

2 S'pore start-ups redefine how businesses manage their staff

Clara Chong

Start-ups Workstream and Multiplier, both founded in Singapore, are shaking up the way businesses manage their staff by reimagining how firms go about the often overly complex process of recruiting and managing employees and navigating local laws. The Straits Times takes a deeper look.

Workstream

FAMILY BACKGROUND SPURS SON OF HOURLY WORKERS TO START H.R. SOFTWARE START-UP

Human resources (HR) software firm Workstream is more than just a business for co-founder Desmond Lim – it is a personal mission. The son of hourly workers witnessed first-hand the challenges faced by deskless employees.

Mr Lim, who has been based in the United States for the past 10 years, grew up in Singapore and watched his father wake up at 5am daily to start his driving job. At times, Mr Lim and his mother, a cleaner, joined the elder Mr Lim in his van.

While studying at Hwa Chong Institution, he worked part-time as a tutor and later pooled his savings with two friends to start a Thai restaurant. They ran it for three years while studying at Singapore Management University, hiring dozens of part-timers in the process.

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Mr Desmond Lim, seen here with his parents, co-founded human resources software firm Workstream. Growing up, he witnessed first-hand the challenges faced by deskless employees like his parents, who worked hourly jobs. The company is hence more than just a business for him – it is a personal mission. PHOTO: COURTESY OF DESMOND LIM

Acute challenges remain in managing global teams

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The money Mr Lim earned from running the restaurant helped pay his university fees.

The three pals sold the restaurant after completing their studies.

Hourly workers are high in demand and often have to put in long days, resulting in high turnover rates.

Traditionally, the hiring process for many companies on the lookout for such workers relies on paperwork and videos, which allow employers to assess a candidate's communication skills, personality and enthusiasm for the role.

Unlike desk-bound workers who spend most of their time in front of the computer, hourly workers are likely to have only their phone on hand, making the hiring process cumbersome and slow.

These factors prompted Mr Lim, 37, and two other partners to start Workstream in late 2017.

The start-up is a recruitment and onboarding platform for deskless and hourly workers and allows for mobile-first hiring where the recruiting process takes place entirely via text, making the process more efficient and seamless.

Mr Lim said: "Both my parents were hourly workers, and running a restaurant made me also experience the challenges these workers face. I grew up in this space and wanted to build a platform where workers can find jobs quickly and easily."

Workstream has gained strong traction, with more than 10 million people having used its platform. Companies that have also used it include McDonald's, Subway, Dunkin' Donuts, Ace Hardware and UPS.

There is potentially a far bigger market, given that around 60 per cent of workers, or 2.7 billion people in the world, are deskless employees.

Venture capital interest in the San Francisco-based firm is also not lacking, with US\$120 million (S\$160 million) having been raised so far. The firm received a US\$60 million boost in Series B extension funding, led by GGV Capital in late 2022.

Workstream also onboarded the Economic Development Board and Enterprise Singapore's Tech@SG Programme in February, which aims to help fast-growing companies access the critical

talent they need to grow and scale their business in Singapore and the region.

The programme will sponsor 10 working visas for the firm to build an engineering and tech hub here.

Workstream employs around 200 people across San Francisco, Vancouver, Utah, Manila and is looking to expand its presence in Singapore, where it employs five people.

Multiplier

A PLATFORM THAT SIMPLIFIES INTERNATIONAL HIRING

Multiplier is a global employment platform that enables companies to hire and pay remote workers while complying with local laws. It expects its valuation to grow to more than \$1 billion in the next two years, based on conservative estimates.

Mr Amritpal Singh, one of the three co-founders of the firm, told ST that he expects the firm's revenue to grow to \$100 million in the next two years – a fivefold increase on its \$20 million turnover today.

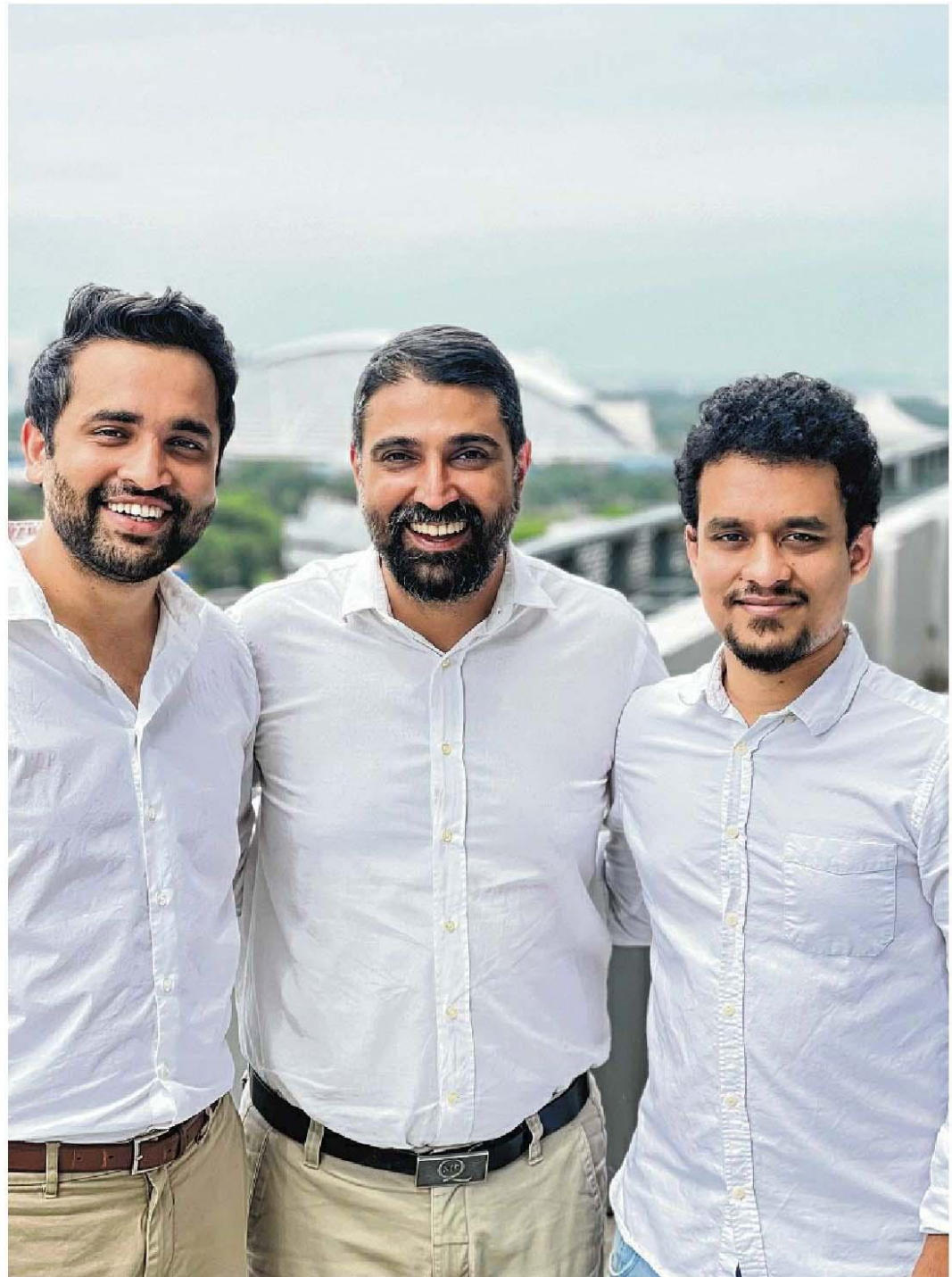
International hiring has become more prevalent, with remote working increasingly becoming the norm and the global talent crunch exacerbating the mismatch between available skills and employer needs.

But acute challenges remain when it comes to managing global teams, and businesses often have to navigate complex legal and regulatory frameworks in the countries they are hiring from.

For instance, India has 44 federal labour acts and more than 200 ministerial/state-level labour laws. International hiring is also an expensive and time-consuming process.

Multiplier's platform helps simplify international hiring and reduce business costs by allowing employees to be onboarded within minutes, while also creating locally compliant contracts without having to wait for days. It also automates payroll in different currencies.

The firm's main product is an Employer of Record (EOR) solution. An EOR is a third-party organisation that takes on the legal responsibilities and administrative tasks associated with employing workers on behalf of another company.



Multiplier co-founders (from left) Sagar Khatri, Amritpal Singh and Vamsi Krishna. The global employment platform enables companies to hire and pay remote workers while complying with local laws. PHOTO: MULTIPLIER

By acting as the official employer, the EOR handles various aspects of employment, including payroll, tax compliance, benefits administration, worker's compensation, and adherence to local labour laws and regulations.

Firms can use Multiplier's platform to turn their focus on their core operations and expand their workforce internationally without establishing a legal entity in each country.

Multiplier has a presence in

around 150 countries. Its services start at \$300 per employee a month.

The platform can potentially help businesses achieve more than 50 per cent savings in headcount costs. Amazon, Phoon Huat Bakery, GovTech, Mediacorp and Aspire are among the firms that have used the platform.

Multiplier has an employee strength of about 380 people globally and is hoping to double this headcount by the end of 2023. Its

latest fund-raising round in March 2022 raised US\$60 million, taking its total to US\$77.2 million in three rounds.

The latest capital injection is being used to add more features, such as building on a crypto-payroll service that will allow employers to pay freelancers with cryptocurrencies, and a multi-country payroll and payments system.

chongcjy@sph.com.sg