### A Brighter Future:

# How a Global EOR Elevates Higher Education

THOUGHT LEADERSHIP





#### **Table of Contents**

01	Introduction	P1
02	What is a Global EOR?	P2
03	The Global Aspects of a Global PEO	P7
04	The Administrative Benefits of Partnering	PII
05	How a Global EOR Can Help Faculty	P13
06	Conclusion	P16



### 01

#### INTRODUCTION

Higher education is a massive global industry. Many top universities seek to connect with other countries, to give their students and faculty members opportunities to work abroad. They also strive to recruit internationally renowned teachers to their institutions.

In the US alone, there are upwards of 4,000 public universities, private universities, and for-profit universities.

This means that each year, administrators are fighting to ensure that their faculty members have access to the international research, educational, and professional opportunities they need to increase their academic rigor back at home, to bring back prestigious awards and distinctions, to pursue grant money and funding, and to help further the reputation of their institution.

The education industry is highly competitive. To gain an advantage over their competitors, higher education institutions from around the world choose to work with a Global EOR—otherwise known as a Global Employer of Record. An EOR is designed to manage payroll, benefits, and HR responsibilities for any given university in the US.

#### But when it comes to a Global EOR, their role is a little bit different.

They act as the main point of contact for a university overseas. A Global EOR offers a quick solution to getting an institution's global operation up and running. It also enables them to hire overseas on the university's behalf. All of this happens without the need to establish a foreign legal entity.

#### So why is this important to a university and the higher education industry?

In this comprehensive guide, you'll learn all about:

- ▶ The construction of a Global EOR.
- ► The international aspects of a Global EOR.
- ► The benefits of a University partnering with a Global EOR.
- How partnering with a Global EOR can help your faculty members secure new opportunities.



# **O2**WHAT IS A GLOBAL EOR?

A Global EOR or a Global Employer of Record is a secret weapon that a higher education institution or a university can use to expand overseas.

In the US, thousands of universities across the public, private, and for-profit sectors seek opportunities to bring their curriculums overseas. So they can attract new students, new faculty members, and new researchers abroad while marketing their overseas opportunities to prospective students domestically.

A Global EOR can provide employee management services and administrative assistance to universities and higher education institutions operating in foreign jurisdictions.

They can offer a quick, seamless, and efficient method for an institution to get its international operation up and running quickly. A Global EOR serves as a legal entity, giving them the permission to hire, manage, and pay taxes for the institution on its behalf.





#### Let a Global EOR Handle Foreign Markets For You

As you consider international expansion, it's important to understand the market you're expanding into. For instance, if your university is a privately-owned institution based in Omaha, Nebraska, but you'd like to offer a new study abroad program in Vienna, Austria, the common payroll, tax, and compliance requirements in that city/country might not be part of your common knowledge.

#### You can simply focus on:

- Designing your curriculum
- Developing your campus
- Implementing your values

#### While the Global EOR focuses on:

- ► Hiring and acquiring talent
- Managing your HR needs
- Ensuring compliance

The Global EOR will allow you to focus on the more important aspects of your expansion while it takes care of the legalities behind expanding into a new international market.





#### No Need to Set Up a Legal Entity

When you work with a Global EOR, you'll never have to worry about setting up a foreign legal entity, which can be expensive, challenging, and time-consuming.

Instead, you can continue to remain a domestic entity while your Global EOR acts on your behalf abroad, freeing you up to hire full-time faculty members and employees to manage your new campus.

And, while you'll always maintain control over the activities of your staff members, you can rest assured knowing that your EOR will handle all the administrative functions of your international team.

#### No Need to Stress Over Compliance

Ensuring <u>compliance in an international market</u> is one thing, but understanding the local culture, customs, and legal system is something entirely different. Local law enforcement is going to be different in every city, so depending on where you choose to place your international facilities, you'll be required to abide by those laws and regulations.

For example, say you fail to comply with tax requirements, payroll requirements, or benefit requirements relating to your new faculty members and administrative staff. You'd then run the risk of extensive auditing, which is something that just wouldn't be worth it for your institution in the long run.



### Test the Waters Before Diving In Head First

For any university, international expansion will only be successful if you can get your student body, faculty, and major sources of funding on board. Knowing the size and scope of that task, wouldn't it bring you more peace of mind to position your new expansion as a simple test run?

Think about it this way: you've purchased property— either as a renter or an owner—in a brand-new international marketplace. The cost of upkeep for your new facility is about half as much as maintenance and upkeep costs you for your domestic facilities, not to mention the cost of hiring new faculty members, onboarding new administrative staff, etc.

### In short, expanding into the international market isn't a cheap decision.

It's your job to prove to your stakeholders that your decision is going to benefit the university in the short term and the long term, but how can you be sure?

By partnering with a Global EOR, you can test the waters before diving in head first.

Remember, you're not establishing a legal entity in this new international market. Instead, you're simply testing the market for a few variables: to see if your students are interested in pursuing study abroad opportunities, to see if any of your full-time professors want to help grow the program, and to see if your new marketplace can generate a buzz around your new institution.



#### **Expand Your University—Not Your HR Department**

Remember, a Global EOR is going to have the ability to hire on behalf of your university. That's a good thing because it allows you to expand your university, not your HR department.

Your HR department is tasked with determining how to onboard new employees, how to get them paid, and how to deliver their benefits to them—all as quickly as possible. When you're expanding overseas, there isn't a fast way to train your HR department in international hiring, especially in academia.

Partnering with an EOR allows you to skip the expensive and time-consuming process of establishing a legal entity in a foreign country to hire. Instead, your EOR will deliver immediate cost and time savings, allowing you to streamline your expansion process with predictable expenses that they can begin to utilize months before your planned expansion is set to commence.

From there, you can redirect your cost savings and extra funds to areas that will allow you to market your new expansion, maintain your new facilities, or expand elsewhere.

#### A Global EOR Is an Outsourcing Solution

Working with a Global EOR is the same as hiring an independent HR consultancy for your purposes of outsourcing your international hiring, onboarding, and administration. As an outsourcing solution, working with a Global EOR can help you expand your university overseas faster, with lower costs, and more efficiently than ever before, leaving you more time to focus on what's most important—your institutional culture, goals, and mission.

### 03

### THE GLOBAL ASPECTS OF A GLOBAL PEO

Whether you're a private university, a public state university, or a forprofit university looking to expand your operations internationally, it's highly likely that you'll be basing much of your new international workforce around contractors.

At the same time, it'll be highly unlikely that you'll be able to convince members of your full-time faculty to relocate overseas to partake in that expansion, especially if you're expanding into a non-conventional location or outside of a major international hub city like London, Paris, Rome, etc.

With that in mind, one of the most important global aspects of a Global EOR is its ability to provide you with instant, high-quality talent acquisition, and staffing solutions, all at a fraction of the price that it would cost your HR team to do it themselves.

You're going to need a real, viable solution that allows you to employ new faculty members and administrative staff while being able to follow the HR requirements, tax laws, and compliance requirements of your new country.

Remember, a Global EOR gives you a safe, cost-efficient and time-efficient method of staffing your new facilities.

When considering whether or not it would be necessary for your institution to partner with a Global EOR, we'd like to make it known that Princeton University also chooses to partner with Global EORs.

In speaking about their research abroad, they said:

Essentially, your Global EOR becomes your trusted partner for all the areas in which you plan to allow your faculty members to conduct research, or where you plan to allow students to study abroad. These organizations allow you to maintain compliance with all local laws and HR requirements, ultimately ensuring a smooth, efficient, and effective international expansion.

Princeton University



#### Global EOR Helps to Ensure Compliance

When sending your faculty members and researchers abroad, you'll be required to follow all local rules, regulations, and customs. The same goes for students studying abroad at a facility associated with or affiliated with your university.

Short of hiring a comprehensive research team tasked with identifying, comprehending, and digesting all the local compliance requirements and translating that into a guideline for your HR and administrative staff to implement overseas, you can simply partner with a Global EOR to handle what you don't already know.

Overseas, your EOR will remain the legal employer of your overseas faculty members and researchers, meaning they also retain legal liability. As the liable party in each country in which you host research or study activities, your Global EOR will be required (and expected) to maintain and ensure compliance with all applicable global, regional, and local regulations.

To put it simply: the liability shifts from your institution, to your Global EOR.

#### Global EOR Eliminates the Need to Incorporate/Establish Locally

If you're a for-profit university, then the first thing that you would have to do when planning an expansion is legally and officially incorporate your entity in whatever locale you plan to expand into.

Whether it's a public or private institution, you'd still be required to establish yourself as a legal entity, which can be quite a headache for your administrative staff, in addition to a costly endeavor.

Working with a Global EOR eliminates the need to incorporate or to establish locally because it will be hiring independent contractors on your behalf. The Global EOR will also be responsible for paying the salary of your contracted faculty members and administrative staff, in addition to covering all the tax requirements and providing their benefits.

As you can see, your Global EOR serves as the middleman between your institution and the contract workers whom your Global EOR will hire to carry out your international mission, all while maintaining legal compliance.

### Global PEOs Manage Payroll in the Host Country

Suppose you were to register your institution as a foreign entity conducting business in a new country. In this case, you would be required to run your payroll according to the local standards within which you are registered.

So, returning to the earlier example of your institution in Omaha, Nebraska expanding into Vienna, Austria, you would be required to follow the local laws and regulations that govern payroll in the city of Vienna.

When you work with a Global EOR, you can reap the benefits of having a local organization manage payroll directly in the host country. They'll handle the complicated calculations regarding the withholding of statutory deductions from pay for things like pensions, healthcare coverage, taxes, and more.

They'll ensure accurate and compliant pay for all your overseas employees, and they'll allow you to deploy your new faculty and administrative staff members abroad more quickly.





### A Global EOR Can Get You into Wonderful Locations

One of the most interesting aspects of a Global EOR is that it can help you get into some of the most amazing locations in the world.

When it comes to higher education, it's no secret that international universities and institutions want to get their faculty out in the field to participate in cutting-edge research—no matter where they must send them.

Likewise, higher education institutions want to immerse their students in new surroundings and new environments so they can market themselves as an immersive learning institution with tremendous opportunities for students to explore the vast world in front of them. Having a Global EOR by your side gives you the foothold that you need to explore these varied locations.

Now, it's clear just how much a partnership with a Global EOR can benefit your operations, but...

What about your administration?

What are the administrative benefits of working with a Global EOR?

Read on to discover.



### 04





In terms of administration, some additional benefits simply make partnering with a Global EOR that much more compelling. So, let's get into some of the administrative benefits that come along with partnering with a Global EOR.

#### **Administer Benefits More Easily**

#### File Taxes More Accurately

Higher education institutions are always subjected to taxes, including the countries into which you are expanding. With a Global EOR by your side, you can rest assured that your international taxes will be filed on time and with steadfast accuracy. After all, requiring your accounting department to manage the tax requirements of your home country as well as all the other countries in which you stage research and study activities, wouldn't be the most efficient use of their time.

#### Ensure Compliance More Consistently

The question of compliance can virtually be thrown out when working with a Global EOR. Why? Because you're essentially hiring them or partnering with them to shift the compliance requirements away from your organization and over to the EOR.

This is important because when it comes to your administrative staff, they're likely bogged down with ensuring compliance domestically, so why put them through the trouble of being forced to consider other countries' compliance requirements?

#### Manage Claims More Seamlessly

Eventually, you're going to have to deal with a claim of some sort. While it might seem unlikely that a faculty member, staff member, or student could become injured while abroad, it's still a very real possibility.

And when it happens, you need to ensure that you're prepared to manage that claim. With a Global EOR, your work is already completed for you. Your EOR can help you design a worker's compensation management strategy that frees your institution from all liabilities.

#### ✓ Meet Cost-Saving Goals More Realistically

Universities are always looking for ways to save on costs, especially in the wake of the COVID-19 pandemic. One of how colleges and higher education institutions plan to cut costs is to cut course sections that simply don't fill.

For instance, if a course can hold 20 students for the Fall semester, but only 10 students register for the course, the university can simply cut the course, ultimately putting the brunt of this cost-savings measure on faculty members and students.

When working with a Global EOR, your institution can unlock some major cost-savings that are much more realistic than cutting courses and putting your faculty members and students at risk. A Global EOR enables you to focus on things that contribute to the mission of your institution. Spend time and money marketing your new international expansion by essentially outsourcing your HR department and freeing up your domestic team to handle more pressing issues.

#### ✓ Make Your Institution More Donor-Friendly

Partnering with a Global EOR can improve your institution's standing with donors. In today's world of higher education, "Colleges and universities exist in large part thanks to donations," according to an article published on thebestschools.org. We fully agree with that sentiment.

Partnering with Global EOR positions your institution as an agile, streamlined organization with less administrative costs, improved efficiency, and international opportunities, you can make your institution more donor-friendly, ultimately allowing you to pursue your mission with a new stream of financial resources.

Now, throughout our exploration of a Global EOR, there is one area that we've yet to fully and adequately address. When you expand your higher education institution overseas, you'll likely want some of your most esteemed faculty members to partake in this expansion too.

You'll want them to put their academic rigor, their research abilities, and their international prestige to use by representing your university abroad and participating in new research endeavors.

Read on to see how partnering with a Global EOR can help your faculty unlock new opportunities.

### <u>05</u>

## HOW A GLOBAL EOR CAN HELP FACULTY SECURE OPPORTUNITIES

Above, we've spoken extensively regarding the tremendous cost and time savings a Global EOR can provide your university when planning an international expansion.

Accounting for these benefits, it's important to remember exactly who they'll impact most—or at least, who they should impact most.

When it comes to your faculty members, employing the assistance of a Global EOR to aid you in your expansion plans will open the doorway for them to pursue brand-new opportunities. How? Because you'll be able to free up some financial capital to fund their research endeavors in new and exciting locations all around the world.





#### Global EOR Offers Limitless Exploration

Global EORs aren't just known for their outsourcing ability.
They're known for their ability to provide a doorway into virtually any location in the world.

For colleges, universities, and higher education institutions, this is critical to maintaining their relevance in academia. Every year, nearly 200,000 college students study abroad through their respective US-based universities.

It's clear to see that students are interested in pursuing these opportunities because it allows them to immerse themselves in different cities, cultures, and customs while completing their degree on time, and in many cases, not spending additional money on tuition. This often serves as a significant marketing ploy for universities, ultimately aiding in their recruitment process and enrollment process each year.

For faculty members, the buzz and excitement are very much the same. Your faculty members want the opportunity to take their courses abroad. Think about the joy that an art instructor would receive from having the opportunity to take their course to a city like Venice, Florence, Paris, or Prague.

Imagine the possibilities that a professor of Geology could receive from taking their course on an excavation excursion in the Sahara. What about giving your full-time Biology professors the chance to engage in cutting-edge research taking place deep within the Amazon rainforest?

These are all real possibilities, and they all deserve consideration. By saving substantial resources with a Global EOR, you can redirect your capital to areas that better reflect the values of your institution, in addition to areas that allow you to pursue your mission as an environment of higher education.



#### Harnessing Your Global EOR Network

There's a good chance that your institution isn't the only client that your chosen Global EOR maintains a relationship with. Many Global EOR services have massive networks that, quite literally, span the globe.

This means that you could offer your faculty members more than research opportunities. Partnering with a Global EOR could also open you up to additional partnerships with outside organizations.

Faculty members love to collaborate on their research, oftentimes helping to make their research more widespread, accessible, and successful in the long run. By allowing your faculty members to leverage the tremendous network of your Global EOR, they'll be free to pursue more opportunities for research and educational collaborations across fields.

You simply can't underestimate the power of collaboration in higher education, especially when it comes to the research goals of your faculty members. From there, you'll only continue to expand the possibilities as you grow and as your faculty members succeed.



# O6 CONCLUSION



Before we officially conclude this guide, let's recap our journey. In the first section, we talked all about the inner workings of a Global EOR. We spoke extensively about the main functions of a Global EOR, and how these types of organizations can provide employee management services and administrative assistance to universities and higher education institutions operating in foreign jurisdictions overseas.

We also spoke about their ability to offer a quick, seamless, and cost-efficient method for establishing your new international presence—all without bogging down your own HR and accounting departments with complex and foreign legalities and compliance requirements.

Next, we highlighted the "global" aspects of a Global EOR. For the most part, universities and higher education institutions planning to expand overseas don't intend to relocate their full-time faculty members to a new city outside of the US. Instead, they begin by hiring independent contractors.

By working with a Global EOR, you can instantly open yourself up to a highly qualified pool of talent, through which your EOR will screen, interview, vet, and hire—all on your behalf.

In addition, your EOR will become the sole organization liable for ensuring compliance with all local payroll, tax, and benefits requirements, ultimately freeing up your team to focus on domestic operations more in line with your institution's mission.

In the following section, we placed a larger emphasis on the administrative benefits of these types of partnerships, diving further into the day-to-day benefits that your university can take advantage of back home.

#### For instance, you can:

- Administer benefits more easily
- ► File taxes more accurately
- Manage claims more seamlessly
- Ensure consistent compliance
- Meet your cost-saving goals
- Make your institution more donor-friendly

Lastly, we outlined how your partnership with a Global EOR can benefit your faculty members. Because Global EORs offer virtually limitless exploration, you'll have the opportunity to transplant some of your most esteemed researchers and faculty members in some of the world's most wonderful and unique locations, allowing you to grow the reputation of your institution.

Partnering with a Global EOR can offer your university a tremendous opportunity to grow and become more agile, streamlined, and reputable. Remember, the world is becoming increasingly globalized with the passing of each day, and by branching out into these new international markets, you can strategically position your university or higher education institution for success in the long run.

Talk to our expert team about how a <u>Global EOR can boost</u> your university's international reach.





