

Tips for HR Teams Pivoting to the New Norm in the Greater Bay Area

#WomenInTech Series

In the second edition of our series on **#WomenInTech**, we speak with BIPO's **Florence Mok, Managing Director – North Asia**. She shares her views about one of the hottest trending topics today – the Greater Bay Area and pointers for HR teams pivoting to the new norm.



Tell us a little-known fact about yourself that readers may not be aware of?

I joined BIPO in 2017. As one of the first employees in Hong Kong, I have been fortunate to build the team and business literally from the ground up. Other than my precious little daughter, you could say that BIPO is my other baby!

My background is quite diverse, having spent most of my career in an in-house HR capacity, taking on leadership and HRBP roles before joining BIPO.

Having worked in different industries from Technology, Logistics, FMCG to Chemical, I take an objective and big picture approach when assessing our clients' needs, often putting myself in their situation. With the challenges and pain points they face, I fully understand and empathise, and that is where I hope BIPO can value-add. BIPO is seen as an HR and/or Payroll solutions provider. I would like to think we are more than that. As Business Partners, our global People and Payroll solutions help drive business performance.

With the Government ramping up efforts to encourage cross-border talent mobility across the Greater Bay Area (GBA), are there pointers, particularly compliance, that HR teams should be aware of, given that staff are located in different jurisdictions across the GBA?

The opening up of the GBA presents significant opportunities especially from a Finance and economic benefits perspective. While there may be challenges, as long as HR teams are constantly aware of changes in labour regulations, and ensure businesses stay compliant, the benefits of working and hiring teams in the GBA far outweigh the perceived challenges.

Employment Contacts

Companies should consider if the employment contract should be entered with the Hong Kong or GBA entity. This consideration affects whether the employment will be governed by the laws of Hong Kong or mainland China.

Employment laws in these two regions vary greatly. For example, it is harder to terminate employees in GBA than in Hong Kong. During the probationary period, employers need to provide sufficient evidence to prove just termination.

Cultural Differences

Within the same country, communication barriers exist. It arises from differences in culture, ideology, and language. These are common challenges that employees must navigate when working in another region, no different from relocating to another country.

I believe this presents a new opportunity and responsibility for HR professionals – to ensure employees are mentally prepared to cope with the cultural differences.

Relocation plans should include the introduction of the local work culture, intern programs could be introduced so that younger generations are able to gain a better understanding of the different markets, cultures, and systems from a younger age.

Taxation System

HR teams must understand and be aware of the implications if employees are taxed in Hong Kong or GBA. Especially for income from the GBA, if staff are employed with the mainland China entity and have worked in mainland China for over 183 days, there is a high possibility of being liable for mainland China's Individual Income Tax.

HR teams must maintain good records of employees' working time in the region to ensure they are taxed accordingly. Tax incentives have also been rolled out e.g. Individual Income Tax (IIT) subsidy provided to Hong Kong high-end talents, and talents in demand working in the GBA. It is important that HR teams are aware of these schemes, and utilize these to attract talents from Hong Kong to re-locate to the GBA.

Social Insurance Handling

By meeting certain requirements, employees who are employed under mainland China entities should be enrolled in the local social security schemes. Likewise, those employed under Hong Kong entities should be enrolled in the MPF scheme.

As employers, it is crucial to understand the differences between local social security schemes and their enrolment especially for employees who relocate frequently.

Within the GBA and mainland China, social security/insurance rates vary across the different provinces.

As a rule of thumb, it is best to seek the advice of HR consultancy firms with expertise in cross-border practices. If the business entity does not have an HR team in place in the respective local regions, it is vital to seek the assistance of local outsourcing companies especially in the areas of taxation and payroll handling, to ensure compliance.

And finally, what motivates you in your role overseeing such a large region – Hong Kong, Macau, Japan, South Korea and Taiwan?

My catch-phrase is ***“Empower the Line”***. I am a firm believer that HR is everyone’s responsibility. One of the reasons I joined BIPO is the fantastic opportunity to build a people-oriented and talent-driven team.

As a leader, it is important to develop our talents, leverage their strengths, and provide opportunities for them to succeed as future business leaders. When teams are empowered to make decisions that have a positive impact on the business, for me that is truly rewarding.

At BIPO, I am able to fully utilise my experience and business acumen to engage the HR and business communities, working in tandem with them as a business partner to solve challenges. The satisfaction I have now is far greater than being in a strategic in-house HR leader’s role.

Every day at BIPO is different. Every colleague, unique and every business situation, distinct. I strive to make a difference at BIPO, and as our company tagline could not be more apt, to #MakeLifeEasier for our clients.

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