MYWORLD CAREERS



in Southeast Asia



Recruitment & Staffing in Cambodia & Laos

Overview of Recruitment & Staffing in Cambodia & Laos

Recruitment Strategies in Cambodia and Laos

HR Law Overview and Highlights

Staffing Solutions for Cambodia & Laos

Challenges and Trends in Recruitment & Staffing

Business Opportunities

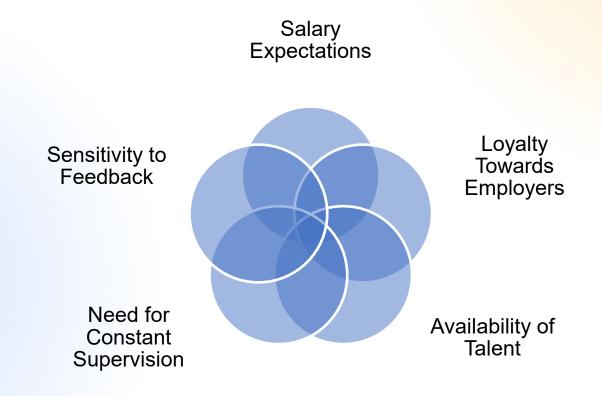
Case Studies

How We Can Support

Question & Answer Session

Overview of Recruitment & Staffing in Cambodia & Laos

Challenges in Cambodia and Laos



Overview of Recruitment & Staffing in Cambodia & Laos

Employment Opportunities Abroad

- ► Laos-Thailand Connection
- ➤ Cambodian Preference for Local Opportunities

Laotians in Thailand

Laotians easily find work in Thailand due to language similarities (70% shared vocabulary), leading to higher earnings.

Lower Overseas Job Aspiration in Cambodia

Unlike Laos, Cambodian youth show less interest in seeking employment abroad, with fewer opportunities driving this trend.

Overview of Recruitment & Staffing in Cambodia & Laos

Factors Influencing Candidates' Decisions

Cambodia

- Location of Office
- Title
- Salary
- Reputation of the Company

Laos

- Salary
- Working Environment
- Job Responsibilities

Recruitment Strategies in Cambodia and Laos

Job Boards in Ineffectiveness Cambodia and **Limited Options** of Job Posts Laos Leveraging Utilizing Mid-Career to Client Recruitment Senior Feedback Agencies **Positions** Investing in Hiring Based **Managing Talent** Skill on Potential Expectations Development and Attitude

Recruitment Strategies in Cambodia and Laos

Cambodia

Utilizing Social Media
Platforms



Engaging with Universities



Managing Expectations for Technical Roles



Laos

Focus on Facebook for Recruitment



Flexibility in Candidate Evaluation



Mitigating Risks of Early Departures



Recruitment Strategies in Cambodia and Laos

Cultural Challenges and Adaptation

- Similarities Across Markets
- Need for a Soft Approach
- Emotional Impact of Communication

Leveraging Myanmar Talent in Cambodia and Laos

- Quality of Talent Comparison
- Salary Considerations
- Quota Restrictions and Flexibility

HR Law Overview and Highlights

Similarities in Myanmar, Cambodia & Laos

Notable similarities exist between labor laws in Myanmar, Cambodia, and Laos, facilitating adaptation for Myanmar companies.

Emphasis on low and unskilled workers rather than corporate employees characterizes labor laws in all three countries.

HR Law Overview and Highlights

Cambodia

- Absence of government Employment Contract provides flexibility for clients.
- ➤ Bi-monthly salary payments in USD, statutory payments in KHR.
- ➤ Maximum tax rate capped at 20%.
- ➤ Social security contributions approximately USD 6.20 for employees, USD 16.20 for employers.
- ➤ Corporate employees have a 15-day notice period after probation and during the first 2 years of employment.
- > Expat quota set at 9 locals to 1 expat.

Laos

- ➤ Similar absence of government Employment Contract for client flexibility.
- ➤ Government encouragement for salaries to be paid in LAK, although USD payment remains an option.
- Social security contributions approximately
 USD 11 for employees, USD 13 for employers.
- ➤ Corporate employees subject to a 45-day notice period after probation.
- > Expat quota set at 3 locals to 1 expat.

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Staffing Solutions for Cambodia & Laos

Transitioning Between Models

- > Set up an entity and hire employees directly
- ➤ Hire the employees through an outsourced staffing agency
- *** Both options have their advantages and disadvantages ranging from cost, brand building, to client relationships.

Choosing Between Entity Setup and Outsourced Staffing

- Optimal for small teams (1 to 5 employees) or during license acquisition phases.
- > Professional Employment Organization (PEO) or Employer of Record (EOR) services are cost-effective and time-efficient options.

^{***} However, if you plan on growing larger than that, then incorporating your own entity will be better in the long term.

Staffing Solutions for Cambodia & Laos

Understanding PEO and EOR Services

- ➤ PEO (Professional Employment Organization) or EOR (Employer of Record) involves another organization assuming the role of employer for your staff, handling HR operations.
- ➤ While the PEO or EOR manages HR tasks, key decisions such as communication, goal setting, and hiring/terminating remain with your organization.

Benefits of PEO and EOR Services

- > Allows businesses to focus on core operations while delegating HR responsibilities.
- > Provides access to expertise in HR compliance, payroll, and benefits administration.
- *** It is common for recruitment agencies to offer PEO or EOR services, because it allows for a smooth recruitment to onboarding process.

Staffing Solutions for Cambodia & Laos

Options for Companies Entering Cambodia and Laos

- > Starting with Outsourced Staffing
- ➤ Potential for Future Entity Incorporation

Importance of Partnering and Outsourcing

- ➤ Advising on Talent and HR Policies
- > Focus on Core Business Activities for Growth

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Challenges and Trends in Recruitment & Staffing

Challenges in Cambodia

- ➤ Candidates Ghosting Companies
- ➤ High Salary Expectations
- ➤ Inability to Work Autonomously

Challenges in Laos

- > Lack of Drive to Achieve
- ➤ Inconsistency in Career Paths
- ➤ Shortage of Candidates

Progress and Growth Expectations

- Drawing parallels between current challenges in Cambodia and Laos and those experienced in Myanmar in 2015.
- Optimism for Cambodia's development mirroring Myanmar's progress.
- Expectation for Laos to rapidly catch up despite lagging behind in development.

Challenges and Trends in Recruitment & Staffing

Focus on Talent Development

- > Emphasizing the need for ongoing talent development and culture building within organizations.
- ➤ Highlighting the successful approaches of multinational companies like Unilever and DKSH in Myanmar as models for talent development in Cambodia and Laos.

Workplace Dynamics

- Multinational corporations like Unilever and Heineken are exploring remote work options for greater flexibility
- ➤ Majority of companies maintain a traditional office-focused approach to employment

Challenges and Trends in Recruitment & Staffing

Outsourcing Non-Core Activities

 Outsourcing non-core activities like IT, payroll, and recruitment is recommended to reduce costs and improve reliability, thus enhancingo perational efficiency.

Utilization of Myanmar Talent

 Utilizing Myanmar talent for senior positions in Cambodia and Laos demonstrates the viability of crossmarket talent utilization and skill transfer, facilitating organizational growth and development.

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Business Opportunities

Both Cambodia and Laos present amazing opportunities for companies with experience in Myanmar or companies from Myanmar.

Cultural similarities



Demographics



Relatively young average age



Growing economies



Strategically located between or close to other major economies like Vietnam, Thailand, China and Malaysia

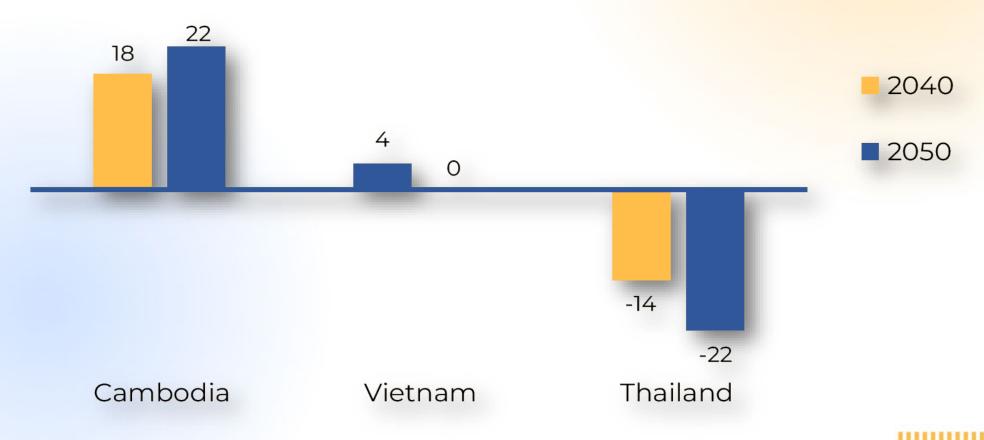




Business Opportunities

Working age population

% change from 2022



Case Studies

RMA: A well-established presence in Cambodia and Laos, RMA is among the largest taxpayers in Cambodia, boasting over 4000 staff and over 1000 staff in Laos. They have collaborated with numerous local recruitment agencies. MyWorld began supporting RMA in Cambodia in 2021 and in Laos in 2023, becoming their preferred vendor for mid-career and senior recruitment.

ERA Communication: Originally a Myanmar-based business, ERA Communication expanded into Cambodia in 2021 and Laos in late 2022. We have assisted them in filling several key roles, contributing to their expansion in both markets.

Zuellig Pharma: Leveraging their success in Cambodia and Myanmar, Zuellig Pharma expanded into Laos in 2023. While Cambodia serves as the regional hub for CLM (Cambodia, Laos, Myanmar), Zuellig Pharma has a notable presence of Myanmar nationals leading divisions in Cambodia.

Case Studies

Examples of positions we have supported our clients in recruiting in Cambodia and Laos

- Country Head
- HR Manager
- Head of Brand
- Chef
- CFO
- Commercial Head
- General Manager
- Production Manager

Time to Fill Vacancies

- On average, from the start of the recruitment process to a candidate joining, companies should anticipate a timeframe of 2 to 3 months.
- > This includes sourcing candidates, conducting interviews, and accommodating notice periods.

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How We Can Support

Talent Sourcing Expertise

- ➤ Known for high-quality talent sourcing services.
- ➤ Dedicated team in Cambodia, with regular visits to Laos.
- ➤ Leadership in Cambodia by experienced Myanmar consultants.

Payroll and Outsourcing Support

- > Extensive experience in payroll and staffing solutions.
- > Trusted by global brands like Unilever, Carlsberg, and Ooredoo.
- ➤ Teams in Cambodia and Laos catering to clients expanding from Myanmar.

Solutions for Market Entry Challenges

- > Services aimed at overcoming market entry hurdles.
- ➤ Leveraging local knowledge to facilitate smoother transitions.
- > Simplifying the journey for businesses entering new markets.

THANK YOU!

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