

INTERNATIONAL DATA CENTRE CONSTRUCTION

THE CASE FOR COLLECTIVE WORKFORCE GOVERNANCE



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PROTECTING PROJECT PROFITABILITY THROUGH ACCOUNTABILITY, COLLABORATION, AND STRONGER WORKFORCE STANDARDS

The international data centre industry continues to demonstrate extraordinary engineering capability, technological advancement, and commitment to delivering increasingly complex infrastructure. Yet as construction programmes expand across borders, the governance of the international workforces supporting these developments has not always evolved with the same consistency. Behind every major project is an extensive network of contractors, specialist subcontractors, labour providers and professional advisors, each managing obligations that can directly influence workforce availability, regulatory compliance, programme delivery, and commercial performance.

At Palmer Shore, we have consistently raised one fundamental issue through our work and contributions to international industry discussions: workforce compliance cannot be achieved by individual organisations operating in isolation. The industry must move beyond treating compliance as a collection of registrations, certificates and onboarding approvals. Effective governance requires a clear understanding of legal obligations, a willingness to challenge non-compliant practices and collaboration between the organisations responsible for delivering the work.

The consequences of failing to do so can be significant. Retrospective employment liabilities, unpaid overtime, statutory interest, regulatory penalties and workforce restrictions can undermine project margins and create

disruption across the supply chain. A project may meet every engineering milestone and still fall short of its anticipated commercial return.

For Palmer Shore, workforce governance is therefore not simply a regulatory obligation. It is an essential component of protecting the commercial integrity of international construction projects.

COMMERCIAL ACCOUNTABILITY BEGINS BEFORE MOBILISATION

The financial implications of international workforce deployment begin long before employees arrive on site.

When contractors enter new jurisdictions, they make commercial commitments based on anticipated labour costs, project durations, and delivery programmes. However, the full implications of corporate tax, payroll, social security, immigration, employment legislation, collective labour agreements, mandatory insurance and working-time requirements are not always understood before contractual pricing is agreed.

Where these obligations are identified after mobilisation, the opportunity to recover additional costs may be limited. A contract that initially appeared commercially attractive can become exposed to liabilities that could have been anticipated through appropriate feasibility assessments and workforce cost projections.

Palmer Shore integrates workforce governance into the early stages of international project planning, helping businesses assess their obligations, understand the true cost of deployment and make informed commercial decisions.

This approach is not simply about avoiding penalties. It is about establishing realistic project margins, protecting contractual commitments, and ensuring that international expansion is supported by appropriate governance from the outset.



Speaking at the recent 5th Platform Global Congress, Sept. 7-9, in Antibes (left to right) Thomas Jung, Kelly Palmer, Anne-Marie Friel, Lars Willemsen, Dr. Atif Ansar and session chair, Christian Goldsmith

The commercial success of a project should not depend on obligations that were never included in its original cost assumptions.

COMPLIANCE MUST BE DEMONSTRATED, NOT ASSUMED

Across international construction projects, significant investment has been made in workforce onboarding platforms, site access systems, and contractor approval processes. These are important controls, but they cannot independently demonstrate compliance with every obligation governing an international workforce.

A worker may hold a valid site access pass, have completed all required inductions and appear on an approved workforce register while aspects of their employment or deployment arrangements remain non-compliant. An A1 certificate does not establish immigration permission. A completed induction does not confirm compliance with employment legislation. An approved timesheet does not demonstrate that the correct collective agreement, overtime entitlements, or mandatory rest periods have been applied. These distinctions become particularly important where employees undertake rotational assignments, move between projects or remain deployed internationally for extended periods.

Working arrangements evolve, deployment durations increase and obligations may change throughout the project lifecycle. A compliant position established at mobilisation must therefore be maintained and reassessed as circumstances develop.

At Palmer Shore, we have consistently challenged the acceptance of non-compliant working arrangements and the assumption that administrative approval provides complete regulatory assurance.

We believe that where discrepancies are identified, contractors should be given clear guidance and the opportunity to correct their practices. However, meaningful improvement also requires accountability and a willingness to address arrangements that do not meet the applicable standards.

Challenging non-compliance is not about creating barriers to delivery. It is about establishing the conditions for lawful, sustainable, and commercially responsible project execution.

A TIMESHEET IS NOT JUST A TIMESHEET

Working-time governance remains one of the most frequently misunderstood areas of international workforce compliance.

Timesheets are routinely submitted, approved, and processed through payroll, yet the accuracy of recorded hours does not necessarily establish compliance with national working-time legislation or the applicable collective labour agreement. Rotational working patterns, extended working days, overtime premiums, mandatory rest periods, employee classifications, and reference periods can create complex obligations that differ between jurisdictions and sectors.

Where these requirements are misunderstood, discrepancies may continue across successive payroll periods without being identified.

For projects employing hundreds of workers across multiple contractors, the cumulative financial consequences can be substantial. Backdated overtime, unpaid wage entitlements, statutory interest, regulatory penalties, and employment disputes can all affect the commercial outcome.

Depending on the jurisdiction and circumstances, legal liability may extend beyond the immediate employer, while the wider supply chain can experience contractual and operational disruption.

Palmer Shore approaches working-time records as an important source of compliance evidence, not simply an administrative requirement. By assessing working arrangements against applicable legal and collective agreement provisions, identifying discrepancies, and supporting corrective action, we seek to reduce the likelihood of avoidable liabilities accumulating throughout project delivery.

The purpose is not simply to identify an incorrect timesheet. It is to understand the underlying working arrangement, establish whether it is lawful and support the changes necessary to maintain compliance.

COLLABORATION IS THE FOUNDATION OF LASTING CHANGE

International data centre projects are delivered through collaboration. Developers, general contractors, specialist subcontractors, and professional advisors work together to achieve complex technical and commercial objectives.

Workforce governance must be approached with the same collective commitment.

Joining VID FIREKILL and Ethos at Platform Global 2026 reinforced my belief that collaboration, shared accountability and workforce governance are essential to resilient data centre delivery.



Each organisation has distinct legal and contractual responsibilities, but the consequences of non-compliance can extend beyond individual employers. Inconsistent working practices, fragmented records, and limited communication between contractors can allow risks to develop without sufficient visibility or timely intervention.

Throughout our participation in industry discussions, including Platform Markets, Palmer Shore has consistently advocated for a more collaborative approach to international workforce compliance. No single contractor, adviser, developer, or technology platform can deliver meaningful and lasting improvement independently.

General contractors require appropriate visibility of the workforce risks within their supply chains. Subcontractors need clear expectations, reliable guidance, and practical support in meeting their obligations. Developers and investors need confidence that appropriate governance arrangements support project delivery and commercial performance.

Professional advisors must also be prepared to challenge assumptions, communicate risks clearly and work constructively with the organisations involved. Collaboration does not remove individual responsibility, nor does it mean accepting non-compliance. It creates an environment in which obligations are better understood, discrepancies can be addressed and contractors have the opportunity to improve their practices.

At Palmer Shore, we recognise that sustainable compliance requires behavioural change. Identifying a breach is only the beginning; understanding why it occurred, correcting the underlying process and preventing recurrence are equally important.

This requires education, communication, transparency, and accountability across the supply chain. The objective should not be to establish who is responsible only after something has gone wrong. It should be to create the conditions in which avoidable failures are identified and addressed before they threaten the project.

DEVELOPING TECHNOLOGY TO STRENGTHEN WORKFORCE GOVERNANCE

Working alongside our development team, we are building software designed to strengthen the assessment, monitoring, and management of international workforce obligations. This development reflects the practical challenges encountered across construction projects, where working-time records, payroll information, deployment documentation, regulatory registrations, and compliance evidence are often maintained through separate systems and processes.

Our aim is to bring greater structure and consistency to workforce governance, enabling clearer identification of discrepancies, more effective monitoring of obligations and stronger evidence to support compliance reviews. Working-time requirements, collective labour agreements, workforce deployment records, and regulatory obligations are important components of this work. We are not seeking simply to digitalise existing administrative processes.

Our objective is to develop technology that supports better information, earlier intervention, and more informed decisions. However, technology cannot replace professional judgement, regulatory expertise, or the responsibility of organisations to act on identified risks. Its effectiveness depends on accurate information, clear ownership of obligations and collaboration between the parties involved.

For Palmer Shore, technology is an important enabler of stronger governance, supporting our wider ambition to improve consistency, transparency, and accountability across international construction supply chains.

PROTECTING THE COMMERCIAL OUTCOME

The financial consequences of workforce non-compliance are often considered only when a regulatory investigation, employment claim or contractual dispute arises. By that stage, liabilities may already have accumulated and the opportunity to prevent them may have passed.

We believe the industry must recognise the relationship between workforce governance and commercial performance much earlier. Accurate cost projections support informed tender decisions. Appropriate employment and deployment arrangements reduce the risk of disruption. Reliable working-time records support correct remuneration and compliance with applicable requirements. Ongoing oversight enables emerging discrepancies to be identified and addressed before they become material financial exposures.

Together, these measures can strengthen supply-chain relationships, protect project margins, and provide greater confidence to the organisations investing in and delivering international infrastructure.

The objective is not to suggest that every risk can be eliminated. International construction will always involve complex regulatory, operational, and commercial considerations.

It is to ensure that foreseeable obligations are understood, responsibilities are clearly established and avoidable exposure is reduced through effective governance.

The true measure of commercial success is not simply whether a project is completed, but whether the anticipated return is protected from liabilities that could reasonably have been prevented.

OUR COMMITMENT TO THE INDUSTRY

Palmer Shore has developed its approach around the belief that international workforce compliance should be practical, transparent, commercially informed and supported by collaboration.

We are prepared to challenge non-compliance, question established practices and advocate for higher standards. Equally, we recognise that lasting improvement depends on constructive engagement, shared knowledge, and the willingness of organisations to change how they operate.

Through our work with international contractors, our participation in industry discussions and our continued investment in technology, we are committed to helping move workforce governance from reactive administration towards proactive, evidence-led oversight.

As the data centre industry continues to expand, the strength of its workforce governance will become increasingly important to its ability to deliver projects responsibly, sustainably, and profitably.

Our ambition is to contribute to an industry in which compliance is understood as a continuing responsibility, contractors are supported in meeting their obligations and collaboration enables risks to be addressed before they become liabilities.

We believe the opportunity to improve standards is significant, but no organisation can achieve that change alone.

The future of international workforce governance depends on our collective willingness to challenge non-compliance, strengthen accountability and work together to protect the people, projects, and commercial value behind global infrastructure development.

Compliance protects people. Governance protects projects. Collaboration strengthens the supply chain. Together, they protect profit.

PALMER SHORE

International Workforce Governance

Palmer Shore supports international contractors and project stakeholders through feasibility and tender assessments, workforce cost projections, cross-border employment compliance, collective agreement monitoring and ongoing workforce governance. Our commitment extends beyond advisory services to advocating for higher industry standards, supporting behavioural change, and developing technology that strengthens international workforce oversight. Discover our expertise, our approach, and our commitment to advancing international workforce governance.

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