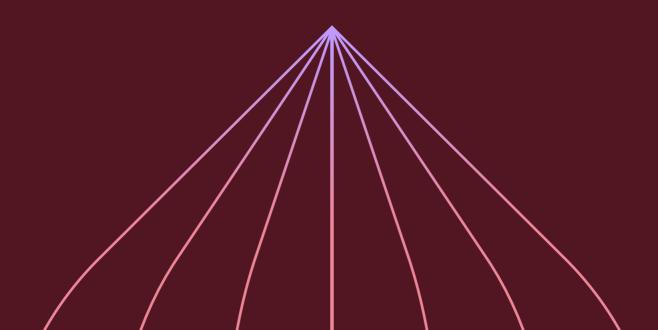


## R remote

2024

# Remote Asia Pacific Report

Remote work is big in the Asia Pacifc. Here's how to hire and manage talent in APAC.



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## The future of hiring and talent management in APAC

Asia Pacific (APAC) stands out as a region of rapid transformation and opportunity. A geographic region that includes East Asia, South Asia, Southeast Asia, and Oceania; key markets in APAC include Australia, Hong Kong, India, Indonesia, Japan, Singapore, and South Korea.

As companies in APAC increase remote and hybrid work models, startups and established businesses alike need to rethink their strategies for hiring, managing, and retaining talent. A remote, distributed, and flexible workforce can serve as a solution to hiring and talent management for APAC companies.

#### 2024 APAC IDC Info-Brief Report

Remote commissioned the International Data Corporation (IDC) to discover the future state of hiring and managing international talent in the Asia Pacific. The 2024 IDC APAC Info-Brief Report sponsored by Remote surveys 600 companies with 100 to 2,000 employees across seven key APAC markets: Australia, Hong Kong, India, Indonesia, Japan, Singapore, and South Korea. The full IDC APAC Info-Brief Report can be found through this **link**.

### What you'll learn from this report



#### Hiring maturity by country

Hiring maturity starts with payroll management, talent sourcing, and technology adoption. Learn which APAC country has the highest hiring maturity.



#### Remote hiring trends in APAC

78% of surveyed APAC companies expect to hire more than 60% of remote employees for full-time jobs. Find out which APAC countries have the largest plans to hire remote full-time employees and contractors.



#### How APAC companies manage payroll and HR tasks

Only 36% of surveyed companies use a unified platform for payroll management. Half of surveyed companies juggle multiple solutions to manage remote team members. Get details on how APAC companies are managing payroll and HR for remote team members.



#### **Key APAC market statistics**

Discover how seven key markets in APAC – Australia, Hong Kong, India, Indonesia, Japan, Singapore, and South Korea – hire and manage remote team members.

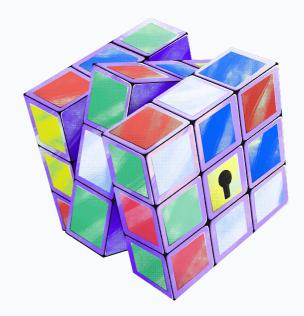


Top challenges faced by APAC companies in hiring and managing talent 46% of APAC companies say different labor laws across countries are difficult to manage. Discover the top three challenges for managing and hiring international talent for APAC companies.



#### Leading remote work in APAC

As APAC companies continue to embrace flexible work arrangements, leaders need to find innovative ways to manage team members working from different locations. Learn how leaders can implement HR technology to lead the future of work in APAC.





## Key findings



Almost 80% of APAC companies are planning to source talent through remote work.

78% of surveyed companies expect to hire more than 60% of remote employees for full-time jobs. Contractors are also a key talent pool – 45% of surveyed companies plan to hire 20 to 39% of remote contractors.



Nearly 70% of APAC companies currently employ more than 70% full-time remote employees and around 30% remote contractors.

Remote work is already big and active in APAC. 68% of companies currently employ more than 70% full-time employees and less than 30% remote contractors.



80% of APAC companies recognize the importance of a unified solution for global HR.

An average of 80% of surveyed companies use an employer of record (EOR) when managing international remote teams. APAC companies are looking for efficient ways to manage compliance, payroll, and HR tasks across borders.

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Still, 50% of APAC companies use disparate solutions for onboarding and managing remote staff. Only 36% use a unified platform for payroll management.

Despite active plans to hire remote team members, half of surveyed companies use scattered approaches when managing HR tasks.

Companies are inefficient, pay higher costs, and face compliance issues when using multiple tools to manage an international team.



## Hiring maturity by country

As APAC companies increasingly look beyond borders to fill full-time and contract roles, they need to consider the three dimensions of hiring maturity: payroll management, talent sourcing, and technology adoption. Companies with high hiring maturity can hire and manage international talent efficiently.

Companies are classified into four stages based on their hiring maturity:



#### Ad-hoc

Payroll is managed manually. Companies have tailored recruiting strategies for countries where they have a presence. Hiring processes are still largely manual and paper-based, with little or no integration between technologies.



#### **Aware**

Payroll is managed in-house using software solutions. Internal transfers between countries are used to bridge skills gaps, if needed. Companies post jobs on online forums and job boards.

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#### Managed

Local partners manage payroll. Companies promote remote work with strategies that are targeted and tailored to the countries they hire in. Companies use technology to process job applications, candidate screening, and applicant tracking.



#### **Optimized**

Companies use advanced technology and a unified platform for their HR processes. HR solutions take care of payroll, benefits, and onboarding, so companies can actively hire international talent.

#### 51% of surveyed APAC companies are still in the Aware stage of hiring maturity.

The majority of APAC companies are still immature in deploying technology for global payroll and hiring. In order to efficiently hire, manage, and retain talent in a borderless workplace, companies are increasingly incorporating technology into their HR processes.

Australia, South Korea, and Japan rank as the top three countries with the highest hiring maturity.

IDC calculated the average score for hiring maturity across four stages for each country. The order of countries with the highest hiring maturity is:

Australia, South Korea, Japan,
Hong Kong, Singapore, India, and Indonesia.





## Remote hiring trends in APAC

78% of surveyed companies expect to hire more than 60% of remote employees for full-time jobs.

Many APAC companies across key markets plan to hire full-time remote employees in the next 12 to 18 months. As APAC companies are recovering from the pandemic, they are taking a longer-term view of hiring and retaining talent, thus increasing the number of full-time employees.



APAC companies plan to increase the number of full-time employees by at least 10% in the next 12 months.

Overall, the number of APAC companies that will hire 90% or more full time employees and 10% or less contractors will at least double in the next 12 months.

Japan (85%) and Australia (83%) have the highest percentage of companies planning to hire remote full-time employees in the next 12 to 18 months. South Korea (79%) and India (79%) surveyed as the remaining top three. Indonesia (76%), Singapore (75%), and Hong Kong (71%) followed next.

Overall, APAC companies plan to decrease the number of remote contractors by 10%.

Bigger companies have the budget and resources to hire and manage full-time employees. 30% of mid-market companies with 500 to 999 employees and enterprises with 1,000 to 2,000 employees plan to hire at least 90% full-time employees and 10% contractors. This is a decrease in remote contractor share by 10%.

Still, contractors remain a key talent pool in APAC – 45% of surveyed companies plan to hire 20 to 39% of remote contractors.

Small to medium businesses (SMBs) with 100 to 499 employees need to address skill gaps without the financial burden or stress of training full-time employees. For SMBs in APAC, hiring remote contractors is a cost-efficient way to address skills gaps. This trend is mostly observed in Indonesia, Japan, and South Korea.

Australia leads with the highest percentage (55%) of companies planning to hire 20-39% of their workforce as remote international contractors. Following closely are South Korea and Indonesia, both at 47%, with India at 45%, Singapore at 44%, and Hong Kong and Japan at 37% each.



# How APAC companies manage payroll and HR

Only 36% of APAC companies use a unified platform for payroll management. 50% use disparate solutions for onboarding and managing remote staff.

Currently, 68% of APAC companies employ more than 70% full-time employees and less than 30% remote contractors.

Despite an active remote workforce, only 40% of APAC companies use a single HR platform to manage remote employees. 50% of companies use multiple different solutions for HR operations.

In terms of international payroll management, only 26% of APAC companies use a payroll management solution. Only 36% use a unified solution for remote payroll management.

The gap between a large remote workforce and the lack of technology to manage HR and payroll leads to inefficiencies, higher costs, and potential compliance issues for APAC companies.



### Key APAC market statistics



- Australia has the second-highest percentage of companies planning to hire full-time remote employees. 83% of surveyed companies in Australia plan to hire more than 60% of remote full-time employees.
- Australia has the highest percentage of companies planning to hire remote contractors among key APAC markets. 55% of surveyed companies in Australia plan to hire 20 to 39% of fully remote international contractors.
- Australia has the highest hiring maturity out of the surveyed countries.
- 78% of surveyed companies in Australia use EOR to manage their remote workforce.
- Even with the highest hiring maturity, only 52% of Australian companies use a unified platform for HR management.
- Managing payroll is the top challenge in international hiring for Australian companies.



## Hong Kong

- 71% of Hong Kong companies plan to hire more than 60% of remote fulltime employees.
- 80% of Hong Kong companies use an EOR to hire and manage their international workforce.
- 45% of surveyed companies in Hong Kong use disparate solutions for HR functions, including onboarding and staff management.
- Surveyed respondents in Hong Kong state that finding skilled team members is the top challenge in hiring internationally.



- 79% of Indian companies plan to hire more than 60% of remote full-time employees.
- 88% of Indian companies use an EOR to hire and manage their international workforce. Along with Indonesia, this is the second-highest EOR adoption rate out of the surveyed countries.
- 46% of surveyed companies in India use disparate solutions for HR functions, including onboarding and staff management.
- Surveyed respondents in India say finding the right mix of skills in the target countries is the top challenge in international hiring.



## Indonesia

- 76% of Indonesian companies plan to hire more than 60% of remote full-time employees.
- 88% of Indonesian companies use an EOR to hire and manage their international workforce. Along with India, this is the second-highest EOR adoption rate out of the surveyed countries.



- Only 55% of surveyed Indonesian companies use a unified platform for HR management.
- Surveyed respondents in Indonesia say that managing payroll for an international workforce is the top challenge in international hiring.



- Japan has the highest percentage of companies planning to hire full-time remote employees. 85% of surveyed companies in Japan plan to hire more than 60% of remote full-time employees.
- Japan ranks third in hiring maturity out of the surveyed countries.
- 60% of surveyed Japanese companies use an EOR to manage their remote workforce.
- Despite active plans to hire remote staff, 61% of surveyed Japanese companies use multiple different solutions for HR tasks.
- Surveyed respondents in Japan state that lack of effective technologies is the top challenge in hiring internationally.



- 75% of surveyed companies in Singapore plan to hire more than 60% of remote full-time employees.
- 85% of surveyed Singaporean companies use an EOR to manage their remote workforce.
- Still, 68% of surveyed Singaporean companies use multiple different solutions for HR tasks.
- Surveyed Singaporean respondents state that finding skilled team members is the top challenge in hiring internationally.



- 79% of surveyed companies in South Korea plan to hire more than 60% of remote full-time employees.
- South Korea has the second-highest percentage of companies planning to hire remote contractors. 47% of surveyed companies in South Korea plan to hire 20 to 39% of fully remote international contractors.
- South Korea has the highest EOR adoption rate of 89% out of the surveyed countries.
- South Korea ranks second in hiring maturity out of the surveyed countries.
- Still, 55% of surveyed Korean companies use multiple different solutions for HR tasks.
- Lack of effective technologies is the top challenge in hiring internationally in South Korea.



# Top challenges faced by APAC companies in hiring and managing talent

The ability to pay international talent while remaining compliant with local laws stood out as the main challenge for APAC employers when hiring and managing global talent. Here are the top three challenges for hiring and managing global talent for APAC companies, respectively.

#### Top challenges in managing remote talent

The future of work involves flexible, distributed, and remote work arrangements. APAC companies need to adjust their HR tasks to reflect remote work culture.

The top three challenges APAC companies face when managing a remote team are:

- Different regulations and labor laws
  - 46% of APAC leaders say different labor laws in each country make it difficult to hire and manage remote team members.
- Managing international payroll
  42% of APAC leaders say it's difficult to hire and pay top talent from overseas.
- Technology skill gap in team members

  Technology is changing fast, and can create a skill gap in remote teams.

  40% of APAC leaders say training remote team members to keep up with technology is a challenge.

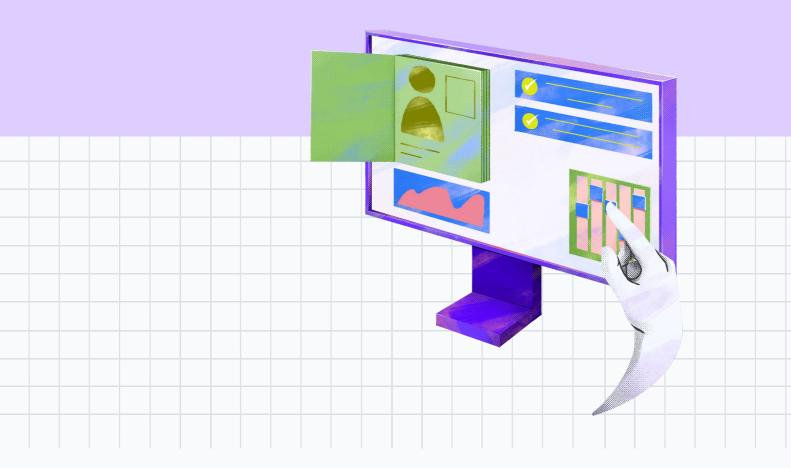
### Top challenges in hiring remote talent

The top three challenges APAC companies face when hiring remote team members are:

Managing payroll

29% of employers have trouble hiring international talent due to difficulties in managing payroll for an international workforce.

- Finding the right skillsets
  27% of employers have trouble finding the right mix of skills for their international teams.
- Local policies
  27% of employers say understanding local tax, labor, and compliance laws is the main challenge to hiring international team members.





### Leading remote work in APAC

As businesses in APAC continue to increase remote and hybrid work setups, HR professionals need to think ahead on how to lead their growing international teams. APAC companies have the chance to reduce operational costs by choosing the right technology to manage their remote teams.

#### Low HR technology is holding APAC companies back

Despite an active remote workforce, 50% of APAC employers still juggle multiple solutions to manage remote teams. Without a comprehensive HR solution for global teams, APAC employers risk breaking local employment laws, decreasing employee satisfaction, and complicating HR operations.

80% of APAC employers already use an EOR service when managing international teams, but are looking for more efficient ways to manage compliance, payroll, and HR functions across borders.

A unified platform to process global payroll, source talent, and manage remote teams is the solution to lead remote work in APAC.

#### Cross-functional collaboration

APAC leaders need to practice cross-functional collaboration and communication when implementing technology for remote teams.

While HR leaders have the most influence in purchasing HR technology, other department heads in IT or Finance also decide on buying HR solutions. The latter is especially true for smaller companies in APAC, where buying decisions are not limited to one team.

#### Lead APAC with Remote

Companies in APAC need scalable solutions beyond EOR to manage their remote teams. A single HR platform that handles global payroll, onboarding, compliance, and employee management is what APAC companies need to support their international workforce.

A global HR partner like Remote offers APAC companies a comprehensive solution to hiring and managing global teams, reducing costs and legal complexities. Remote offers an all-in-one platform used by tens of thousands of businesses worldwide to find, hire, manage, and pay teams in over 200 countries compliantly.

To simplify your HR solution to hire and manage remote teams in APAC, create a free account with Remote HR Management today. Remote will help you supercharge your growth in APAC and beyond.



