

REACT

The Global Mobility Survey 2018
Transformation in the age of uncertainty





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Introduction

Welcome to our annual Global Mobility Survey 2018. As we continue to explore current and future Global Mobility trends, we believe this survey, spanning hundreds of mobility professionals and a growing number of business leaders involved in Global Mobility, will help you in the continuing development of your Global Mobility programmes —big or small.

We are indeed delighted at the high level of participation, including a record number of business leaders providing their views on how Global Mobility contributes to the development of their organisations. It is interesting to compare the views of business leaders with those of HR and Global Mobility professionals.

A key message from the survey conveys the importance of an internationally mobile workforce in supporting growth and innovation. It also signals that Global Mobility teams should be key actors in guiding, enabling, influencing and providing governance of Global Mobility programmes.

My family and I, having had the opportunity to experience international assignments in Asia and Europe, empathise with the complexity and challenges that assignees and their Global Mobility teams are faced with.

Of course, international assignments are also amazing experiences—short, long or permanent transfers, are unique opportunities to grow both professionally and personally. Learning to adapt, manage ambiguity and contribute in different cultures and business environments must be an integral part of future leaders' career journeys, especially those who lead organisations that work outside of domestic borders. This is certainly endorsed by the survey findings.

A word about our geopolitical environment and the changing nature of the commercial world in which we operate. According to the OECD's economic outlook for 2017, over the next three years, flatter economic growth is predicted in western economies at a rate of 1% to 2% and higher growth predicted in emerging markets in Asia—notably India (c. 7%) and China (c. 6.5%) that can be connected with renewed investment and reforms. Overall the OECD projects the global economy to grow at 3.7% in 2018 and 3.7% in 2019. There is prudence and caution in the OECD forecast that in a volatile and uncertain world, such growth could be impacted by unexpected shocks which could dampen long-term recovery.

We have also seen the impact of increasing nationalistic agendas and historic changes occurring in Europe with Brexit, sweeping changes in the US domestic and foreign policies and political uncertainty and challenges to stability in other parts of the world.

In parallel, we are entering a fourth industrial revolution with digitalisation, which will touch all parts of society: how we work, how we consume and how nations and economies interact. Artificial Intelligence (AI), smart technology, analytics and digitalisation are increasingly becoming the new brains, engines and life-blood of how enterprises are re-shaping their organisations.

Understandably, many organisations see technological and AI innovations as an opportunity to focus on streamlining their operations today to remain competitive and maintain the bottom line, particularly in mature markets and economies. While this addresses the now, there is also a need to focus on the longer-term impact of new markets. This will require organisations to adopt a more holistic approach in their use of technologies to include suppliers, customers, workers, partners, and others in their ecosystem to achieve even greater benefits.

What does all this mean for Global Mobility professionals? Exciting opportunities to support growth into new territories, new ways of managing international assignments, supporting the organisation to broaden their talent pool and last but not least, be courageous in embracing change and personal growth as roles evolve and technology becomes embedded as a friend not adversary.

Martin Thaysen

Group CEO

Santa Fe Relocation

OVERVIEW⁰¹



Foreword

The Global Mobility Survey 2018 incorporates consistent themes from previous editions, including the types of assignments being employed by organisations, time spent by Global Mobility teams on Global Mobility and talent activities, challenges impacting Global Mobility, use of technology and data analytics.

This year, we have incorporated new themes such as General Data Protection Regulations (GDPR) and more detail on short-term business visits. We also asked both business leaders and HR/Global Mobility professionals future-looking questions about the interventions and trends that will impact Global Mobility over the next 36 months.



Why REACT?

We see similar emergent themes in the survey, highlighting change opportunities and challenges for the Global Mobility profession, which could equally apply to other corporate functions whose traditional roles are likely to transform over the next few years. Perhaps more rapidly than one might expect.

The underlying message from business leaders is that they understand the key challenges and opportunities with regards to expansion, and the need for fresh talent through diversity. They invite Global Mobility professionals to be their strategic partner in the areas of talent attraction and retention, their commercial advisors on international employment conditions in new locations, and be the custodians of the organisational compliance risk profile. There is a perception that Global Mobility teams already contribute to the business agenda. The reality may be so for some, but based on the survey findings, this is aspirational rather than actual reality.

Heraclitus, the Greek philosopher, is quoted as saying:

“Change is the only constant in life.”

How organisations will structure their Global Mobility programmes over the short to medium term will depend on many factors, including corporate culture, industry sector and perceptions of the best Global Mobility model for their business.

We provide **CHECKLISTS** at the end of each section to reflect and consider what **REACTIONS** would transform your Global Mobility programme.

Using the data from the survey and extrapolating into what tomorrow could look like, consider below how this resonates with your Global Mobility programme:

Today

- + **Compliance** is critical, and becoming more complex for a variety of reasons. The move towards more short-term assignments, more flexible policies and new work patterns adds to this complexity.
- + **Short-term business travellers** increasingly formalised into an assignment type with pressure to be managed within global mobility programmes.
- + **AI and technology** will replace traditional activities—we already read about ‘chatbots’ in HR dealing with routine tasks and even policy support. Certainly, the recruiting industry already relies on such AI.
- + **Pressure on employee head count** as organisations seek to leverage technology to deliver operational services.
- + Pressure on Global Mobility professionals to provide more effective **data analytics**.
- + Pressure to demonstrate **commercial awareness** (around 40% of respondents know their total programme costs, 22% compare forecast versus actual assignment costs).
- + Pressure to be more engaged in **advisory activities** with business leadership.
- + **New destinations and projects** being undertaken in emerging locations, requiring greater due diligence.
- + **GDPR**—only 30% of Global Mobility professionals are aware of and planning for it.

Tomorrow*

- + **Talent:** greater engagement in objective assessment of assignee suitability. Enable diversity by challenging traditional thinking on assignment profiling.
- + **Talent:** development of new policies and innovative ideas to enable greater culture, gender and generational diversity.
- + **Talent:** greater engagement with talent and HR to track post-assignment retention and include in data analytics.
- + **Data analytics:** increasing focus on providing talent and commercial analytics to demonstrate return on investment.
- + **Employee experience:** focusing more on how AI and technology can drive the employee value proposition to enable a positive employee and family experience as part of their internationally mobile career.
- + **Advisory:** focus on earlier engagement on international projects, new territories, and new work patterns, including contingent assignees, as talented employees see parallel career paths in the ‘gig’ economy.
- + **Risk:** broader responsibility for overall risk for internationally mobile employees, in conjunction with internal and external subject matter specialists including corporate and employment tax, legal, HR and externally, with immigration, taxation and relocation partners.
- + **Supply-chain owners:** redefining Global Mobility global/local collaboration service models that enable the operational work delivered today in more cost-effective and risk-assured governance processes.

John Rason

Group Head of Consulting

Santa Fe Relocation

*Over the next 12-36 months.

Digitalisation. Defined as ‘the integration of digital technologies into everyday life’, it is no longer just another trend we need to get ready for. It is already here. We no longer ‘go online’; we live online. It took about 75 years after the telephone was invented to reach 50 million people.

It took just 35 days for 50 million people to download and play the ‘Angry Birds Space’ application. Technology is moving fast. We need to now figure out how to make the most of these advancements by creating efficiencies rather than yet another system or application.



Mobility and talent management professionals across the globe will be looking at technology with potentially mixed emotions. Considering the amount of highly confidential data held by mobility teams on assignees, it should not come as a surprise that critical elements such as compliance and General Data Protection Regulations (GDPR) are put in place to safeguard information. However, it must not stifle opportunities.

As a company dedicated to enabling people to work, live and thrive in new places around the world, Santa Fe Relocation has embraced 'digital' whilst retaining the human touch; staying close to customers and assignees as they embark on their life-changing journey across the globe to find new homes and settle in new places of work.

Global Mobility teams make a significant positive contribution to an organisation's employee experience and talent management practices. A well thought-through and managed assignment diversifies local talent pools, injects fresh thinking into a team or business unit and creates opportunities to break down barriers and enhance collaboration.

In 2017, the Global Mobility Survey explored the degree to which global mobility sits at the heart of the business. Whether progress has been made remains to be seen. Mobility professionals must embrace change and perhaps reinvent themselves as key advisers to the organisation, demonstrating commercial awareness and savviness, instead of being an after-thought to execute a relocation after an assignment decision has been taken.

The future is now. Welcome to the future!

Dr. Barbara Zesik

Group Chief People Officer

Santa Fe Relocation



In addition to sharing the results from The Global Mobility Survey 2018, this report also provides critical analysis and compelling insights from nine industry leaders.

Important note

For several questions, respondents were able to select multiple answers, therefore some charts may sum in excess of 100%.

Andrea Piacentini

Head of Reward, United Kingdom and Europe, Standard Life. Partner at The RES Forum.

Andrea is a senior international HR professional with 17 years experience in international compensation and benefits and international mobility. This experience has been gained by working for market leading multi-nationals, such as PwC, Procter & Gamble and RBS. As a recognised expert on Global Mobility, Andrea has had numerous articles published and has been quoted as a subject matter expert in the Financial Times, The London Times and the Daily Telegraph.

Betsy Welch

Group CEO Americas, Santa Fe Relocation.

Betsy is the CEO for the Santa Fe Relocation Americas region. With more than 20 years of experience in the Global Mobility industry, Betsy has held numerous management and leadership positions across several of the world's leading relocation management and Fortune 500 companies. In recognition of her vast industry knowledge and experience, Betsy currently serves as a board member for the Worldwide ERC.

John Rason

Group Head of Consulting, Santa Fe Relocation.

Recognised as a thought leader and speaker on strategic international HR, talent management and Global Mobility, John has 15 years of global consultancy experience. Having previously held senior HR leadership roles in numerous global businesses across a range of industry sectors, John now works with global organisations to create value and improve the structure of Global Mobility programmes; focusing on aligning strategic objectives with operational delivery.

Peggy Smith

President and CEO, Worldwide ERC®.

Peggy Smith is a strategic and adventurous leader with a keen eye for industry trends, fresh concepts and innovative solutions. Her mobility experience includes a stellar career at Microsoft, where she expanded its workforce mobility reach from the US to global coverage. Peggy guest lectures for universities on talent mobility and, through her role as an invited CEO on the Forbes non-profit council, contributes as a thought leader on www.forbes.com.

Peter Ferrigno

Group Strategy Director, Santa Fe Relocation.

As a highly experienced Global Mobility consulting practitioner, Peter has more than 25 years experience in the Big Four, establishing and building Global Mobility practices across Europe. Peter has worked as a senior advisor to many of the world's largest companies, solving their most complex cross-border HR challenges. Since joining Santa Fe Relocation in 2017, Peter has worked directly with our largest clients to strategically align our service delivery with each client's individual needs and mobility transformations.

Peter Graham

Group Director of Visa and Immigration, Santa Fe Relocation.

Now in his 28th year in the field of immigration, Peter has worked at every stage of the immigration lifecycle, including both national and international policy-making and strategy. After spending 17 years at the UK Home Office and 10 years leading IBM's global border and immigration business, Peter joined Santa Fe Relocation in 2017. Now a recognised thought leader and speaker on immigration, border management and security, Peter's clients include the World Economic Forum, Interpol, Department of Homeland Security, Australia Customs and the UK Home Office.

Professor B. Sebastian Reiche

Associate Professor of Managing People in Organisations, IESE Business School, Spain.

Sebastian's expertise focuses on Global Mobility, forms of global work, knowledge transfer, talent retention and global leadership. Sebastian's work has been acknowledged and awarded by the prestigious Academy of Management and the IESE Alumni Organisation and has also featured in The Financial Times, The Economist and Forbes, to name a few. At IESE, Sebastian acts as the academic director of the program for management development.

Selina Jones-May

Group Director—Global Mobility and Global People Projects, WorleyParsons.

A highly-skilled FCIPD, CTA and SGMS-T qualified Global Mobility leader, Selina has strong corporate experience across multiple industry sectors, including a big four expatriate tax consulting background. As the winner of the Forum for Expatriate Management's 'Global Mobility Professional of the Year Award' and Worldwide ERC's 'Meritorious Service Award', Selina now serves as a member of the Forum for Expatriate Management's steering committee.

Winnie Low

Head of Relocation and Assignment Management, APAC, Santa Fe Relocation.

As a certified public accountant and an architect for internal Global Mobility functions, Winnie draws on her vast experience at companies like Unilever, Accenture and EY to build collaborative relationships with stakeholders, assignees and service providers to improve overall customer satisfaction. Winnie has streamlined Global Mobility processes, managed policy design, established a shared service centre, implemented systems that track and improve assignee satisfaction and has united local stakeholders and vendors to customise processes for the region.

RISK⁰²



Balancing compliance and growth in an uncertain and volatile world

Compliance continues to be a substantial factor in managing Global Mobility programmes. Both business leaders and Global Mobility professionals identify this is likely to be amplified over the next few years.

Added to the list is the continued focus on more formalised management of international short-term business travellers, and now General Data Protection Regulation (GDPR).

Balancing risk with supporting growth initiatives will increasingly be an important part of what Global Mobility professionals will be expected to deliver. Business leaders assume that compliance is already taken care of, and assume that Global Mobility teams can focus on talent initiatives. While this may already be the case for some, the time analysis of where Global Mobility teams spend their time still focuses highly on compliance.

There is a need therefore for Global Mobility teams to be involved earlier in discussions on new territories, risk initiatives such as GDPR, or even group moves. Shedding the compliance overcoat may not be feasible nor desirable in the short-term to remain sustainable. Global Mobility professionals and their leadership need to prioritise their internal role expectation, and how both risk and growth can be effectively managed.



Balancing dynamic agility with risk and compliance

The opportunity for many organisations who operate internationally, is to achieve growth. They do this by translating strategy into operational activity in an agile but stable way, to be sustainable and competitive in the face of volatility and uncertainty in global markets. For example, the geopolitical challenges over recent months from Brexit and the US administration in the West to the alliances between Russia, Middle East and China in the East. The perennial challenge and potential burden however, is ensuring compliant organisational growth, by navigating through complex country regulations relating to immigration, employment taxation and social security. We even have to consider the unintended risk consequences of technology designed to enhance how we live and work, where fitness devices inadvertently provided information on security locations*.

Around 20% of organisations' total employee head count are internationally mobile

We have assessed from the survey responses that organisations in this survey employ at least 6.3 million people globally (with an estimated maximum of 8.3 million), and Global Mobility teams are managing at least one million business travellers (16% of the total employee group) and about 250,000 internationally mobile assignees (4% of the total employee group).

Technology is enabling governments to track cross-border compliance

Considering the myriad of countries where organisations create a footprint and combined with the current geopolitical landscape, it is evident why remaining compliant is consistently reported by business leaders and Global Mobility professionals to be both time-consuming and challenging. As government authorities around the world improve their leverage of technology to track compliance and interact with each other on immigration and fiscal compliance matters, the job of remaining consciously compliant will increasingly be a risky business.

Who manages your RACI matrix (Responsible, Accountable, Consulted, Informed) for compliance?

Businesses deploy an array of internationally mobile employees ranging from short business trips (where the work activities could actually be creating a working presence requiring visa and fiscal documentation) through to long-term assignments of up to five years—or more in some cases. Governance of risk and compliance connects a complex web of stakeholders inside and outside an organisation. While business management will have shared goals and objectives, homogeneity in how these are delivered will vary by business division or function. They may have differing perspectives or imperfect knowledge of the potential minefield of non-compliance penalties.

Gambling on compliance to generate revenue is a risky business

Given that company directors may have personal liability for non-compliance, potentially punishable by substantial fines and a custodial sentence, they may place greater emphasis on compliance than for example, a technical project director who is eager to start a new project after a successful bid. Mobilising their team to generate revenue is their personal objective priority, so “It’s OK to send the team on business visit visas, isn’t it? We can obtain work visas when we get there.” This strategy can be expensive.

New destinations, fresh opportunities and challenges?

From the survey responses, organisations are also pursuing growth in new markets and territories (40% of Global Mobility professionals report new locations over the past 12 months), which creates new risk profiles. Thus balancing risk reduction with the need for expansion is the most complex challenge facing Global Mobility professionals and their business leaders.

The survey results report immigration and tax compliance as being burdensome significant challenges, certainly over the next five years. They top the charts yet again in the ‘Main challenges that Global Mobility face in achieving their objectives’.

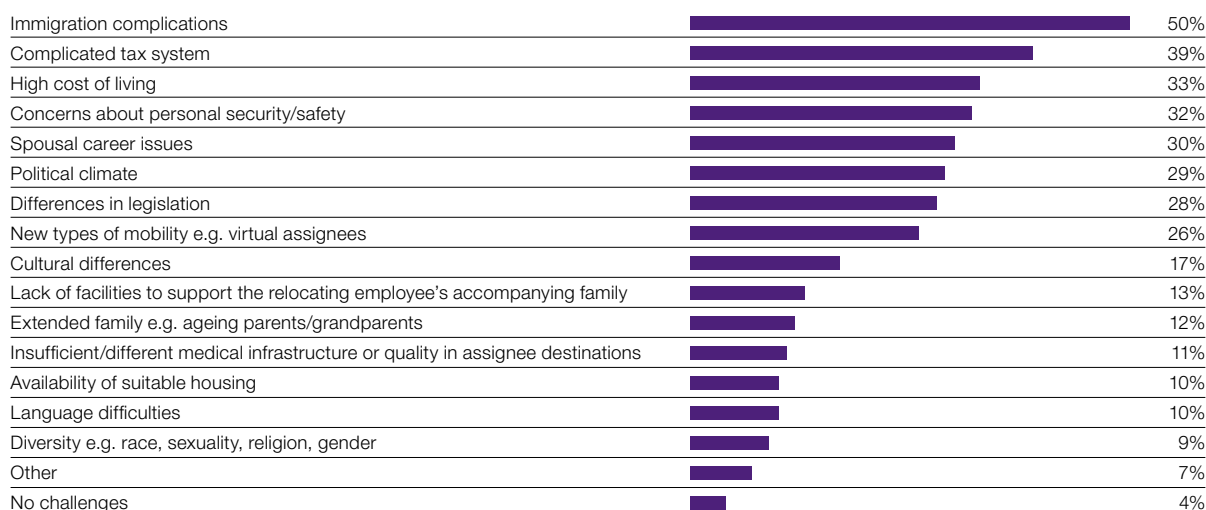
Are you ready for GDPR in May 2018?

This year we added a new compliance obligation, which for many organisations—irrespective of their size—could also be a risk factor. GDPR will affect the world for Global Mobility and sets global precedent in the data privacy and security areas.

Non-compliance with GDPR has significant repercussions for global organisations. Employers could face a fine as high as €20 million or 4% of the organisation’s global turnover—whichever is greater. Several factors would be taken into account in determining the fine: the nature, gravity and duration of the breach; the damage suffered by individuals and any action taken by organisations to mitigate such damage. Additionally, regulatory agencies also have at their disposal the ability to invoke specific compliance orders, and a ban on processing personal data.

*Search “Fitness tracking app Strava gives away location of secret US army bases”

Fig. 1: Main challenges reported by Global Mobility professionals impacting the achievement of Global Mobility objectives over the next five years



Key takeaway: Immigration and tax systems are predicted to be key challenges, combined with potential talent attraction barriers such as high cost of living, personal security/safety and spousal career issues. Consider that 40% of Global Mobility professionals report new locations over the past 12 months.

The main challenges as predicted by Global Mobility professionals are shown in **Fig. 1** and focus on these three factors:

1. **Compliance:** immigration and employment taxation compliance (which will include payroll obligations), combined with an uncertain political climate.
2. **Talent attraction:** the engagement and hygiene drivers that will attract new talent to undertake internationally mobile opportunities.
3. **Evolving assignment types and destinations:** technological impact of 'virtual' assignments and greater Diversity and Inclusion (D&I) requiring consistent but differential policies and conditions for broader talent groups, including generational expectations.

This offers an interesting set of dynamics for Global Mobility professionals and the broader HR community, partnering with their businesses to source, grow and deploy existing and new talent into new projects and countries as organisations seek to take advantage of changing industry conditions and opportunities in emerging economies. While many Global Mobility teams have a firm grasp of existing locations, the triple impact of geopolitical changes, new locations and greater diversity are likely to require more support than well-trodden assignment locations.

What are the implications for policy and assignment and relocation support?

Focusing on the risk aspects over the next five years, organisations will need to re-consider the balance between providing company managed programmes that are applied through their supply-chain i.e. a prescribed set of policy elements with maxima based on family size, grade, location pairings the employee's situational circumstances, and the provision of lump sum cash amounts, enabling the employee to self-service their relocation needs.

There is a balancing act between:

- + **Compliance obligations:** organisations cannot absolve themselves of responsibility for their employee complying with their host country obligations for tax on relocation related benefits. This has to be considered in line with company employee taxation policy.
- + **Duty of care:** despatching employees to locations where there is a lesser known awareness of local practices, even for experienced internationals, could be potentially the wrong approach.
- + **Reliance on social media and websites:** for selection of host accommodation and other host country services.

Global Mobility professionals will need to invest in engaging their senior internal stakeholders to develop a framework of policies and a governance model for managing the Global Mobility programme consistently but differentially. This is to reflect the need to provide traditional assignment support services through their supply-chain and where technology and organisational maturity in locations can allow internationally mobile employees more choice and flexibility.

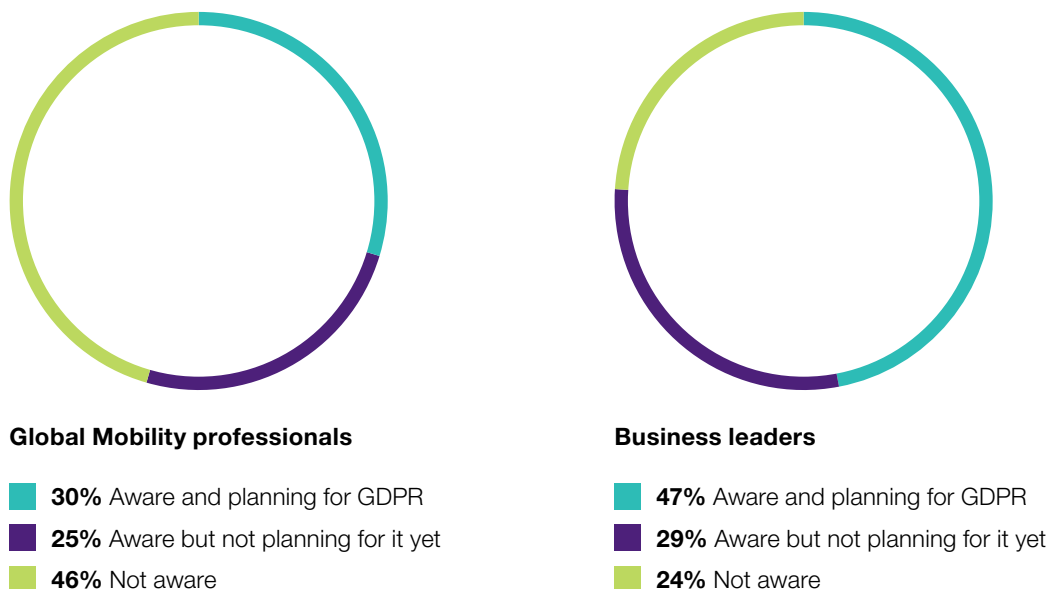
With the desire to create broader talent pools through greater D&I of new generational and cultural talent, policies need to be sufficiently robust but flexible to address all the aspects highlighted above.

We explore this in more detail in **TALENT** (section 03) and **TRANSFORM** (section 04) but suffice to say at this point that Global Mobility professionals must reflect and engage on how to deliver the above solutions effectively, without an expectation of increased internal head count resource allocation.

A case of doing more with less?

GDPR: global impact—not restricted to the EEA

Fig. 2: Global Mobility professionals and business leaders percentage that are aware of incoming GDPR regulations



Key takeaway: Business leaders demonstrate greater awareness of GDPR (76%) than Global Mobility professionals (55%). Effectively 53% of business leaders and 71% of Global Mobility professionals are either not planning for it yet or are not aware of it at all.

GDPR will not just apply to organisations within the EU but also any that supply goods/services to EU citizens. Global organisations outside of the European Economic Area (EEA) are likely to be subject to the regulations by the fact they have a single internationally mobile employee who is transferred into the EEA, which typically involves transfer of personal data to support on compliance, immigration and employment taxes, compensation and payroll and relocation related services.

From 25 May 2018, employees will need to be informed of what personal data is to be held, what the data is used for, the legal basis for holding it, and any third-party recipients along with any countries outside the EEA.

Organisations transferring personal data outside the EEA, will need to ensure that adequate protection is provided. Some countries and organisations have already been certified as having the necessary safeguards in place. Companies in the US can sign up to the Privacy Shield Framework, which has been approved by the European Commission as meeting the required standards. If no such certification or approval exists, it will still be possible to transfer data outside the EEA as long as appropriate safeguards are provided.

This could be through such things as legally binding agreements, between public bodies, binding corporate rules, or arrangements authorised by the relevant supervisory authorities.

We can only speculate why respondent organisations in **Fig. 2** (Global Mobility professionals) have not yet taken a more pro-active stance in preparation for it, and this may be that planning is being taken elsewhere within respondents organisation or may be taking a 'wait and see' position when GDPR is launched in May 2018. Thus, more business leaders were aware of GDPR, and one would hope that at the time of the survey participation, information on GDPR was only just cascading down through the organisation and perhaps just not reached the Global Mobility function.

HR has access to so much of the personal data that is impacted by GDPR, and by the nature of the task, Global Mobility requires that personal information to be shared across borders. Therefore, it is inevitable that GDPR will become arguably the biggest risk issue for 2018. The impact of GDPR, as measured by those aware of it, shows that (based on questions in the survey) training and awareness was ranked as highest and require positive action.

Fig. 3: Impact of GDPR on Global Mobility programmes

Increased training and education to increase awareness	47%
Limits our ability to share data with third party suppliers	37%
Limits our ability to share data internally	30%
Restricts access to our systems	22%
Requires investment in additional technology	22%
Hosting more data in-country	19%
No impact	17%
Other	4%

Key takeaway: Investment is required in training and education and a clear strategy of how to share data compliantly with appropriate third-party partners. Understanding technology options will be critical in the strategic planning process.

What is clear is that GDPR will be a time consuming activity managed by Global Mobility in 2018. What will become even clearer during 2018 is whether this is a one-time strategic re-think around how a company manages its data to ensure compliance, or whether it becomes a new risk that Global Mobility needs to manage on an ongoing basis in the future.

Short-term business travellers

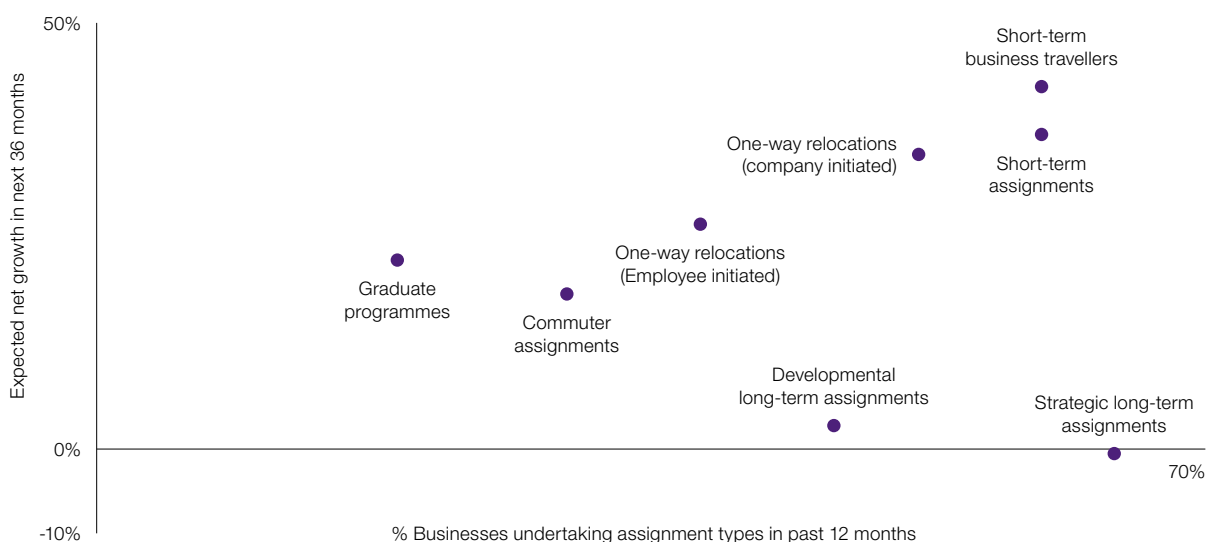
A similar situation to that of GDPR can be seen with the management of short-term business travellers, which has steadily climbed the Global Mobility agenda for a number of years. Over recent years, this has achieved higher organisational risk profile status, and has migrated it to becoming one of the risk factors that compliance departments need to manage on an on-going basis.

In the introduction, we highlighted that from survey respondent statistics, approximately 16% of the organisation's workforce are likely to be short-term business travellers and thus a substantial employee group who require robust risk management.

Fig. 4: Business undertaking assignment types over last 12 months and predicted changes over the next 36 months provides a global picture of assignment trends over the next 36 months, highlighting sustained growth in short-term business travellers. To provide a regional example **Fig. 5** Europe, highlights similar assignment patterns with long-term assignments predicted to grow at a slower rate.

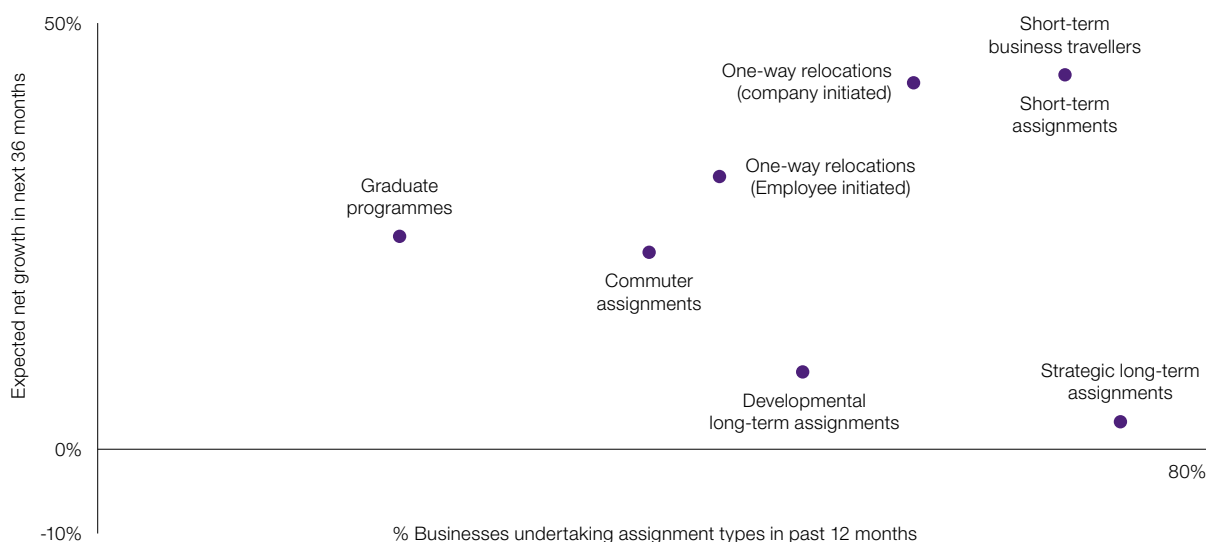
In **FUTURE** (section 05) we will explore assignment trends in more detail.

Fig. 4: Number of assignments over the last 12 months and expected growth in each internationally mobile workforce type over the next 36 months



Key takeaway: Short-term business travellers and short-term assignments predict highest levels of growth, together with an increasing focus on one-way (permanent transfers).

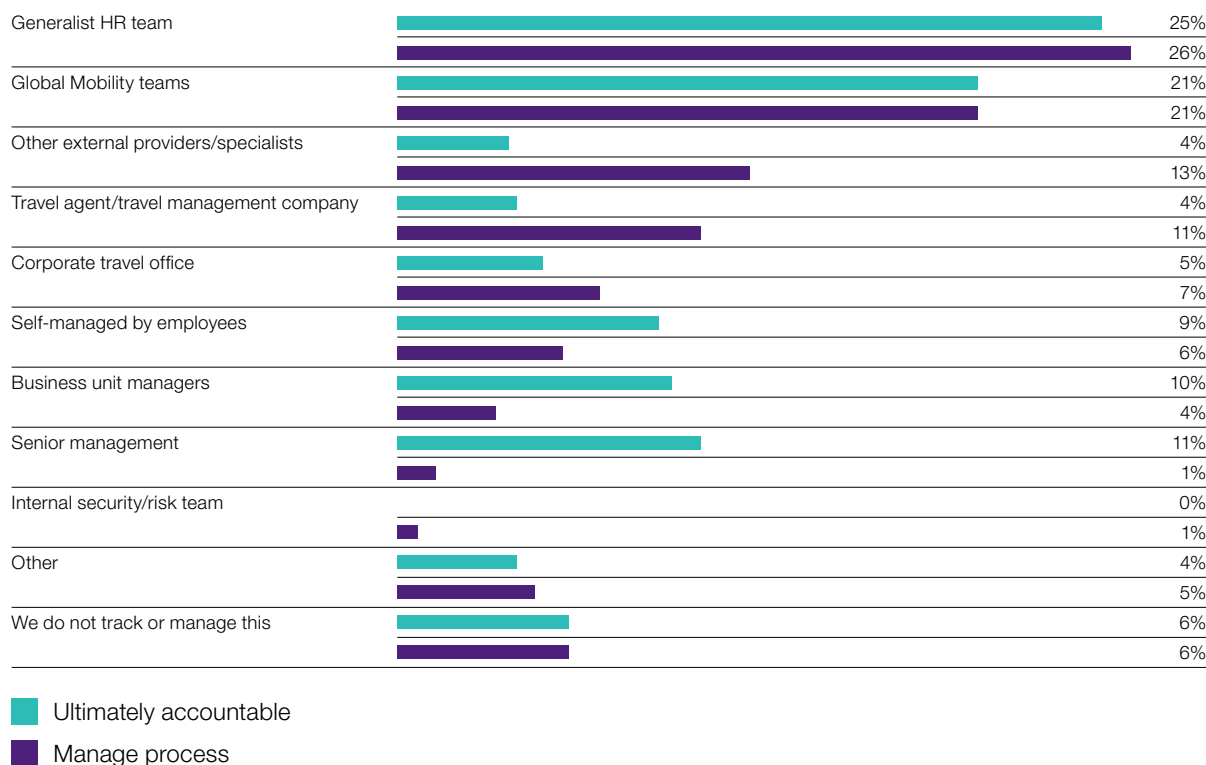
Fig. 5: Number of assignments over the last 12 months and expected growth in each internationally mobile workforce type over the next 36 months—Europe



Key takeaway: A similar assignment pattern as the global picture with small growth in strategic assignments and a recognition of the need to invest in future leaders through developmental assignments.

Fig. 6 highlights that only 6% of companies do not have a process in place to at least track business traveller compliance, and potentially manage that risk. Interestingly, only 47% of companies have the Global Mobility or HR teams responsible for managing the process, which means that another 47% of companies have someone other than Global Mobility or HR in that role.

Fig. 6: Who manages and who is accountable for the processes for immigration, visas and work authorisations for business travel?

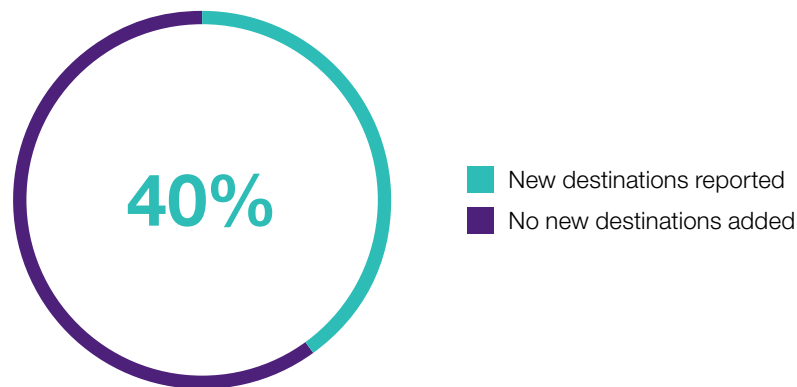


Key takeaway: c. 25% of HR and 21% of Global Mobility professionals see themselves both managing and accountable for the processes for immigration, visas and work authorisations for business travellers. Only 11% of senior management and 10% of business unit managers are seen to be accountable. Does this suggest an opportunity for greater connection between the business and HR/Global Mobility?

While 21% of business unit management or senior management are ultimately accountable for ensuring this risk is controlled, only 5% of those are involved in managing the process. This suggests a potential disconnect between organisations' attempts at managing this risk, and their involvement of personnel with the technical skills to understand the risk factors involved. There remains a significant risk that, as Global Mobility manages 'assignees', the company believes erroneously that this also covers 'off Global Mobility programme' business travel, and that risks are being managed in cases where Global Mobility has no exposure or capacity.

An additional business travel risk occurs in new markets. The search for growth has led many companies to look in new places, so even while the numbers of assignees may be increasing in single digit percentages, 40% of the companies in our survey still added new assignment locations during 2017. Experience suggests that the higher risk business travel arrangements are often those into the markets where the company is looking to expand. Those are precisely the locations not yet on the radar screen of the established mobility team.

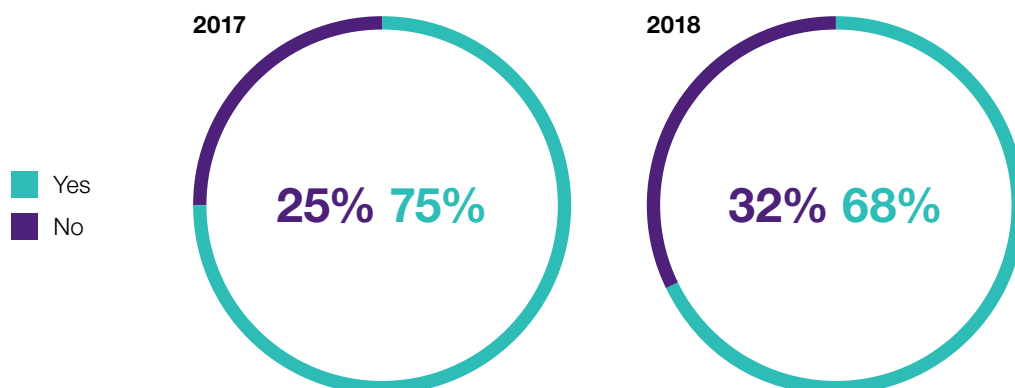
Fig. 7: Percentage of Global Mobility professionals reporting new destinations over the past 12 months



Key takeaway: 40% of Global Mobility professionals report new destinations added to their Global Mobility programme over the past 12 months. Managing new destinations requires thorough due diligence and an external supply-chain with strong local knowledge of regulations, custom and practices and quality briefings for those visiting and working in new destinations.

Often, researching a new market will commence with business trips and short-term assignments, before a successful contract win or business expansion starts the process of longer term assignments to establish the business. The continuing high levels of growth in short assignments and business travel categories reinforce this. Trips without the supporting HR infrastructure are potentially much riskier from a compliance perspective, hence why these factors remain a challenge even where the company may have been active internationally for many years with a stable mobility population.

Fig. 8: Do Global Mobility professionals have a programme in place to ensure business travel is compliant?



Key takeaway: 68% do have a programme in place to ensure business travel is compliant, a drop of 7% over 2017 and of those 68%, only 21% are using technology to achieve this. The research cites that approximately 16% of an organisation's total workforce undertake short-term international business visits. This represents an opportunity for Global Mobility to utilise technology to enhance effectiveness and create better resource allocation and reporting.

Locations that are new to the company typically require the highest involvement in getting to learn immigration, tax and payroll reporting requirements, and so that continues to add to Global Mobility's workload.

There is no significant change between 2017 and 2018 in the survey results in the ranking of most common destinations and sending locations. The increase in Spain may represent an increase in Spanish companies participating in the survey compared to last year.

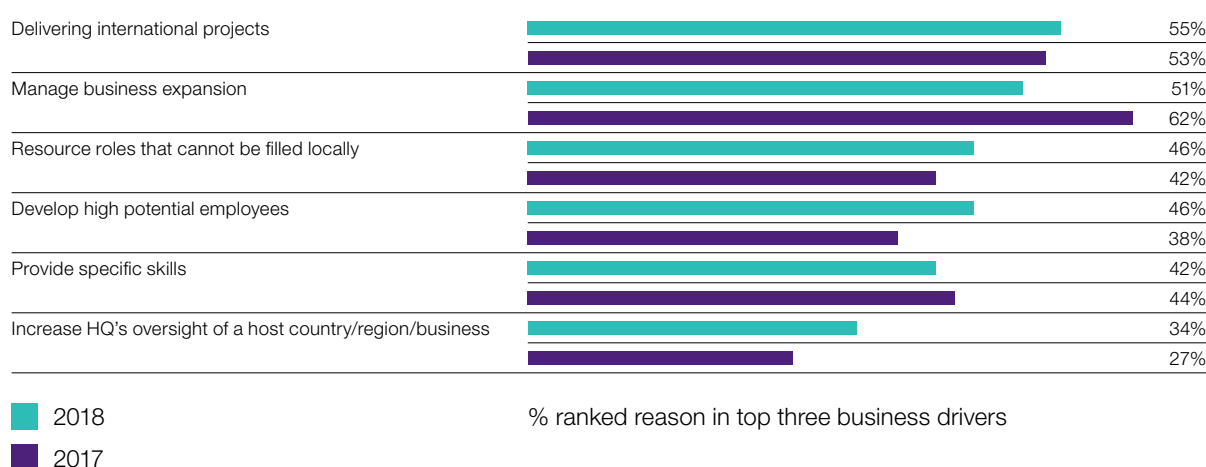
Destinations (% most common)	2017	2018	Sending from (% most sent from)	2017	2018
US	18%	14%	UK	9%	11%
China	11%	13%	France	5%	10%
UK	8%	8%	US	14%	10%
Singapore	5%	6%	China	7%	8%
Germany	5%	6%	Spain	3%	6%
France	4%	5%			
Australia	4%	3%			

China has reclaimed the top spot as the most challenging destination to which to send assignees, over India and the US:

#1	China	15%	(+6%)
#2	India	8%	(+1%)
#3	USA	7%	(-2%)

The change suggests that new companies entering China do find the fast-paced nature of a highly competitive market a challenge, especially now as the investment flows into the second and third tier cities rather than the largest. Building on the shifts in the global economy, discussed further in the introduction, globalisation will see China and India playing an increasing role in coming years in outbound as well as inbound segments. It means that there has been a shift from using mobility to expand the business as a whole, to using it to also ensure delivery, resourcing and oversight.

Fig. 9: Key Business drivers for international assignments amongst business leaders



Key takeaway: It appears that organisations have invested in business expansion which can be evidenced by the increases in short-term business travellers. This results in an increased focus on resourcing and delivering international projects. It is interesting to note that business leaders identify the opportunity to invest more in the development of high potential employees.

This continuing shift also reinforces the move towards shorter and more tactical assignments rather than longer term and strategic. This means that business travel risk will continue to be a significant feature for the foreseeable future.

REFLECTION

Managing risk and compliance remains one of the Global Mobility function key roles. The interaction between technical aspects (immigration and tax), HR issues (talent management and succession planning), business issues (GDPR), and the continuing relevance of risks (short-term business travel), means that compliance remains a critical focus.

The conundrum facing Global Mobility professionals is the necessity to both manage increasingly burdensome compliance and risk and also recognise expectations from business leaders. The latter may believe that their Global Mobility teams are focusing or should be focusing on more strategic activities including talent and advisory support, which we explore in more detail in **TRANSFORM** (section 04).

REACTIONS

Betsy Welch

While the GDPR rules don't initially appear to apply to the Americas, it's critical that Global Mobility and HR professionals understand the impact to their mobile employees in the EU countries and drive the right internal and vendor processes. Become educated on GDPR, engage the data privacy and security group within your company and ensure the processes are compliant. Global Mobility and HR can help to lead the discussion in your firms to ensure the highest levels of data privacy and security for your mobile employees globally.

Peter Ferrigno

Business travel tax risk remains a key area of focus. More companies continue to set up specialist teams to manage that exposure, and ensure that their employee compensation reporting is correct globally. However, many more remain to get started on that, and tracking systems are still sporadic. Additionally, new patterns of working mean that the target continues moving.

Peter Graham

Not only are Immigration laws different in every country, they are also subject to change at a moment's notice. Immigration authorities, for very valid reasons, normally give no advance warning of Immigration Law/Rules changes and this can make staying on top of the current requirements around the world an increasing challenge for Global Mobility teams.

As governments look to 'do more with less', they are increasingly forcing industry to take more responsibility to ensure immigration law compliance by imposing ever higher penalties for employing foreigners without permission and for non-compliant business travellers. Penalties can range from financial fines to the denial of entry to improperly documented business travellers as well as the imposition of longer term restrictions/sanctions on a company's activities in particular territories.

Selina Jones-May

The mobility and broader HR landscape continues to present increased complexity for professionals, which is accompanied by heightened pressure from the business. Companies are pursuing growth and expansion into new territories whilst seeking to tighten their margins in more established markets. From a mobility standpoint, new country entry or changing legislation in existing locations generates considerable compliance risks which we need to carefully manage. Additional regulations impacting our function (e.g. GDPR) further adding to the workload, so we need to be strong at prioritisation, communication and expectation management to ensure a high standard of service is delivered to our customers.

The best recipe for successful buy-in from the business is to adopt a proactive planning approach to all activities, alongside ensuring that clear options and recommendations are presented to the business, in layman's language and with data that will speak to their objectives.

In the current uncertain and volatile environment we operate in, Mobility and HR specialists need to utilise one of Dave Ulrich's core HR competencies to achieve success. That is, to transition from the previously favoured 'trusted advisor' role to one of a 'credible activist'. Through both improving our credibility in the functional delivery and being forthright in our actions, we will maximise our opportunity of further aligning our function with the broader business strategy.

CHECKLIST

GDPR

- + Who is your organisation's GDPR champion?
- + Ensure that the HR and Global Mobility team(s) understand Global Mobility's GDPR obligations.
- + What preparations have been made by your external supplier-chain partners, who will also have GDPR obligations?
- + As appropriate, build a project plan to ensure Global Mobility/HR can demonstrate the pro-active actions that are being implemented, as this is important in the case of a GDPR incident.

Short-term business travellers

- + If short-term business travellers are currently not within Global Mobility's remit, understand the organisation's governance model. Who is accountable and who manages the process, not just making travel arrangements but also the governance on correct immigration and potentially employee taxation reviews? It may be the responsibility of the organisation's Corporate Tax function but does this only cover taxation and not immigration?
- + If not done so already, analyse what would be the impact of being advised that Global Mobility will be held accountable for managing short-term business travellers. Also view the **TRANSFORM** checklist (section 04).

New Destinations

If your business is yet to venture into new destinations or is considering group moves, when will Global Mobility be consulted?

Thorough due diligence on new locations requires several weeks of planning to ensure your business leaders have an informed view of the host employment conditions. The danger for Global Mobility teams is the advanced guard of short-term business travellers making cosmetic decisions based on flying in and out of the destination and living in hotels or serviced apartments, often unaccompanied. Business leaders may therefore be basing their decisions on partially correct information.

Due diligence checklist, some key areas to research:

- + Immigration and fiscal regulations and relevant treaties.
- + Timelines to secure relevant documentation in the event of a confirmed project.
- + Talent/employee engagement aspects are of equal importance with relevant external partners to ensure you understand:
 - Leading practices—either via direct networking with peer organisations or via your relocation management partner, who may already have clients in the new destinations or have a local office there;
 - Residential locations and potential aspects requiring resolution such as traffic/transportation;
 - Suitable local and international educational facilities;
 - Health and quality of life challenges;
 - Cultural, social and security intelligence;
 - Local and international medical cover.

TALENT 03



Talent management: the future of work

In **RISK** we report that Global Mobility teams are managing at least one million business travellers and approximately 250,000 internationally mobile assignees. You will see in this section that currently only 25% of international assignees are female and 75% male; something that has not gone unnoticed by business leaders and Global Mobility professionals, who prioritise the need for increased cultural and gender diversity on the talent agenda.

Consider too, that 40% of Global Mobility professionals reported new destinations in the previous year. We see that Global Mobility teams have the opportunity to have more influence in talent areas such as assignment candidate selection, screening and strategic workforce planning.

Business leaders and Global Mobility professionals also see a contingent workforce playing a more important role in talent resourcing for international assignments, in addition to AI and technology leading to more virtual assignments. Data analytics are critical business tools to provide executive HR and business leaders with information that link not only length of assignments and assignment types but more insightful reporting that provides talent, performance and full-cost reporting, additional to duration and demographics. Policies will also come under scrutiny as changes in an internationally mobile workforce through enhanced cultural and gender diversity will require more innovative thinking to ensure consistent but differential support. Assignment types are also changing. Organisations, through policy segmentation, now apply a continuum of assignments that align with business/talent drivers, cost profile and the 'who benefits from this assignment?' debates. Global Mobility teams are therefore well placed to embrace broader responsibilities in the talent arena.



Talent management—joined up thinking?

Business leaders and Global Mobility professionals jointly report (**Fig. 10**) that they predict increased involvement of the Global Mobility function in talent management. How this evolves depends largely on how organisations see the value that Global Mobility brings in supporting the needs of the business in attracting, mobilising and retaining talented employees.

As organisations transform from country-based to international and global organisations, Global Mobility will continue to play a critical role in enabling that change. It will also demand more talent focus and the need to be innovative in talent strategies. Working in Global Mobility over the next few years will continue to be challenging yet exciting.

Business leaders perceive that Global Mobility professionals are already engaged in talent activities whereas the reality based on self-report ‘time spent on Global Mobility activities by Global Mobility professionals’ in **Fig. 17** is that they continue to focus largely on compliance, assignment compensation and payroll, administration and supply-chain management. **TRANSFORM** (section 04) highlights the opportunities for Global Mobility professionals to evolve their roles to reflect the contribution that business leaders expect from their Global Mobility business partners.

We explore in this section some of the key findings that provide insights of how Global Mobility teams can influence their greater engagement in talent management.

The changing nature of work: new roles, culture, gender and contingent workforce

Whilst we have not focused on asking generational specific questions in the survey, we should recognise that not only will culture and greater diversity play an increasingly important role, we have currently have three generations to consider (Baby Boomers, Generation X and Millennials)—indeed four if you now include Generation Z too, who are likely to have different motivations and expectations.

Reflecting on the way that assignment policy segmentation has been firmly adopted over the past few years, it seems that organisations will need to ensure that their workforce planning is reflected in such policies. Increasingly there has been a trend towards one-way permanent transfers (company and employee-initiated) rather than traditional assignments, which may be more aligned with Millennial and in time, Generation Z expectations, who are likely to be less anchored to a ‘home’ country. On the other hand, Baby Boomers and Generation X professionals may be more focused on financial compensation as they consider their pending retirement planning and pensions. For the Generation Xers: it may be education, which is still one of the most significant factors on whether to accept an assignment. As the generational profiles change, so will migration and mobility patterns. It will also be a function of increasing cultural and gender diversity, which combined with the geopolitical uncertainties and as the impact of AI and digitalisation is increasingly realised, we will have a fascinating cube matrix of people combinations to configure to the organisational DNA.

We also read about the ‘gig’ economy and an increasing number of professionals who see themselves having a portfolio career that may include experiences employed by organisations, self-employment and collaborative projects working with other global peers, connected through social media and other professional global connections. Contingent internationals are likely to increasingly form part of medium to longer term workforce planning, especially as traditional roles are replaced by new ones.

According to a report by McKinsey & Company*, by 2025, online talent platforms could boost global GDP by \$2.7 trillion through improved productivity, greater employment and higher labour-force participation. Linking this back to Global Mobility, business leaders in particular (**Fig. 15**) recognise that post-assignment retention is a key factor over the next three years. Developing an enticing employee value proposition and delivering an outstanding assignee experience for the employee and their nominated family will be critical, together with pro-active data analytics that ensure performance, talent and resource planning are not left until a couple of months before the expected end date. Cognitive use of such data will drive competitive advantage.

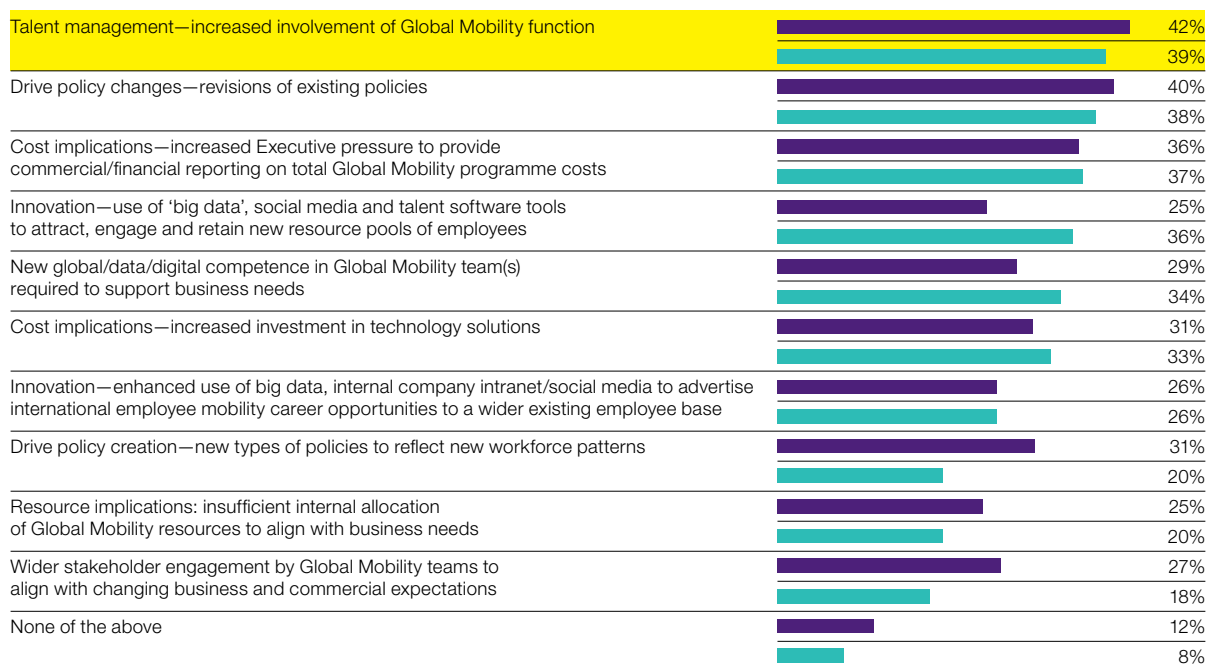
*Search: “Connecting talent with opportunity in the digital age”

Global Mobility's growing involvement in talent management is clearly signposted by the Business Leader responses. Elements of talent management are not only seen as key business drivers, but are highlighted as areas that Global Mobility need to spend more time on.

Diversity and inclusion has been one of the hot topics of the past few years; this is also high on the agenda for Global Mobility. However, more needs to be done to improve diversity, and promote new ways of working that will attract all types of diverse and talented people.

Both Global Mobility professionals (42%) and business leaders (39%) cite increased Global Mobility involvement in talent management as the chief impact they expect as a result of the aforementioned trends.

Fig. 10: Business leaders' and Global Mobility view on the impact of predicted interventions and trends on the Global Mobility function over the next 36 months



■ Global Mobility professionals

■ Business leaders

Significant areas of opportunity for Global Mobility teams

Key takeaway: Business leaders and Global Mobility professionals both see a stronger role for Global Mobility teams in talent management, offering exciting opportunities to develop new policies to align with the changing needs of a more culturally-diverse talent pool. Data analytics will also play an increasingly significant part in the Global Mobility professional's role. All of which will require engagement with broader stakeholders along with investment decisions on how to deliver on business and employee expectations.

Data tracking: talent management

Fig. 11 reveals that Global Mobility teams are predominantly providing the wider business with data on assignment durations (67%), total cost management data (43%), and compliance data (40%), but little around assignees themselves or talent management.

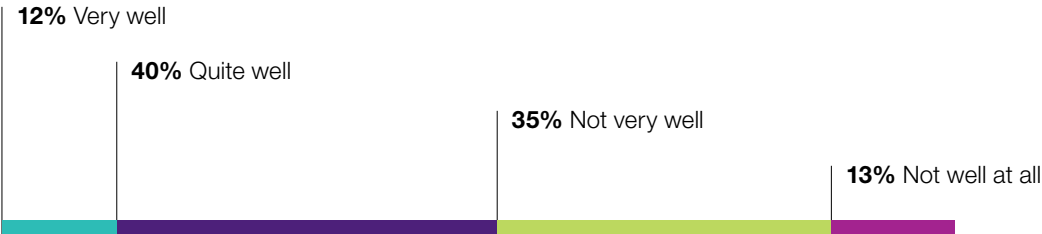
Fig. 11: Data that Global Mobility teams are currently providing to the wider business

Assignment duration/extensions		67%
Total cost management data		43%
Compliance data (e.g. immigration, tax filing/reporting)		40%
Updates on immigration, fiscal and employment changes		36%
Demographic data on age, gender and country of origin		34%
Annual performance management ratings		30%
Comparison of forecast estimates with actual total assignment costs		25%
Policy exception reports (by employee/country/business)		25%
Risk management (e.g. political, environmental, economic)		21%
Talent management ratings		18%
None		10%

Key takeaway: Global Mobility teams need to provide more data on talent management and retention and development to ensure they’re demonstrating value to the wider business. Their current focus is on assignment duration/extension and total cost management data.

Despite talent-related metrics being key to demonstrating value to the wider business, Global Mobility professionals recognise in Fig. 12 that they are not currently providing the business with sufficient meaningful data and advice on retention and development of talent. Almost half of all mobility professionals surveyed believe they deliver meaningful data and advisory services either not well at all (13%) or not very well (35%).

Fig. 12: Global Mobility professionals’ view of how well they track and deliver meaningful data and advisory services on retaining and developing talent



Key takeaway: Almost half (48%) of Global Mobility professionals believe they’re not tracking and delivering meaningful data on retention and talent development, despite talent-related metrics being key to being able to demonstrate the value of Global Mobility across the business.

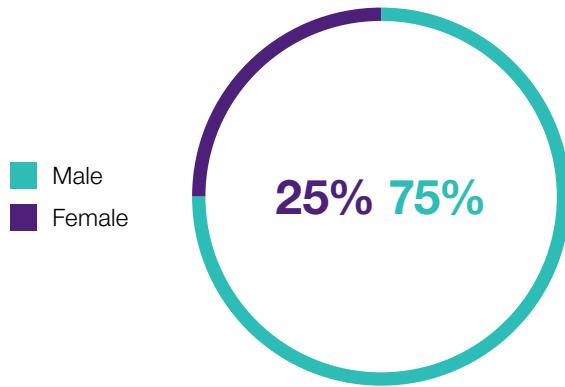
As talent management escalates the business agenda and becomes a greater part of the Global Mobility team's responsibilities, it is vital that Global Mobility professionals are tracking and delivering these insights to continue proving their value to their business leaders.

One topic that increasingly transcends all industries is D&I, and Global Mobility is no exception.

As can be seen in Fig. 15 and Fig. 16, approximately one in four Global Mobility professionals and business leaders believe that increased gender and cultural diversity is a trend that will significantly impact Global Mobility functions over the next 36 months.

An increase in gender diversity in particular is long overdue. The survey found that Global Mobility professionals estimate three out of four of their assignees to be male. Moreover, over one third of businesses say that at least 90% of their assignees are male. Whilst this may historically be expected in certain industries, these companies in particular have the most to gain from broadening their D&I agenda.

Fig. 13: Male and female percentage distribution in Global Mobility assignee population



Key takeaway: The gender ratio of Global Mobility assignees is still heavily skewed towards men. As organisations evolve to take advantage of technological and AI/robotic opportunities, D&I will be key to moving away from traditional resourcing models. A key part of this journey is positive encouragement through selection processes to re-balance the gender mix of who undertakes and benefits from the international mobility experience.

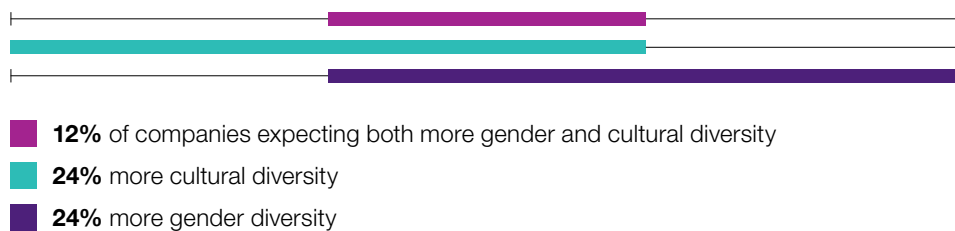
It is therefore clear that Global Mobility professionals have an opportunity to provide objective input on international mobile employee selection decisions and in so doing, ensure that candidates' personal circumstances are not used as prima facie reasons for not broadening the candidate pool.

To provide further industry context, in the construction sector the assignment profile is 92% male versus 8% female, followed closely by automotive on 88% male versus 12% female.

From the survey findings the consumer products sector reports the highest number of female assignees with 64% male versus 36% female. It will be interesting to see how the impact of technology, digitalisation and a positive effort to provide more innovative policies and solutions to encourage more gender and cultural diversity will change these profiles over the next few years.

In reference to **Fig. 14**, whilst it is encouraging to see greater gender diversity is expected, there is still a way to go, with only a quarter (24%) expecting more gender diversity in their workforce over the next five years.

Fig. 14: What changes are expected amongst internationally mobile workforces over the next five years?



Key takeaway: Over a third (36%) of Global Mobility professionals expect to see either more cultural or more gender diversity, or both, over the next five years. More needs to be done at a policy level, and by introducing formal talent programmes to ensure sufficient opportunities are made available to diverse talent pools.

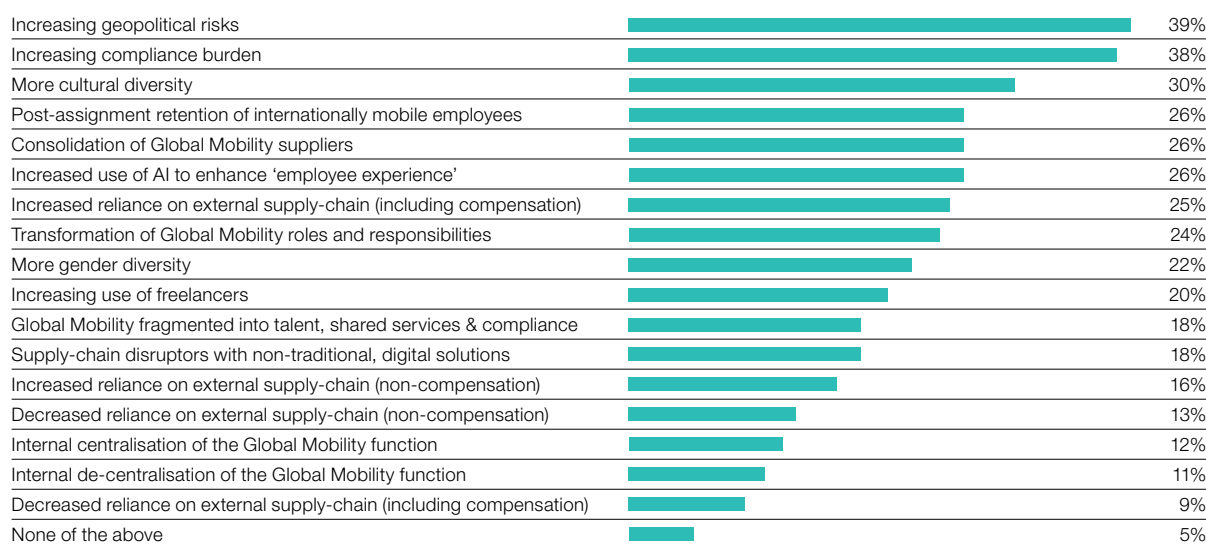
These figures are not a unique trait of the Global Mobility industry. They mirror similar ratios at executive and board levels in many corporations. Increased diversity needs to be supported by focused policy change and, arguably, accompanied by more formal talent programmes available so that there are sufficient opportunities available for a wider group of employees, including women and minorities, to undertake both long-term and short-term international assignments.

However, at the moment, only 28% (**Fig. 19**) of Global Mobility professionals are expecting an increase in formal talent programmes amongst their internationally mobile workforce over the next five years, which may mean these opportunities are not yet becoming available.

Another form of D&I prioritisation is generational. The rise of technology and digital nativism, combined with a more international view of the career market, mean that the perceived demand for new ways of working is contributing to changing workplace policies, towards a model where employees have more flexibility to tailor their working life to their individual needs. This evolution may naturally lend itself to an increase in workplace and assignee diversity, as the constraints that prevent e.g. women returning to work are relaxed somewhat.

However, Global Mobility needs to be vigilant, as cases where an employee's definition of 'working from home' hasn't extended to informing the company that their home is in another country can create risks of their own.

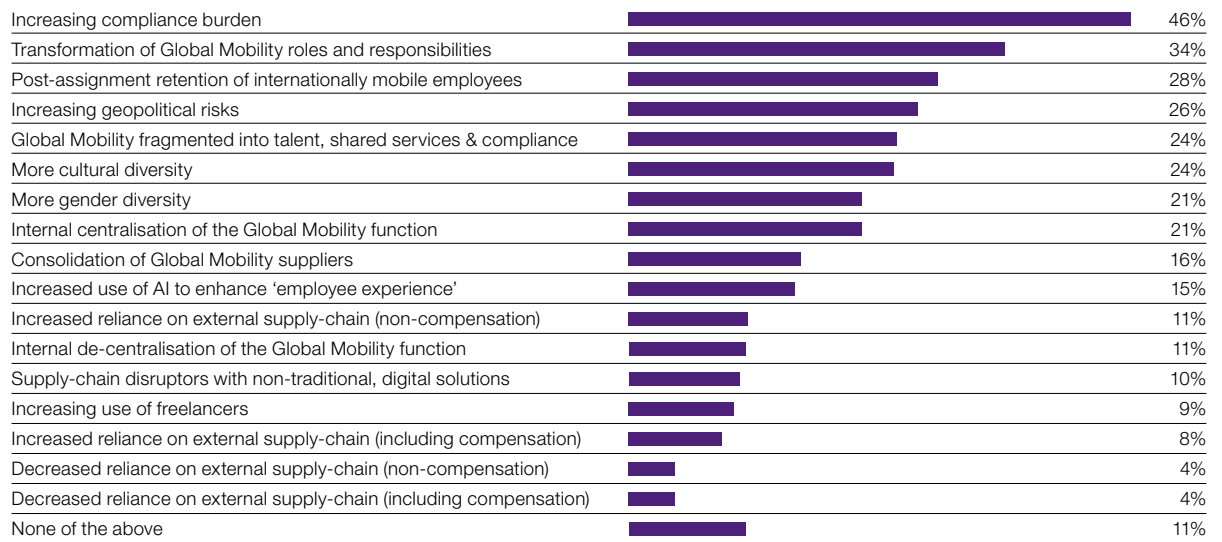
Fig. 15: Business leaders' view of interventions and trends that will significantly impact Global Mobility over the next 36 months (ranked by percentage)



Key takeaway: Business leaders demonstrate a very clear picture of the need to transform the Global Mobility role to increase diversity, utilise technology (to enhance employee experience) and critically, the need to retain talent post-assignment. From a commercial objective perspective, they report a focus on reviewing external/internal supply-chains and consolidation of services to be more effective. This is a methodology that would be applied in other business areas and decision-making. Business leaders have also reported that they want their Global Mobility teams to be more focused on talent and advisory activities, so this should be seen as an opportunity rather than a threat.

It may well be that some of the rise in short-term assignments can, in part, be explained by businesses incorporating more flexibility and employee-friendly policies into their mobility population. Concerns around 'comfort factors', are often reduced or removed as a problem, if assignees are only travelling for short periods, at the cost of adding to complexity.

Fig. 16: Global Mobility professionals view of interventions and trends that will significantly impact Global Mobility over the next 36 months (ranked by percentage)



Key takeaway: A reduction in long-term assignments, and an increase in short-term flexible ways of working is a key theme of the survey. Global Mobility professionals expect the use of flexible hires, virtual assignments, and contractors to increase to boost flexibility and become more assignee friendly.

REFLECTION

Global Mobility teams are trying to balance the art of talent management, ensuring a positive assignee experience and their increasing compliance burden.

The majority of assignees will say that their Global Mobility experience was a rewarding and rounding experience in their career and personal development, which has helped them grow as an individual and as an employee. Incorporating that into a company's formal talent development agenda will remain important.





REACTIONS

Peggy Smith

Our research tells us that we're entering the most interesting and complex blend of talent sources and solutions we've ever seen in the workforce. With the fourth industrial revolution as the backdrop, we'll experience a great deal of disruption. Shortages of talent across all skills will skyrocket. Traditional full and part-time employees will work alongside automation in increasing numbers, and a growing contingent workforce will increasingly be relied on to fulfil or manage projects and cover skills gaps. And all of us in the workforce will be in a continual cycle of reskilling, upskilling and retooling to stay relevant and employed in our fields of choice.

Professor B. Sebastian Reiche

It is interesting to see that companies expect female participation in Global Mobility to increase in the future. However, the share of female assignees has been persistently low, remaining at around 20-25% for some time. This indicates wider problems with D&I initiatives within talent management: Research shows that the recent push for D&I may erroneously suggest to corporate decision makers that sufficient progress has been made. A similar logic applies to cultural diversity, especially with regard to assignees from cultures other than the headquarter country.

It is therefore important that Global Mobility and Talent Management professionals carefully craft their diversity messages and act on them. Diversity per se is not enough however, it is inclusive talent management that ultimately enables this diversity.

Selina Jones-May

It is pleasing that statistics project future mobile populations will become more diverse in the next five years, especially in terms of the gender imbalance. Many companies have in recent times invested significant time and effort in developing robust D&I initiatives/targets. I see evidence of these resulting in a positive impact on the overall diversity of companies, especially at more senior levels in an organisation.

The next phase is now for companies to ensure that these same aspirations are implemented across their assignee populations. To achieve this goal companies will need to reconsider their policy approaches to succeed in both the attraction and retention of a more diverse assignee demographic which better mirrors their client base. Now that mobility policy terms are generally tighter, this will potentially require some additional investment if companies are serious about fulfilling their commitments.

I would encourage all mobility professionals to challenge business stakeholders on the practical application of their D&I aspirations and propose some workable solutions for their consideration. I see this as a key focus area for 2018 and beyond. Companies embracing this head on will be best equipped to support their talent agenda and retain their competitive edge.

Winnie Low

Many companies focus on diversity from the angle of gender or ethnicity, but an often-overlooked part of diversity is culture. Many of the challenges of mobility come from assignees needing to learn, interpret directions or resolve conflict in the assignment location, and if the cultures are too different, that can be a real problem. Levels of workforce engagement and inclusion also vary by culture. Organisations can gain competitive advantage by leveraging that diversity present in their workforce to enhance that engagement and inclusion, ensuring that natural characteristics are translated to the environment in which they are operating.

Some companies have a strong culture of their own, and in those companies particularly there can be an assumption that the corporate culture will override any national characteristics, but while this may help, that won't always be the case.

No amount of investment in technology or talent management can cover for insufficient investment in cultural awareness and integration training, and focussing diversity solely on gender or ethnicity without also considering culture will reduce the value obtained from the diversity programme.

CHECKLIST

Widening the talent pool

- + What is the governance model for selecting, assessing and appointing employees to international assignments?
- + When and how does Global Mobility engage in the process?
- + Are all opportunities advertised? And how widely?
- + What supporting business case documentation is required to assess:
 - The appropriate assignment type?
 - The business case justification—can the assignment be delivered in a different way?
 - Is there a comparison of cost versus benefit, which could include financial and non-financial outcomes?
 - Are there clear business outcomes?
 - Who benefits from the assignment (using 100%: Home/host/headquarter/employee/others?)
 - What three roles could the employee fulfil on return?
 - What cultural/profiling assessments have been included—are these appropriate?
- + What innovative talent attraction interventions are currently used to attract a broader employee group to undertake the internationally mobile experience?
- + How does use of social media play a role in your talent strategy?

Engaging in the talent process

- + How can Global Mobility be included in workforce planning?
- + Do one or more Global Mobility team members have dedicated responsibility to be accountable for talent?
- + What are Global Mobility's reporting lines? Should Global Mobility report into a talent or executive HR leader?
- + How do Global Mobility and talent/HR/workforce analytics collaborate to ensure business leaders have a clear picture of who is coming available at countdown intervals of 12 months, nine months, six months, and three months pre-repatriation?
- + How will a contingent workforce be managed—will policies need to be the same?
- + Do Global Mobility and HR systems deliver connected data?

Post-assignment

- + What post-assignment outcomes evaluation is undertaken and by whom?
- + How does the organisation enable the re-integration of repatriated employees?

TRANSFORM

04



A window of opportunity for Global Mobility

Business leaders' expectations of Global Mobility professionals are definitely changing. We see from the survey data that they expect a more strategic contribution in addition to 'business as usual' compliance and assignment management.

Challenges to achieving this are the pressures of new compliance obligations such as GDPR, and sometimes a nationalistic approach from their government's agencies focusing more closely on tracking internationally mobile employees (especially short-term business travellers). AI and technology are also disrupting traditional organisation structures and operating processes.

AI offers organisations the opportunity to re-engineer supply-chains and deconstruct traditional fixed overhead cost working methods, enable more agility and benefit from increased competitiveness and strengthen financial business contributions. Global Mobility functions will be incorporated into these reviews as organisations seek to reduce their general and administrative (G&A) expenses.

The key thing to consider in this section is how can Global Mobility professionals pro-actively engage differently with their HR peers and executive management? There is great feedback on alignment between business leaders and Global Mobility professionals, and yet there is a gap in reality and future expectations of how and where they spend their time. Consistent with The Global Mobility Survey 2017, data analytics and commercial awareness of total programme costs, cost versus forecast tracking, are significant areas of opportunity.

Structural and technological change go hand-in-hand with behavioural change. This requires a shift in mind-set and a commercial approach based on facts, data and analytics, that will motivate leaders to re-assess the business contribution from Global Mobility professionals.



Business Transformation and AI

Business transformation in many industries is moving with unprecedented pace, due to the continuing impact of digitalisation and automation of many traditional roles, for example in the manufacturing sector and in white collar professional services. There are varying predictions of how many existing jobs will be replaced by AI, some suggest up to 50% of jobs (Jeff Weiner, LinkedIn CEO, shared his views in late 2017 on the most important trends impacting the global workforce).

Global Mobility Transformation

Volatility and uncertainty are also impacting the patterns of how organisations execute business strategies, exacerbated by the wave of geopolitical nationalism seen in many parts of the world. We also see many recent examples in social media of an over-whelming intolerance of business and personal improprieties. Corporate integrity has never been more important, as it can have fundamental influence over stock value, commercial contracts, public avoidance of the company's products and services. Risk and compliance are critical areas for Global Mobility professionals—however, they are not levers for growth. Business leaders in the survey have yet again highlighted their desire for their Global Mobility teams to be their partner on talent, advisory and risk management. This is key as the focus shifts to expanding, attracting and retaining new talent for the new roles that organisations are introducing, for example in technology and digital. Again this year, the response to where mobility professionals are spending their time, compared to where they would like to spend their time reflects the gap between the practicalities of resources available and a recognition of the transformation required to remain valuable and sustainable as a corporate function.

Identifying the need for change and taking action

We have an interesting paradox; Global Mobility recognise that their roles will transform over the next 36 months but there appears to be either a reluctance to look at broader resourcing options given the potential uncertainties that infers or there is lack of visibility of options available. Business leaders on the other hand, highlight the areas of opportunity for Global Mobility to undertake their transformation journey.

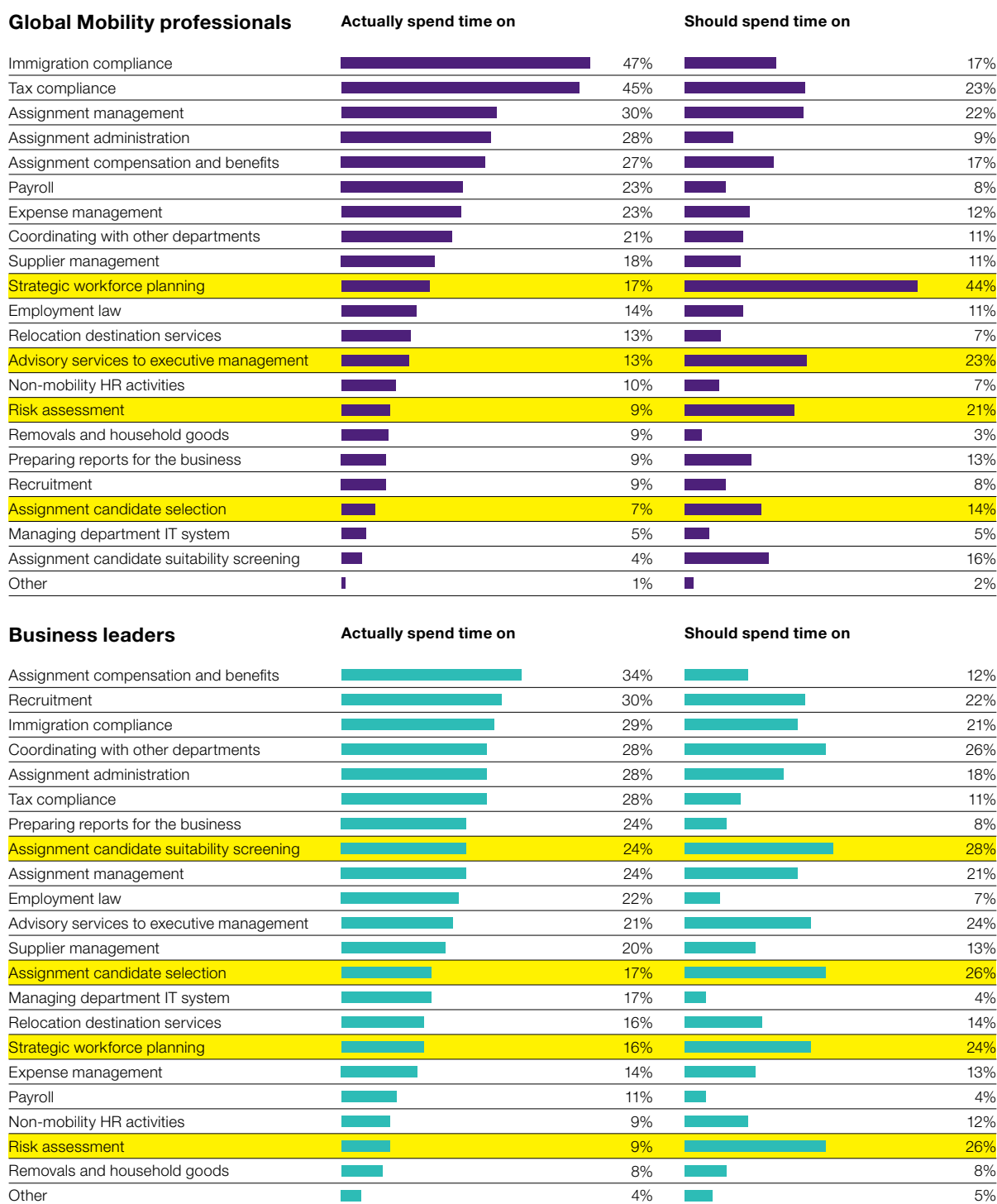
Business leaders appear to be adopting a more objective commercial assessment of how to enable the transformation of the Global Mobility function. In **Fig. 18** business leaders recognise the business improvement and cost saving opportunities through interventions including consolidation of supply-chain, more reliance on external and contingent resources to support the Global Mobility function.

Over the next three years Global Mobility professionals (and this could equally apply to other corporate functions too) will undoubtedly experience significant role change either self-initiated or driven by broader organisational reviews. Global Mobility professionals therefore, have a window opportunity to really enhance the value contribution and focus in the way they operate and interact with their leadership and other departments.

Taking a pro-active role in influencing the change journey seems to be an optimal course of action.

Riding the wave of change is likely to be more enjoyable too!

Fig. 17: What activities Global Mobility professionals currently spend their time on versus what they should spend their time on—a comparison between the views of Global Mobility professionals and business leaders



Global Mobility professionals

Business leaders

Significant areas of opportunity for Global Mobility teams

Key takeaway: Contrasting results. Business leaders and Global Mobility professionals want to focus on talent, advisory support and risk management. The reality, consistent with our previous survey results, highlights that Global Mobility functions are more firmly focused on important compliance and assignment management activities which address ‘hygiene’ dimensions of internationally mobile employee programmes. As compliance becomes more burdensome, assignment types and policies require innovation and agile management, how will Global Mobility professionals adapt?

Industry focus

Retail are spending the most current time on strategic workforce planning (36%), and looking to the future, these Global Mobility professionals operating in retail want to spend more time on strategic workforce planning, above that of any other industry (60%). In contrast, it is the utilities and energy industry who are spending the least amount of time on strategic workforce planning (11%).

Global Mobility professionals operating in construction spend 19% of their time on strategic workforce planning in contrast to the 64% on immigration compliance, and 57% on tax compliance. There is a paradox here for the construction industry as 36% of Global Mobility professionals operating in construction say that the importance of international assignments in creating leaders and managers is critical (leader). If that is the case, the opportunity is to identify ways to be more engaged on the talent agenda.

However, 20% of Global Mobility professionals operating in technology and communications say undertaking international assignments is not that important in the development of our future leaders and managers.


















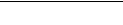
Compliance in immigration and tax top the list from the Global Mobility professionals' perspective, but it's clear that business leaders significantly underestimate the amount of time needed. They recognise time is spent on immigration, but still underestimate it, and underestimate even more how much time tax takes up. This is clearly a challenge back to Global Mobility as to whether there are other ways to deliver these services that aren't so time-heavy for the Global Mobility function, and to review whether there are other designs of compensation accumulation or expense management processes that might usefully free up their time.

Administration and management of the mobility programme are the next highest time consumers, although, again, it is not clear that business leadership understand just how time-intensive managing relocation really is.



















Longer term, it is clear that both sides want Global Mobility to be more involved in the higher value-added services that contribute to the organisation's global talent management agenda. Integration of Global Mobility and talent management has been on the agenda of the best companies for more than five years now, and the best companies are seeing the value of using the skills of their Global Mobility professionals in assessing candidate suitability and the candidate selection process.

Fig. 18: Which of the following interventions and trends do you expect to have a significant impact on your Global Mobility function over the next 36 months?

Global Mobility professionals

Increasing compliance burden		46%
Transformation of Global Mobility roles and responsibilities		34%
Post-assignment retention of internationally mobile employees		28%
Increasing geopolitical risks		26%
Global Mobility fragmented into talent, shared services & compliance		24%
More cultural diversity		24%
More gender diversity		21%
Internal centralisation of the Global Mobility function		21%
Consolidation of Global Mobility suppliers		16%
Increased use of AI to enhance 'employee experience'		15%
Increased reliance on external supply-chain (non-compensation)		11%
Internal de-centralisation of the Global Mobility function		11%
Supply-chain disruptors with non-traditional, digital solutions		10%
Increasing use of freelancers		9%
Increased reliance on external supply-chain (including compensation)		8%
Decreased reliance on external supply-chain (non-compensation)		4%
Decreased reliance on external supply-chain (including compensation)		4%
None of the above		11%

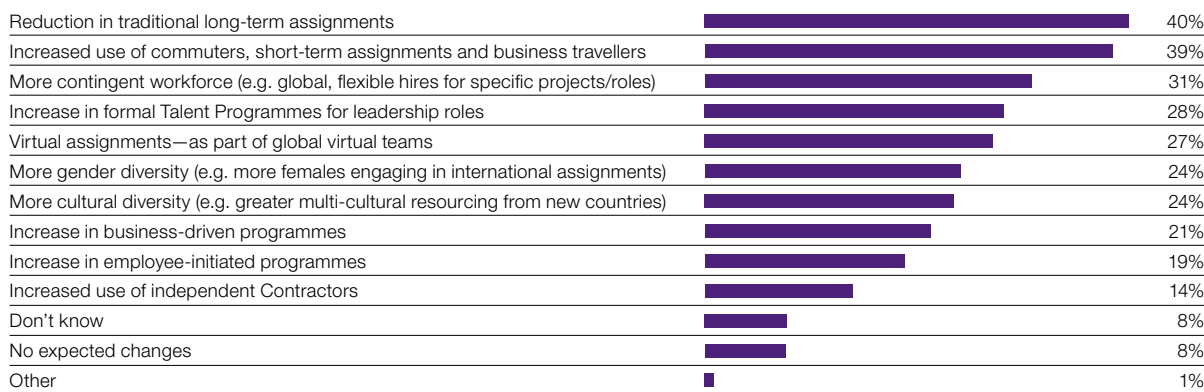
Business leaders

Increasing geopolitical risks		39%
Increasing compliance burden		38%
More cultural diversity		30%
Post-assignment retention of internationally mobile employees		26%
Consolidation of Global Mobility suppliers		26%
Increased use of AI to enhance 'employee experience'		26%
Increased reliance on external supply-chain (including compensation)		25%
Transformation of Global Mobility roles and responsibilities		24%
More gender diversity		22%
Increasing use of freelancers		20%
Global Mobility fragmented into talent, shared services & compliance		18%
Supply-chain disruptors with non-traditional, digital solutions		18%
Increased reliance on external supply-chain (non-compensation)		16%
Decreased reliance on external supply-chain (non-compensation)		13%
Internal centralisation of the Global Mobility function		12%
Internal de-centralisation of the Global Mobility function		11%
Decreased reliance on external supply-chain (including compensation)		9%
None of the above		5%

Key takeaway: Both Global Mobility professionals and business leaders see the increasing compliance as a trend that will significantly impact Global Mobility over the next three years. However, business leaders differ by citing an increase in geopolitical risk as their most significant trend. Whereas, Global Mobility teams see transforming roles and responsibilities, post-assignment retention and the fragmentation of talent, shared services and compliance, as key trends that are set to impact them.

At one level, this continuing trend could see a fragmentation of the traditional roles in Global Mobility, with transactional parts continuing to be outsourced, to free up the specialists' time to align more closely to the strategic aspects of talent management, and to focus on risk.

Fig. 19: What changes do Global Mobility professionals expect amongst internationally mobile workforces over the next five years?



Key takeaway: Global Mobility professionals predict continued policy segmentation and use of a range of assignments that reflect the changing approach to how organisations resource their international talent and business needs. Whilst a reduction in long-term assignments is forecast, they are likely to be used more discerningly. For example, as organisations move into new territories, long-term assignments will still be required to embed the organisation's culture, systems and governance to ensure effective harmonisation between global business operations and the local nuances in the host location.

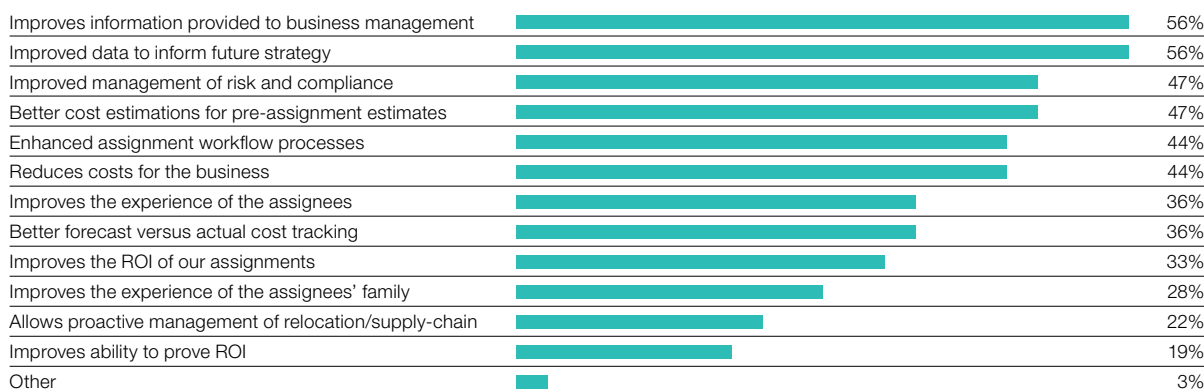
If the timeline is stretched to five years, and we look beyond the Global Mobility function to the mobile workforce, the changing nature of the assignee population will inevitably mean a shift in the role. Increasingly, more companies hire employees on a flexible basis, and when independent contractors are working on a project that requires an international move, their situation demands a very different type of mobility arrangement, which many companies are only now starting to come to terms with.

Greater diversity in the mobility programme has up until now primarily been focussed on broadening the pool for candidate selection in sending locations, to ensure minority representation. As companies have matured, their assignment populations, and citizens of a broader range of home countries have reached the seniority to be considered for certain roles, a natural diversity in assignees will occur. Traditional measures of what constitutes 'diverse' will require active consideration, to look at both a home and host perspective. Everyone belongs to a minority when you send them far enough from home, but that requires companies to think in much more detail about their definitions when selecting candidates.

Transformation and technology are often considered as two sides of the same coin. All good transformations will require imaginative use of technology, but a technology purchase in isolation without an underlying thought of what transformation possibilities it presents is a missed opportunity.

When done well, new technology can provide information and data to senior leadership.

Fig. 20: Business leaders' views of investment in new technology

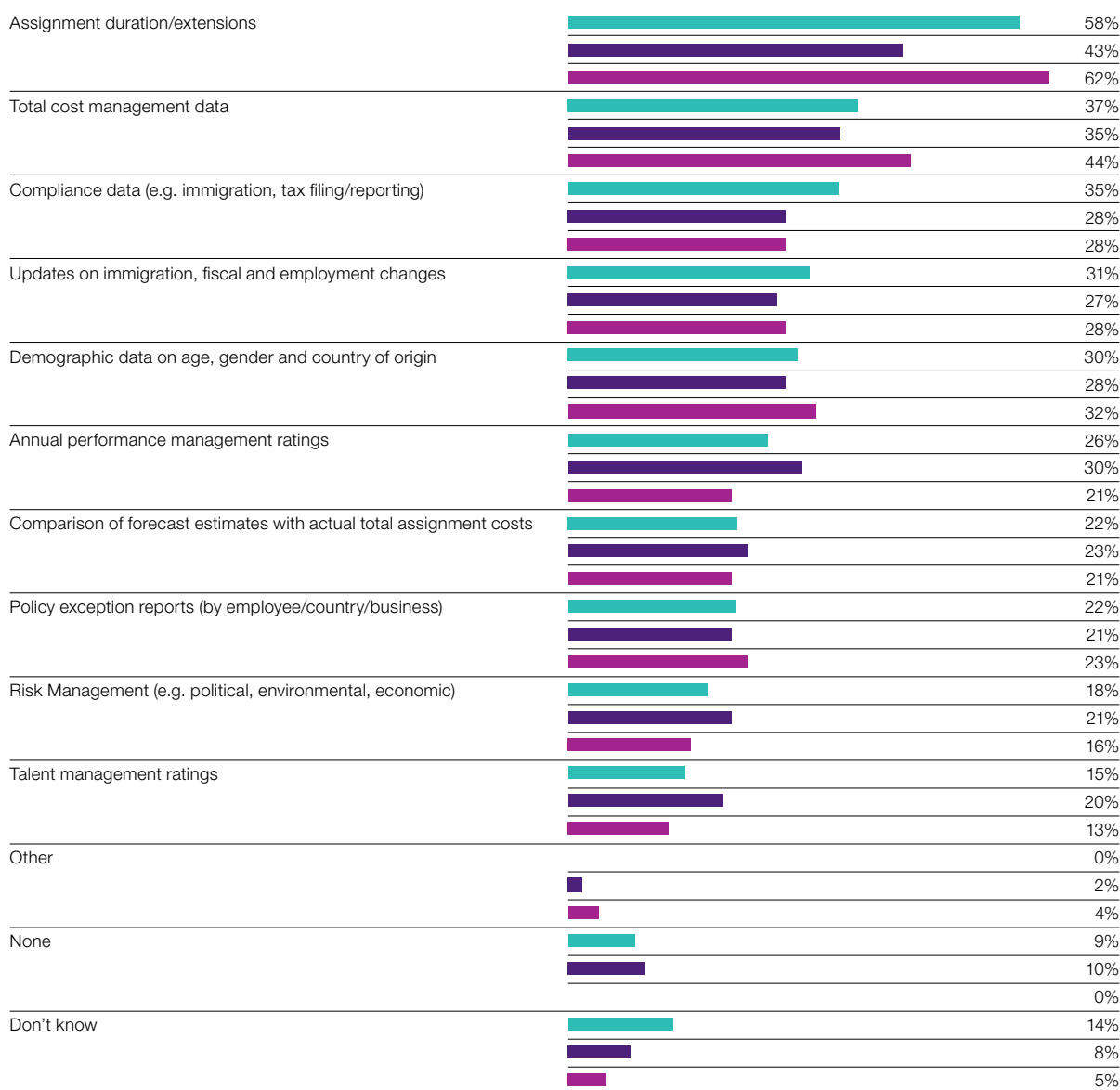


Key takeaway: Business leaders clearly see the benefits of adopting and harnessing new technology. Over half cite improvements in information, and data to inform future strategy as a benefit linked to investing in new technologies.

Data being provided is still of a factual nature, and there remains work to be done in using it for more than just providing information, and instead using it to help manage strategic factors such as talent or risk management. Much of the benefit seen by Global Mobility professionals is still in the transactional space, with better information, more accurate cost projections, and enhanced workflow processes topping the list.

We have undertaken a three year analysis (2016-2018) of data provided, to identify if there has been a significant shift in the emphasis on reporting by Global Mobility teams.

Fig. 21: What data do Global Mobility teams provide to the wider business (three year analysis)?

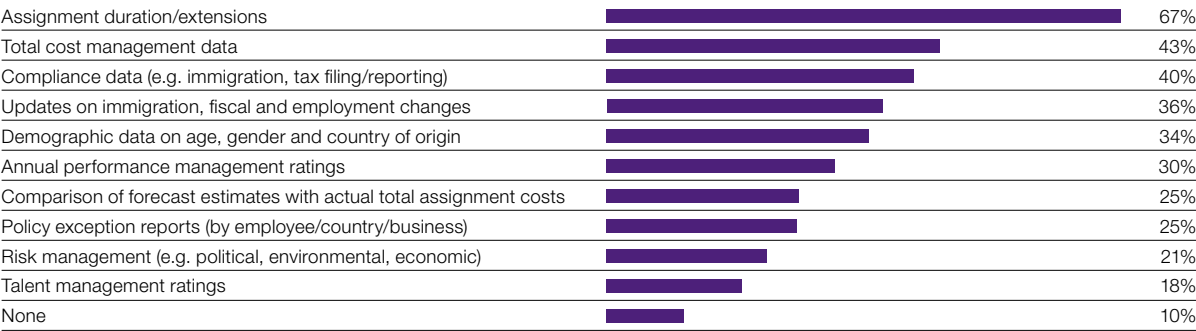


Note: We have included 'Don't know' responses on this chart to ensure full comparability from 2016 to 2018

■ 2018
■ 2017
■ 2016

Key takeaway: Over the last three years we can see a notable shift in the provision of data. In 2018, compliance data provision has increased, as has updates on immigration, fiscal and employment changes. Assignment duration and extensions has increased since 2017, but still lags behind the 62% high of 2016. Talent management ratings, risk management, and performance data have all decreased since 2017.

Fig. 22: Data currently provided by Global Mobility professionals to wider business regarding international assignments

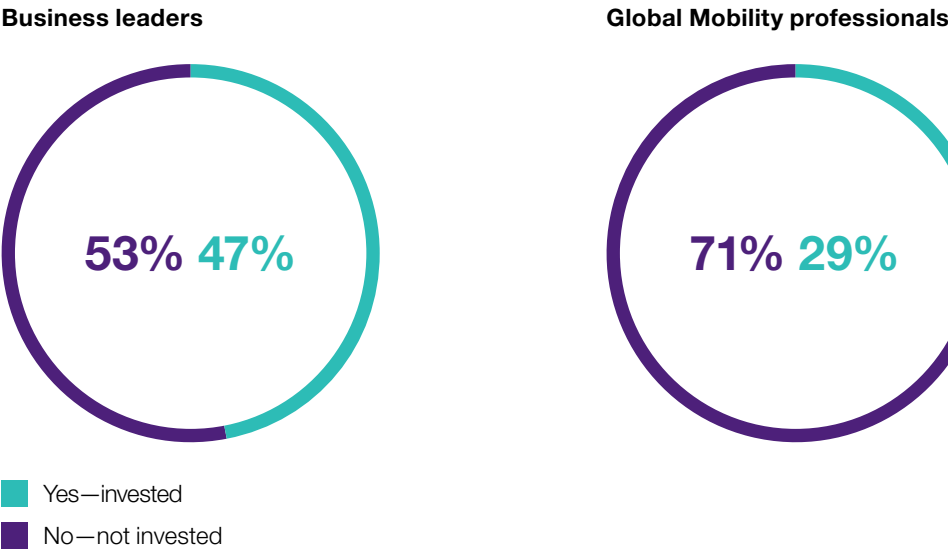


Note: We have included 'Don't know' responses on this chart to ensure full comparability from 2016 to 2018

Key takeaway: The majority of data supplied by Global Mobility professionals concerns assignment duration/extensions and total cost management. Compliance data and updates on immigration, fiscal and employment also make up a significant proportion of data provision.

47% of business leaders believe their company has invested in Global Mobility technology in the last three years, although interestingly only 29% of Global Mobility teams have seen any investment in the past 18 months. Indicatively, this would suggest that reviewing investment in technology should be a key action point, since business leaders are likely to believe that their general HR systems would include a Global Mobility module or that investment had been made previously.

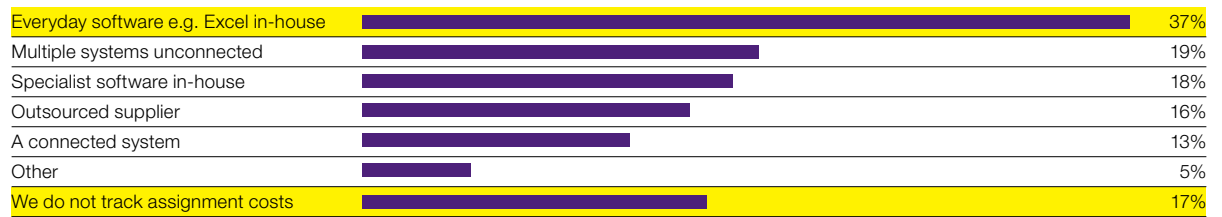
Fig. 23: Investment in technology—perspective of both business leaders and Global Mobility professionals



Key takeaway: Technology, is widely recognised as a key ‘game changer’ and disruptor in many industries and emerging markets. It is also the key for future effectiveness in managing increasingly complex Global Mobility programmes. It is evident that Global Mobility professionals appear to be missing out on an opportunity to transform how they manage their Global Mobility programmes. The cost of investing in technology could be a barrier. There are other options available as highlighted in **Fig. 24**.

There also appears to be a disconnect between the investment into the technologies, and whether this is being used to its full functionality. Systems do not always deliver on the promise that comes with them, and in part that may be because the time required to configure and use them to their maximum functionality is too high.

Fig. 24: How do you currently track costs during an assignment?



Significant areas of opportunity for Global Mobility teams

Key takeaway: Almost 40% of Global Mobility professionals are using everyday software such as Microsoft Excel. Investment costs in technology are likely to be significant—what investments are being planned in your organisation? 17% report that they do not track assignment costs—an opportunity to demonstrate commercial value and engage with business leaders?

REFLECTION

Despite being potentially the most useful, aspects such as proactive management of the supply chain, an improvement to the assignee or family experience, proving or improving return on investment were all ranked lower on the list of potential returns arising from implementing technology.

As the people agenda evolves over the next few years with discussions about the future of work, along with initiatives to enhance the employee experience, mobility will evolve to support the initiatives that the business demands of it. At the moment, the strategic aspects of talent management are front and centre in that. In the future, as globalisation evolves into its next wave, mobility will evolve to support that, and the assignee experience will become an important and integral part of the employee experience.





REACTIONS

Andrea Piacentini

This survey makes an interesting and optimistic statement: ‘The predicted upheaval of the Global Mobility function may finally allow specialist teams to dedicate more time to strategic workforce planning and Talent Management.’

So where have I heard that before? That’s right circa 20 years ago when we first embraced Ulrich and his HR transformation model. And whilst it was true to a point there were also many losers in this process—typically those mobility roles that overly focussed on administration or tactical transactional work. Those roles were either out-sourced or done away with completely through self-service. And the same will happen again in the next evolution of the mobility HR model. Except this time—it will be different—and it will be different because companies are focussing on employee experience rather than race to the bottom cost management. With employee experience front and centre of why we exist and what we are here to deliver, it becomes less about cost and more about simple interactions with a focus on making life as easy as possible for assignees. One evolution we might see in the HR model though is that the generalist will add Global Mobility to their range of skills resulting in the need for specialist mobility levels to disappear—at least at the lower end of the skill base—watch out!

Betsy Welch

The global trends apply as well to the Americas region, in which Global Mobility functions have been and will continue to transform. Getting ahead of the curve requires a proactive effort by Global Mobility and HR professionals to demonstrate the value of internal knowledge and expertise around employee mobility. This includes engaging experts within their mobility supply chain, seeking education and learning for themselves, identifying how data can be shared in more meaningful ways and proactively with internal stakeholders (data, risk, tax, talent, etc.) Influence and relationship management also need to be part of a Global Mobility professional’s role to ensure internal visibility and alignment. The future, in part, can be driven by Global Mobility and HR if they actively engage and step up to help set the framework!

Professor B. Sebastian Reiche

It is certain that big data and data analytics will continue to transform the Global Mobility function. It is less clear however what this means for the distribution of resources and development of data-related capabilities. Does Global Mobility need their own analytics team or should a company rather invest in and build an over-arching business analytics function that can solve problems for different corporate functions? I foresee the latter trend which means Global Mobility professionals may not need data analytics capabilities themselves, but have the ability to (1) translate their needs to this function and (2) interpret and act on solutions provided to them.

Winnie Low

To thrive in a volatile environment and expand their global footprint, companies need to develop a Global Mobility strategy that enables them to effectively develop, deploy and retain their mobile workforce. To deal with a change that is fast and furious, companies have centralised their Global Mobility programmes and in certain cases out-source operations.

Global Mobility programmes have become more streamlined and standardised, with stricter governance and focus on compliance. At the same time, focus has also shifted towards enhancing the employee experience.

There has been increased understanding and collaboration between mobility and talent management, but at the same time, the shift towards more short-term assignments and fewer long-term developmental assignments has meant that, proportionately, mobility is involved in fewer cases where they need to be involved in career management, moving them in the opposite direction to where they want to be going.

Transformations that involve a significant change to the mobility policy can also complicate. A ‘local-to-local’ policy takes a percentage of the population off the radar screen of mobility, making delivery of robust, seamless relocation and mobility services based on policies which ultimately achieve the company’s goals, much more challenging.

CHECKLIST

Applying the re-set Button?

- + If you had a blank sheet of paper, how would you re-design your Global Mobility programme?
Roles, structure, policies and use of technology and data?
- + How would you rate your Global Mobility function as being commercial on a scale of one to 10?
- + How would you define your Global Mobility team as being commercial?
- + Have Global Mobility tested it with the business leadership to establish common understanding and prioritised goals?
- + Looking at the data analytics in **Fig. 22** how do you compare?
- + What key metrics do the business and executive HR receive today?
Are these historical reporting or future forecasting analytics?

Change Readiness Assessment

- + What behavioural change needs to be considered by all key stakeholders to enable and sponsor future changes to Global Mobility's roles and focus over the next five years?
- + Engage Executive leadership, HR and Business functions, on their views of the highlight the key findings from the survey.
- + What initiatives are already underway or planned to transform the wider HR function or other central functions (such as finance) to assess the potential impact on Global Mobility's structure and roles?
- + What reskilling, if any, would be required if Global Mobility's role was more focused on talent, advisory and risk—in a more strategic, less operational capacity?
- + How could technology transform Global Mobility's role in your organisation (short-term over the next year and medium-term over the next three to five years)?
- + What are the resourcing and governance implications of being advised that Global Mobility would be held accountable for managing short-term business travellers?

All Change, incremental change or no change?

- + Establish a work-plan to review the recommended steps above. This will provide insights into what actions and interventions need to be undertaken over the next 12 months.



Future trends in Global Mobility

The 1985 science-fiction movie ‘Back to the Future’ featured many concepts which seemed beyond the realms of reality at the time.

We now have hover boards, self-tying shoes, smart home devices, augmented reality, companion robots, AI (in everything), health sensors, smarter cars, facial recognition, smart cities, 3D printers and the list goes on.

Traditional industries are transforming. For example the automotive industry is exploring and utilising new fuel sources and trial driverless vehicles, with more software than NASA used to send man to the moon in 1969. Cars contain up to 50 separate computers controlling the in-car touch screen display, the ABS anti-locking brakes, the air bags, the air conditioning and even the locks. That excludes any back seat entertainment systems or satellite navigation systems.

Back to the future of Global Mobility

From the survey, one fifth of an organisation’s total workforce are engaged in some form of internationally mobile work activity. In the future, organisations will still utilise a whole array of assignment types to achieve organisational objectives, including long-term assignments. Changing a host country organisation’s culture can be facilitated through virtual working and assignments but there is no substitute for being connected in person, to engage with customers, and a country or regional workforce.

Assignment conditions are changing—increasingly a shift towards a series of permanent international relocations, which is reflected in the survey. As generational, gender and cultural diversity continues to change over the next five to ten years, so will prior generation of ‘Baby Boomers’ expectations to be anchored to a home country. The decisions that policy makers will need to consider are factors such as long-term retirement provisions and how much intervention should the organisation have in an employee’s capital decisions around buying and selling homes? Of course, future generations of internationally mobile employees may not have the same expectations and thus policies need to have sufficient flexibility to attract, engage and retain key talent.

We predict data analytics will continue to be the daily life-blood of organisations. Global Mobility professionals will use these as everyday tools rather than a periodical reporting obligation. ROI will no longer be a theoretical analysis but a more sophisticated business investment review in key resource and talent.



New is Now

Global Mobility's alignment with wider business objectives is on a positive trajectory in 2018, with criticality increasing, and perceived return on investment by business leaders in a strong position. However, what this highlights is the effectiveness in supporting today's business requirements rather than desired contribution by business leaders in the future, as we explored in **TRANSFORM** (section 04). In the same way that an external hire can sometimes elicit more acceptance of change within the organisation than the internal promotion of an existing employee, known for their current rather than potential contribution, Global Mobility teams may also face the same hurdles. It will clearly be easier to demonstrate value and have their story listened to if it can be backed up with solid evidence-based metrics.

An HR Director at a Santa Fe Relocation seminar recently said "If I tell my story to the board and can back it up with robust commercial and people data, I will be listened to. If I only tell my story without any hard facts and data, they move on and my opportunity is lost".

An international mobile workforce is even more critical in reaching strategic goals

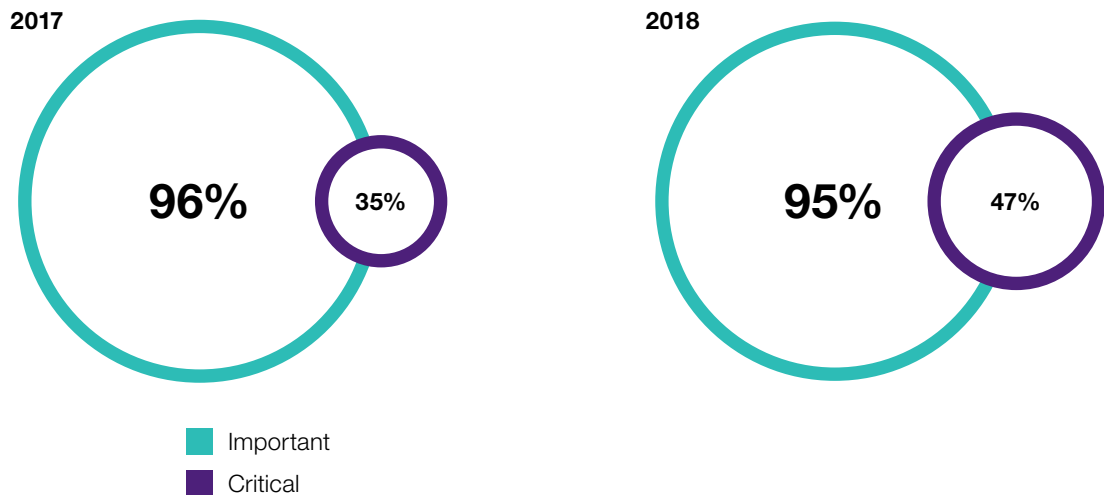
The last two years have seen a shift in the way the global economy works, with increasing levels of challenge to the concept of globalisation. Whilst the last survey may have been influenced by the thoughts of what might happen, the survey starts to reflect some shifts which may be the start of a new wave of global thinking, rather than any prospect of a return to normality—whatever that may be now.

Organisations continue to invest in their global workforce, and in their internationally mobile employees as a subset of that. There continues to be a debate about how much of the extra cost of sending an employee on assignment is truly an investment, and how much is just an incremental cost.

The survey continues to show that internationally mobile workforces remain key to businesses being able to meet their strategic objectives.

This year though has seen a divergence between Global Mobility professionals and business leaders, as the business leader perception of criticality is now ahead of the Global Mobility professional.

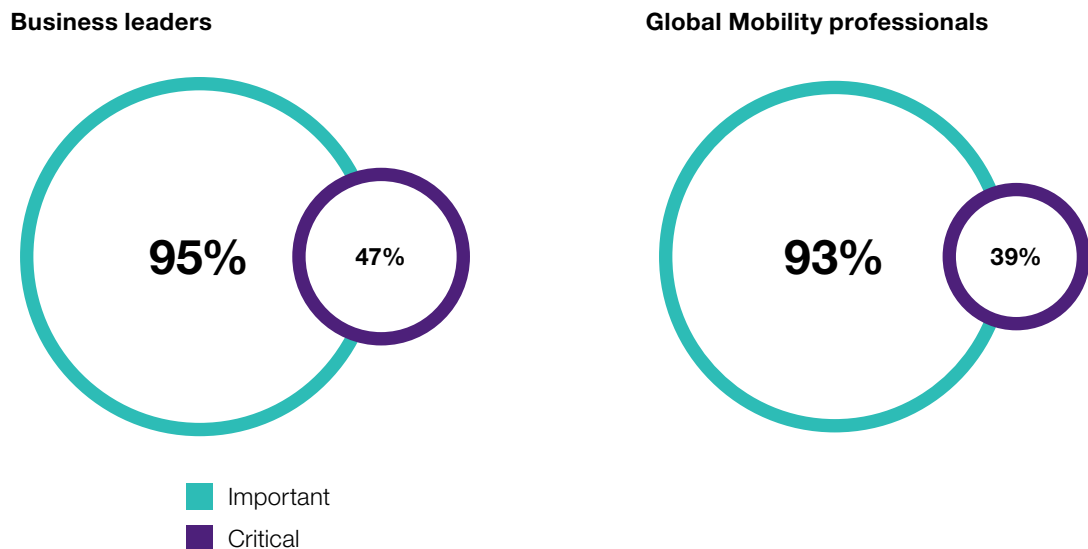
Fig. 25: How important to business leaders is an internationally mobile workforce to a business in being able to meet its strategic objectives?



Key takeaway: The international workforce has significantly increased visibility of criticality at business leader level since 2017. This illustrates how internationally mobile workforces are supporting the wider business.

This year has highlighted a notable increase in the criticality as perceived by business leaders—with those stating mobile workforces as ‘critical’ rising from 35% in 2017 to 47% in 2018. This marked growth illustrates how internationally mobile workforces are supporting wider business strategy, and in turn demonstrating their value to senior leadership teams.

Fig. 26: How important is an internationally mobile workforce to a business being able to meet its strategic objectives? Comparison of business leaders to Global Mobility professionals

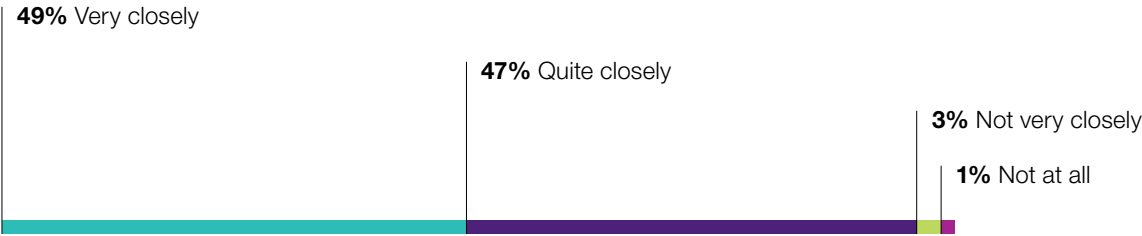


Key takeaway: More business leaders see an international mobile workforce as critical than Global Mobility professionals.

Positive alignment of Global Mobility teams with wider business and strong return on investment

It is very positive to see **Fig. 27** that almost all business leaders we surveyed stated that their Global Mobility team is aligned with their overall business objectives (96%). However, less than half said that their Global Mobility team was 'very closely aligned' (49%). While the overall picture is clearly positive, more needs to be done to strengthen collaboration and communication across teams between Global Mobility leaders and the wider business. Shifting some of the 47% who are 'Quite closely aligned' up to 'Very closely aligned' will help increase engagement between Global Mobility and the business.

Fig. 27: How aligned is your Global Mobility team with your overall business objectives?

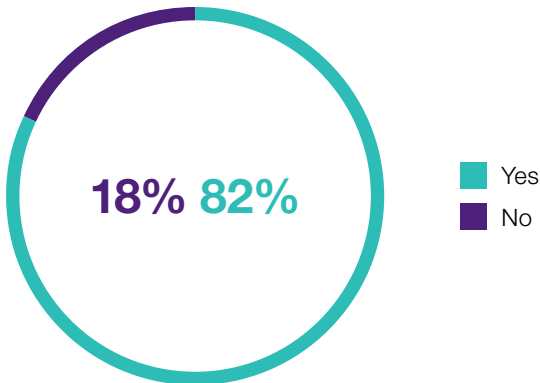


Key takeaway: Business leaders have a positive view of the alignment between themselves and Global Mobility. However, this could also infer that Global Mobility focuses on tactical delivery. Whilst business leaders perceive that Global Mobility professionals are focusing on strategy, this clearly does not manifest in how Global Mobility actually view themselves as spending their time on compliance and administration.

Return on investment in the Global Mobility function

The majority of business leaders say that their Global Mobility team is achieving a good return on the investment made in the Global Mobility function (82%). Having a strong Global Mobility function is a cost to the business, as most mobility departments are not revenue generating (other than through internal recharges). However, this is perceived of as a necessary investment that generates positive value.

Fig. 28: Business leaders' view on whether or not the Global Mobility team currently achieves a good return on their investment from the work they do?



Key takeaway: Evident from the result, business leaders receive value from their investment in Global Mobility teams.

Impact on career development and progression

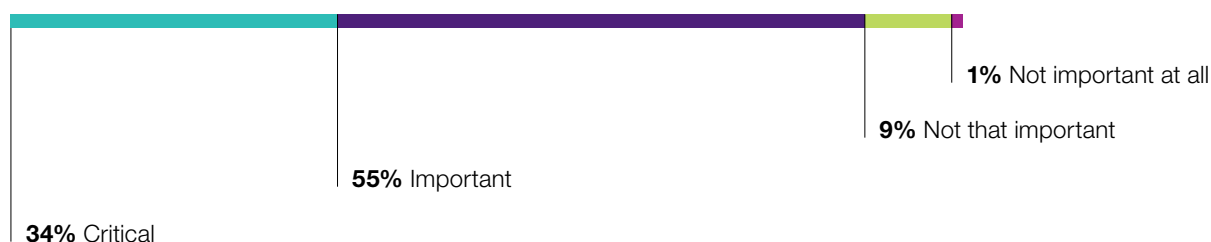
Almost 90% of business leaders perceive international assignments as either important (55%) or critical (34%) in the development of successful business leaders and managers within their organisations. Similarly, the majority of Global Mobility professionals see international assignments as either important (64%) or critical (24%) in order to become a successful leader or manager.

Fig. 29: How important is it for high-potential talent to undertake an international assignment to be successful in your organisation?

Global Mobility professionals



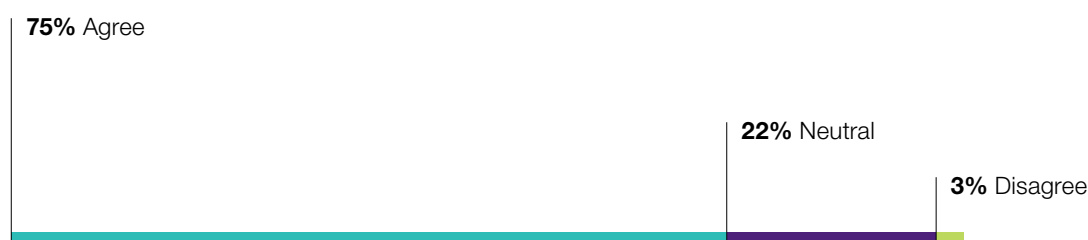
Business leaders



Key takeaway: It is critical that business leaders and Global Mobility professionals, mutually recognise the important link between international assignments and career progression. Particularly for organisations working across international borders. This in turn will facilitate the nurturing and talent retention of an internationally mobile workforce.

And this is not just in theory; three quarters (75%) of Global Mobility professionals say that employees who have undertaken international assignments achieve greater career progression than those who remain in their home organisation or headquarters. This clearly demonstrates how important the Global Mobility function is to ensuring talent is nurtured and retained.

Fig. 30: Do employees with international assignment experience achieve greater career progression?



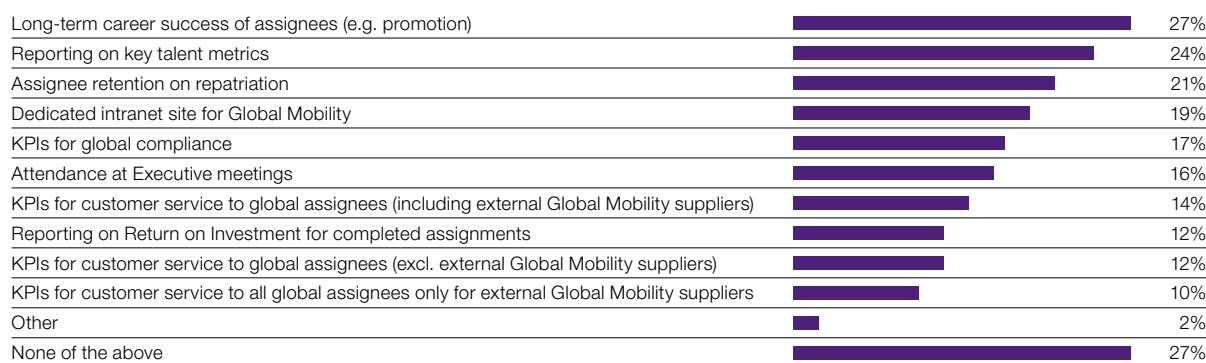
Key takeaway: Greater career progression is identified by Global Mobility professionals as being an advantage for employees from accepting an international assignment.

Demonstrating value of the Global Mobility programme to the wider business

Despite Global Mobility teams being largely aligned to the wider business and providing a strong return on the investment made into their teams, those teams need to improve how they demonstrate value of the programme that they manage to their senior leadership.

Notably, whilst Global Mobility teams are most commonly utilising metrics such as assignees' long-term career success, key talent metrics and assignee retention and repatriation to illustrate their value, there is still more than one in four who do not provide any evidence when it comes to assessing the value to the business, whether in the form of a quantitative return on investment number or other more qualitative measures.

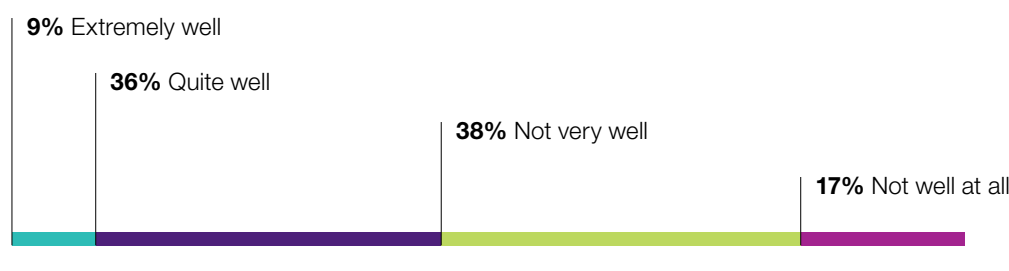
Fig. 31: Which of these measures do your Global Mobility team use to demonstrate value to the wider business?



Key takeaway: There is an array of methods employed by Global Mobility professionals to demonstrate the value that it adds to an organisation. It is notable that a sizable minority (29%) have an opportunity to increase their reporting metrics.

Moving from the type of measures provided to the quality of the information given, there are evidently issues with current tracking methods as over half (55%) of surveyed Global Mobility professionals stated that they are not effectively providing their businesses with hard and soft metrics to assess ROI on assignments.

Fig. 32: How well do Global Mobility teams provide business management with hard and soft metrics to assess ROI on assignments?

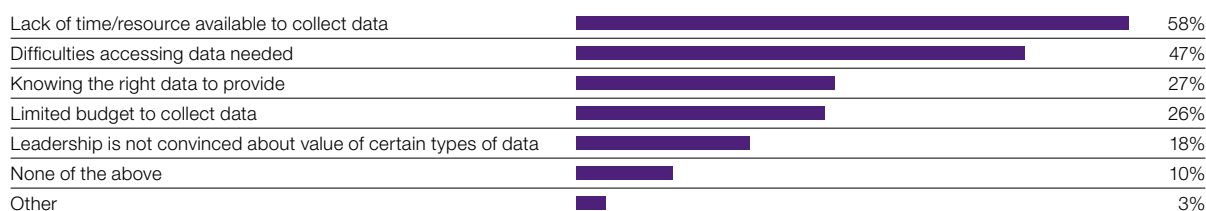


Key takeaway: Through enhanced data tracking, analytics and management, there is an opportunity to provide an improved assessment of ROI.

Deficiencies in tracking costs

It is clear that the current metrics and tracking methods used are not adequate to enable Global Mobility professionals to demonstrate the elusive ROI. The survey highlighted several areas that prevent their teams from providing meaningful data to the wider business. Over half of respondents (58%) say a lack of time and resource impedes their ability to provide data, while almost half of respondents cite difficulties in accessing data (47%).

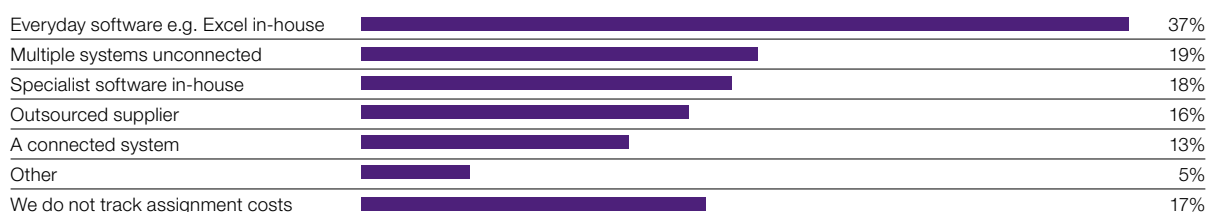
Fig. 33: What prevents your team from providing data to the business?



Key takeaway: The challenge for Global Mobility professionals, has a direct link to the time pressures highlighted in where they currently focus their time. This is largely compliance, assignment compensation, payroll and administration. The other challenge is that structurally, if there are governance challenges on the process to centrally store data, there may be a lack of centrally held data on which to report. This is why a broader review is required and not a sole focus on technology.

A possible contributor to this problem is systems; almost 40% of Global Mobility teams track costs with everyday software such as Excel—only 13% use a connected system and 17% do not track costs at all. It does however require a broader review of how data is managed, in order to ensure all stakeholders owning data are mapped. While this may be time-consuming, it is essential to be able to enhance the value delivered by Global Mobility teams.

Fig. 34: How do you currently track costs during an assignment?



Key takeaway: The most interesting statistic is that 17% of respondents do not track assignment costs. While there may be another function that is responsible for this or that cost is not an organisational issue, it does highlight the importance of commercial management of Global Mobility programmes.

As a result, two in five Global Mobility professionals admit they are not effectively tracking costs, which impacts their ability to demonstrate value to the wider business.

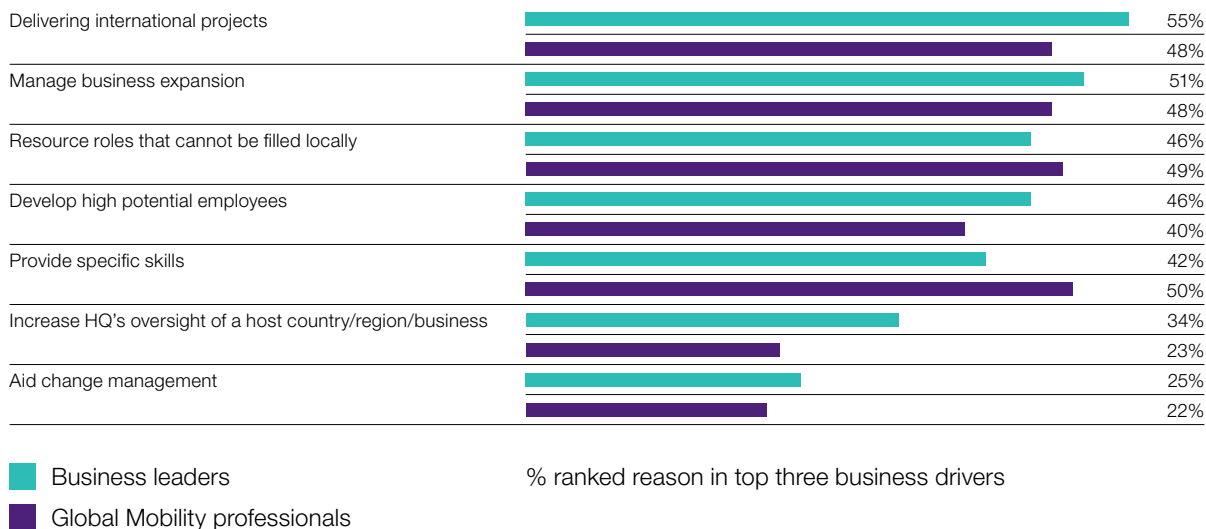
Business leaders highlighted cost-tracking silos as a key inhibitor to effective visibility of costs. One business leader stated that 'costs are not visible at all, Global Mobility costs are hidden in HR costs'; another leader stated that 'Not all of the costs are collected in one place. Some teams and departments prefer it that way—but this needs to be elevated further'.

Some business leaders suggested that real-time or daily monitoring of costs, taking advantage of automation and new technologies could improve visibility. One leader explained how his/her organisation is already benefiting from the use of technology: by garnering 'high visibility through electronic monitoring'. Measuring is the first step to understanding and controlling the costs, but also towards demonstrating value.

Business expectations are changing

While currently the Global Mobility function is fairly well aligned with wider business objectives, Global Mobility teams still need to stay agile as business expectations are changing rapidly. Teams are undergoing a diversification of assignment business aims—away from managing business expansion, and towards a focus on delivering projects, developing high potential employees and increasing headquarter's oversight of a particular host country, region or business.

Fig. 35: Key Business drivers for international assignments amongst business leaders



Key takeaway: Key business driver alignment between business leaders and Global Mobility professionals reflects 2017 trends. Two changes worth of note: 1. Delivering international projects reflects a higher priority for business leaders and are likely to be using short-term internationally mobile talent. 2. Both business leaders and Global Mobility professionals see the increasing need to invest in developmental assignments.

Due to the changing key business drivers for international deployments, Global Mobility professionals will need to be flexible enough to adapt their skillsets—on-the-job learning, and online interactive courses will become commonplace in an era where employees are required to ‘wear several hats’. This is covered more in **TRANSFORM** (section 04).

Assignments are changing

In **Fig. 36** it is clear that future assignment patterns will continue to reflect the changing nature of organisation growth in the face of industry changes and the apparent governmental focus of many countries, to shift more accountability for compliance onto corporations. This means that Global Mobility teams will need to be adept at maintaining a pro-active role in enabling their business to execute their plans while also managing an increasingly diverse workforce and potentially a contingent workforce who may be deployed for a particular assignment project. Policies will come under pressure to reflect the changing nature of family units, cultural expectations and be more gender friendly to eradicate conscious and unconscious bias. Policies will therefore require more constant review for suitability and effectiveness to avoid moving to a situation where every assignee has their own policy.

Construction industry report 92% male 8% female, followed closely by automotive on 88% male and 12% female. Consumer products currently leads with a ratio 64% male to 36% female assignees.

Anecdotally, from Santa Fe Relocation’s client interactions, the highest ratio of male to female was reported in professional services with 60% male to 40% female. While these ratios could be logically reasoned based on traditional industry profiling, we suggest that the impact of digitalisation and other disruptive influences will add pressure to achieve greater D&I from a much wider talent base.

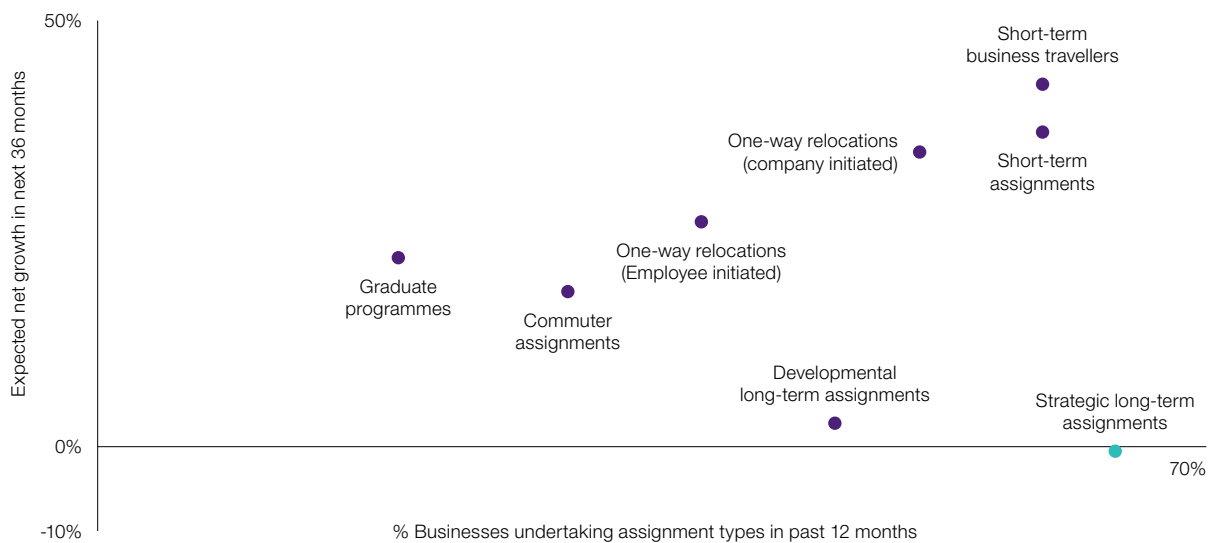
While for many organisations, the desire to drive down the total cost of managing Global Mobility programmes will remain a prime objective, others may not have the same agenda and securing the right talent to transform their operations could also be a key driver.

As new business projects and opportunities (that can explain the continued high volumes of short-term business travellers and short-term assignments) convert into full-scale business operations there will still be the need to resource them with both developmental and strategic long-term personnel. The difference could be the more discerning use of such long-term assignments to ensure the business drivers and incremental costs have more meaning metrics.

We could also foresee organisations moving towards a series of permanent relocations with appropriate assignment/relocation benefits and support to engage/disengage as assignees move their career paths, rather than a series of assignments anchored to a home country base. Clearly, for those whose benefits include pensions and other total reward elements, there will require planning and levels of sophistication to establish HR structures and pay mechanisms that enable that—especially those who already use global market reward frameworks for example in financial services and pharmaceutical/R&D sectors. It also overcomes the current challenge for many companies that deploy their workforce for specific projects and programmes to react to business needs, only to find three years later that without connected talent planning, there is no role for the successful employee back in their home organisation.

This is where Global Mobility professionals will have the opportunity to engage differently with talent, HR business partners and business leaders. Data analytics will be a great asset. Return on investment must move off the bookshelves and into the toolkit of Global Mobility's solutions. Influencing business leaders of the case for change, investment or more due diligence become more compelling if supported by robust data and analytics that underpin return on investment discussions.

Fig. 36: Number of assignments over the last 12 months and expected growth in each internationally mobile workforce type over the next 36 months (replicates Fig. 3).



Key takeaway: Policy alignment with business drivers is clearly reflected in the assignment segmentation. Is this the new Global Mobility model: organisations moving towards talent movement as one global talent pool rather than assignments anchored to headquarters or a home country base?

REFLECTION

Industry sectors will have varying pace of change in the adoption of broader talent profiles embracing cultural and gender diversity. The same sentiments could be directed at the Global Mobility professionals supporting their organisation. An important consideration will be the rate of technological and AI transformation at a macro organisation level and at a micro level with line managers, embracing opportunities to widen their talent search, consider alternative resourcing options to deliver projects, or expansion into new countries.

Equally, Global Mobility professionals have to consider the change journey, if not already started, to align business expectations, which includes engaging with broader stakeholder groups—both within HR and other central functions, for example, Finance. This is to better understand how Global Mobility can provide more input to the commercial agenda. Behaviourally, Global Mobility professionals need to redress the focus from being the technical experts in the room to becoming a specialist partner enabling innovative ideas and solutions, in resourcing international roles, and ensuring due diligence prior to making investment decisions into certain locations.

If a CEO commits to building a plant or facility in a harsh environment, despite rich assignment packages and conditions, there may be a shortage of candidates and acceptances. The project time might slip by months, if not longer. Education and the right information supported by hard data delivered by Global Mobility professionals will justify the need to be involved early in the planning phase versus late when hearing of it in social media.



REACTIONS

Andrea Piacentini

The aspiration in talent management and engaging employees more effectively points to greater flexibility in workplace arrangements as well as an adult-to-adult approach to work life balance as being a key factor. Emerging thinking is seeing organisations moving away from articulating work life balance as an on/off switch but rather empowering employees to choose the hours and when to work to perform their jobs. Mobility should be no different—the holy grail for many will be when an employee can work in one country for a role which might have been historically located in another. Think of that summer spent in the South of France dealing with your colleagues day-to-day in London. That should be possible right? Well not quite. I have observed over the years that whilst company's talk about remote working the reality is different. Being present and physically close remains for many managers essential in terms of managing their workforce, and that is just intra UK. Cross-border working is a further step from that reality with different income tax, social security and payroll requirements making such arrangements tricky to support and therefore less likely to be offered. So what can change things? Within the EU area the mood music is around greater convergence of internal markets and that applies to the movement of labour. I predict greater convergence in income tax rates and social security contributions and benefits making the labour market firstly more efficient and secondly facilitating cross-border and remote working.

Betsy Welch

As noted earlier, the drive for education and learning must be a proactive effort by Global Mobility professionals. Seek out every opportunity to increase knowledge, through traditional and alternative platforms; there is interesting work being done in universities that relates to mobility and great articles being written by non-traditional sources. Know your businesses and understand the commercial aspects; engage with HR and business leaders to understand their needs and then present solutions that mobility can provide to demonstrate your value. Find the data and report it; leverage all your vendors and have them collaborate with you to identify all data venues and how to aggregate and report it. Engage internal stakeholders and ask for their guidance and support; this could be data, risk, talent, business, etc. If your company has an HR data group find out how they are reporting talent data and leverage their knowledge to create effective mobility data that aligns with what leaders are receiving on general employee and recruiting data. As in any career, the future of a Global Mobility professional must be self-driven—seek out the opportunities, apply yourself and demonstrate the important value you bring to your business!

Peggy Smith

We think the skills shortage is challenging now, but we'll see it continue to tighten in the future! However, we'll also have more of a handle on solutions.

Countries and companies—and the employees themselves—will drive innovation in this area, with advanced thinking of the sort we've seen in Estonia. Because the country lacks appeal for a physical move, they have managed to draw talent and skills with work-at-a-distance opportunities through remote visas. We'll need to exercise our 'transformation muscle' regularly to find breakthrough mobility concepts that bring work to people, or people to work. Overall, we'll find that artificial intelligence and predictive analytics are going to revolutionise the precision with which we can staff a position, or a team, or a company. We're advancing on a time when sourcing, hiring and retaining exceptional talent is going to be in remarkably tight alignment with the business needs, improving the experience and the career relevance for the employee, and heightening the success and productivity of the company.

Professor B. Sebastian Reiche

For Global Mobility to demonstrate value to the wider business it is critical to identify intermediate outcomes that affect organisational performance. Think about skill development or the transfer of best practices through Global Mobility, which help expand the talent depth in the organization and ultimately provides greater strategic flexibility for leveraging novel business opportunities. Consider how systematic tracking of assignment cost provides a ground for comparing alternative staffing options, ultimately improving strategic workforce planning.

Selina Jones-May

Future mobility trends will likely include further divergence in mobility policy frameworks (more segmented by industry type and geography), an increase in contingent workforces presenting compliance challenges, and a large impetus around technology solutions. All of these will continue to play out in the context of some considerably challenging and unpredictable external factors e.g. stricter immigration and tax requirements, GDPR. The rise in the proportion of businesses which regard internationally mobile populations as critical to their strategy demonstrates that the demand for the mobility professional skill set is higher than ever within multinational organisations. Creating a symbiotic alignment between mobility and business strategic goals is the next hurdle to overcome. Whilst the technical foundations of a mobility function are a prerequisite for competent service delivery, teams should seek to transform the way they interact with their internal stakeholders in order to achieve the greatest success. For example, learning about the wider strategic goals of the company and designing solutions which dovetail with the broader business objectives. High levels of engagement and collaboration will be crucial, alongside adopting a more commercial, agile style of working. The pressure is now on to revolutionise our functions to remain relevant to the ever-changing world around us.

CHECKLIST

Criticality

- + Are the right assignment types being used to reflect your organisation's current and future globalisation model?
- + We see clearly that assignment types are changing—is this through strategic workforce planning or a reaction from transactional business situations?
- + What role should Global Mobility professionals play in ensuring alignment?

Return on Investment (ROI)

- + Clarity on what type of ROI should be measured from an assignment;
 - **Qualitative:** career progression, additional skills/competencies, culture change (organisation and employee), local talent development, innovation (new products, new markets), reputation (multilayered: government, institutional, trade bodies and social media, corporate and individual consumers, organisational—within the organisation)
 - **Quantitative:** financial (increased revenues, EBITDA, reduction in FTE headcount, redesign of supply-chain, completion of discrete projects both professional services and physical, for example, construction of new factories, installation of pipe-lines, completion of an exploration phase of searching for ore, minerals or natural resources.

Data

- + Review the data analytics being provided to leadership today:
 - What data do leadership receive?
 - How is the data applied?
 - Is the data historic or predictive?
 - Could predictive data provide leadership with information that could influence their future investment decisions on new projects and territories?
 - Is Global Mobility data presented by the Global Mobility team or by another function within HR, for example, an HR business partner or talent partner?

Internationally Mobile Employee Experience

- + How do you define the Assignee or Internationally Mobile Employee experience?
 - How did the enablement process support their relocation: self and accompanying family?
 - What did they learn from being an Assignee or Internationally Mobile Employee?
- + How do you measure this?
- + How can this be leveraged to enhance the Talent attraction process in your organisation?



The Global Mobility Survey 2018 inevitably incorporates consistent themes from prior surveys. Amongst other things, there is still a slow evolution between the types of assignments being employed by organisations, and shifts in the relative amounts of time being spent by Global Mobility teams between core Global Mobility and talent management activities.

The shifting sands of the global economy mean that there are always new challenges that will impact Global Mobility over the next five years, with the current focus on use of technology and its ability to help with data analytics.

This year, we have seen new themes emerge with the GDPR that will come into force in May 2018. More detail continues to emerge on how companies handle their short-term business travellers. As to what that might mean in the next few years, it is clear that the higher growth areas of the global economy are in emerging markets, notably India and China. In the past, they were primarily a destination location for European, American or Japanese companies expanding abroad. The rapid pace of development has meant that traffic is increasingly two-way, and organisations from that part of the world have been increasingly successful in expanding into both mature and other emerging markets.

We see signs of different assignment models emerging from those companies, with potentially different reward and benefit models as they move to countries with materially different costs of living.

Separately, the divergence between the political and economic aspects of globalisation means that certain types of organisations may find they need to focus their investment closer to home in the nearer future. This will slow down cross-border mobility at the longer term and strategic end, but there will always be a need for developmental assignments. What has become clear is that this is partly a shift between different categories of assignment, as video conferencing and cheaper flights play their role in reducing the need for a big-ticket relocation. But also it is a shift in the way mobility is used in the organisation, as investing in talent rises in importance.

Organisations will continue to deploy valued talent to support their long-term growth but the line of sight between international assignment conditions and reward packages will be more focused on personal and organisational goal achievement than the traditional 'Western expatriation model' with a multiplicity of allowances such as hardship payments and cost of living adjustments.

With greater diversity of assignment types and talent, a heavy reliance on the trusted, known cadre of global assignees will diminish. They will be replaced by virtual and technology enabled assignments, and the use of contingent gig workers—who will provide niche skills to deliver a project and then use their global network for their next assignment. Organisations are increasingly focusing on D&I and this will uncover fresh talent, with new skills required in the new AI/digital work over the next decade.

From a supply/demand bargaining position, those internationally mobile employees who have opted for a life-time career of serial expatriation may have to embrace and modify their expectations on what's on offer financially to continue to enjoy an international career.

However, what is clear is that employee mobility, and the opportunities it creates for the individual and the employer, will continue to be an interesting and exciting area for those of us lucky enough to have a career working within it.

Peter Ferrigno
Group Strategy Director
Santa Fe Relocation



Methodology

Santa Fe Relocation commissioned Circle Research to conduct the Global Mobility Survey 2018 during November and December 2017. The survey was made available in seven languages: English, French, German, Spanish, Portuguese, Russian and Chinese.

We surveyed 654 professionals responsible for Global Mobility programmes across 50 countries. We also surveyed 76 business leaders from 16 countries, including UK, US, Canada, New Zealand, Singapore, Switzerland and Denmark. Percentages may not add up to 100% due to rounding.

Survey respondents represent organisations that in total employ

- + At least **six million** staff globally
- + At least **8,328** full-time and part-time Global Mobility professionals

Respondents are globally managing

- + At least **253,209** internationally mobile assignees
- + At least **1,027,149** business travellers

Global Mobility professionals responses by headquarter location

Europe	63%
Asia	16%
North America	14%
Middle East	2%
Africa	2%
Australia/New Zealand	2%
South America	0%

Global Mobility professionals responses by respondent location

Europe	47%
Asia	38%
North America	4%
Middle East	4%
Africa	3%
Australia/New Zealand	2%
South America	0%

Responses by industry sector

Financial	9%	Professional Services	5%	Education & Training	2%
Engineering	8%	Construction	4%	Hospitality	2%
Manufacturing	8%	Pharmaceuticals & Health	4%	Legal	2%
Tech & Communications	8%	Retail	4%	Travel & Tourism	2%
Automotive	7%	Transport & Logistics	3%	Media	1%
Utilities & Energy	6%	Aerospace & Defence	2%	Not for Profit/Charity	1%
FMCG	5%	Diplomatic & Governmental	2%	Other	16%



Participation

Some of the organisations that took part in The Global Mobility Survey 2018

ABB	IEE SA group
Acciona	IKEA
Acronis	IKEA Investment Company (China)
Adidas	Indra
Agence France-Presse	Infineon Technologies AG
Aker Solutions	Inspired Education Group
Albemarle	International School HCMC
Allianz SE	International SOS
Allnex	Interoute
Amaris	Ista International GmbH
Amia Capital	Jabil
ANZ	JLT Group Plc
ARaymond Network	Kelly Services Inc.
Aspen Insurance	KKBC Japan
Atlas Copco Phils Inc.	Lloyd's Register
AUSY	L'Oreal Philippines Inc.
AXA Direct Korea	Malakoff Corporation Berhad
Bayer	Malo Clinic
BBVA	Mayer Brown International LLP
BIA Group	Mazars
BNP Paribas UK	Melexis
Boeing Defence Australia	Meliá Hotels International
BPS World	Michelin
Bridgestone EMEA	Mindpearl
Bühler Group	Mirus Consultanta Salarizare SRL
Cannon Group	Mitsui Chemicals Asia Pacific Ltd.
Cargill Philippines Inc.	MOL Plc.
CEPSA Business Services	Monadelphous Group Ltd.
Cerberus European Capital Advisors	Mondelez International
CGG	PT. Superior Energy Services Indonesia
Club Med	PVH
CNH Industrial	PVH Corp.
Coca-Cola European Partners	Ramboll
Commonwealth Bank of Australia	RELX Group
Consolidated Services International Inc.	RHB Banking Group
CSS Corp	Robert Bosch
CT Lab	S.C.Terapia S.A. a Sun Pharma Company
Dassault Systèmes	Sacyr Construcción SAU
Datacom	SAICA
DBS Bank Ltd.	Saint-Gobain Construction Products
Deloitte	Samsung
Deloitte NL	Sandvik
DLA Piper UK LLP	SAP SE
DLL	Schlumberger
DNV GL	ScottishPower
Doosan Babcock	SEAT, S.A.
Doosan Babcock Ltd	SENER Ingeniería y Sistemas SA
Dow Chemical Pacific (Singapore) Pte Ltd.	Serco Ltd.
Dow Jones	Siemens
Dr. Ing. h.c.F. Porsche Aktiengesellschaft	Somfy
Edelman	Sonae
Elecnor S.A	Standard Bank of South Africa Ltd.
ERM	Standard Chartered Bank
EverisSpain	Statoil
EY	SUEZ SPAIN SL
Falck	Sulzer Management Ltd.
FCA	Taylor Wessing
Ferrero International SA	Tennet TSO B.V.
Ferrovial	Tessenderlo Group
FIA	The Body Shop International PLC
Formac Software Services	The British School in Tokyo
Fuji Xerox Asia Pacific Pte Ltd.	The Hong Kong and China Gas Co Ltd.
Fujitsu	The Lego Group
Goodyear Dunlop Tires Operations S.A.	Times Group
Groupe Atlantic	Timwe
Groupe Nexeya	UCB SA
Grupo Parques Reunidos	UK Department for International Development
Harte Hanks Phils Inc.	Umicore AG & Co. KG
Hatch	United Laboratories Inc.
Hong Leong Bank Berhad	Valeo
Howden Group Ltd.	VGN Homes
HP Inc.	V.Group Limited
IBERDROLA	Wadi Group





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