

5 WAYS

Companies Get in Trouble When Managing an International Workforce

We live in the age of the data breach. As a reaction, world governments are tightening laws when it comes to information. Specifically: employees' personal data.

And in 2018, companies around the world who have any employees in Europe are going to have to go to great lengths to comply with tightening regulations in the EU (with extremely specific enhancements in Germany). But getting compliance right is an extraordinary challenge for any company.

These are five ways companies get in trouble when it comes to managing the data of its international workforce.

1. Non-Compliant Employment Contracts



POTENTIAL PENALTIES:

Non-enforceability, increased termination costs, potential litigation

DON'T: Use boilerplate language or a template based in US law.

The risk of a boilerplate, non-compliant contract is that you could find yourself in a position where your organization is unable to enforce the terms of the contract. This pertains to the employee's obligations, IP rights, or you could face a claim for failure to provide proper benefits, and a variety of other issues.

DO: Engage a best-in-class Global Professional Employer Organization (PEO) or advisors that combine the best practices of U.S. and local employment law.

In fact, Globalization Partners doesn't allow clients to add any non-compliant employment terms to our contracts, as we share the risk of your global workforce.

2. Data Privacy



POTENTIAL PENALTIES:

In the EU, due to GDPR: 4% of global revenue or 20 million euros

DON'T: Just wing it or rely on your U.S.-based HR system.

The General Data Protection Regulation (GDPR) takes effect in May 2018, and it completely overhauls the laws that govern how companies can share, store, and manage international workforce data.

DO: Choose to partner with a vendor that has its sights set on GDPR.

Globalization Partners' has a full-time, in-house legal team addressing GDPR compliance head on. If clients use our system and operate within it, they are secure.

3. Administering Leave/Vacation



POTENTIAL PENALTIES:

Fines, litigation, unhappy workers

DON'T: Assume that what you know about vacation and leave in the US applies to your international workforce.

Most countries have specific requirements for the minimum leave required as well as accrual rates, carry over rules and allowances to take consecutive days. The same goes for national holidays, sick leave, maternity and paternity leave and other subject-matter specific leave requirements.

DO: Know ahead of time how much leave you'll be required to offer in a given country.

...and be prepared for workers to take lengthy leaves, which is customary in some parts of the world. Globalization Partners has this knowledge specific to any territory in the world and manages it on your behalf.

4. Administering Terminations



POTENTIAL PENALTIES:

Employee lawsuits, potential litigation, different penalties depending on country

DON'T: Presume at-will employment exists internationally.

Most countries mandate that a long list of requirements are met before an employee can be let go for any reason.

DO: Carefully manage hiring and terminations via a Global PEO

...Especially one with the legal bench strength to manage complex negotiations both from the U.S. perspective (IP Protection) and in accordance with local legal requirements. Globalization Partners' global platform is the only Global PEO built by U.S. employment lawyers along with best-in-class local legal teams in each country.

5. Administering Benefits



POTENTIAL PENALTIES:

Difficulty bringing in top talent resulting in wasted time, money, and other resources

DON'T: Assume benefits are the same internationally as they are in the US

In fact, they're very different. Many countries in the EU include state-sponsored health care and other benefits.

DO: Look into what benefits are not only required.

...but what are culturally relevant in the areas in which you want to expand your workforce. Globalization Partners has tailored benefits solutions ready for any employee in any country.

Have you thought about these?
If not, that's OK; Globalization Partners has.

Call us today at (888) 855-5328 or email us at problemsolved@globalization-partners.com



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