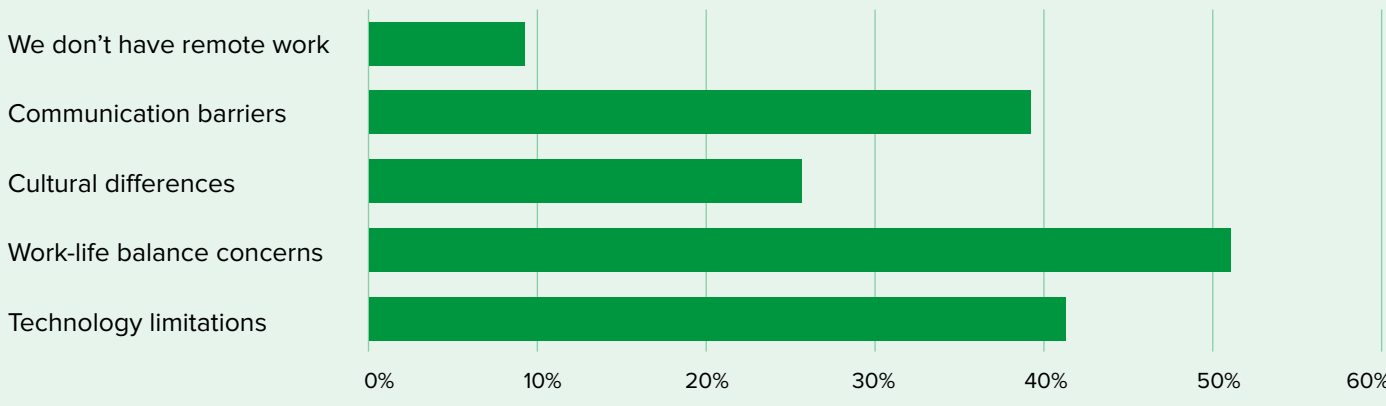
The influence on hiring is most evident in mid-market organizations, where just under one-third (31%) have seen 'a great deal' of impact in their recruitment practices, indicating a strong degree of transformation stemming from remote work adoption.

Small businesses with less than 1,000 employees have been influenced by a slightly lesser extent compared to mid-market and large organizations.

Only 18%
of small businesses say remote work has had **no impact** on their hiring outlook.



What are the main challenges your organization faces in aligning remote work strategies with employee wants and needs?



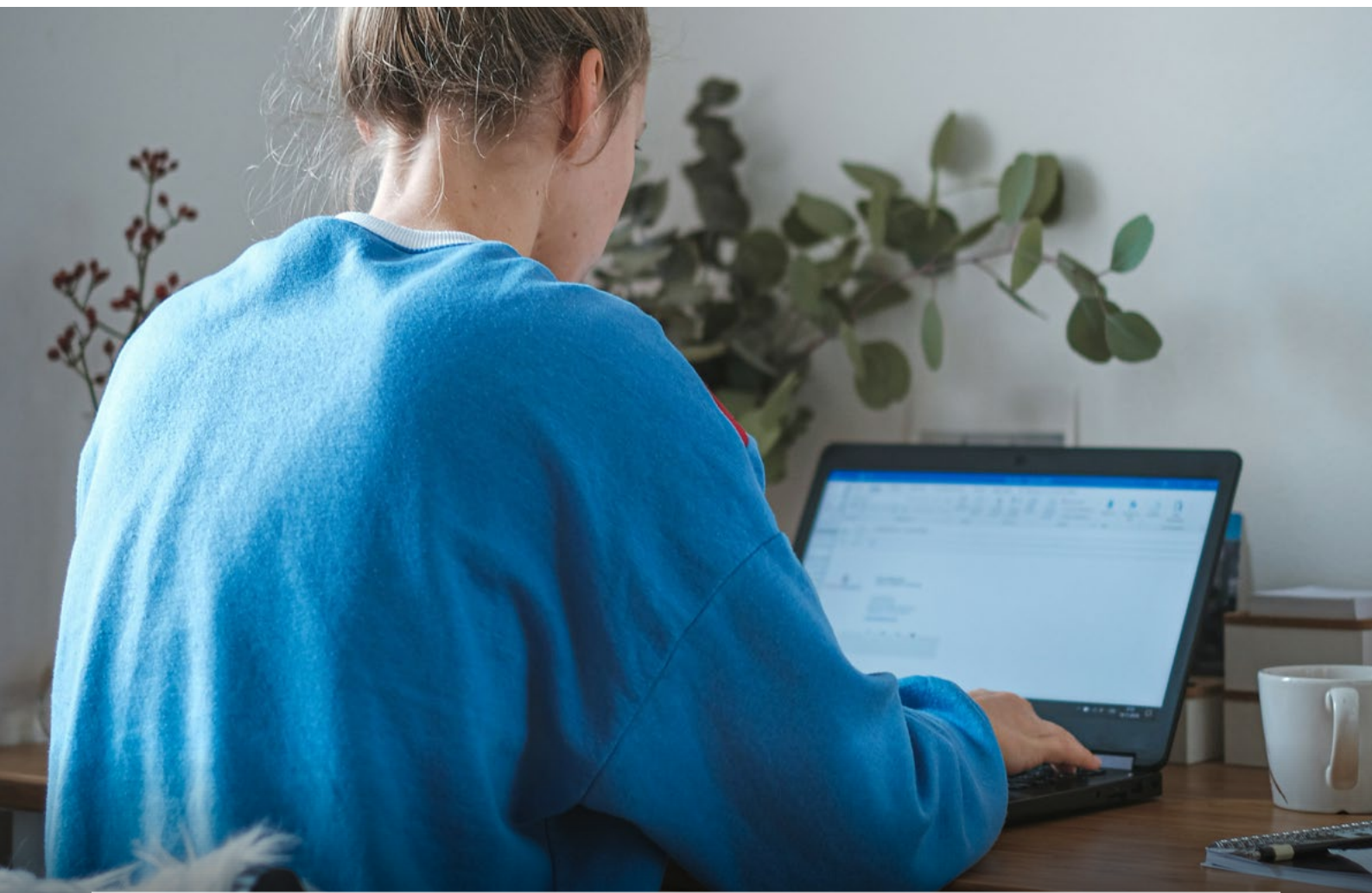
Implementing a remote working strategy that meets the needs of every employee working within your organization is not without its challenges.

52% of HR leaders listed maintaining a **healthy work-life balance** for remote employees as their biggest challenge.

Blurred boundaries between work and home life can make it difficult for employees to disconnect, while some people may experience feelings of isolation and longing for the social side of office culture. It's crucial to support remote employees with regular check-ins and team-building exercises to sustain a positive work experience.

Technology limitations ranks as the second biggest challenge, affecting 42% of HR leaders. Businesses are often held back by their reluctance to invest in virtual hiring processes, cybersecurity concerns, reliance on legacy systems and on-site servers, and a lack of scalable communication and project management tools – as mentioned by 39% of respondents.

Only one-quarter of businesses see cultural differences as a barrier to remote working success. This may indicate that work practices and expectations are becoming more standardized across geographical regions; or that DE&I, cultural fit and soft skills are not currently considered a priority for recruiters to the same extent as hard and technical skills.



LAWS OF THE VIRTUAL WORKPLACE

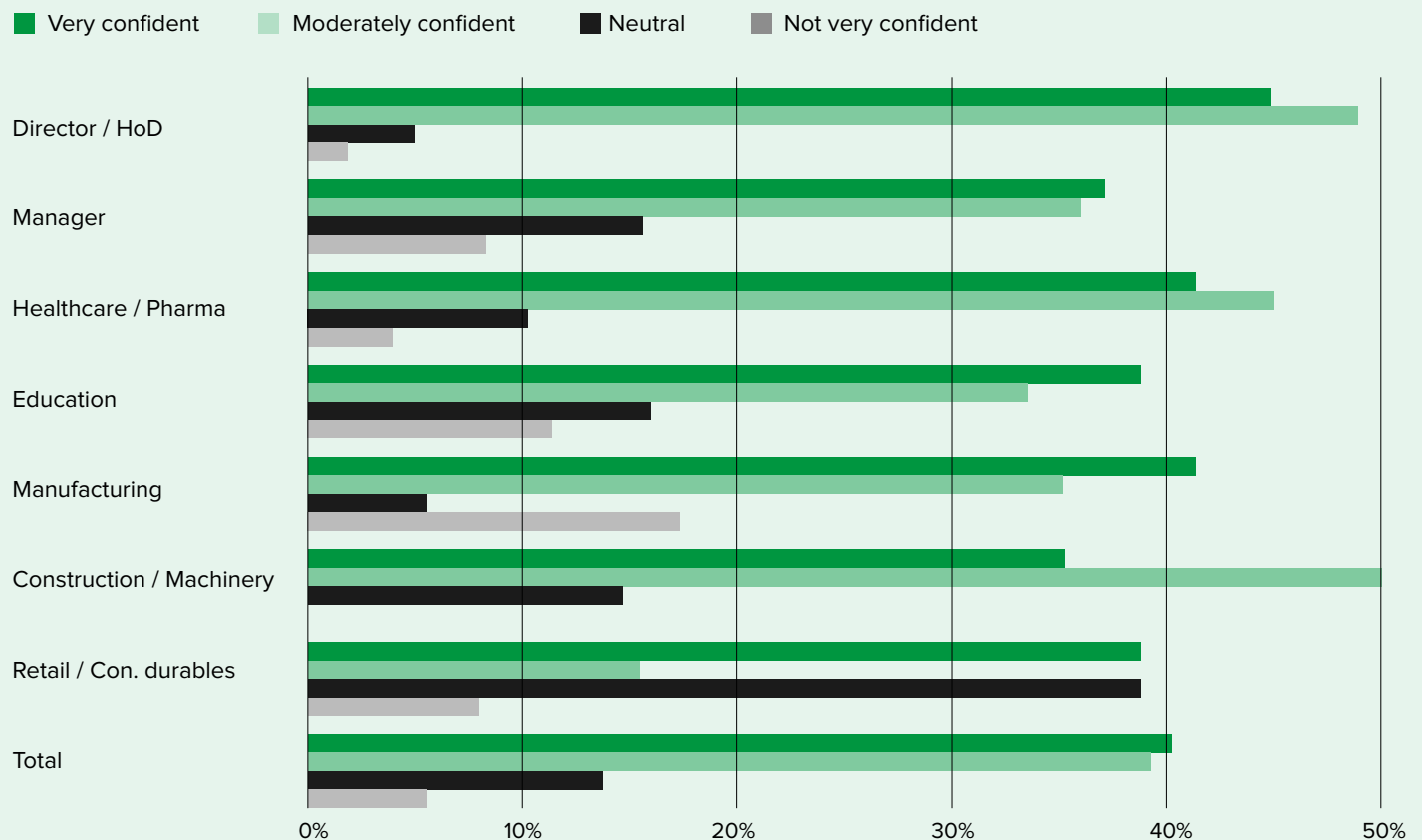
Ensuring full compliance with local and international regulations is a hurdle every company must clear when building a borderless workforce.

Statutory employment rights, visa requirements, tax rates and data privacy laws all vary from country to country, which is why a robust framework is needed to manage the complexities and risks that come with hybrid mobility.

That can turn into a headache for business and HR leaders, particularly if they have little experience with

cross-border compliance or lack the time needed to stay up to date with evolving regulations. It's also why many organizations choose to partner with an Employer of Record (EOR) specialist, easing the process of hiring talent in foreign countries where their company doesn't have an existing presence or legal entity.

How confident are you in your organization's ability to correctly classify and treat employees and independent contractors in accordance with local and international regulations? (%)



Just 40% of HR leaders are 'very confident' in their organization's ability to hire employees and contractors in accordance with local and international regulations.

The fact that a further 39% are 'moderately confident' would indicate that most businesses now have some form of legal compliance framework in place to facilitate global recruitment.

However, there is little room for error when it comes to compliance with local and international employment regulations, so it remains a concern that 6 in 10 businesses are not completely confident in their organization's ability to stay compliant.

There is also a notable 20% drop in confidence between director level (94%) and managerial level (73%). It may be that managers have more contact with specific challenges and risks at the operational level, or they are not being made aware of governance controls by senior leaders. In any case, better communication is needed to keep all organizational levels on the same page.

By industry, healthcare and pharmaceutical companies are more prepared to deal with local and international regulations, with 86% of HR leaders stating they are either 'moderately' or 'very confident' in managing hiring compliance challenges. That's far more than retail and consumer durables organizations, for example, where only 53% share the same degree of confidence.



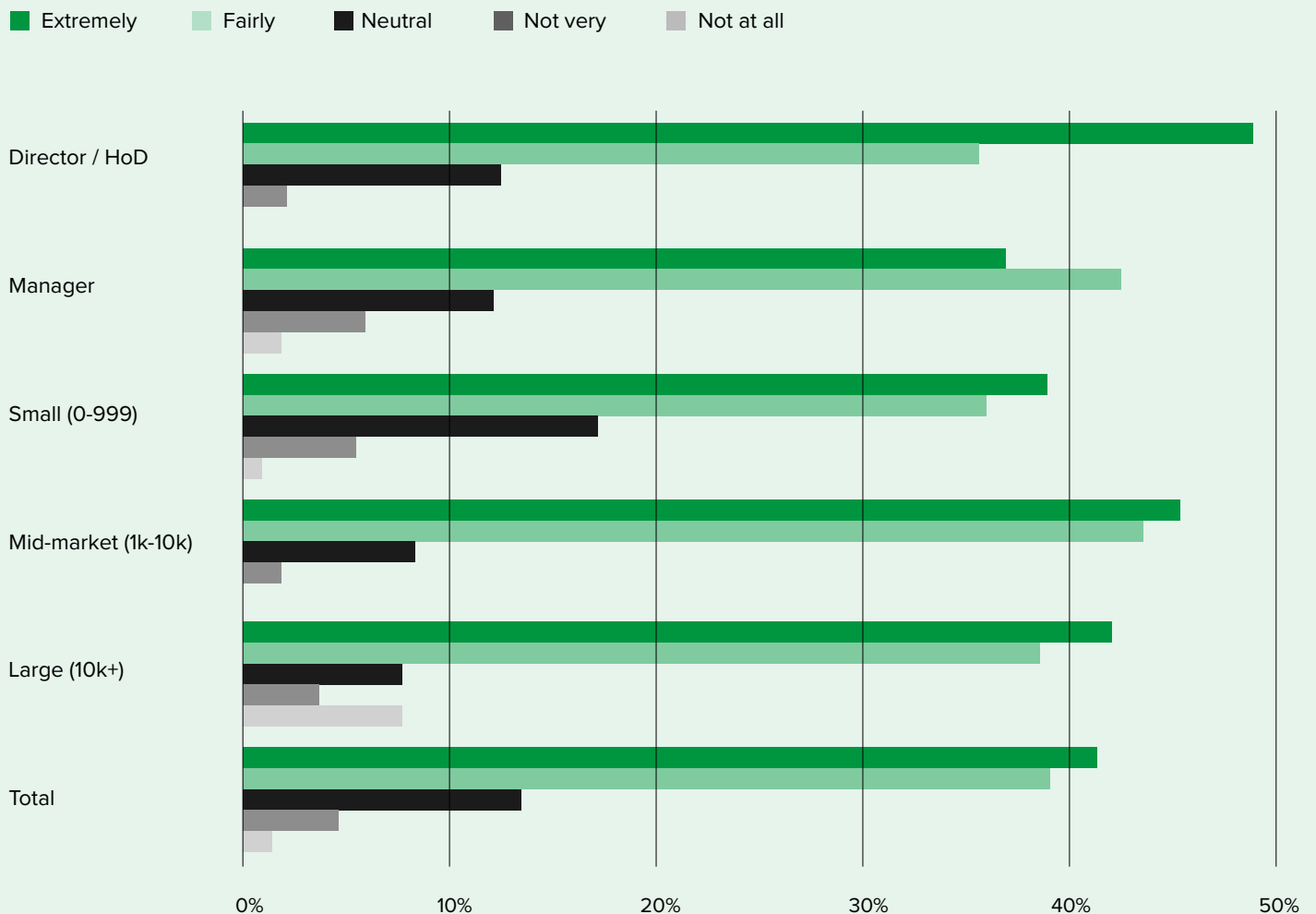
Does scale make a difference?

Similar to our findings on classification, just 42% of HR leaders believe their organization is 'extremely knowledgeable' about the local employment laws and regulations of foreign countries in which they hire.

We also see an interesting variance when comparing responses from small, mid-market and large companies. 12% of HR leaders in large organizations say their business is 'not at all' or 'not very knowledgeable' about employment laws in foreign countries, far more than their counterparts in small and mid-market companies.

This may be due to the additional complexity in compliance facing businesses with a more extensive global presence, whereas smaller companies tend to have a more focused and streamlined approach due to their scale. It could also highlight a need for improved training and education programs within large organizations, and that it may be easier for smaller businesses to keep teams well-informed regarding international employment laws.

To what extent do you believe your organization is knowledgeable about the local employment laws and regulations in the countries where you hire internationally? (%)



LET'S TALK HIRING TECH

Landing top global talent is no easy feat, especially for businesses that still rely on manual processes and legacy systems.

Cloud-based hiring platforms are revolutionizing the way HR leaders approach recruitment, offering greater agility and visibility when compiling international talent pools and onboarding new hires.

Digital tools can simplify the complexities of payroll, benefits and expenses for global teams, while solving many of the challenges involved with hiring compliance. AI and automated processes enable faster processing and fewer errors, while also ensuring businesses never miss a beat when it comes to local employment and tax law developments.

74% of hiring pros say

they see the value in using **AI tools** to automate repetitive tasks to prioritize more strategic work.³

And whereas HR software previously required businesses to manage different functions on separate systems, human experience management (HXM) software now centralizes HR processes in one platform, providing an end-to-end solution that covers all stages of the employee lifecycle.

Don't underestimate human expertise

While investing in an HXM system will help to automate core processes, save time and free up internal resources, technology has a long way to go before it replaces human expertise and local support.

Some companies also find the risks and difficulties involved with setting up a legal entity in a foreign country too much to manage. Lengthy approval processes, hiring local representatives, leasing office space and meeting strict regulations with regard to immigration, tax, accounting, data protection and local labor are all major obstacles to overcome.

All of that mounts up to quite a lot of liability, particularly for businesses aiming to keep costs down wherever they can.

Partnering with a global EOR provider may be an ideal alternative for those looking for a simple, cost-effective way to deliver a global expansion strategy, without any of the stress that comes with managing it. EOR services facilitate borderless hiring and allow employers to benefit from the guidance of experienced specialists who understand the ins and outs of international tax, visa sponsorships and other aspects of compliance.

Comparing your options is crucial to find the right provider to match your HCM needs, and whether you require a fully managed or partially managed service. Make sure to check EOR services against key criteria, such as country coverage, scalability, pricing, plug-in capabilities and provision of technology.

3. [The Future of Recruiting 2023](#), LinkedIn

READY TO DELIVER GLOBAL HIRING SUCCESS?

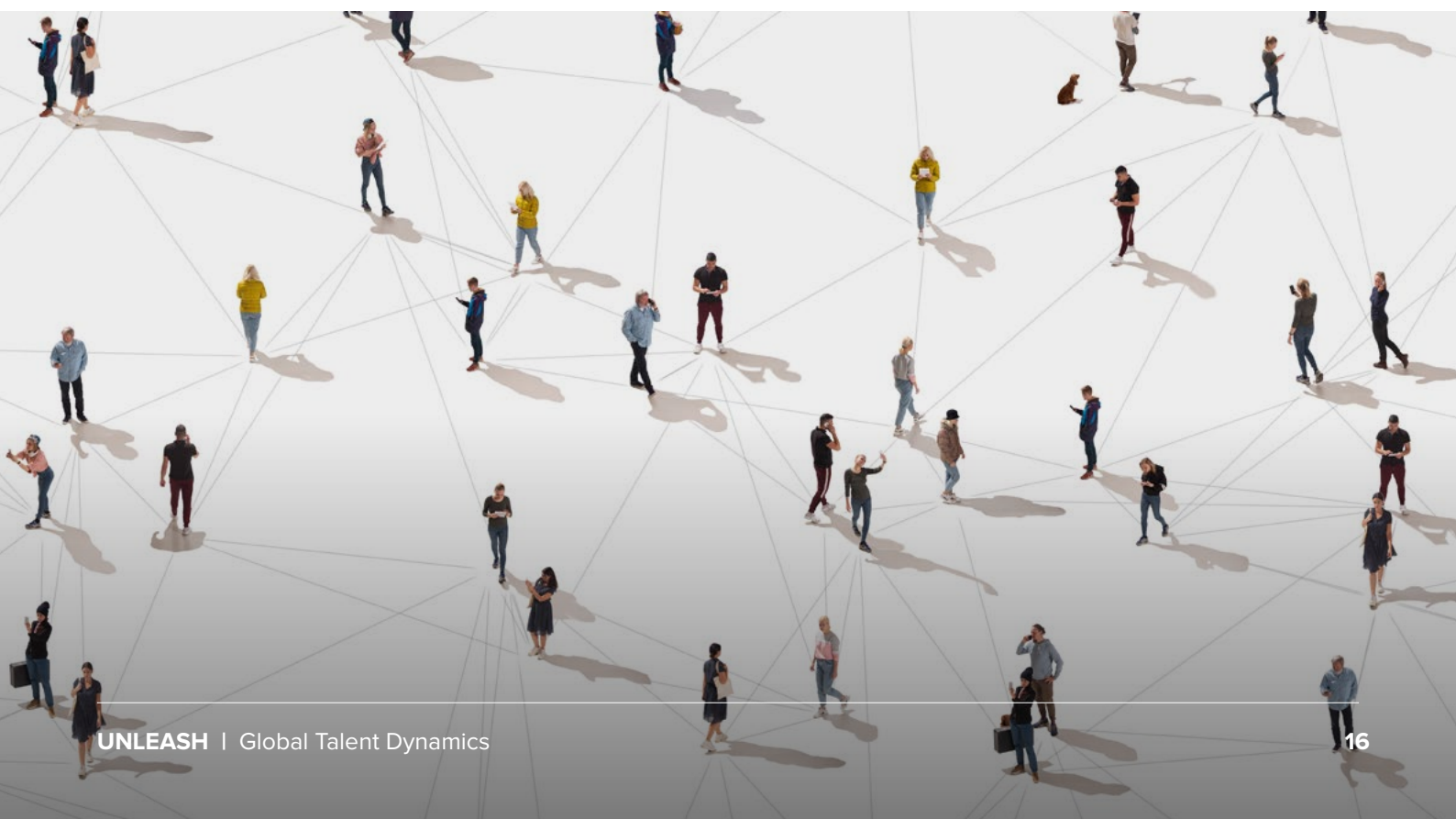
Given the intense competition in today's labor market, there's plenty to gain for businesses that manage to expand their talent pool to attract skilled professionals from other parts of the world.

The demand for remote and hybrid working among employees remains incredibly strong – **with 77% of HR leaders saying they've witnessed a notable increase in demand for flexibility among candidates over the past 12 months.**

This shift presents fantastic opportunities for employers to become more agile, benefit from virtual teams, drive staff engagement and keep their costs down; yet that's only possible for businesses that have a robust hiring infrastructure in place.

Ambitious employers looking beyond domestic recruitment often find their hiring mobility and payroll strategy gets blocked by excessive red tape or local employment law challenges. Many are now turning to Employer of Record providers to cut out the legwork involved in hiring talent from overseas

As businesses grow and the world of work becomes increasingly globalized, the relationship between HR leaders and EOR providers will continue to evolve. Technology plays a fundamental role in strengthening that relationship, particularly human experience management systems that offer a simple UX and easy access from any location.



APPENDIX

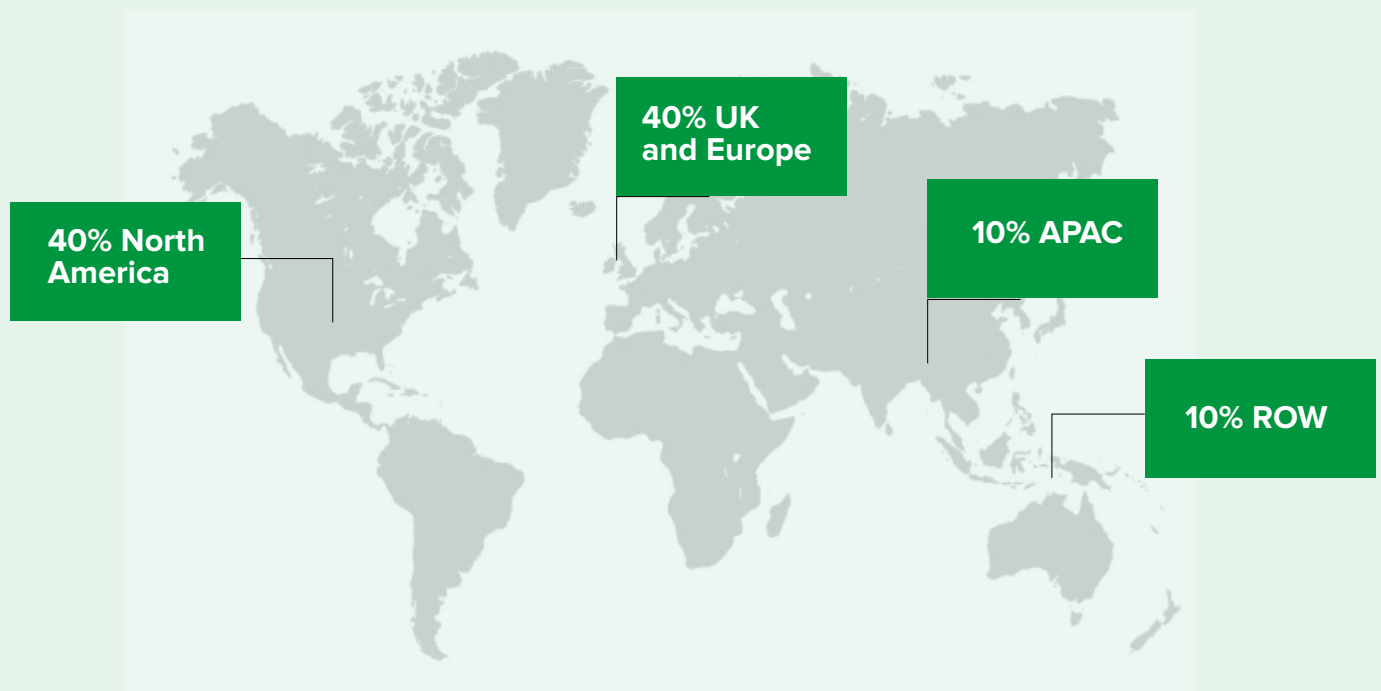
About this research

This research was conducted by UNLEASH Group in partnership with Atlas using a quantitative survey in the Winter of 2023/2024.

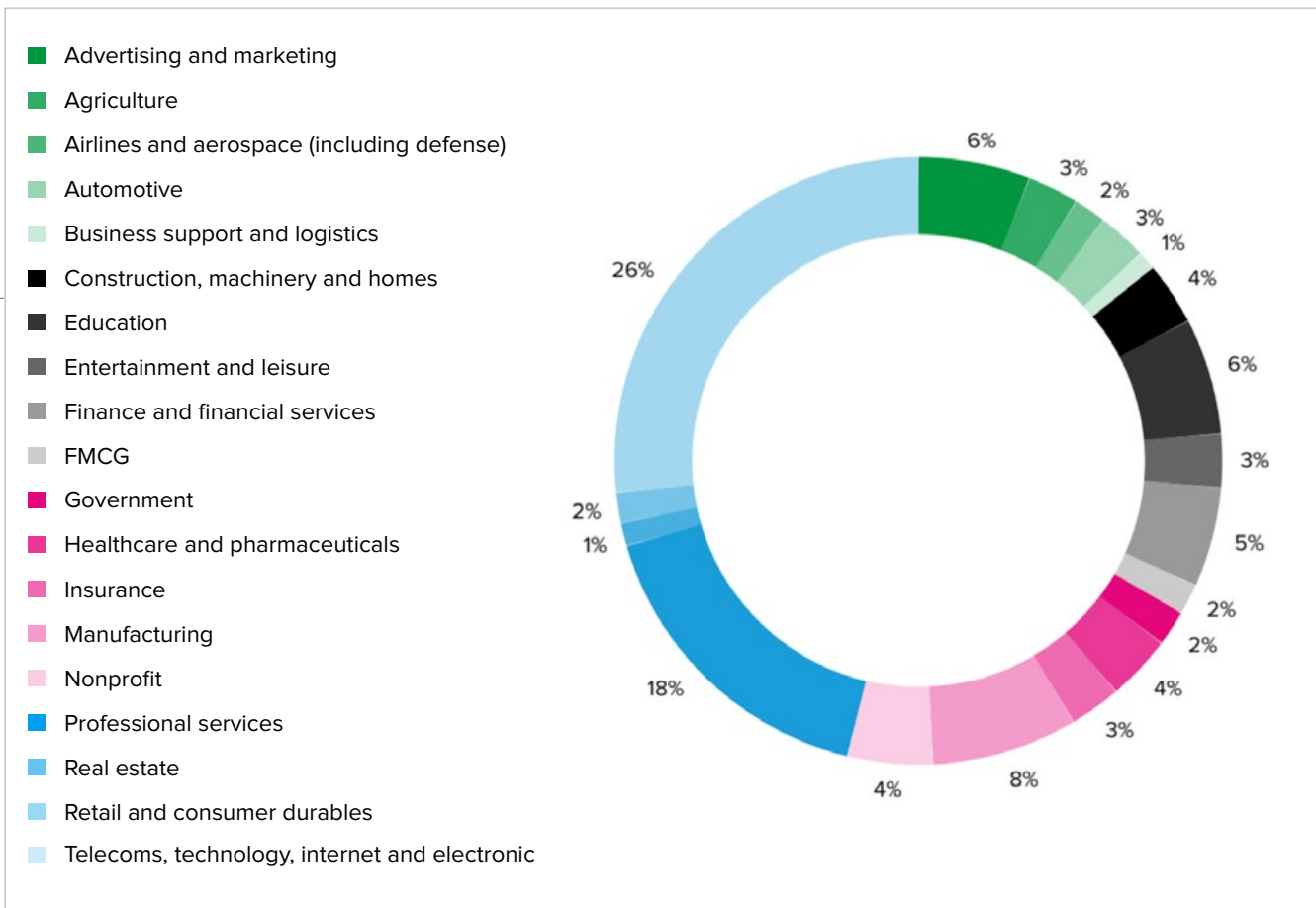
About the respondents

We engaged with 116 senior HR and business leaders from around the world.

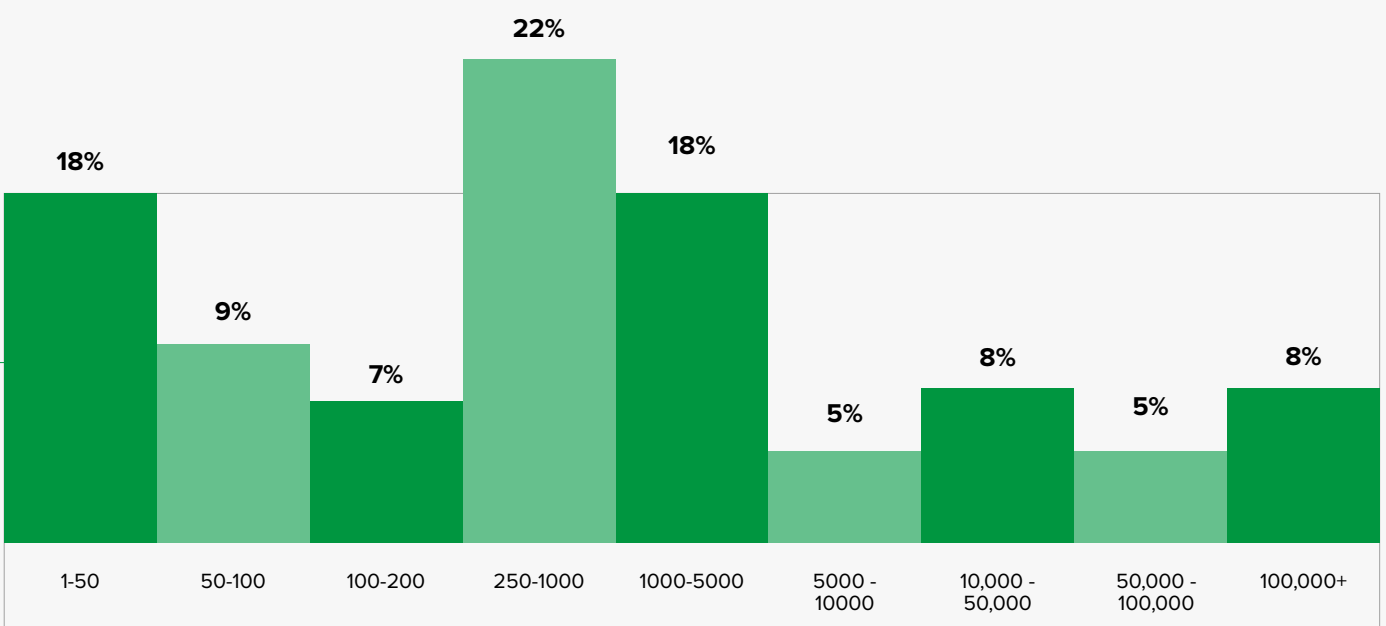
Where are they?



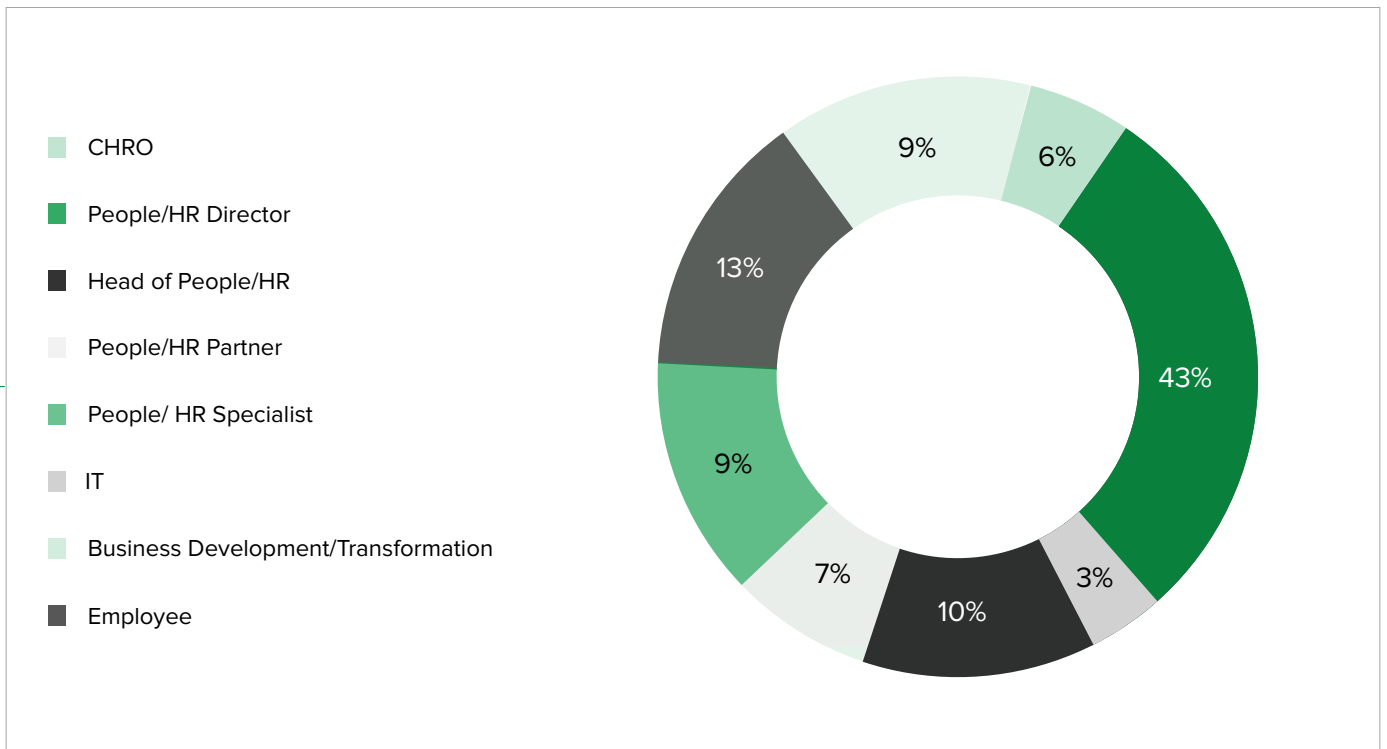
Which industries do they represent?



What size organizations do they represent?



Which job role do they represent?



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As the largest direct Employer of Record service provider, Atlas delivers flexibility for companies in expanding across borders by onboarding talent, managing compliance, and paying their global workforce without the need for a local entity or multiple third-party providers.

With entities in over 160 countries, Atlas brings localized experience and real human expertise into an enterprise-grade technology platform that supports companies and remote teams worldwide. The Atlas HXM platform is uniquely designed to deliver end-to-end EOR solutions and empowered user experiences that provide self-service capabilities and real-time insights that lead to improved business outcomes.

Get in touch

Get in touch with **Atlas' team** of global hiring experts today to find out more about seamless international expansion.

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Accuracy of information and warranties

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