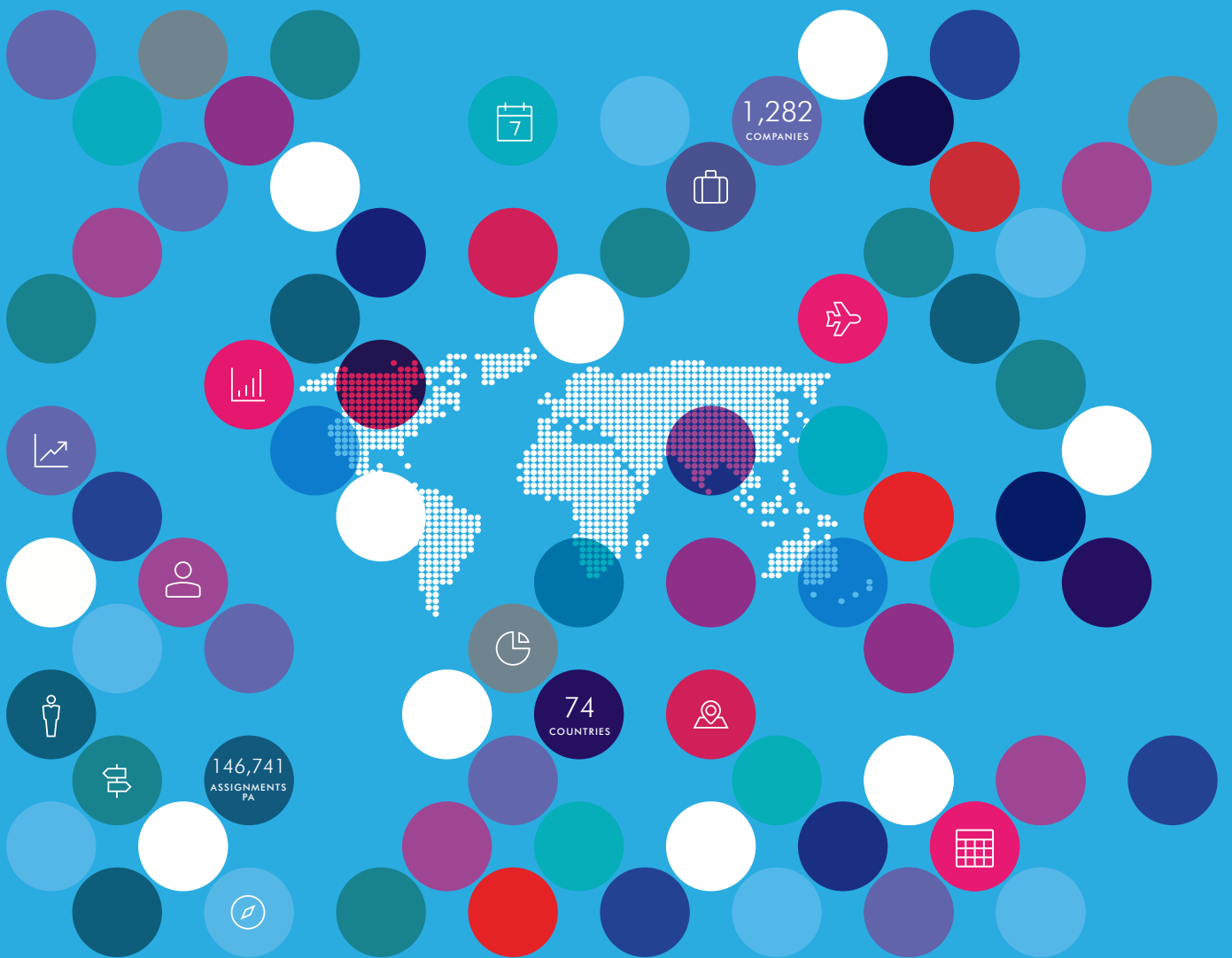


RESPONSIBLE GLOBAL MOBILITY

PROTECTING YOUR GLOBAL MOBILITY
PROGRAMME IN A WORLD OF HEIGHTENED RISK

BASED ON THE 2015 GLOBAL MOBILITY SURVEY





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METHODOLOGY

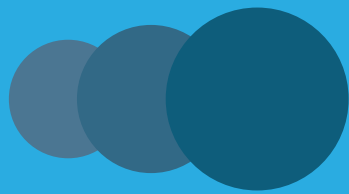
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INTRODUCTION

ABOUT THE GLOBAL MOBILITY SURVEY REPORT

The Global Mobility survey is the world's largest and most robust study of Global Mobility professionals worldwide. This year is the survey's 5th anniversary and we're delighted to announce a record number of responses with 1,282 companies from across 74 countries.

1,282
COMPANIES

74
COUNTRIES



BENCHMARKING PORTAL

We hope you find the insights contained within this report useful. If you would like to explore the findings against your peers you can do so via the interactive web portal. You can compare your programme against others by variables by such as location of control, industry sector, number of assignments per annum, and many other parameters. **To access to the portal, please visit: www.globalmobilitysurvey.com**

EXPERT PANEL

In addition to the insights from the Global Mobility Survey 2015, the report also draws upon leading voices of authority to provide their interpretation, analysis and knowledge of the industry. This year's experts are:



DAVID COLLINGS

(Phd) Professor of HRM, DCU Business School, Dublin City University

David Collings (PhD) is Professor of HRM at Dublin City University Business School where he leads the HR Directors' Roundtable. He is also principal academic advisor to the Maturity Institute. He previously held academic appointments at the University of Sheffield and National University of Ireland Galway and visiting appointments at King's College London and Strathclyde University. His research and consulting interests focus on staffing with a particular focus on talent management and Global Mobility. He has published numerous papers in leading international outlets and consulted with numerous leading organisations on these topics. In 2014 he was named by HR Magazine as one of the leading international thinkers in the field of HR. You can follow him on twitter @collingsdg



PEGGY SMITH

President and CEO, SCRIP, SGMS

Peggy Smith, SCRIP, SGMS is the Chief Executive Officer of Worldwide ERC®. Worldwide ERC Futura BT networks workforce mobility professionals and HR innovators, and is the recognised industry authority on relocation and international assignments in the US and major global traffic areas. Worldwide ERC Futura BT is headquartered in the Washington, DC, metropolitan area, with offices in Brussels, Belgium and Shanghai, China. Prior to joining Worldwide ERC Futura BT, Peggy held a 13-year tenure with Microsoft, where she managed the company's annual mobility spend; developed and implemented strategy for the company's world-class Mobility Centre of Excellence (COE); expanded the centre from US to global coverage; integrated within the mobility program a range of services that crossed major compensation and benefit segments (e.g., healthcare, compensation and relocation) and shifted the Mobility COE from a cost model to a profit centre.





EMMA HOLDER

Director Expat Academy

Emma is a Director of Expat Academy and has spent over 18 years working in Global Mobility as a specialist consultant, trainer, facilitator and in-house professional. Emma is in constant dialogue with Expat Academy members through numerous events and as a result Emma is well placed to comment on current trends and best practice. Emma started her career in international tax at Arthur Andersen, moved into International HR with PwC and then moved in-house to work for Goldman Sachs and Diageo before joining Expat Academy.



JOHN RASON

Head of Consultancy Services Santa Fe

As a Fellow of the CIPD, John is a recognised thought leader and speaker on strategic International HR, Talent Management and Global Mobility. John has 15 years of consultancy experience and has previously held senior HR roles in global businesses across a range of industry sectors. John is an International HR Professional who works with Global Mobility departments to help develop their mobility programmes. John has personally undertaken senior HR international assignments in Saudi Arabia and Latvia.



YVONNE MCNULTY

Singapore Institute of Management University

Dr. Yvonne McNulty is a leading authority on expatriate return on investment and an academic expert in the field of expatriation. A frequent and outstanding contributor to international conferences and other media in the area of global management, Dr. McNulty is currently on the faculty at Singapore Institute of Management University. Her research has been featured in The New York Times, Economist Intelligence Unit, International Herald Tribune, BBC Radio, China Daily, The Financial Times, HR Monthly, Sydney Morning Herald and many other publications.

Dr. McNulty is a research consultant for the Global Mobility industry and serves on the editorial board of Journal of Global Mobility and Global Business & Organizational Excellence. She is co-author of the best-selling "Managing Expatriates: A Return on Investment Approach" (Business Expert Press, 2013).



DAVID SCHOFIELD

Strategic Business & Talent

David specialises in the integration of mobility with talent across Europe and the United States. He works with CEOs and Board Members of leading multinational organisations.

David has held senior positions in the fields of Global Mobility, Human Resources and Risk & Quality. David is a frequent speaker at international conferences and has published a number of articles on talent mobility and talent management.





01

SECTION ONE: KEY TRENDS

THIS SECTION PROVIDES AN OVERVIEW
OF THE KEY TRENDS IDENTIFIED FROM
THIS YEAR'S SURVEY.



PART 1. GLOBAL MOBILITY TEAMS STRETCHED TO THEIR LIMIT?

THE GROWTH VS. COST PARADOX

Real growth in the Global Mobility sector reached new levels in the past twelve months with organisations reporting 24.8% net growth in assignment activity when compared to the previous year. Simultaneously, pressure to reduce overall Global Mobility costs remained the highest priority for most businesses.

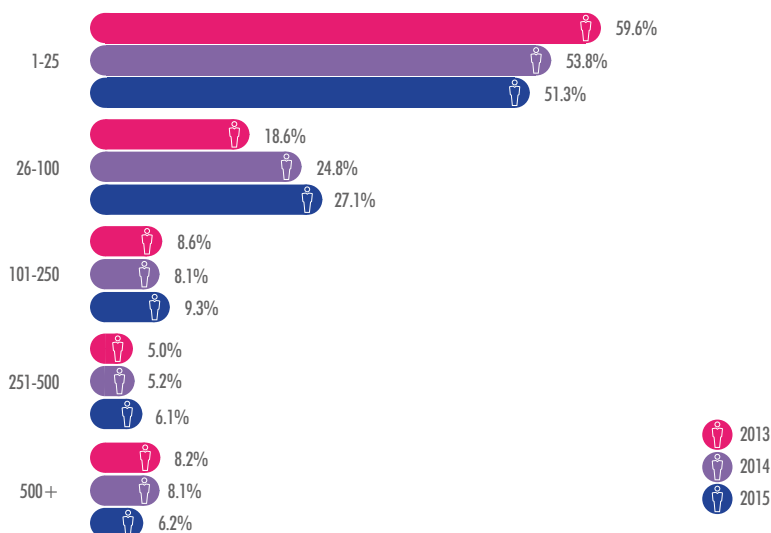
Increasingly, therefore, we see a paradox between a need to expand Global Mobility activity and, at the same time, a demand to freeze or reduce the total programme cost. This raises two very pertinent questions:

- i. What happens when Global Mobility is stretched to its limit?, and
- ii. Why does Global Mobility find itself in this position?

STRONG ASSIGNMENT GROWTH CONTINUES

The highest proportion of growth in assignment activity came from 'mid-size' programmes, or those organisations authorising 26-100 assignments per year. *See Fig 1.*

Fig 1. Number of assignments organisations have authorised in the past 12 months



KEY TERM:
 Net Growth =
 Companies reporting
 increase less
 companies
 reporting
 decrease



In particular, growth in assignments was led by the Engineering sector. Over the past twelve months, Engineering organisations experienced a net +42.0% increase in assignment activity. *See Fig 2.*

Engineering organisations report a very optimistic outlook going forward with a +47.0% net increase expected over the next twelve months. They will be joined in assignment growth by Consulting firms who predict a net +51.2% growth (continuing a trend for growth in this sector identified in 2014). *See Fig 3.*

Whilst Engineering and Consulting firms are expecting assignment activity to grow the most, we may be about to witness a slowing in the Oil and Gas industry. Despite strong net growth of +34.0% during 2014, falling oil prices and cost-cutting exercises are contributing to lower confidence for the next twelve months with expected net growth amongst Oil and Gas organisations falling to just +4.3%. Manufacturing companies also continue their restricted performance from 2014 (+8.5% net growth) with only +3.3% expected for the coming year.

Overall however, expected growth for the coming twelve months is very strong with an anticipated +24.8% (*See Fig 4.*) net growth in assignment activity globally, with particularly strong performance predicted from Asia managed programmes (+43%).

Fig 2. Change in assignment activity over past 12 months (selected industries)

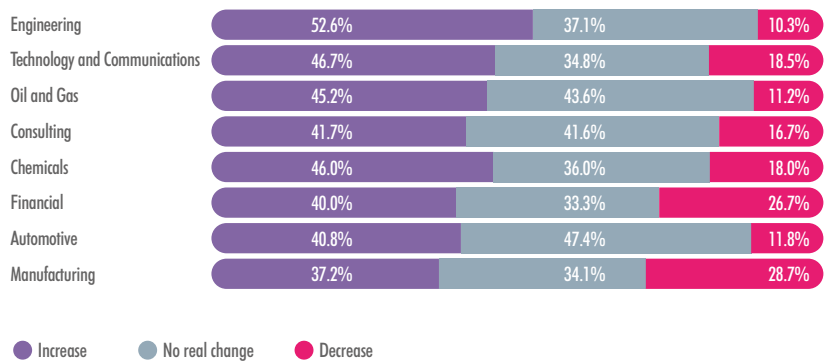
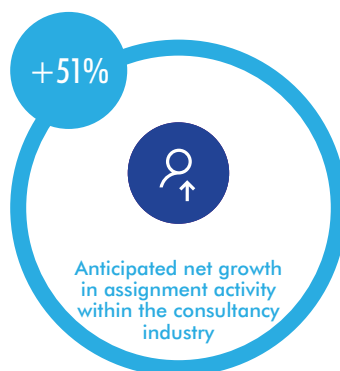
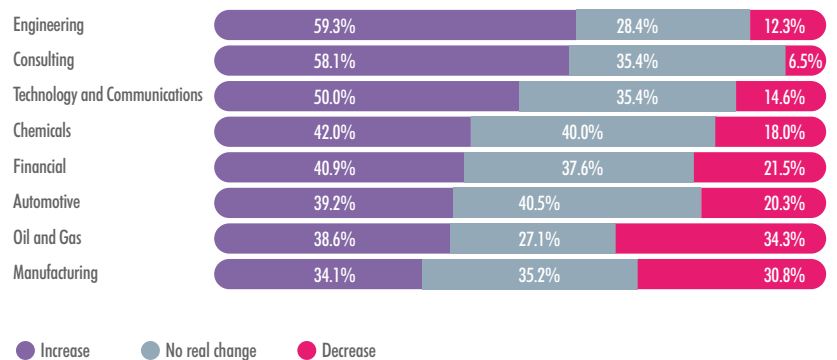


Fig 3. Predicted change in assignment activity over next 12 months (selected industries)



MULTIPLICITY OF ASSIGNMENT FACTORS

An increasingly global outlook for sourcing talent, diversity of candidates, dynamic legislation, challenging new markets, a dazzling array of compensation options, assignment packages and policy types make up the manifold variables that Global Mobility functions must now be able to manage.

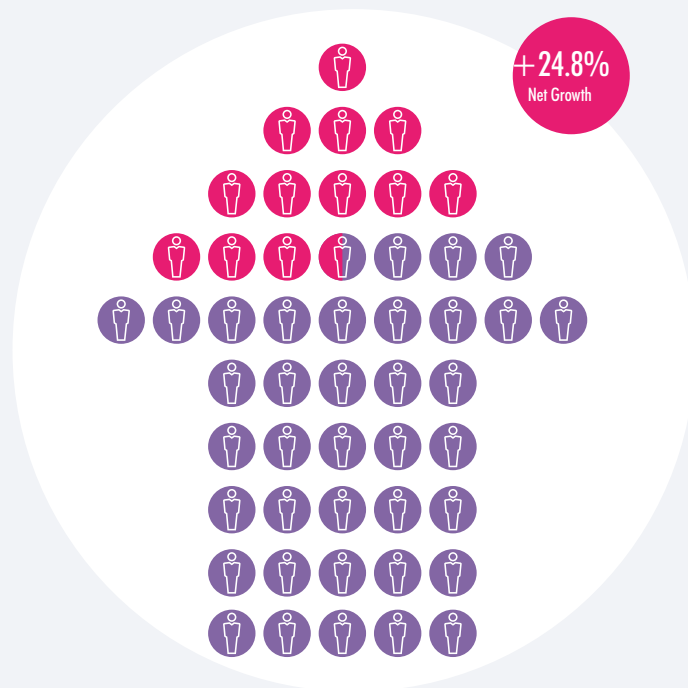
With resources already stretched thinly in companies, these layers of complexity present today's Global Mobility function with critical challenges when it comes to keeping pace with day-to-day administration, forcing them to spend most of their time performing reactive tasks instead of those that are more forward looking.

As an example of the increased diversity faced by Global Mobility, if we simply look at the range of assignment destinations that are now being served by the Global Mobility function, from the 1,282 respondents to this survey, a staggering 136 different countries were quoted in their top three assignment destinations. And destinations is just one variable! This increasing diversity of destinations is being driven primarily by two factors:

1. With organisations increasingly looking for new ways to gain a competitive advantage, 'new frontier' markets are becoming core to organisational strategy (as opposed to only focusing on the more 'traditional' markets)
2. We see a rise of intra-regional assignments managed out of Asia, Africa and South America. This points to a trend for local and regional management away from centralised control by European and North American headquartered businesses.

In European and North American managed programmes there is still a strong bias towards UK/ USA destinations but we are also seeing 'new frontier' markets such as China (Tier 3 & 4 cities) and India becoming key assignment destinations.

Fig 4. Overall anticipated net growth in assignment activity over the next 12 months



DAVID COLLINGS

"This complexity reflects the challenges which HR functions more broadly experience in terms of greater complexity in employee populations. For example, research conducted by Ed Lawlor and colleagues at the University of Southern California shows that HR professionals spend far more time on administrative tasks than strategic ones and this has remained broadly consistent over the past two decades. It is fair to say that today's Global Mobility function faces a more complex management situation than its predecessor."

In Australasia the most common assignment destinations are also established English-speaking markets; Australia, UK and USA. However, again we are seeing a prevalence of assignments in relatively close-by emerging markets.

A phenomenon that has been observed readily over the past five years of the survey is the rise of these destination countries that are not only managing their own regional and global programmes, but driving growth in Global Mobility activity worldwide.

This has promoted the second factor which is an increase in intra-regional assignments managed out of Asia, Africa and South America. For example, only a few of the top 20 assignment destinations for programmes managed in Europe (4) or North America (8) were within Asia compared to over half of the programmes managed in Asia (12) including 3 of the top 4.

Add to these two factors, a new layer of complexity, given that candidates are being sourced from increasingly diverse talent pools at different points in their career and family lifecycle, and we see that the dynamics of Global Mobility are changing rapidly. Global Mobility departments are faced with a whole new series of motivational, cultural and economic factors, as highlighted by the vast spectrum of policy types currently being used by organisations (*see Part 4 on page 26 for more details*).

Fig 5. Top 20 assignment destinations for European managed programmes

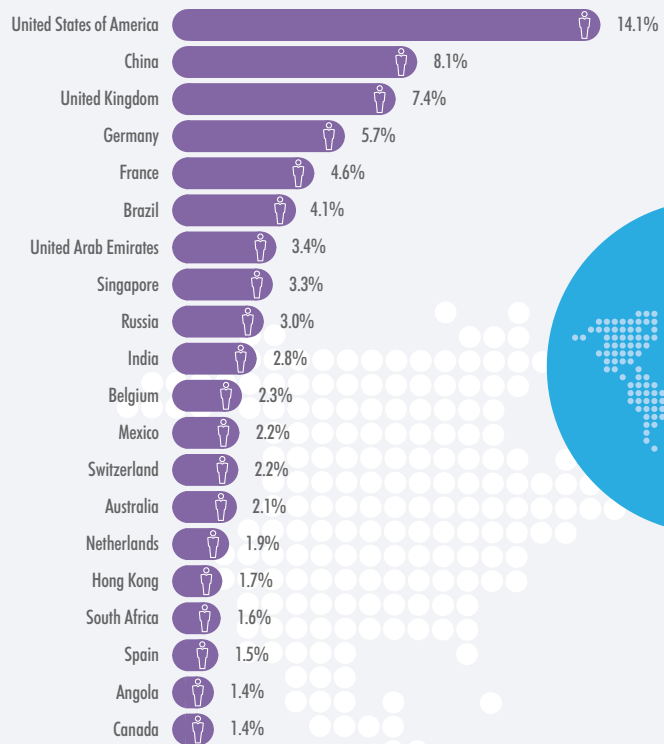


Fig 7. Top 20 assignment destinations for Australasian managed programmes

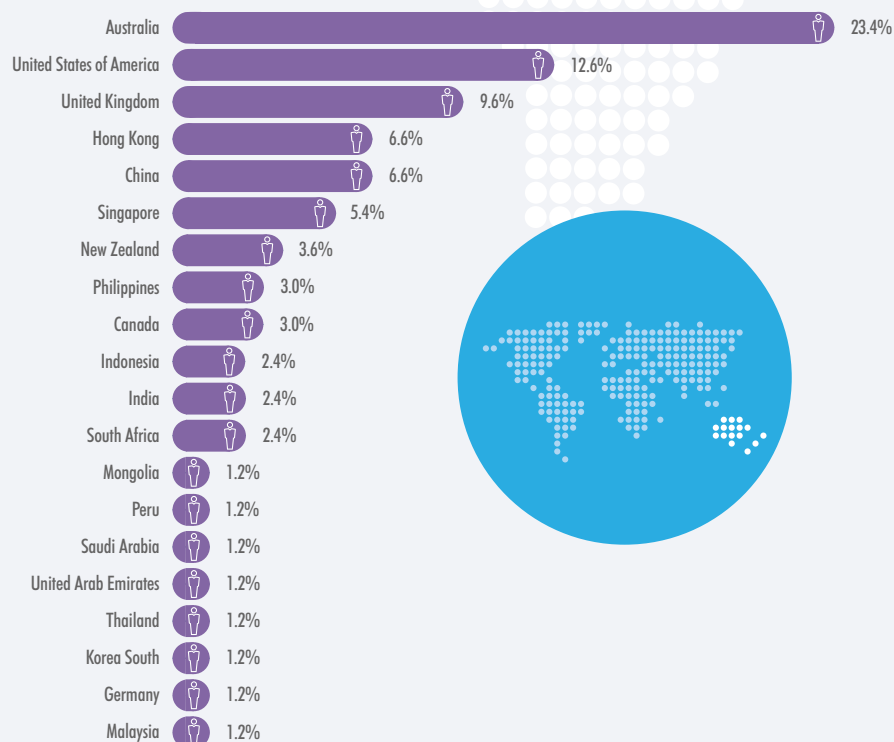
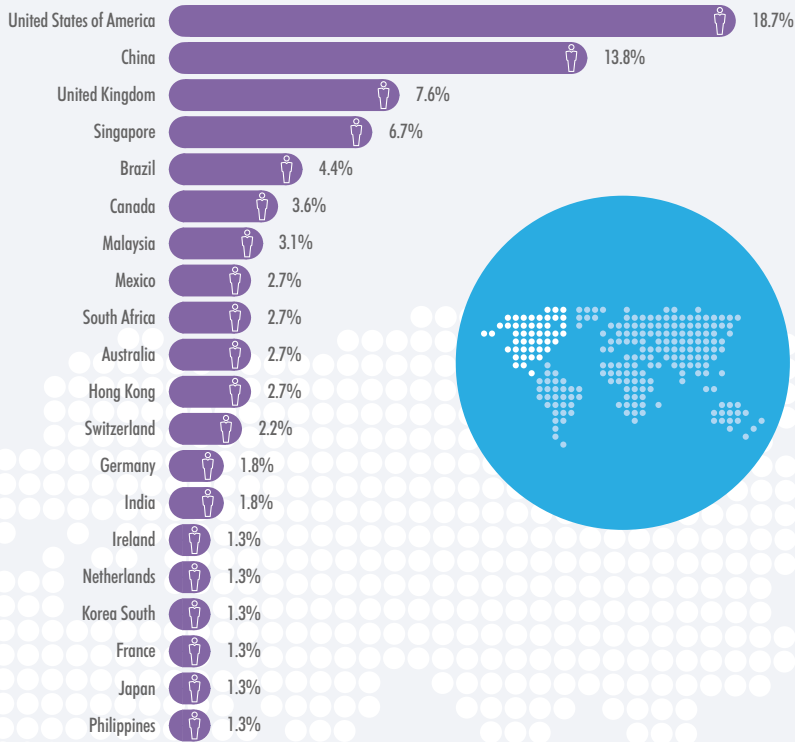


Fig 6. Top 20 assignment destinations for North American managed programmes




USA, China, UK, Singapore and Germany top the list of destinations

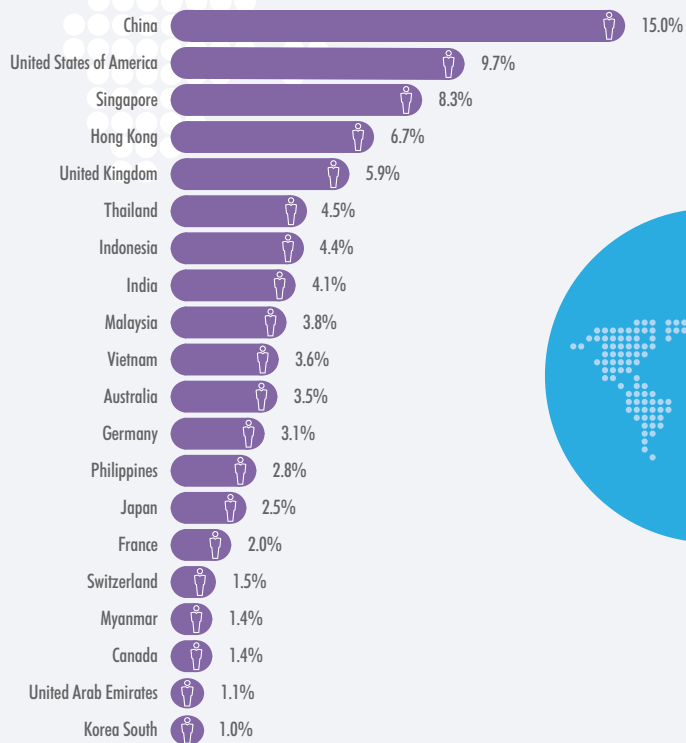


2015 sees a rise in Asian, African and South American destinations



Companies quoted a staggering 136 different countries as top 3 destinations

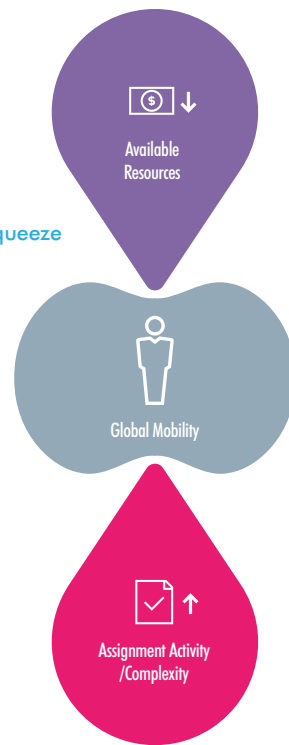
Fig 8. Top 20 assignment destinations for Asian managed programmes



IS GLOBAL MOBILITY UNDER-RESOURCED?

With year-on-year growth in assignment activity and an increasingly complex range of assignment factors, there is a tangible need for a relative increase of resources allocated to Global Mobility in order that Global Mobility functions can serve their businesses effectively. Conversely however, the evidence strongly indicates that Global Mobility departments are being squeezed. See Fig 9.

Fig 9. The Global Mobility Squeeze



The results show that Global Mobility functions are focusing on total mobility cost reduction with virtually all companies (92.8%) stating that containing Global Mobility costs is important, and over half (53.5%) feeling under significant pressure to reduce the overall cost of their programmes. This is particularly prevalent in the Engineering sector where, despite experiencing rapid growth in assignment volumes, over two thirds of companies (69%) said that reducing overall mobility costs is a high priority.

Rather than focusing on how Global Mobility programmes can deliver value to the business, it appears that many organisations are instead focused on total mobility cost reduction of their programme. This perhaps highlights that while Global Mobility functions would like to partner at a strategic level with their executive leadership their mandate is still firmly fixed on operational cost tracking and administration. Mobility functions see themselves as cost centres rather than talent enablers of competitive advantage for their organisations.



PEGGY SMITH

"It's fair to say that nearly everywhere in the world today, in every industry, we have environments where growth is occurring faster than companies can staff up to meet it. More corporations and organisations are evaluating the need for an increasingly sophisticated talent management function, and with that will come an amplified need for mobility specialists and professionals.

Most companies strike a good balance of maintaining in-house expertise and outsourced providers, but they are certainly stretched to do all that they want and need to do."



DAVID COLLINGS

"What is certainly clear is that Global Mobility continues to be viewed as a cost rather than a potential driver of value in most organisations. Global Mobility needs to be better at framing investments in the function in language and metrics that senior decision makers buy into, and better at articulating the ROI in mobility. This is the first step in increasing the resourcing of the Global Mobility function, which can lead to recognition that adequate appropriate resourcing is required."



Lack of data and connected systems inhibits the ability to monitor costs and performance

Therefore, it is alarming to think about the stresses that Global Mobility departments are likely to face going forward. This presents Global Mobility professionals with a unique, if challenging, opportunity – to change the conversation by positioning the Global Mobility function as a value provider rather than a cost centre function.



PEGGY SMITH

“As analytics and integrated HR/mobility systems grow in importance, we are likely to see a company’s Global Mobility teams expand.”



JOHN RASON: ADDRESSING THE “GLOBAL MOBILITY SQUEEZE”

As we can see, Global Mobility functions in most organisations are feeling the squeeze at multiple levels including; delivering on business objectives, requirement to provide meaningful reporting to the organisation, managing compliance for ever increasing corporate governance standards, working within complex international business structures, being expected to manage a broader range of assignment types and a constant pressure to reduce costs.

The unfortunate outcome of cost reduction is that it very often manifests itself in terms of reducing or freezing resources – head count, financial or otherwise. When you couple this with the fact that we are currently witnessing a record high in assignment activity we get a good idea of why Global Mobility professionals are becoming trapped in an administrative cycle. It is also why we are seeing the early adopters becoming more creative in their approach to resourcing.

One solution that I have seen to work well is when organisations take a more strategic approach to partnering with suppliers. Identifying one, or a few suppliers, and working with them as if they are internal business partners rather than third parties. I have seen this happen predominantly with larger programmes but I have seen it benefit businesses with smaller programmes too. By joining forces with specialist organisations, in-house Global Mobility and HR professionals are re-discovering the valuable time they have lost. Now they can focus on planning ahead and making improvements that enable them to deal with the needs of their business more effectively.

Making the correct choice of strategic partner is essential – get it right and you will experience the benefits in the short and longer term. As an example, if your own business cannot deliver a technology system that is fit for your purpose within the desired time frame, a wisely selected strategic partner may give you instant access to hi-tech data platforms and applications without the need for capital investment or on-going operational software costs. They can also help with analysis of data to help support ROI reporting and build your future business cases.

However, whilst the advantages of partnerships certainly make a compelling case, it’s also vital to approach any collaboration aware of the potential pitfalls. Partnerships should lead to increased efficiencies but, to do so, corporate roles and responsibilities need to be clearly defined. Establishing a partner with the right ‘organisational and culture fit’ is probably of equal importance as the operational services that you wish to have delivered. ‘Partnering’ is not the same as simply ‘outsourcing’. In the best arrangements, the client will still maintain high levels of ownership and engagement in the Global Mobility programme, collaborating with the partner to develop solutions to evolving business objectives. This type of relationship is not something that can be ‘thrown together’ overnight; it requires planning to ensure that communication and operational protocols are aligned from the start. So as pressures grow on Global Mobility departments, forming partnerships with specialist providers can be an excellent, cost-effective solution, but it also needs to be handled carefully.

53.5%



Said that reducing overall mobility costs was a high priority

92.8%



Said that containing global mobility costs was important

SCARCE RESOURCES ARE FOSTERING A REACTIVE CULTURE

The tendency for Global Mobility programmes to be tactical rather than strategic was an area that was highlighted in last year's report, and one that has again been brought to the fore by this year's results.

Twelve months on from last year's survey, and with internal resources under continued pressure, despite Global Mobility functions wishing to spend more time on proactive matters (48.9% want to be doing regular strategic workforce planning but in reality only 13.1% are managing this - see Fig 17), it is unsurprising to see that they continue to be shackled by reactive tasks. Unless something changes, as assignment activity increases, Global Mobility departments are going to be tied-into a vicious circle of reactive, administrative, 'firefighting' tasks which distract them away from doing the highly valuable, proactive activities they would like to be doing.

In order for Global Mobility departments to be able to break this cycle and act strategically within their organisations, finding alternative resources to handle the day-to-day activities must surely be a priority. In turn, this will enable them to focus on building a case for greater investment in Global Mobility to deliver value.

We have seen a great deal of intent from Global Mobility to reposition itself as a partner to the business, creating value and providing direction. However the overwhelming evidence shows that Global Mobility is failing to do this (not least the fact that most departments are unable to demonstrate ROI, many lack the systems to track outcomes accurately, and absolute cost reduction is still the number one priority).

To fix this in the short-term, Global Mobility teams need to look at new ways to bridge the resource gap - whether this means increasing head count or turning to co-sourcing, outsourcing and strategic partnerships to provide access to systems and resources that would normally require significant monetary and time investment.



35.8%



Companies want to spend 35.8% more time on strategic workforce planning



DAVID SCHOFIELD / THE NEED FOR STRATEGIC GLOBAL MOBILITY

From my experience of working with multi-national organisations across industry sectors, high-performing businesses spend a significant amount of their time on strategic planning and ensuring that their Global Mobility programme aligns with, and helps to achieve, the company's overall business objectives. Evidence shows that successful mobility programmes are built on business drivers and follow a structured approach:

- I. Start with the organisation's business strategy and objectives – e.g., introducing a new product or moving into a new geographic area;
- II. The business strategy drives the HR/talent management strategy – e.g., recruiting and developing people with the right skills and potential;
- III. Then talent mobility actions will link to the HR strategy – e.g., expanding an overseas operation can be supported by a long-term assignment into the location, and by shorter development secondments of local staff into more established countries.

The current mismatch in many organisations between the desire to behave strategically and the reality of focusing on administrative tasks represents an opportunity for Global Mobility teams to "raise their game". It's good to see from the survey that Global Mobility is aspiring to take a lead on things like workforce planning and assignee selection. The way to achieve this aspiration is two-fold:

First, the administrative tasks (including compliance, benefits and compensation) have to be properly dealt with – i.e., get the basics right! Second, Global Mobility needs to talk the language of the business. What business leaders really care about is how to exploit business opportunities and to manage strategic business risks. If you can show that a new mobility policy or investment in a programme of development assignments will help a business unit to grow, or to reduce risk in an overseas location, CEOs and Finance Directors will listen to you. Once you have their attention, you will be able to input to strategic decisions about the workforce.

PART 2. ELEVATING DUTY OF CARE ON THE GLOBAL MOBILITY AGENDA

As demonstrated by the primary tasks occupying Global Mobility professionals' time (see Fig 17), there is a pre-occupation with immigration and tax compliance as organisations look to mitigate the risks associated with compliance failures. The Duty of Care here is clear and the risk of failure in this area may jeopardise the entire assignment.

TYPES OF RISK

Whilst these types of compliance issues should always remain a high priority, they should not be the sole consideration. In particular, Global Mobility programmes need to take six risk factors into consideration:

1. **Legal** risk to the business through **compliance** failure
2. **Financial** risk to the business through high programme costs and/or fines due to **compliance** failure
3. **Reputational** risk to the business through negligence and/or **compliance** failure
4. **Talent** risk of failure to build and retain skilled employees
5. **Human** (personal) risk to assignees and their accompanying family
6. **Performance** risk to the quality of the assignee's performance and impact on the business

INCREASING THE RISK

As we have already identified, in many companies Global Mobility is facing pressure in relation to resources and business demands. But does this pressure create a greater potential for a major failure in relation to any of these types of risk?

In an attempt to overcome these resourcing challenges, we see organisations using control strategies such as centralising programme management, introducing 'consumerisation' of Global Mobility packages (e.g. by offering lump sum payments) and outsourcing non-core elements of their programme management.

Although each of these is by no means a minor undertaking, the solutions are aimed at tackling the symptoms rather than the cause, as departments battle to keep the lid on risk in the face of unsuitable underlying systems and processes.

In particular, with the majority of professionals' time currently focussed on dealing with compliance issues, such as legal, financial and reputational risks; talent, human (personal) and performance risks can sometimes be neglected.

In the 2014 Global Mobility Survey we explored the talent aspect in detail, noting how, whilst fewer than half of organisations currently have talent management programmes, the implementation of talent management in strategic alignment with Global Mobility and overall business strategy enables organisations to more effectively resource the business' demand for key skills, achieve corporate objectives and ensure higher levels of talent retention.

However, with constant pressure to reduce costs and a growing programme to manage, it can be easy to overlook the human elements that an assignment entails - a valued employee, and possibly their dependents, relocating to a new, often daunting and sometimes dangerous situation - and establish safe working and environmental conditions in the host location.

Thankfully this year the survey results showed that Duty of Care towards assignees in relation to human (personal) risk is a focus for many companies. The responsibility of businesses and Global Mobility functions has received greater emphasis lately through recent world events which have directly affected employees on assignment.



RE-PRIORITISING THE ASSIGNEE

Over half of organisations (50.7%) have at some point experienced a critical incident, where an assignee or their accompanying dependents has suffered a serious issue that has affected their personal safety or health, and more than 1 in 5 (21.8%) experienced a critical incident during the past year! See Fig 10.

The effect of critical incidents on the Global Mobility function are twofold:

1. Trauma and repercussions may stem from a critical incident.
2. Availability of assignment candidates for a project maybe affected based on the level of perceived risk.

Assignment candidates have a heightened, and often sensationalised, awareness of the risks they face in regards to assignments. Details of world events are readily available in today's media. This creates a challenge for businesses that need to attract assignment candidates for affected countries. Therefore, there has been a reawakening to the human risk of assignments and the need for companies to provide assurances to their candidates that these risks have been identified and are being managed.

This is particularly the case with destinations that are now considered to be more 'mainstream'. For example, the top five countries considered to be the **most challenging destinations** are:

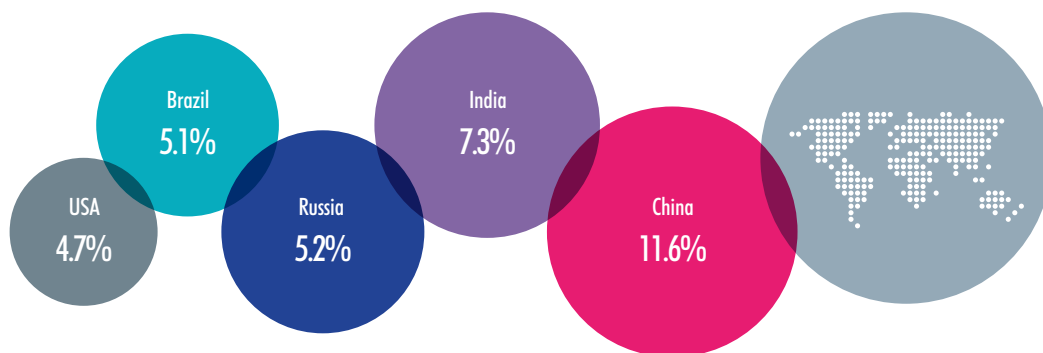
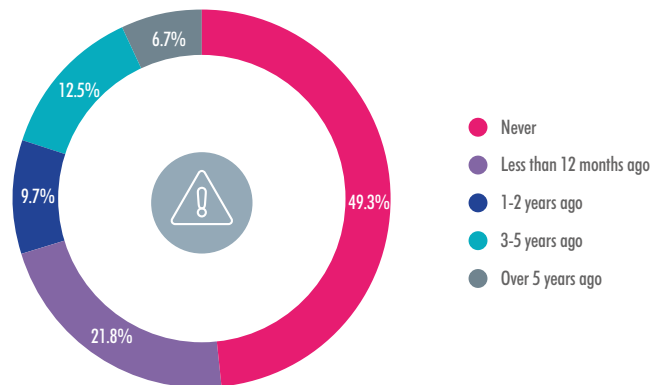


Fig 10. Last experienced a critical incident...

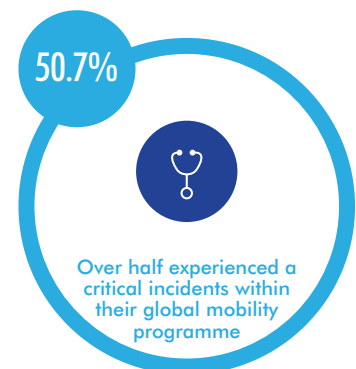


Within two of these highly 'mainstream' destinations - China and the USA - the most prevalent challenges taken into account by Global Mobility functions tend to have a heavy bias on 'compliance' risk. For example, this survey found that the two most prominent challenges faced with these destinations are immigration complications and differences in legislation.

In other destinations - such as India, Russia and Brazil - we see stronger prominence of assignee safety being taken into account with more than 1 in 10 organisations that send assignees to these destinations quoting concern over their personal safety. However, in many cases assignee safety is still playing second fiddle to compliance protection.

Whilst some may say that the focus on human (personal) Duty of Care never went away, it does certainly seem as though it has taken a back-seat behind dealing with more 'corporate' risks.

However, perhaps brought to the forefront by recent high profile world events, there are signs that we may be starting to see renewed focus, with benefits being recognised not only in protecting existing employees but also as a way of attracting talent.



RECOGNISING THE PERSONAL RISKS TO ASSIGNEES

When considering the personal risks faced by assignees, we asked organisations to focus on six key areas of risk: health risks, severe penalties for breaches of local laws, disease, terrorism, war and kidnap. What we found was overwhelming with **4 in 5 organisations saying their Global Mobility programmes are significantly affected by at least one of these risks.** See Fig 11.

Top of the list is assignee health and safety risks – a significant threat to over half of Global Mobility programmes. In part this risk is linked to the rise of another risk – disease (35.0%) – something that is likely to have been brought to the forefront of many organisations minds by the highly publicised recent events across Western Africa.

The next area is breach of local regulation – something that can result in severe penalties upon the employee or their dependents, including imprisonment. As well as paying attention to ensuring compliance, organisations must also ensure that assignees are aware of their personal responsibilities to adhere to laws and regulations, taking steps to avoid potential threats.

Of course, depending upon your occupation, different risks are likely to hold increased significance.

One industry sector stands out as being particularly sensitive to risk – Oil and Gas.

Half of Oil and Gas organisations (50%) consider terrorism to be a significant risk to their Global Mobility programmes, with war (35%) and kidnap (32%) also highly prevalent. This is partly due to Oil and Gas organisations having historically operated in some more ‘challenging’ territories; but as a range of industry sectors seek to expand their footprints and take on new ventures, these risks are likely to proliferate. See Fig 12.

Fig 12. Significant risks faced by Global Mobility programmes (selected industries)

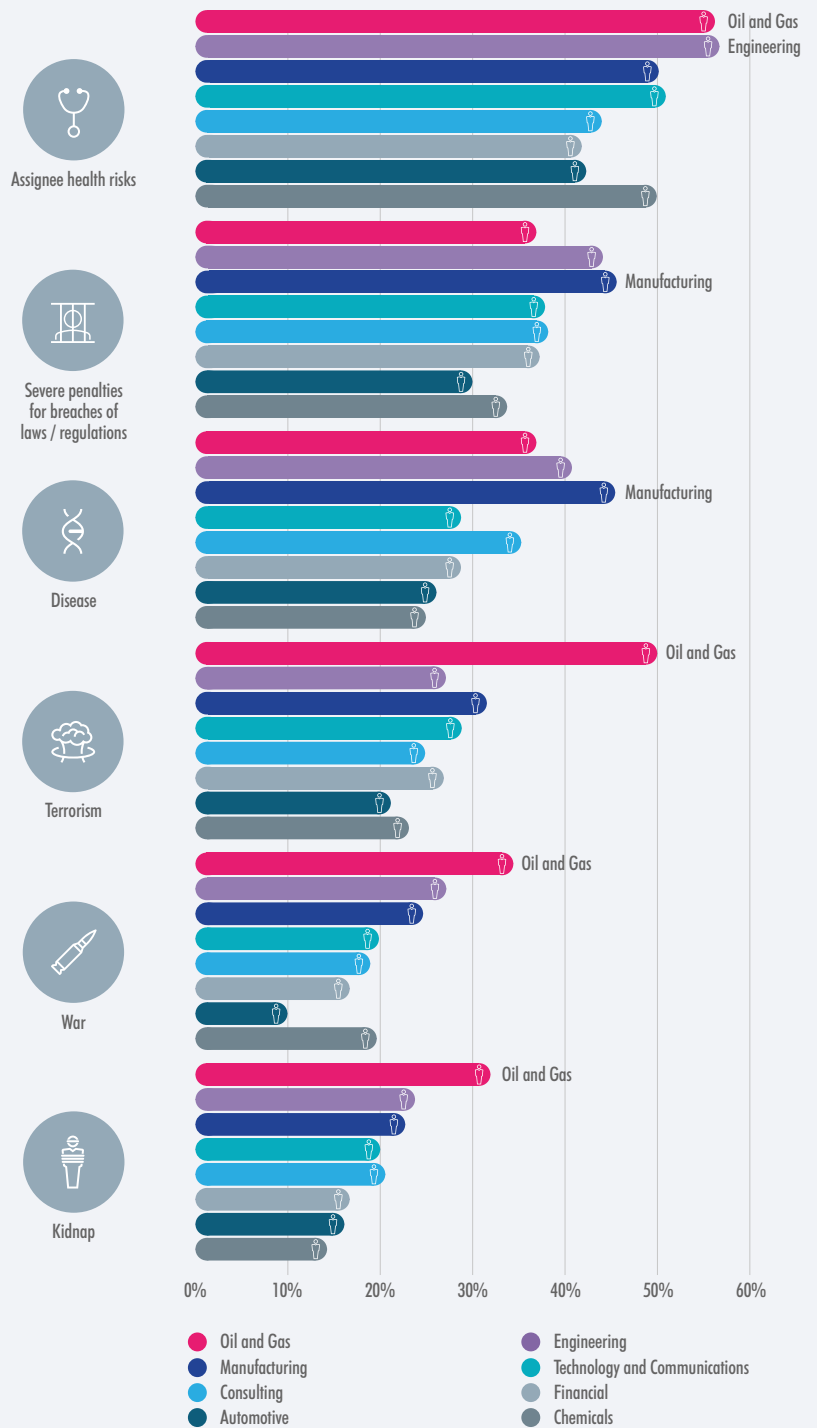
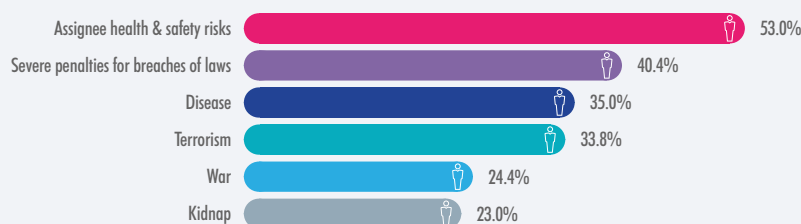


Fig 11. Significant risks faced by Global Mobility programmes



ASSURING DUTY OF CARE TO ASSIGNEES

In light of these risks, organisations need to have measures in place to protect their assignees; it is reassuring therefore to know that 99% of organisations who say they face at least one significant risk also say they have measures in place to mitigate against these.

On a broad level, there are two approaches an organisation can take to mitigate against risk:

1. Proactively pursuing means of avoiding or minimising the risk from ever actually occurring
2. Making preparations for a response mechanism to come into effect in the event of the risk materialising

Currently, the majority of risk mitigation activities appear to be weighted in favour of reactionary measures rather than preventative. Top of the list – and used by more than two thirds of at-risk organisations (67.5%) – is having adequate insurance. In contrast only around one in ten organisations (11.4%) proactively risk profile their candidates prior to an assignment – surprising perhaps considering that employee health risks are identified as the most prevalent risk. See Fig 13.

When it comes to preventative measures, there is correlation between the types of risks organisations face and the measures taken to mitigate against the risk. For example, those organisations that see kidnap as a significant risk are much more likely to provide their assignees with preventative measures such as drivers (51%) and bodyguards (19%) – although this does still leave a significant proportion who are left to fend for themselves.

As part of the process of addressing this, organisations – and especially smaller organisations – need to revisit their approach to Duty of Care.

There are currently widespread differences in attitudes towards Duty of Care. In particular, whilst organisations with more than 500 assignments per year are very likely to have a Duty of Care policy (81%), those with fewer than 500 assignments per year are much less likely (43%).

Fig 13. Measures taken to mitigate risk

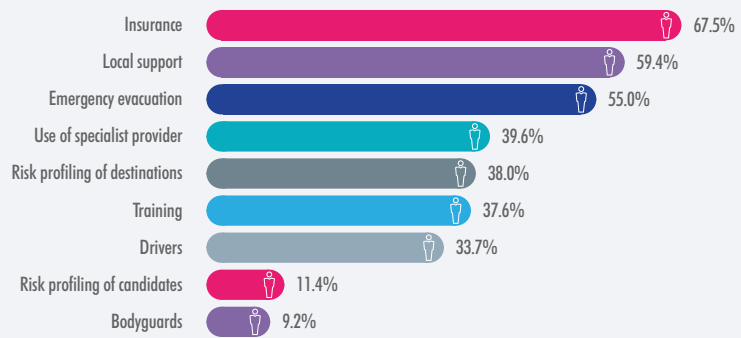


Fig 14. Types of critical incidents policies held for

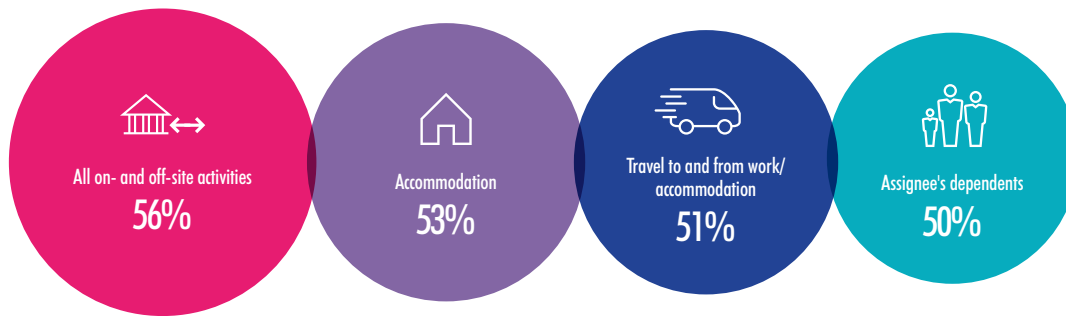


YVONNE MCNULTY

“Duty of care has become a hot topic, and for good reason. Risk factors are a key part of this. When looking externally to help understand risk though, the thing to watch out for is how risk factors are defined – for example, risk factors provided by an immigration company will be skewed differently to those from a relocation company. Understanding this skew will determine whether the sources provided are helpful or not.

In my opinion, relocation companies are likely to always be the best source of information, but quality matters in terms of their depth of experience and knowledge. Data is better than hearsay. Getting information ‘on the ground’ from local offices is an excellent method as they will know better than anyone else, but this information could be enhanced by actual data or reports in the host country.”

Fig 15. Extent of Duty of Care policy



The good news is that where Duty of Care policies do exist, these are often very extensive with the majority of policies extending not only to the immediate working environment but also to the assignee's accommodation, travel to and from work/accommodation, off-site activities and even the assignee's dependents. *Fig 15.*

It is certainly good to see that many companies are recognising their responsibility to protect their employees whilst on international assignments, but with many not having policies in place – for an assignee and / or their accompanying dependents – others may currently be exposed to serious levels of risk.



PEGGY SMITH

"Our members have long addressed their responsibility to the safety of their assignees and their families with great regard. Woven throughout their policy and process are commitments for the protection and safety of mobile employees in their care.

What is growing in prevalence now is a movement toward creating more formal duty of care policies, recommendations and commitments. In most cases, that means developing an understanding of the legalities of one's responsibility, defining what constitutes standard and/or reasonable care, and ascertaining how to minimise potential for unfortunate outcomes while conducting business."



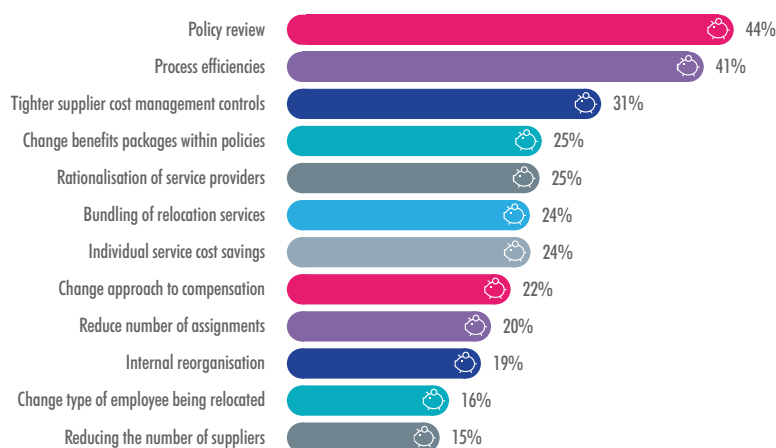
PART 3. TIME FOR GLOBAL MOBILITY TO DEMONSTRATE ITS VALUE TO THE BUSINESS?

‘We must reduce Global Mobility costs’. That is the message that has repeatedly emanated over the past few years and is particularly prevalent in industry sectors that are seeing the greatest growth in assignment activity.

Virtually all Global Mobility professionals (93%) say that cost containment is important to their departments – and over half (53%) say it is very important. In fact, **reducing costs is more of a priority than improving ROI, improving assignee satisfaction, or improving the perceived success of assignments.**

There are many ways of course in which costs may be reduced. See Fig 16. An obvious way would be by reducing the number of assignments or sending more junior personnel. Of course, this assumes an alliance between the purpose and goals and objectives for the assignment. However, these are only initiatives for a minority of organisations (20% and 16% respectively). Instead the primary focus is on reviewing policies (44%) – something that we will explore further in part 4 page 26.

Fig 16. Cost reduction strategies



A PARADIGM SHIFT ON COST FOCUS IS REQUIRED

This focus on total cost reduction presents a potentially serious issue for companies as ‘cost cutting’ in isolation threatens to stretch limited resources even further, with the prospect of damaging activities from Duty of Care provisions, to legal advice, to long-term performance planning.

It is also indicative of how businesses often view Global Mobility only as a cost authorisation rather than a value investment opportunity. Robust business case investment protocols would enable executives to articulate the payback from Global Mobility and recognise that Global Mobility are actually custodians of value not cost centres. The current state of affairs, however, is neither a healthy nor a sustainable way for Global Mobility functions to create value and thus we require a paradigm shift in focus.



YVONNE MCNULTY

“We will never be able to escape cost containment as a focus in Global Mobility, so it is at least good to see sense in the approach organisations are taking to achieve this.

- Policy review is always the number one way to do it – but be careful about the opportunity costs of cutting back.
- Process efficiency is NOT a verifiable way to cut costs, nor is tightening the noose around vendor costs – the latter will incur opportunity costs that are not worth it in the long run.
- Process efficiency is also the wrong focus – processes don’t build a strategic mobility programme, people and experience and expertise do.
- Cutting back on all the compensation costs is, again, not a good way to go – unless you can be absolutely sure there are no negative repercussions long-term.”

To do so, Global Mobility functions must switch from a reactive approach to a strategic approach – something that was an ambition for many Global Mobility functions in last year’s survey. Whilst only 11% at the time were able to quote ‘strategic workforce planning’ as one of the top 5 activities involved in their job, 40% expressed a desire to make this a reality.

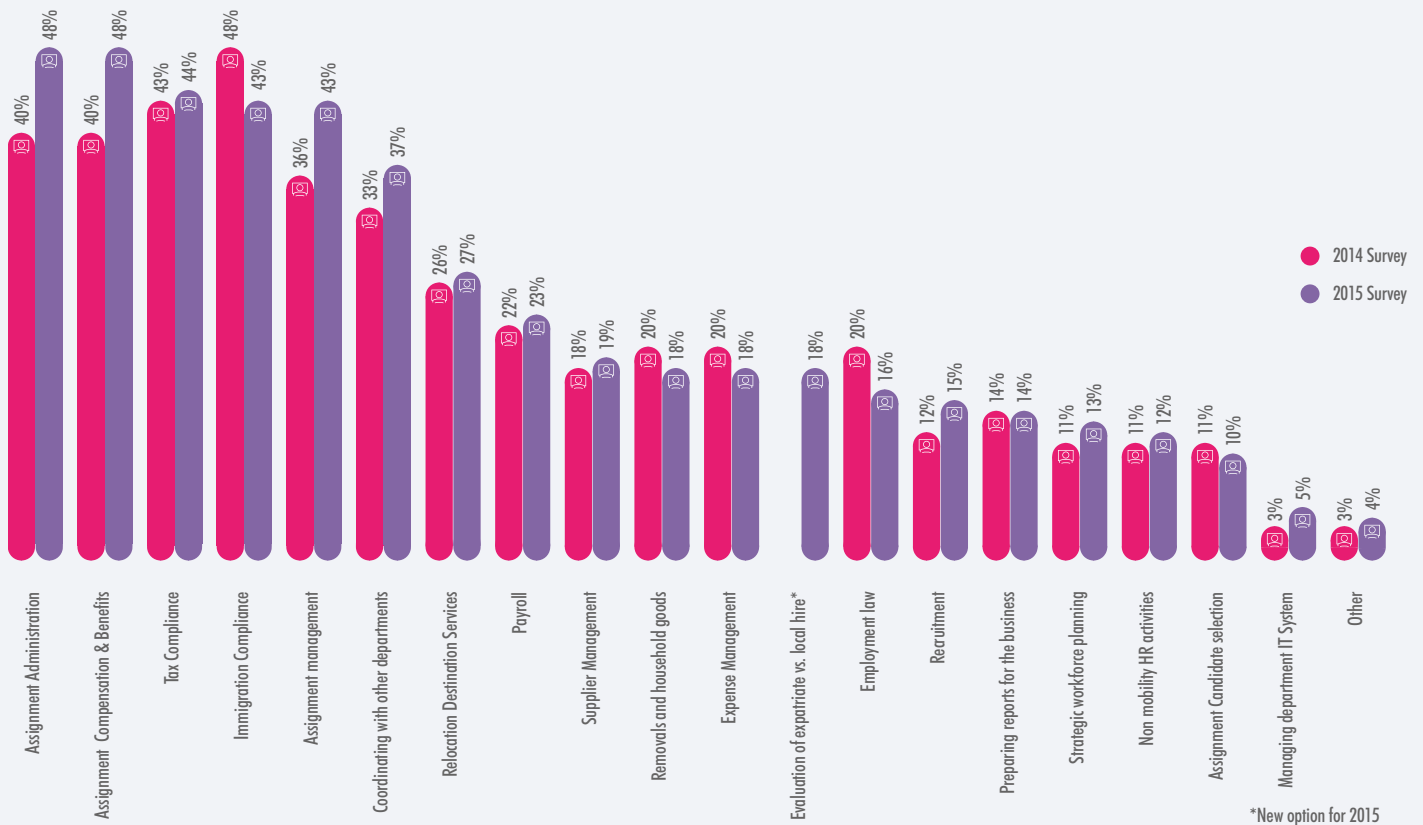
So what’s changed over the past 12 months? Unfortunately, not much. The percentage of professionals listing strategic workforce planning in their top five tasks has increased, but only by 2% (from 11% to 13%). See Fig 17.



DAVID COLLINGS

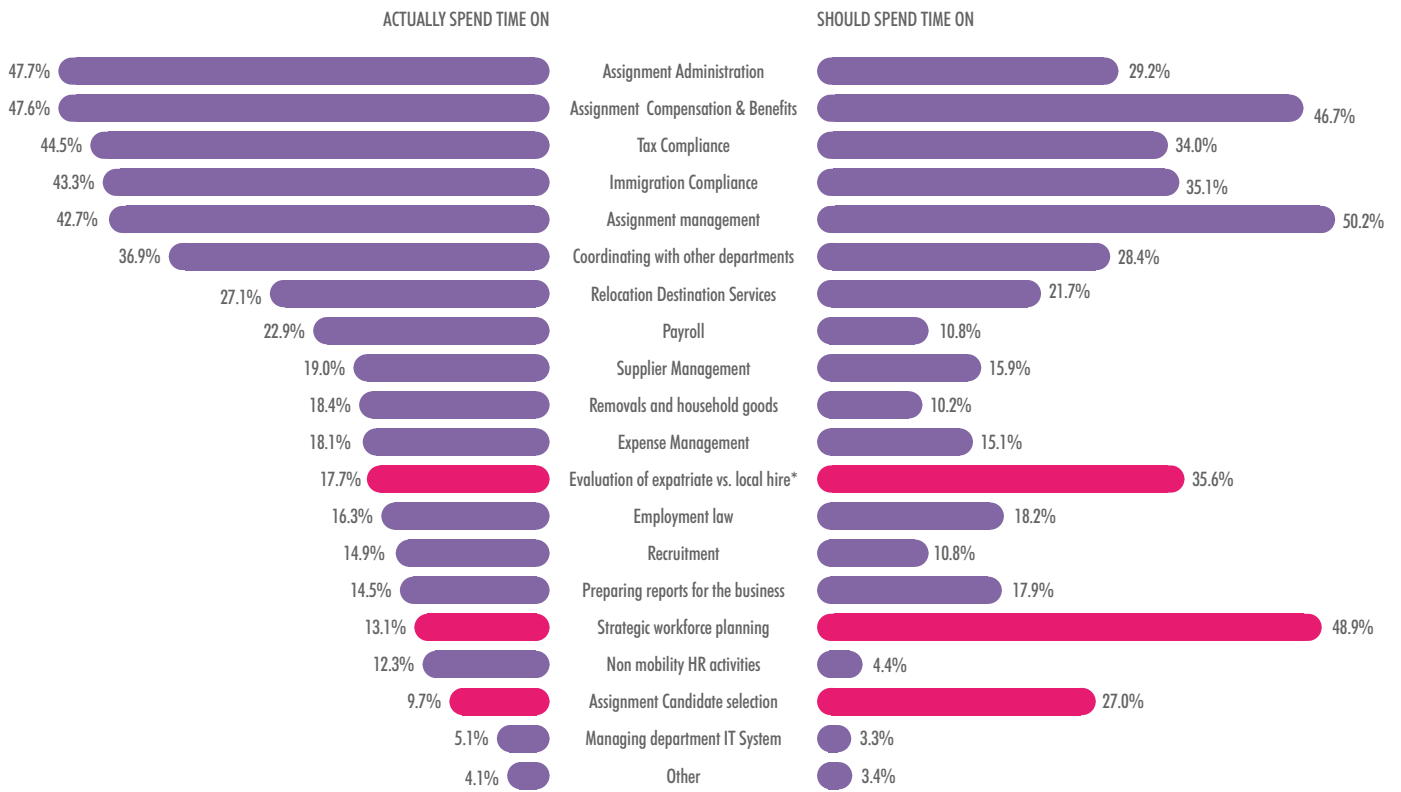
“For Global Mobility professionals to be seen to be adding value, involvement in strategic decision making can help raise their profile with senior management.”

Fig 17. What activities occupy most time for mobility professionals?



With this in mind, the key priority for the next 12 months remains the same as last year – spend more time strategic workforce planning! In fact, it’s growing in momentum – now representing a priority for 49% (previously 40%). See Fig 18.

Fig 18. What activities Global Mobility spend most time on



FREEING RESOURCE FOR STRATEGIC ACTIVITIES

By becoming more strategic, a range of benefits should emerge from closer alignment between Global Mobility and overall organisational strategy (only one quarter – 25.9% – currently say that their mobility strategy is very closely aligned with their organisation’s strategy), to increased focus on, and ability to measure, Return on Investment.

However, as the past twelve months have shown, becoming more strategic is not easy nor something that can be expected to happen in a short period of time. In 2014, one of the key barriers identified as preventing organisations from becoming more strategic was a lack of time and resource in the Global Mobility function, and this year’s findings reinforce this position.



YVONNE MCNULTY

“It’s no surprise that ‘assignment admin’ tops the list of current activities. This feeds into all the research showing that Global Mobility management is largely transactional, no matter how much managers or their companies would like it to be otherwise. It is not until item 12 that any kind of strategic activity comes into the job description – evaluation of expatriate vs local hire options.

In contrast, the ‘wish list’ of activities tells a much better picture re: where mobility managers would like to focus their time, energy and expertise. I agree that assignment management will always be the number one priority, and to some extent Global Mobility professionals will never escape compensation and benefits duties as these can, in many instances, also feed into strategic workforce planning.

However, I disagree with immigration compliance – this is better left to the professionals (i.e. outsourced). Overall, this question paints a much better picture of the intent, but it also highlights a massive gap between what professionals envision and the reality of their current role.”

In the rapidly growing Engineering sector only 1 in 7 organisations (14%) say that their mobility strategy is very closely aligned with overall strategy. As economic resurgence leads to increased opportunities – and increased workloads – this suggests that Global Mobility functions, in Engineering organisations without additional resources, may become less proactive and more reactive as they battle to meet the Global Mobility needs of their organisations.

So as assignment activity continues to grow over the next twelve months, it is vital that organisations are able to dedicate increased resource to their Global Mobility programmes, allowing for more strategic focus.

DEMONSTRATING RETURN ON INVESTMENT

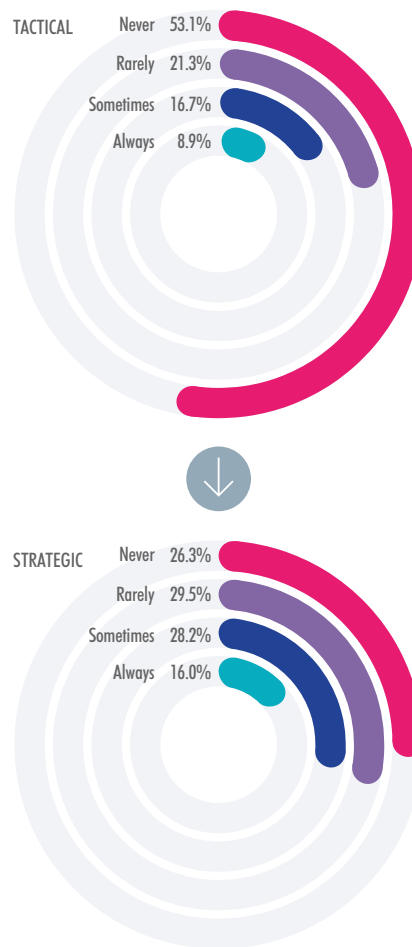
Part of the underlying reason why businesses typically view Global Mobility as a cost centre rather than a value centre is likely to be due to an inability to demonstrate the value of Global Mobility.

84.8% of Global Mobility professionals said they believe their Global Mobility programme delivers value for money. Yet few have the capability to articulate or demonstrate this value to their business.

A massive 72.0% of organisations said that they never or rarely measure Return on Investment on their assignments, thus making it virtually impossible to be seen as a value partner or build a case for increased investment in the department.

However, there is a distinct divide between companies where the Global Mobility professionals are ‘tactically focused’ and those where they are ‘strategically focussed’ (based on the activities they perform). **‘Strategic’ organisations are 26.8% more likely to measure ROI than their ‘tactical’ counterparts.** See Fig 19.

Fig 19. Measure ROI of assignments



84.8%

Of professionals believe their programme delivers value for money.

25.9%

Say that mobility strategy is closely aligned with organisation's strategy

SELECTING APPROPRIATE SYSTEMS IS CRITICAL

Amongst Global Mobility professionals who are trying to measure ROI, there is widespread recognition that these measurements still leave much room for improvement. Less than one in seven organisations measuring ROI (12.9%) believe that the methodology they currently use is very useful; one in four (24.6%) think it's not very useful.

So where's the methodology falling down? Perhaps part of the answer lies in the systems being used. Only 1 in 4 organisations (24.7%) are using specially designed in-house systems. Instead, the most commonly used system is everyday software such as Microsoft Excel (34.3%), with Big Four solutions (whether standard or customised) also representing a sizeable chunk. See Fig 20.

As a result, professionals are finding it very difficult to get timely, accurate insight with common complaints including 'patchy data' and the need for 'time-consuming manual analyses'.

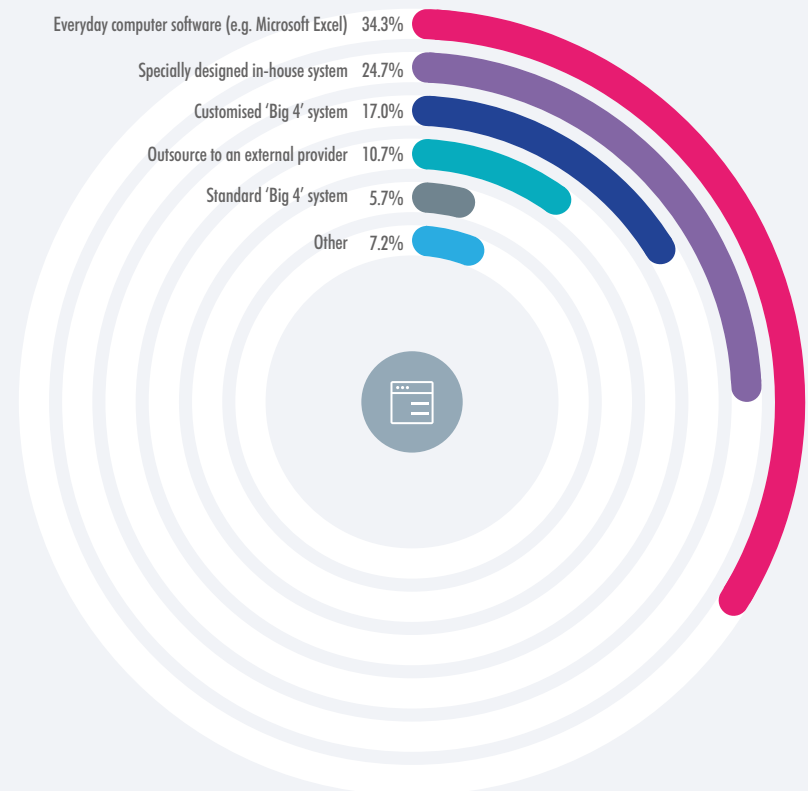
Once the assignee is on location, costs then need to be monitored throughout the assignment's life; and again, the most commonly used system for doing so is everyday software like Microsoft Excel (37.8%). Here also, this is often failing to live up to the task. **Only 7.8% describe everyday software as extremely effective for monitoring their costs whilst over one third (34.4%) say it is not very effective.**

Instead, the most effective method appears to be utilising the power of a system that is connected across the entire business. **88.1% of organisations using connected systems describe them as effective at monitoring costs.**

Having a globally connected system opens new possibilities for companies. At a basic level it enables Global Mobility functions to provide reporting to the business of spend and performance. This can be used to build a business case to demonstrate how Global Mobility delivers value to the organisation which can be used to create business cases for investment in Global Mobility. Further ahead there is even greater opportunity for utilising the power of 'Big Data' in relation to talent management and linking with other parts of the business.

Going forwards, measuring ROI will be vital for transforming business opinions of the Global Mobility function, for which connected systems and good data hold the key.

Fig 20. Systems used to estimate assignment costs



DAVID SCHOFIELD

"Demonstrating value to the business is a topic which resonates across the HR profession. For me, the way forward for Global Mobility professionals to prove their value is partly around being in command of mobility data (numbers of assignees, cost of programmes, retention rates, return on investment etc) and partly around having a commercial mind-set. Such a mind-set means trying to think like a CEO, or a Finance Director or a Head of Operations. What are their priorities and how can a mobility programme help to address these?"

Measuring ROI (Return on Investment) is very important, but in reality over-complicated approaches can sometimes make the task seem impossible. I have found with a range of companies that a simpler, business-driven approach to ROI can work well. The twin focus is on 'Effective ROI', i.e. whether the assignment achieves its objectives, and 'Efficient ROI', i.e. whether the overall cost is in line with predictions. This approach treats a Global Mobility initiative like any other business investment, such as a new IT system or a marketing campaign and simply asks; 'did it get the job done at the expected cost?'

This approach requires objectives to be set and costs to be measured – which of course are good things."



EMMA HOLDER / RE-FOCUSSING GLOBAL MOBILITY

“In some organisations there may be a mismatch between what Global Mobility management perceives as strategic and what effective strategic influence really is.

Spending time working on administrative tasks, dealing with payroll, co-ordinating tax and immigration compliance or just handling the day to day logistics of moving employees is not strategic, and it’s difficult to see how a professional can have any meaningful time left over to spend with the business to really understand what the company’s overall objectives are.

To really develop a fully strategic Global Mobility function, investment in time spent talking and developing deep relationships with the business is essential. In organisations where Global Mobility is closely aligned to company objectives, I would expect to see time being spent on:

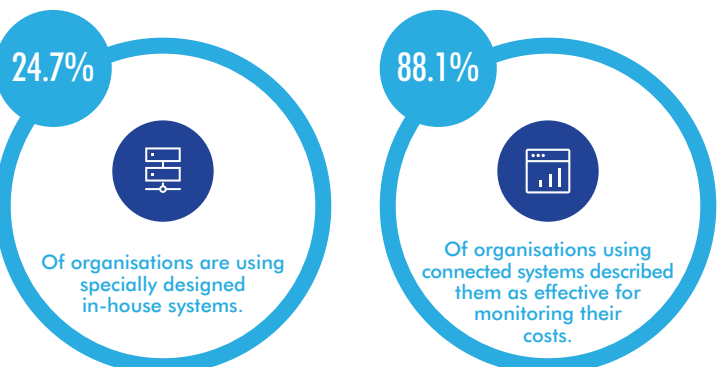
- Strategic workforce planning
- Co-ordinating with other departments
- Assignment candidate selection
- Preparing reports for the business

The good news is that some of the Global Heads of Mobility we work with are making great progress in this space.

One organisation has invested a huge amount of time in recruiting a highly skilled technical Global Mobility team who carry out very detailed cost modelling for all potential assignments. More importantly the Global Head of Mobility has a central budget and they are on a mission to move as many employees with this budget as possible. They have complete authority to veto assignments and prescribe how assignments should be structured in the most cost effective and compliant way. The time invested with the business to develop relationships, and their strategy to build the Global Mobility credibility by showcasing deep technical expert knowledge, has led to a fantastic result in truly aligning with overall company objectives.

Another Global Head has focussed on one distinct population of employees. Their company’s objective is to mobilise top talent over the next 2 years to develop global mind-sets. To help meet this objective, the Global Mobility function have spent time with the business and they have secured control of a central budget to use on the movement of 100 employees. Negotiating a central budget as part of Global Mobility strategy is a great way to have a voice at the table. It forces Global Mobility to be strategic rather than reactive administrators.

To make these changes happen, reducing the administration burden of the in-house Global Mobility team should be the highest priority for Global Mobility Managers. This will enable the team to have the time and energy to really start shaping their strategy in line with their company’s overall objectives.”



PART 4. POLICY THE KEY TO IMPROVING RETURN ON INVESTMENT

Correct use of assignment type is critical to cost control and maximising return on investment. We've seen how, rightly or wrongly, there is significant emphasis on cost reduction within Global Mobility programmes. In line with this drive for cost optimisation, 37.4% of organisations report that they now continuously review their policies, and a further one third plan to conduct a formal review with the next year. See Fig 21.

Emerging from these reviews is a shift towards greater policy segmentation as businesses seek to reflect the requirement for policies to align more closely with the business and people drivers. In fact, nearly two-thirds of organisations (63.8%) now use different policies for different types of assignments. The only sector that varies significantly from this model is Government / Diplomatic Services who will often use a single policy (47.1%) – a reflection perhaps on how government policies adopt a more uniform approach?

Long-term assignments are the one assignment area in which the Standard Expatriate policy still dominates (used by 71.6%). See Fig 22.

Fig 21. Review of policies next due

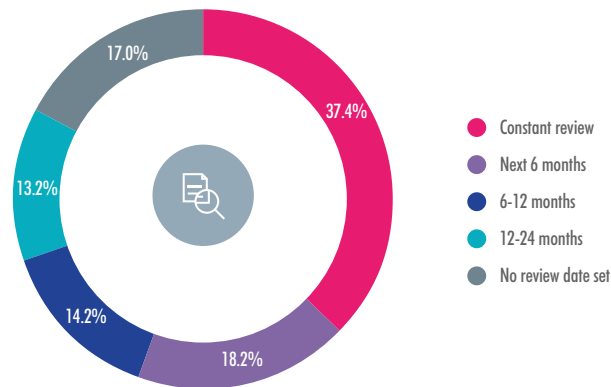
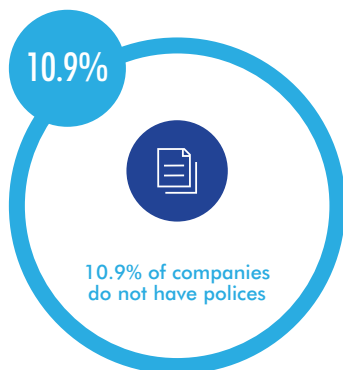
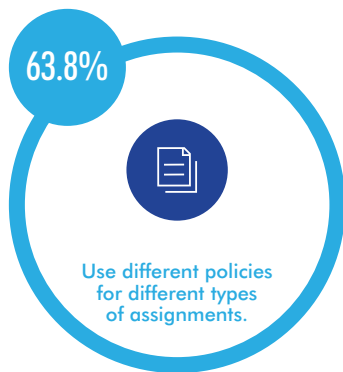
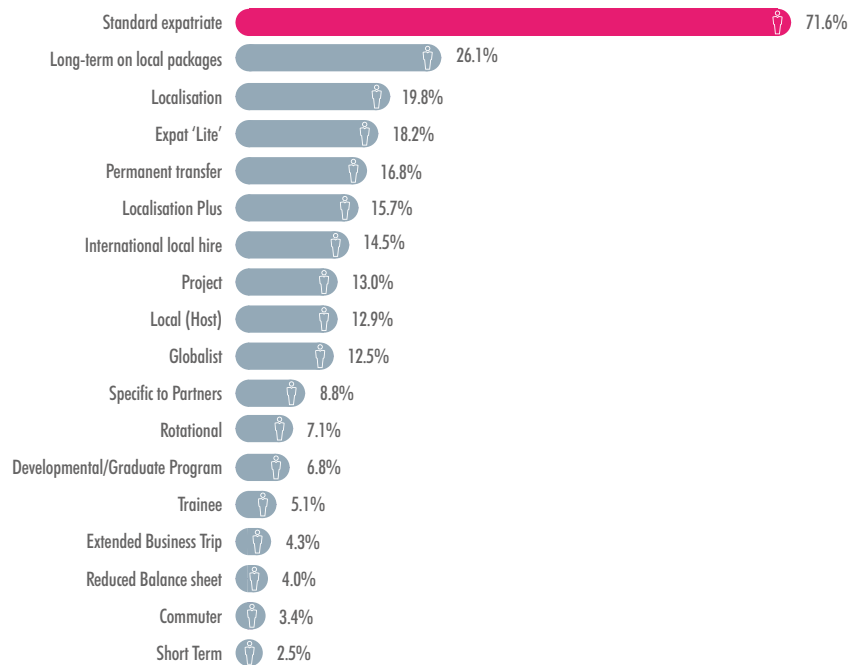


Fig 22. Policies used for long-term assignments

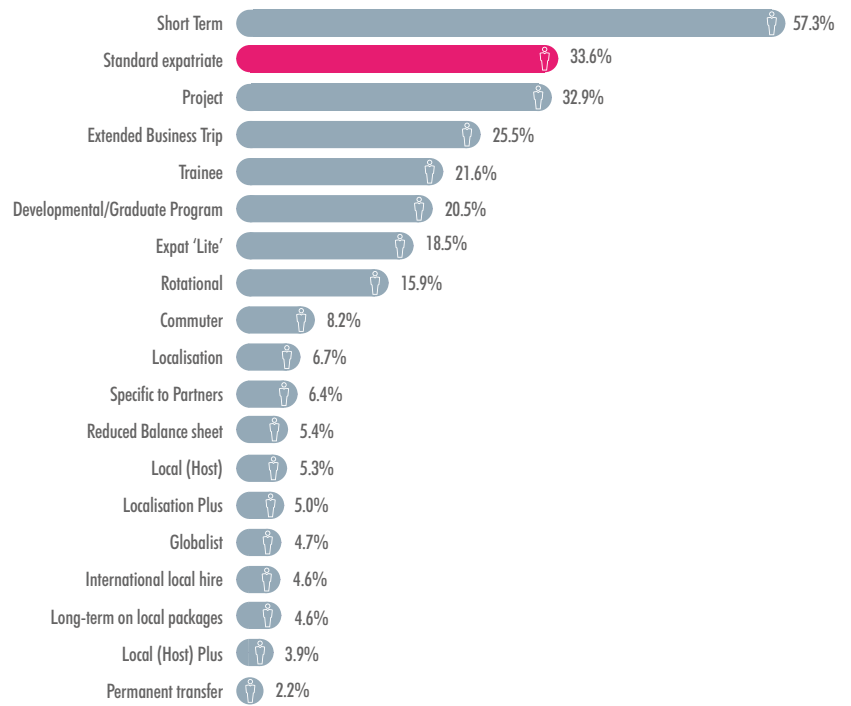


Here though, it is also interesting to note that Localisation and Localisation Plus policies are also prevalent (both used by 19.8% and 15.7% of companies respectively). This reflects a growing trend to focus on differentiating the business and people drivers of long term assignments – and whether it is principally for the benefit of the organisation, the employee or a combination of both.

In the short term policy landscape, there is a move towards refining the cost of packages to reflect the purpose of the assignment with the rise of Project, Extended Business, Trainee and Developmental / Graduate Programme policies. See Fig 23.

However, Standard Expatriate approaches still remain in prevalent use with just over 1 in 3 organisations adopting this policy for short-term assignments.

Fig 23. Policies used for short-term assignments



JOHN RASON

“The use of new policy types is particularly prevalent in the technology and consulting sectors, where the cost of short-term mobility can be the difference between winning and losing projects and contracts. Equally, employees undertaking a graduate rotational programme are unlikely to receive full short term assignment packages, hence the creation and growing adoption of Development/Graduate Programme policies.”

32.4%

One third of companies expect to review their policies in the next year

25.3%

Of companies use a single policy approach

Similarly, when it comes to commuter assignments, just over one half (56.2%) are using specific commuter policies. For the remainder, extended business trip and Standard Expatriate policies are widely used. See Fig 24.

For one-way assignments, the good news is that all seven of the most prevalently used policy types are based upon a permanent transfer or form of 'local' policy. However, there is wide variation in the types of 'local' policies used from 'Localization' to 'International Local Hire' and many organisations are using multiple different policy types. See Fig 25.



JOHN RASON

"It is not uncommon to see companies who will confess to having employees on assignment on full expatriate conditions who have been in one location for up to 20 years!

Global Mobility has accountability to the business to eliminate this wastage by ensuring the correct policy and package is applied. This should be based on a continuous review of each new assignment business case and existing cases, based on the requirements of the assignment.

To achieve this, Global Mobility must first be able to identify all their employees on assignment, be able to access full details of the assignment conditions and have an effective process for assessing the assignment / policy suitability.

At the heart of this lies having a technology system that enables this. If this is not available within the organisation then this is an opportunity to invest and develop a system that supports your Global Mobility function."

Fig 24. Policies used for commuter assignments

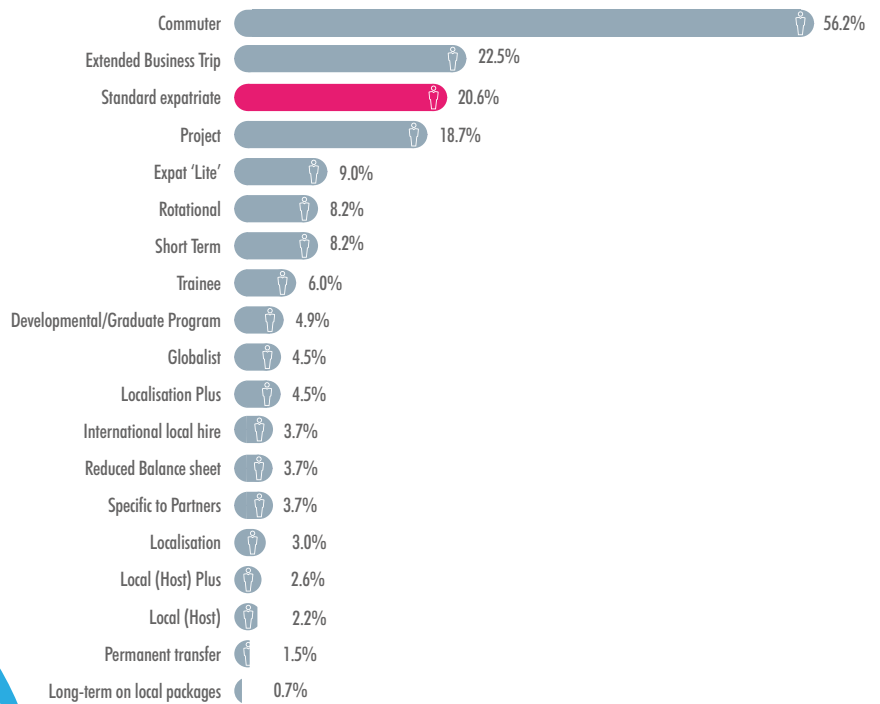
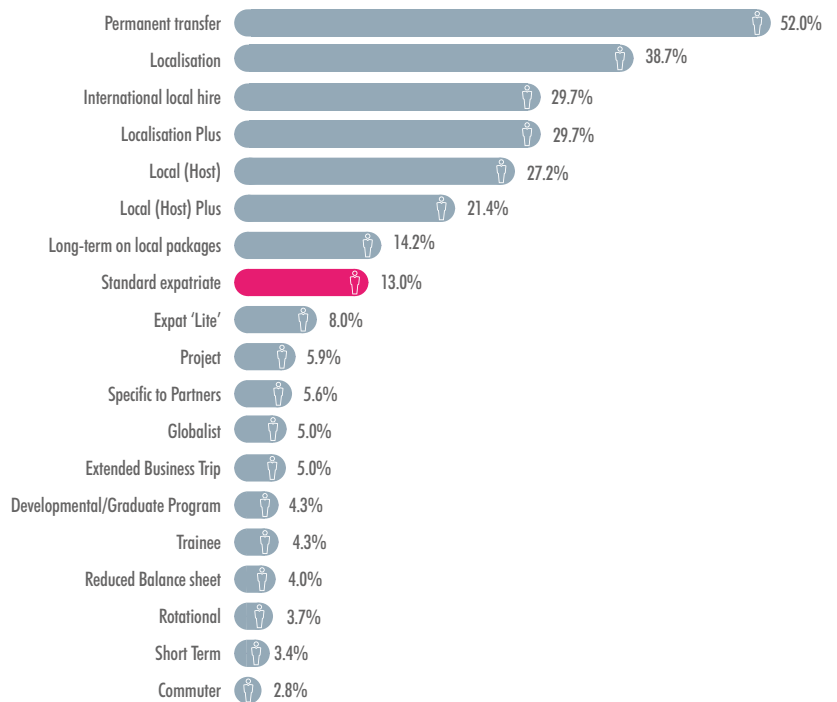


Fig 25. Policies used for one-way assignments



POLICY SEGMENTATION & TARGETING

So policy segmentation is growing in favour as organisations look to optimise their costs, and with increasingly diverse global workforces, there is compelling justification:

- Four generations are now concurrently in the global workforce
- There is a constantly changing geo-political landscape of emerged and emerging economies
- Emerging economies are often now the new headquarters for outbound assignees and traditional western-based policies may not reflect the social and cultural requirements of this assignee population.

Earlier in this report, we noted how 35.6% of professionals felt that evaluating expatriate vs. local hire options should be one of the activities they spend most time on. This is indicative of businesses waking up to the fact that traditional approaches may no longer be the optimum solution, and as such the trend for targeted policy types is likely to grow.

However, it is worth noting that there is a danger for smaller Global Mobility programmes to over-complicate policy options, resulting in an ‘unwieldy’ array of difficult to manage policies for what in reality may be a small internationally-mobile workforce.

The larger programmes (with 250 plus assignees) are more likely to have sufficient headcount to effectively manage a wider range of policies. For others, the ‘keep it simple’ mantra may reflect why traditional policies remain in popular use. It is a difficult paradox. With local market salaries in emerging economies often now matching and exceeding their western economy counterparts, adopting a local-plus package instead of a traditional policy could actually be significantly more costly for the organisation. But having the time and resources to evaluate this in detail for smaller programmes could be fraught with pitfalls.

What is clear is that the modern-day Global Mobility professional has a wide-range of policies available with which to implement cost-effective Global Mobility and it is vital that the correct policy is selected depending upon the type of assignment. However, what is also clear is that for many organisations there is still a mismatch occurring when it comes to aligning the assignment requirement with the optimum policy.



JOHN RASON

“Smart application of policies can improve the ROI of your Global Mobility spend. ‘Segmentation and Targeting’ is key to this, whereby assignment types are more correctly segmented by business drivers and relevant policy types are developed to accurately target the need of each assignment is now seen as a key enabler for Global Mobility.

Segmentation and Targeting offers an effective means of reducing total programme costs without jeopardising assignment quality. As such, traditional short-term and long-term policies are being augmented with additional policies to reflect the increasing assignment diversity. The trick is in how companies effectively segment the policies they create to meet these needs and how accurately they are at targeting.”



A ‘keep it simple’ mantra may reflect why traditional policies remain popular

RE-EVALUATING COMPENSATION BY ASSIGNMENT REQUIREMENTS

Even once you've navigated this world of varying policy approaches though, the complexity doesn't end there. Virtually all organisations (93.8%) also employ multiple compensation approaches, varying the contents of assignment packages depending upon the circumstances of the individual assignee.

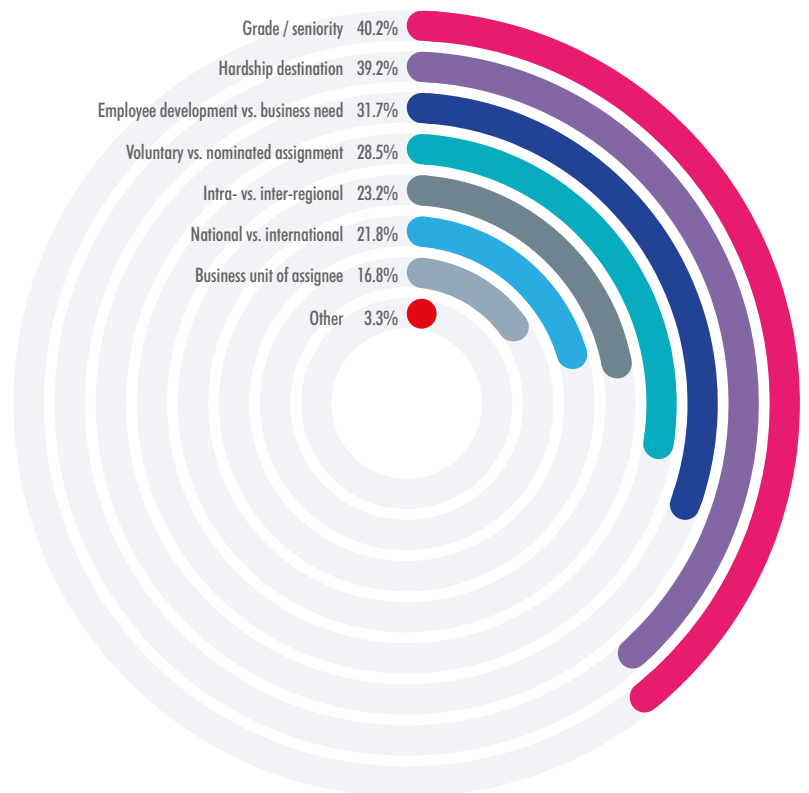
Of course, in itself this is not a particularly new phenomenon – assignment packages have historically been designed to reflect the seniority of the assignee and the 'risk' or 'hardship' level of the destination. However, the causes of package variations are now changing. Nearly two-thirds of organisations (59.8%) no longer consider seniority as part of the package deliberation; instead, growing numbers are turning towards more 'situation-specific' determinants, such as whether the assignee volunteered or was nominated for the assignment (28.5%). See Fig 26.

In particular, white collar industries such as Legal (69%) and Professional Services (57%) are more likely to use measures such as whether the assignment was voluntary or nominated, whereas blue-collar industries such as Tobacco (100%) and Mining (79%) are more likely to still be working by seniority.

This highlights the need for Global Mobility professionals to remain closely connected with their business and HR/talent counterparts to ensure the right compensation and policy approach as circumstances evolve.

Going forwards this means that there will continue to be cultural and professional differences in the packages required to attract, re-deploy and retain an internationally-mobile workforce. As the next generation of talent enters into the global workplace, it is likely that their career aspirations will demand an international experience, whether or not this is sponsored by their employer. On the other hand, motivating technical specialists and executives to accept assignments in unstable geo-political economies may still require hardship and other incentives to ensure timely delivery of projects and new ventures.

Fig 26. Criteria for varying compensation approach

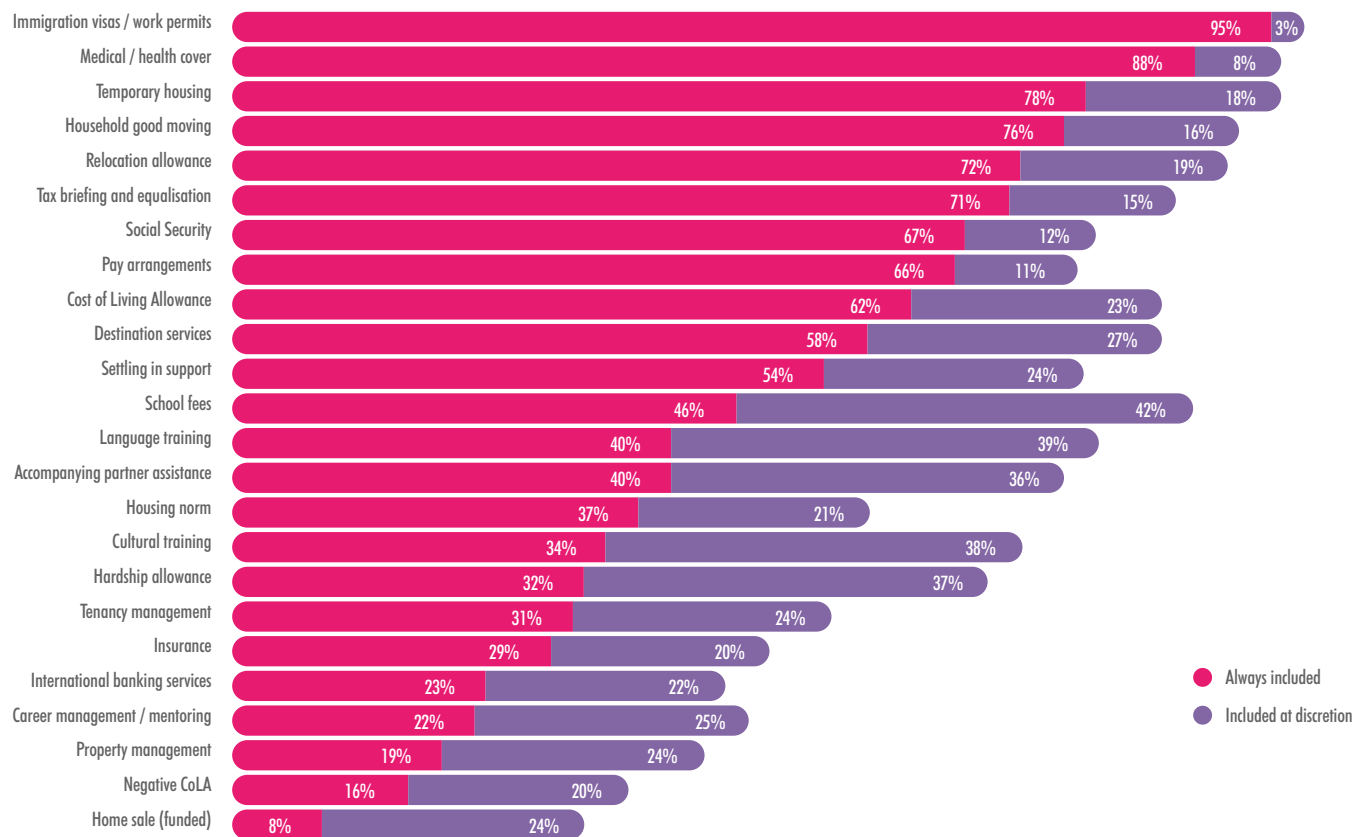


THE RISE OF DISCRETIONARY BENEFITS

So what does this mean in terms of package contents? Whilst certain benefits, such as immigration visas and work permits, are still nearly always included in compensation packages (95%), other features, such as school fees, language training, accompanying partner assistance, cultural training and hardship allowances, may be included or excluded in any package at the organisation's discretion depending on the individual circumstances and the business case for the assignment. See Fig 27.



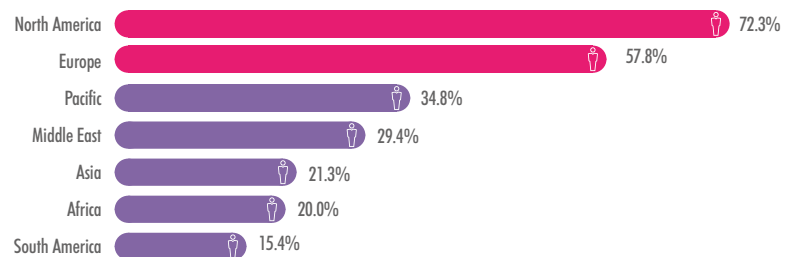
Fig 27. Contents of assignment benefits packages (those who vary compensation approaches)



Exactly who 'owns' the discretion for determining assignment packages though is an interesting question. The management of the majority of Global Mobility programmes are handled on a regional basis (i.e. Middle-Eastern-based personnel coordinate assignments in the Middle East, etc.); however, if you're based in the USA (72%) or Europe (58%) then you're much more likely to have a global remit. See Fig 28.

This differentiation is likely to be important. Single, global coordination should lead to increased compliance and cost efficiencies; however, if implemented poorly it can also lead to bureaucracy overriding common-sense and a failure to recognise individual circumstances.

Fig 28. Professionals with a global remit by region personally-based

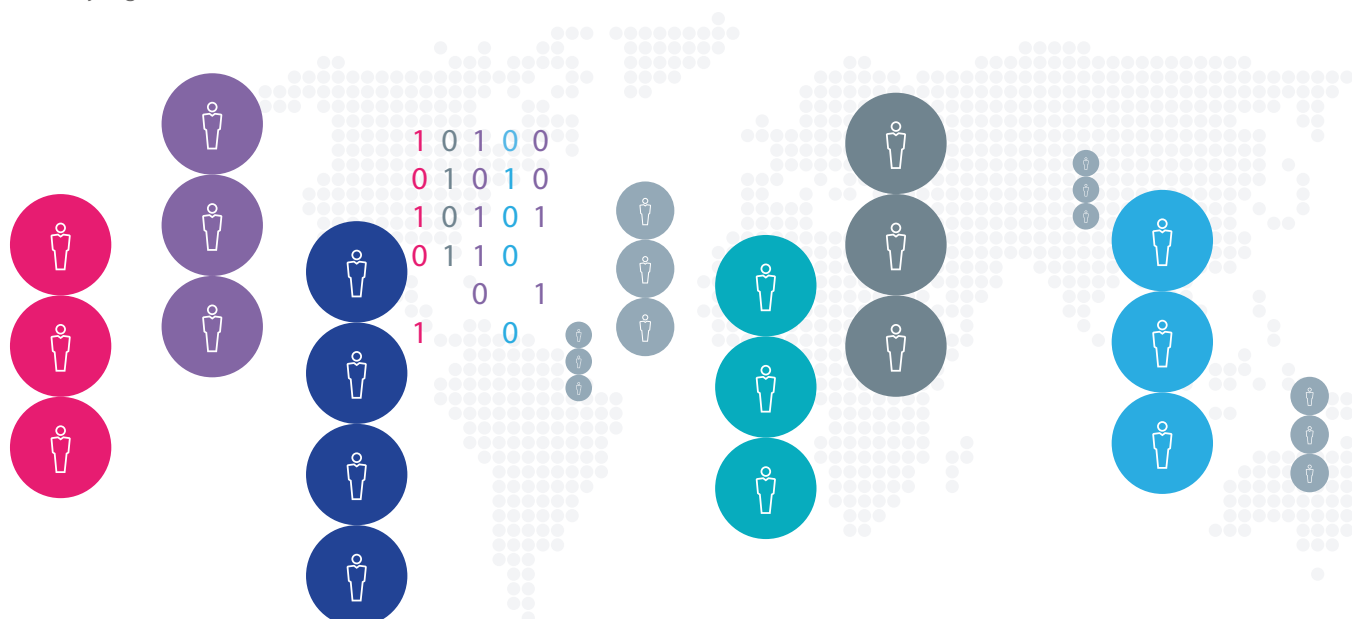


PART 5. RECOMMENDATIONS

This year's survey identified key trends and critical challenges that are being faced by businesses and their Global Mobility functions worldwide. The following recommendations have been developed in order to address some of these issues.

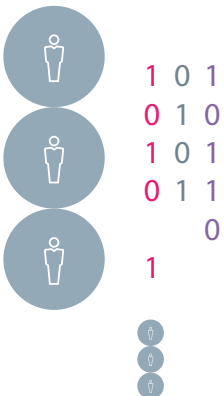
ENABLING GLOBAL MOBILITY TEAMS TO CREATE VALUE AT A STRATEGIC LEVEL

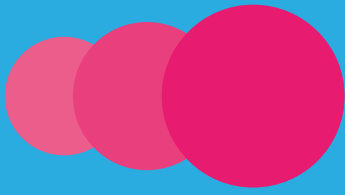
- **Data analytics:** understanding what metrics and data are valuable to executive leadership.
 - I. When presenting Global Mobility to the business use similar business language and data that your CEO would use to present to their Board or shareholders.
 - II. Shift the discussion from 'cost authorisations for assignments' to 'assignment investment plans'. Isn't this the start of Return on Investment discussions?
 - III. The leading-edge organisations have also put in place mentor programmes to ensure their talent remain connected throughout the assignment period.
 - IV. Organisations probably do possess the data required to demonstrate value to the business. The big problem is being able to access and manage that data across multiple sources (especially for companies who are de-centralised or use basic Excel spreadsheets to run their programmes). Options exist to buy tailored Global Mobility software or indeed have this provided as part of a broader organisational review of the mobility function. Investing capital in buying a system (with implementation costs) plus operational software licence costs should be considered versus an operational cost of delivery via a Global Mobility management company; decisions that will be different for every organisation.
- **Policy alignment:** segment assignments based on benefits sought from the assignment rather than just seniority or grade of the employee. For example; is it initiated by the organisation to achieve specific business objectives, part of employee development plan or self-initiated by the employee for personal benefit?
 - I. Engage business and senior HR stakeholders in challenging the business and talent objectives for Global Mobility.
 - II. Segment policy types and benefits to enable all stakeholders to re-focus their 'line of sight' between assignment goals and developmental benefits for the employee.
 - III. Consider whether Talent Management and Global Mobility should jointly engage on policy development.
 - IV. Consider whether you are able to assess the policy impact on cost to the business by re-aligning policy types and conditions - doing more with less could be an achievable goal?



- **Global Mobility roles and responsibilities:** how can the Global Mobility function be more strategic when they are resource constrained?
- I. Consider if you should 'Make' or 'Buy' the solutions your Global Mobility challenges based on;
 - i. Existing internal competencies
 - ii. Do these align with the executive leadership's expectation for Global Mobility?
 - iii. What are the activities that are mission-critical that can only be executed internally and does this vary region or business lines?
 - iv. Would partnering with a specialist company (single or multiple services) improve the efficiency of your business?
 - v. Is there a broader change transformation that should include Global Mobility - especially as Global Mobility can sometimes been as an 'ivory tower'?
 - vi. Structurally, to whom should the Global Mobility function report into? HR, Centre of Excellence, Talent - or a Global Mobility Department in its own right - with a Profit Centre accountability rather than a Cost Centre (fixed overhead)?

- **Duty of Care** - Review your current Duty of Care to ensure that personal risk receives the level of consideration it deserves. Consider the following as part of your review:
 - I. Having a clearly defined, Duty of Care policy and standard operating procedures for critical incidents creates an organisational focus on considering employees not as resources but as human beings, who care about their work and their company.
 - II. Undertaking a strategic risk review of all forms of mobility ensures that there is a proactive approach to managing duty of care. How many business travellers do you have? One global business recently estimated they have 4,500 business travellers in addition to their Global Mobility programme.
 - III. Recognising Duty of Care as a pro-active opportunity to contribute to your employer brand may facilitate you being able to hire technical talent to work in unstable countries. Showing the CEO that Global Mobility has contributed to the Talent agenda and achievement of entrepreneurial objectives can only enhance business recognition of the value that the Global Mobility function can create for the organisation.
 - IV. Instilling a raised level of consciousness for management, employees and communicating this with broader stakeholders (such as investors) is something that the extraction and manufacturing industries have been pioneering for decades. For many emergent industries, there is perhaps a greater naivety and laissez-faire approach. It only takes one crisis to have substantial impact on all levels of the organisation. If you fail to prepare, prepare to fail.
 - V. Invest in a global critical incident specialist partner BUT having clearly defined policies, crisis plans and roles and authorities must go hand in hand with the specialist partnering.





METHODOLOGY

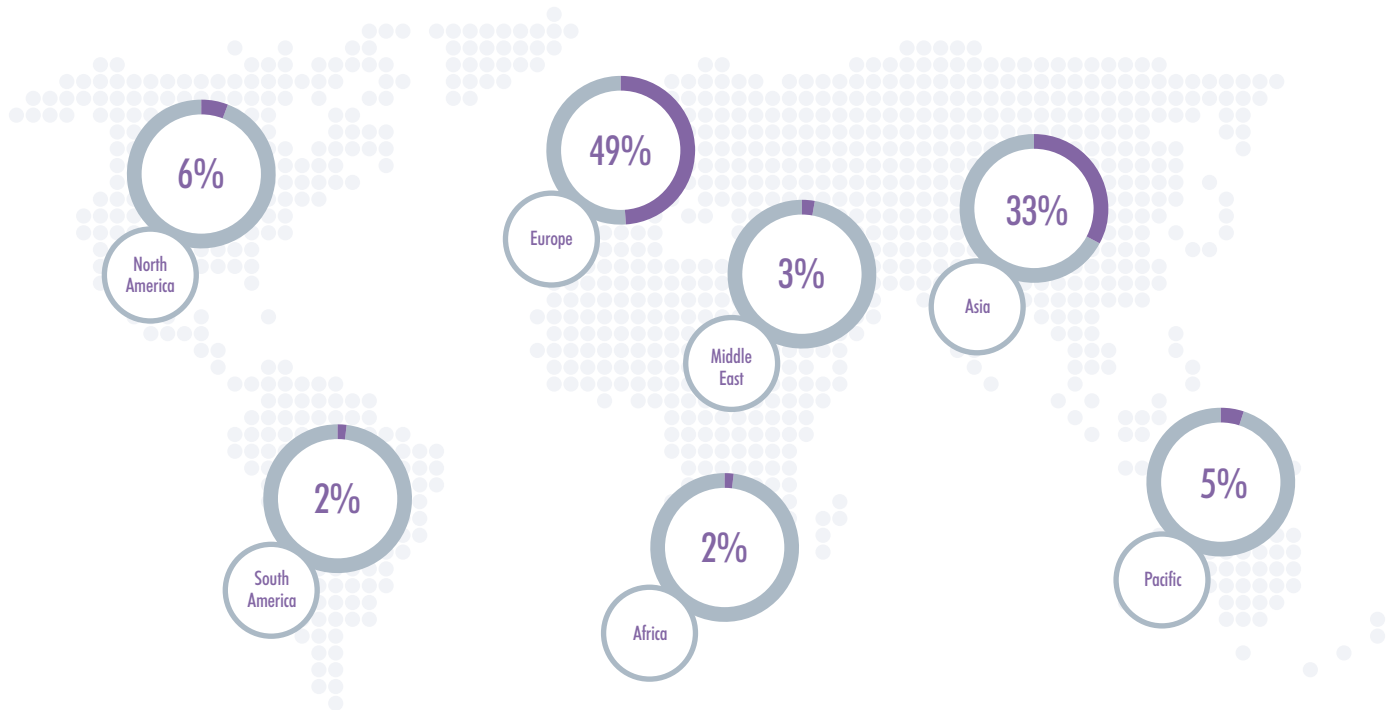


METHODOLOGY

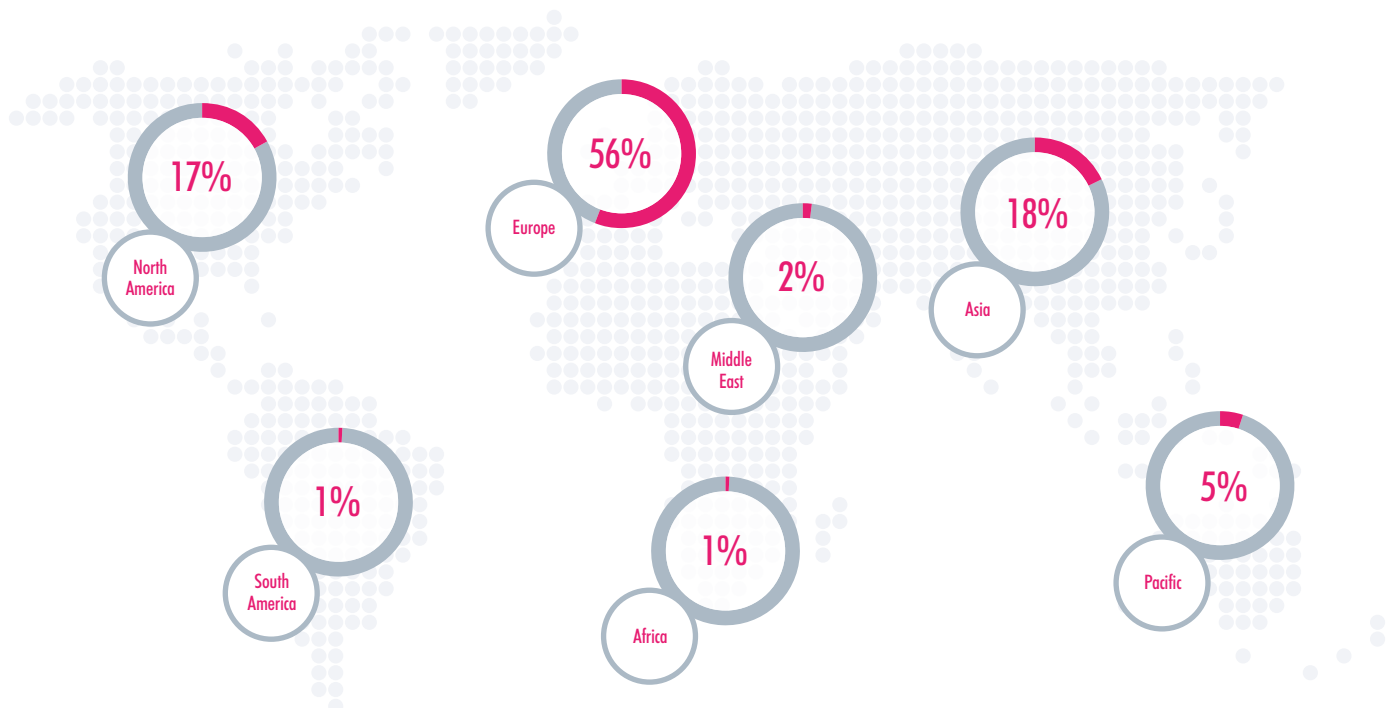
The Global Mobility Survey 2015 was conducted online during December 2014 and January 2015. The survey was available in seven different languages (English, French, German, Portuguese, Russian, Simplified Chinese and Spanish).

Global Mobility Professionals from 1,282 companies completed the survey from 74 different countries.

Responses by Region



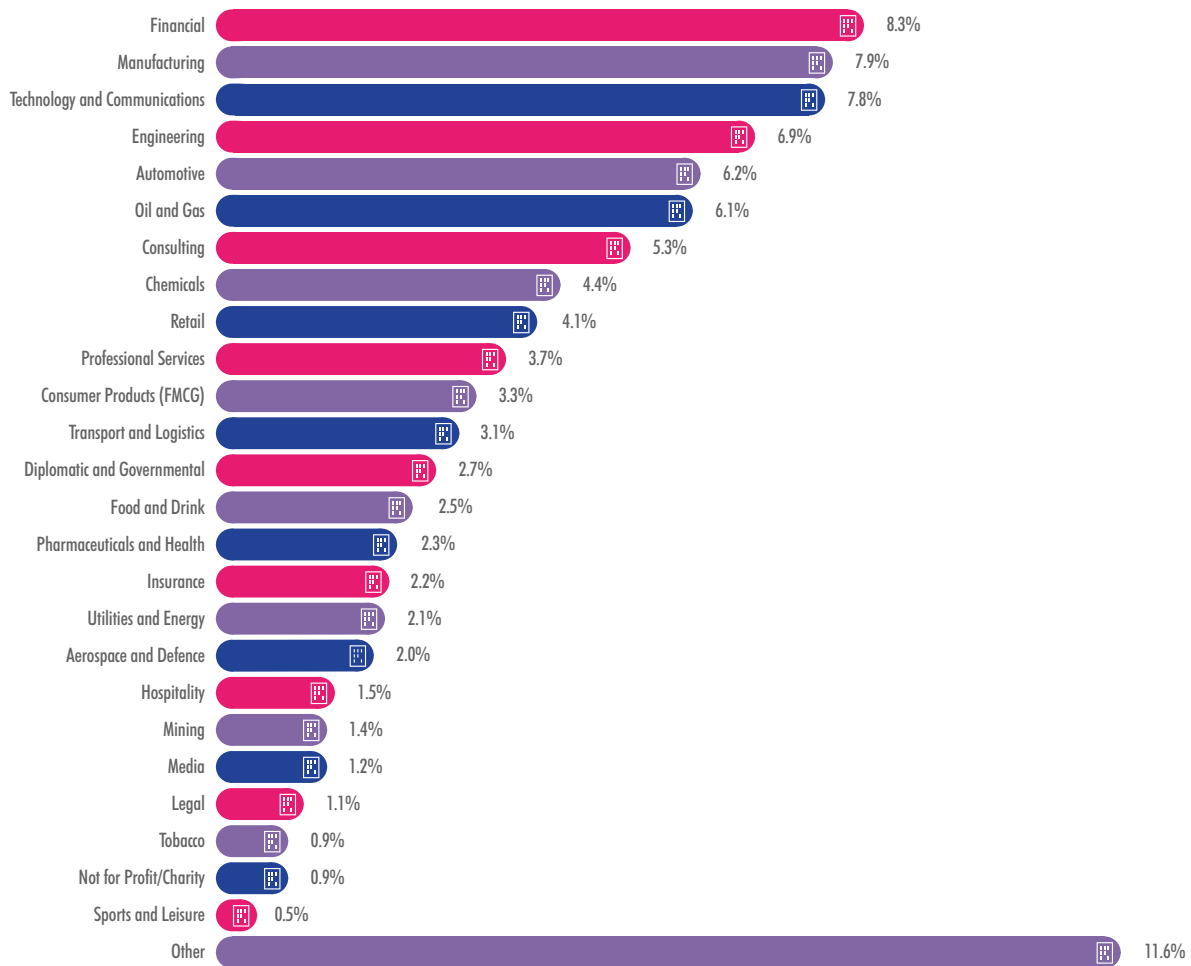
Responses by HQ location



RESPONSES BY INDUSTRY SECTOR

Respondents also spanned a wide range of industries from Financial to Manufacturing, Technology and Communications to Engineering.

Responses by industry sector



PARTICIPATING ORGANISATIONS

Below is a list of some of the organisations who took part in the survey*:

A.Raymond	CGI	Gabe	Lucite International	Samsung
AB Inbev	Chevron Phillips	General Motors	LYMH	Sanofi
ABB	Cimpor	Geox	Maersk Oil	SAP
ABT Associates Inc.	Citibank	Goodyear Dunlop	MAN Truck & Bus	SBM Offshore
Acciona Agua	Clariant	Graincorp	Manitowoc Company	SCA
Accor Asia Pacific	CNH Industrial	Grant Thornton	Manulife	SCG Chemicals Co.
Adeo	Coats	Groupama	Mayer Brown	Schneider Electric
Adidas	Coca-Cola	Groupe Lactalis	MBDA	Semperit Ag Holding
Aeon Asia Sdn Bhd	Collinson Group	Groupm	Melexis Technologies	Sener Ingenieria
AFP	Colt Technology	Grupo Agbar	Meliá Hotels	Servier Russie
AIA	Comsa Emte	Grupo Antolin Irausa	Mercedes Benz	SES
Air France	Cotecna Inspection Sa	Grupo Codorniu	Micron Technology	Siika
Airbus Helicopters	Covance	Grupo Vendap	Microsourcing	Sopra Banking
Aker Solutions	CSG International	Gruppo Campari	Minter Ellison	Standard Life
Akzo Nobel	Cushman & Wakefield	Gulfstream Aerospace	Mitsui Chemicals	State Street
Albemarle	Cytec Industries Inc.	Hager Electro	MOL Group	Statoil
Aldi	Danfoss	Halliburton	MSD Vietnam	Stratasys Ap Limited
Allianz Of America	Danone	Hasbro Inc	MTR	Suez Environnement
Allnex	Dassault Systèmes	Haworth	Multichoice	Sun Life
Alstom	Davita	Heineken International	Mwh Global Inc.	Suncorp
Alter Domus	Daymon Worldwide	Hempel	Navantia	Sydhia Logistix
Amdatex Las Piñas	DBS Bank	Henkel	NCI Agency	Takeda
Ana Balat	Delfingen Pt Porto	Hima Australia	Nestle	Talanx Ag
ANZ	Dell	Hinduja	Netapp	Target Australia
Arup	DFS	Holcim Phils	Newrest	Technip Iberia
AS Avocats	DHL	HK and China Gas	Nexteer Automotive	Telefonica
Atenso	Digicel Group	Hovione	Nissan	Telvent
Atkins	DLA Piper	HSBC	Nokia	Temenos
Atlas Copco	Doosan Babcock	Huntsman	Novelis	Tesco
Ausenco	Douwe Egberts	Hutchinson	Nutreco	The World Bank
Ausy	Dow Chemicals	IATA	Nutrxio	theconnectconcept.com
Avery Dennison	DTC SAS	IBL Consulting	NXP Semiconductors	Thought 2 Finish Ltd.
AXA	Dyson	Igate Global Solutions	NYU Shanghai	TOTAL
Azimut Hotels	Eaton Investment	IHG	O3B Networks	Transfield Services
Bahrain Petroleum	EC Harris	ING	Océ-Technologies	Transit Marill
Bam Decorient	EDA	Ingersoll Rand	Odebrecht	Transworld
Banco De Sabadell	Edcon	Intel	Odgers Berndtson	Trouw Nutrition
Banco Santander	Elastomer Solutions	Intertrust	Olympus Corporation	TSWP
BASF	Electricfil Automotive	Inti Brunel Teknindo	Oms Holdings Pte Ltd	Tui Travel A&D
BAT	Elia	I-O & YT	Owens Corning	Turner International Llc
BC Ag	Embraer China	Ipsos Mori	Pagegroup	Tuv Rheinland
Bendigo Bank	Etisalat	IT One	Panafric Global	Ubifrance
Benteler	Enagat	ITX	Panalpina	Ucb Sa
Besix	Encore	Jacobs	Parexel International	Valeo
Bharti Airtel	Enel Ingegneria	Johnson Controls	Pernod Ricard	Vanderlande Industries
BIA	Enersis	Johnson Matthey	Petrofac Limited	Vifor Pharma
Blizzard Entertainment	Equifax	Kellogg Company	Peugeot Citroen	Vinx Malaysia Sdn Bhd
BNP Paribas	ERM	Kelly Services Inc.	Pfizer	Vodafone
Body Fashion Thailand	Euroclear	Kerajet	Porr	Vorwerk & Co. Kg
Body Shop	Eurolux Accounting	Keycoopt	Prospectiuni	Wabco
Brambles Limited	Euronews	Knauf Insulation	PVH Corp	Wallem Services
Brigstone	Everis	Knorr-Bremse	QBE	Walmart
BA Tobacco	EVN	Krauss Maffei Group	Qinetiq Ltd	Webasto Roof
Brunei Energy	FCA	Lanxess	Quest Global	Webster Vienna
Bühler Ag	Federal-Mogul	Lenovo Group	Reed Elsevier	Welltec Oilfield
Bupa	Fedex	Leoni Wiring Systems	Repsol	Wipro Ltd
Bystronic Laser Ag	Ferrovial	Lhoist Group	Ricardo Plc	Wood Group
Cabot Corporation	Fiège Ltd	Liberty Global	Riverside	Worleyparsons
Camoplast Solideal	Flextronics	Liberty Mutual	Rlg International	WPP
Cargill	Fluor Arabia Limited	Linde Wiemann	Rockwell Collins	Yokogawa Engineering
Carlsberg Group	FMC	Lindt	Rohde & Schwarz	Yves Rocher Vostok
CB&I	Frieslandcampina	Lloyd's Register	Rowan Companies	Zurich Insurance
Centrica	Fuji Xerox	L'Oréal	RBS	
CG Power Systems	Fujitsu	LR-Senergy	Sage	
CGD	G&S	LSM	Saint-Gobain Glass	

*Organisation names recorded voluntarily.

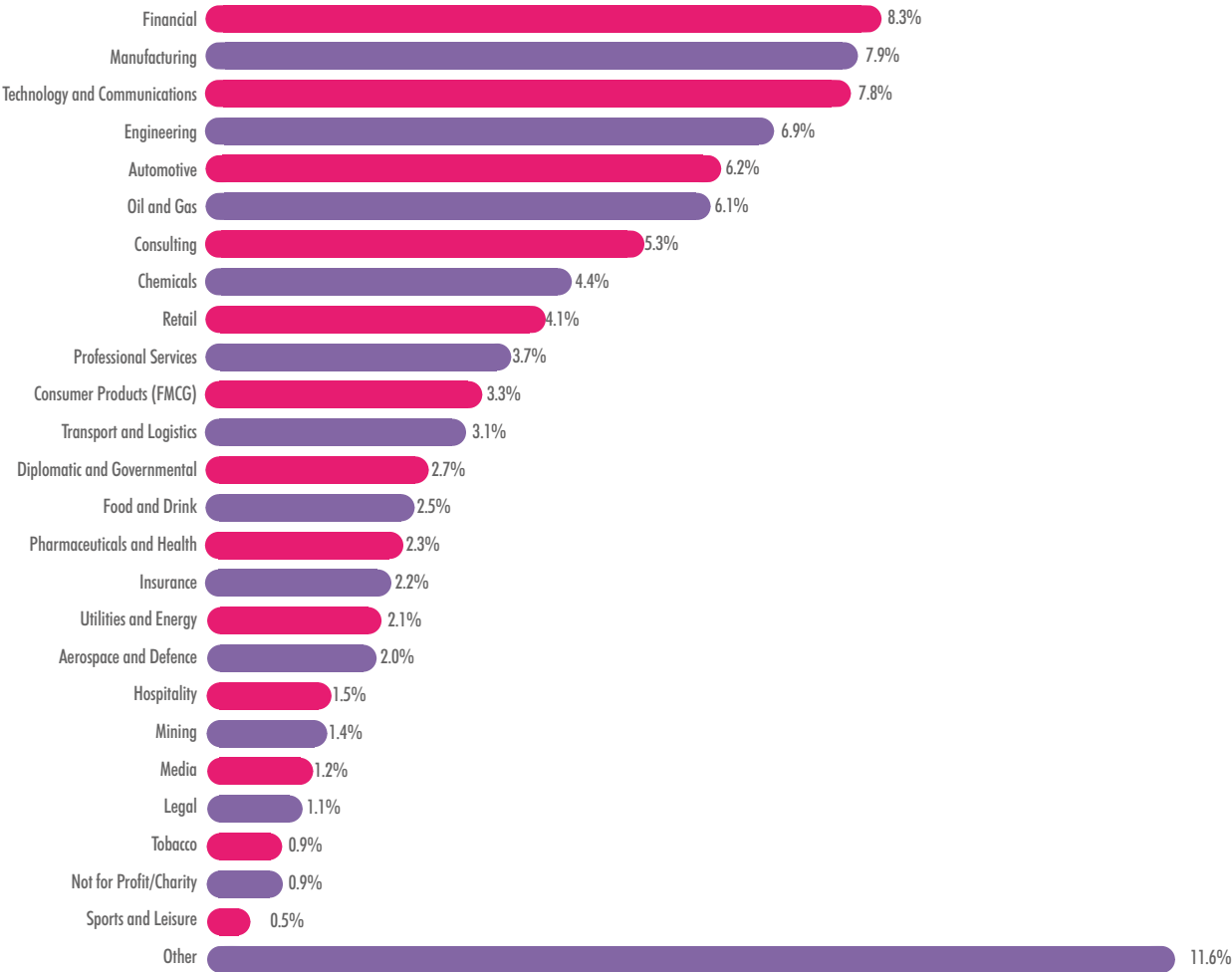


02

SECTION TWO: THE FULL RESULTS

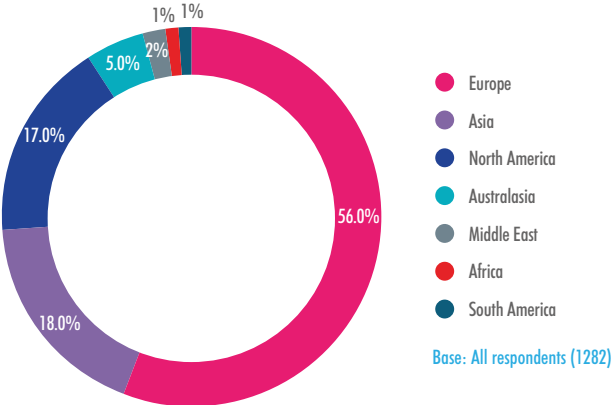


Q1. Which of the following best describes the primary industry in which your organisation operates?



Base: All respondents (1282)

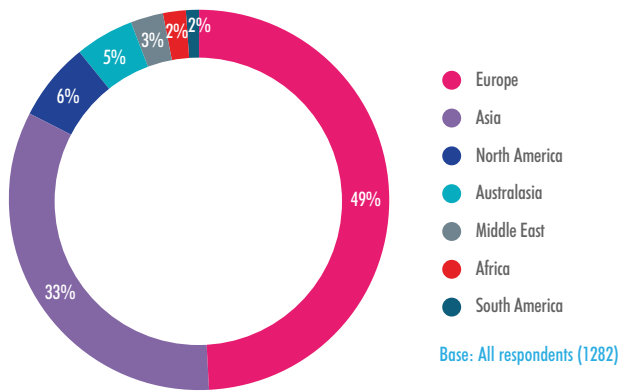
Q2. In which country is your organisation headquartered?
Grouped by region



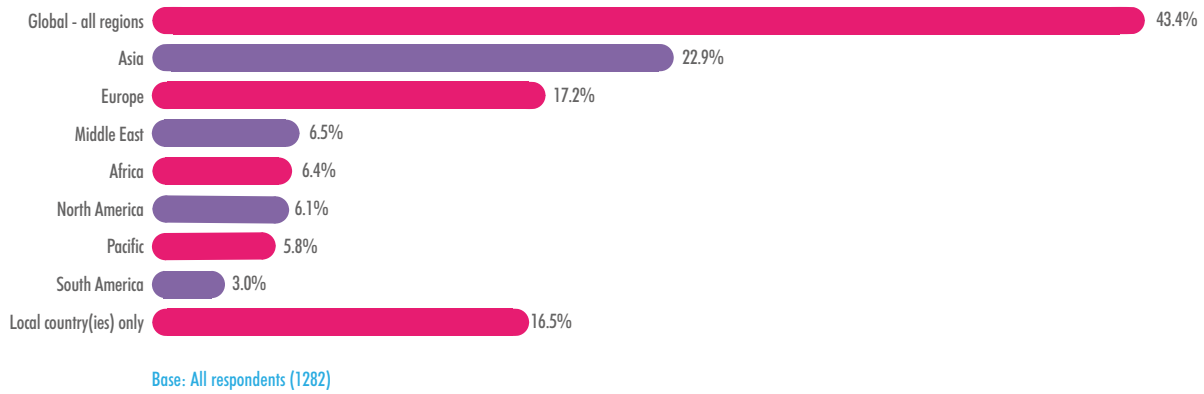
Base: All respondents (1282)

SECTION TWO: THE FULL RESULTS

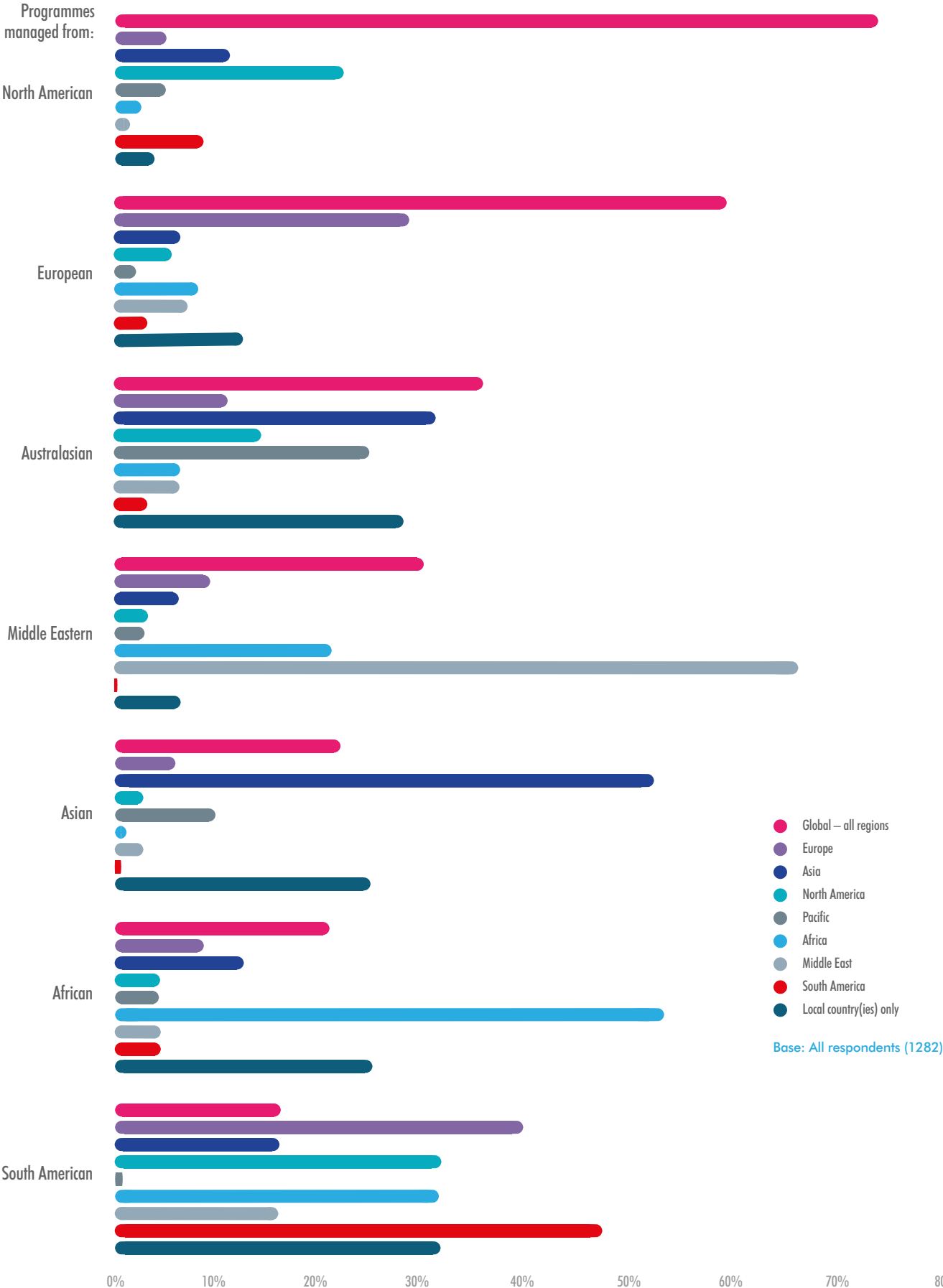
Q3. And in which country is the respondent based?
Grouped by region



Q4A. Which of the following regions is your department responsible for?

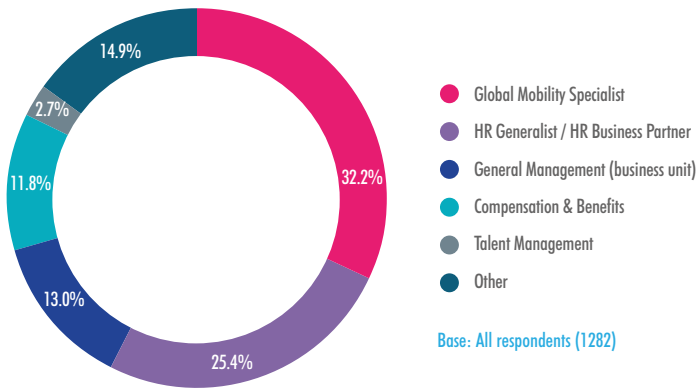


Q4B. Which of the following regions is your department responsible for?
Split by location of respondent

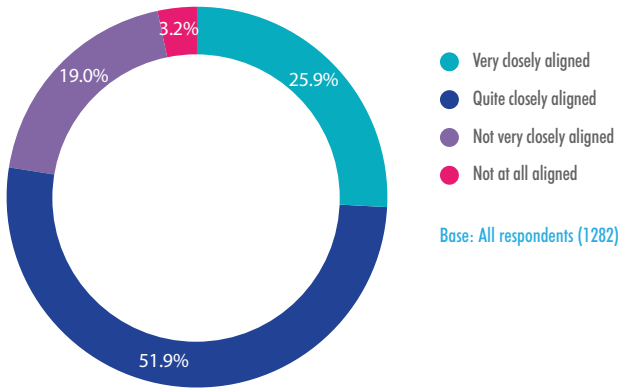


Base: All respondents (1282)

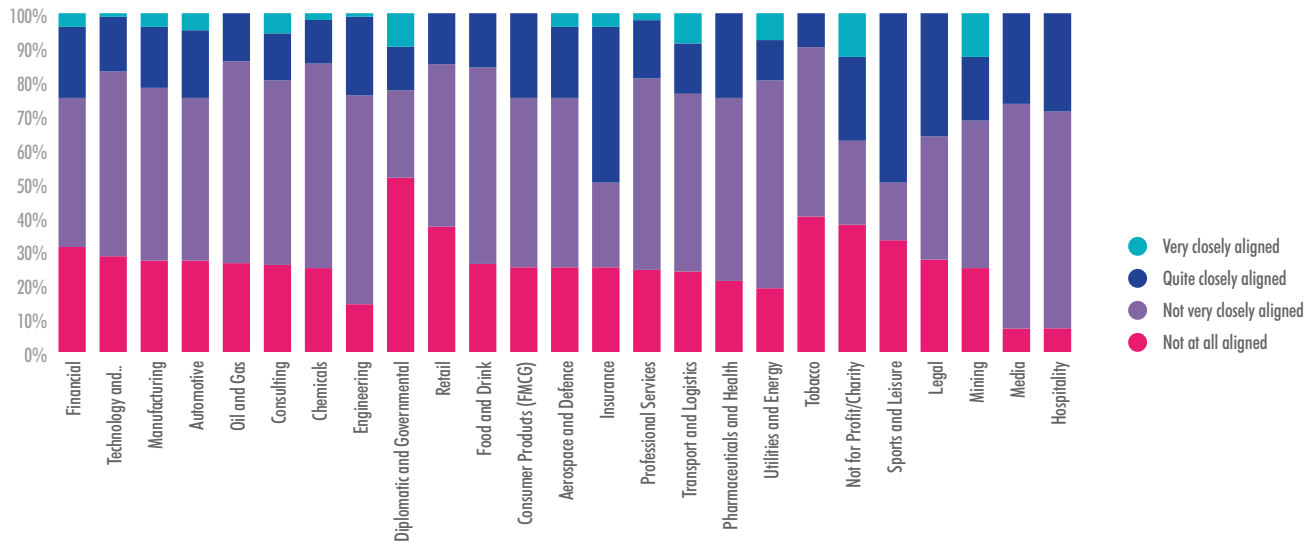
Q5. Which of the following best describes your job role?



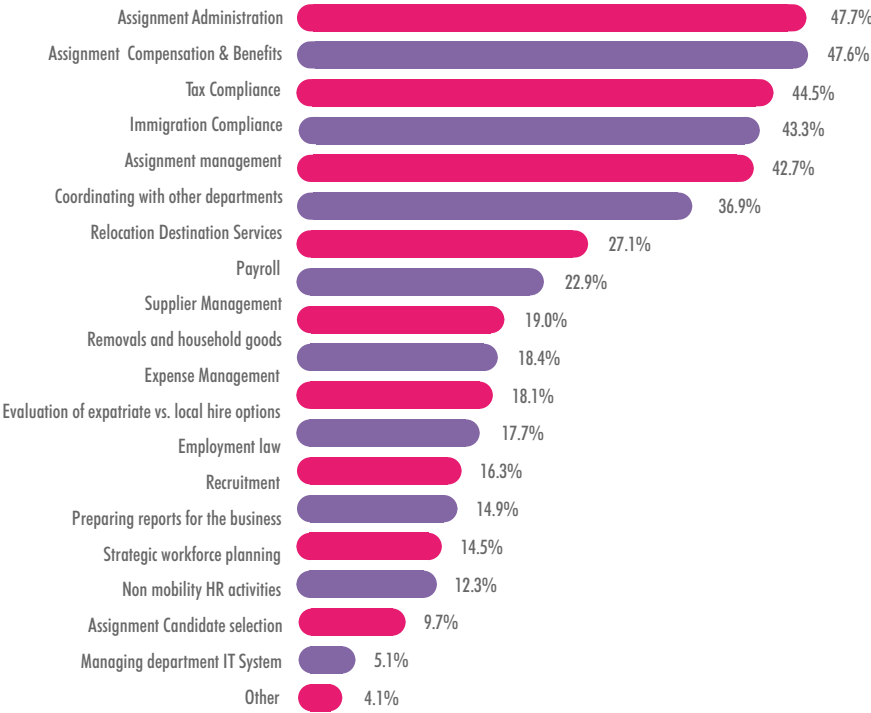
Q6A. How closely aligned do you think your Global Mobility strategy is with your company's overall objectives?



Q6B. How closely aligned do you think your Global Mobility strategy is with your company's overall objectives?

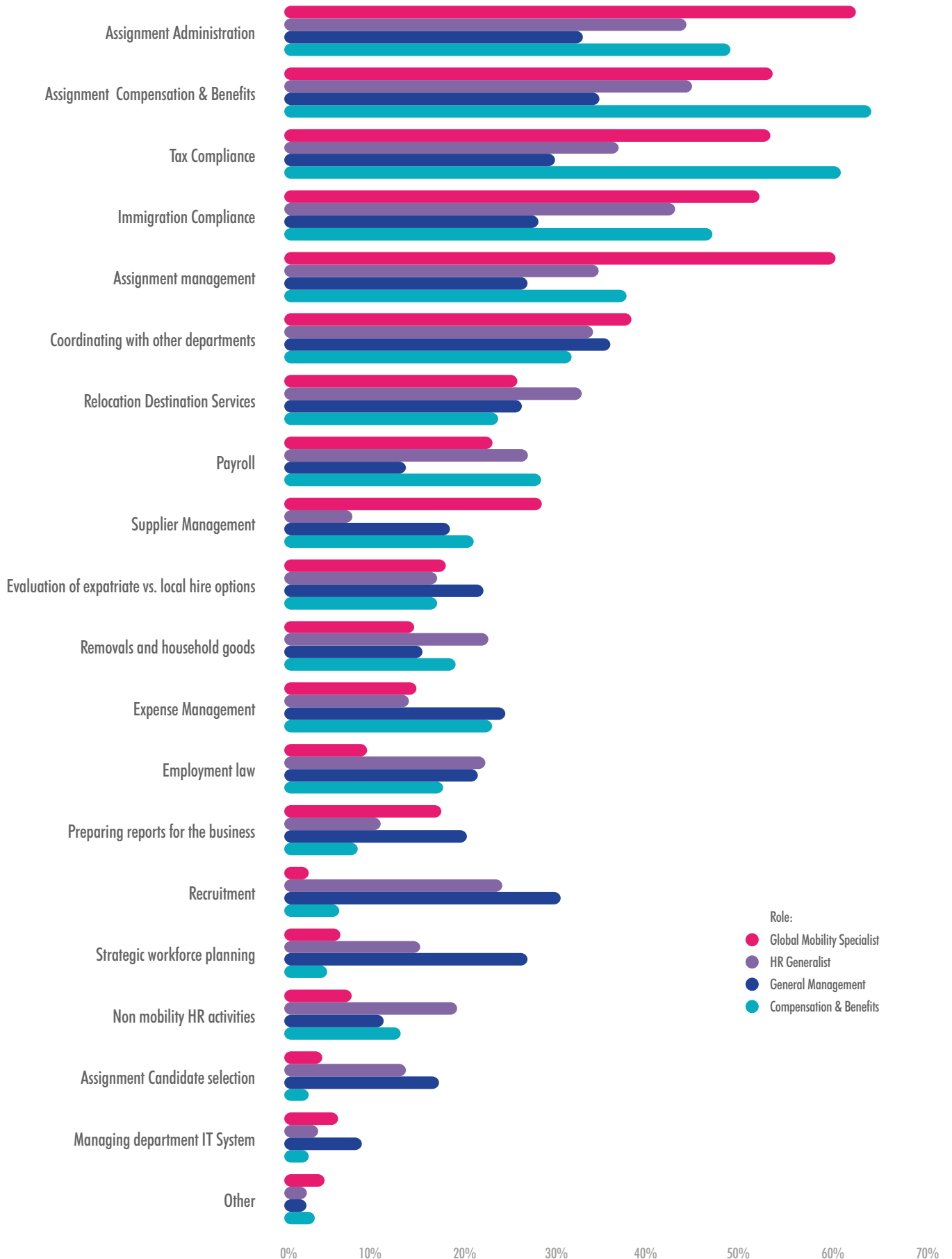


Q7A. Below is a list of activities that your Global Mobility management team might undertake. Please indicate which 5 of these activities take up most of your time.

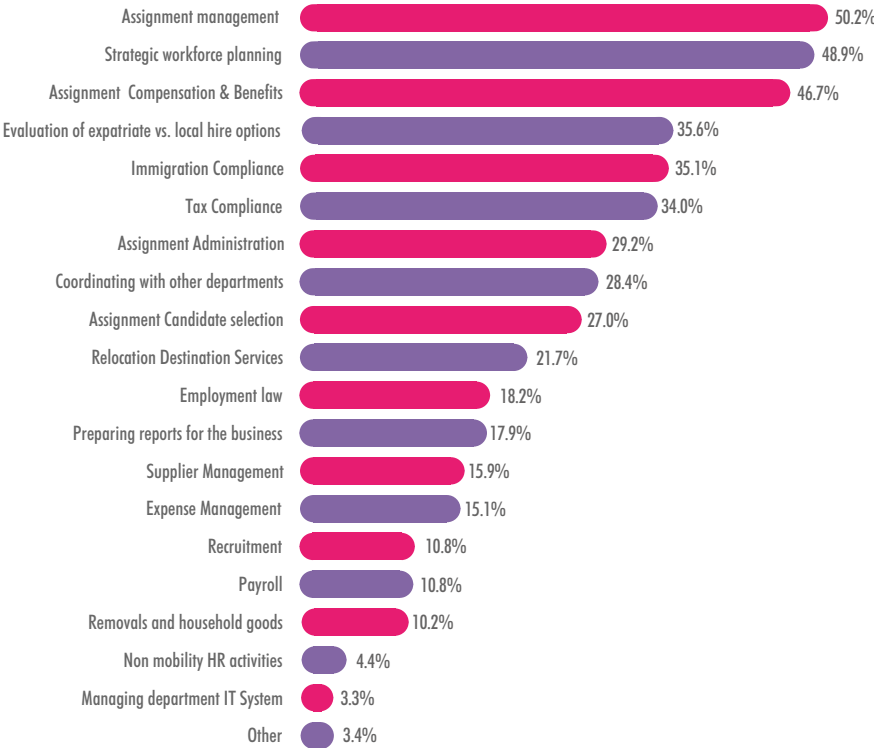


Base: All respondents (1282)

Q7B. Below is a list of activities that your Global Mobility management team might undertake. Please indicate which 5 of these activities take up most of your time.

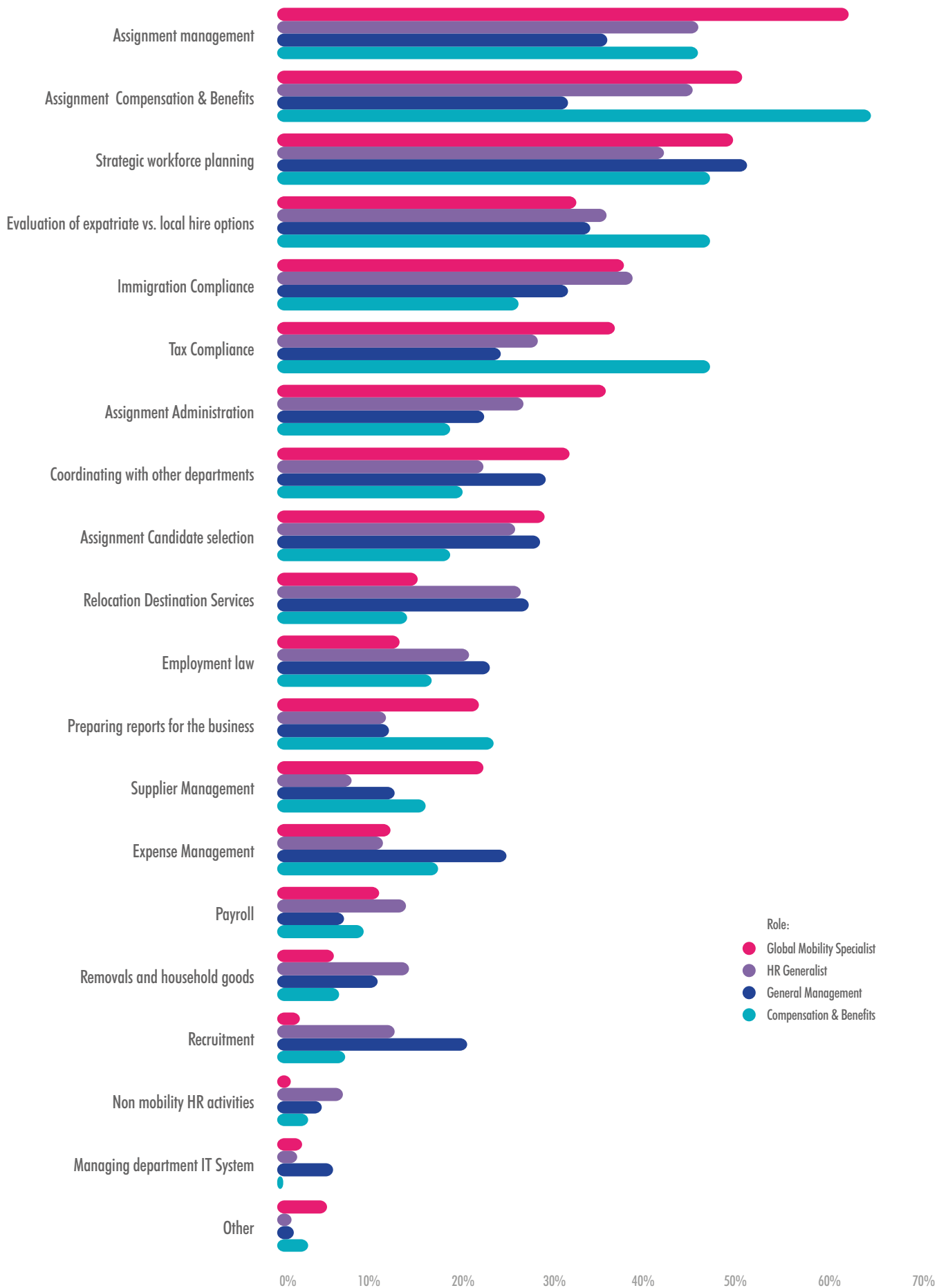


Q8A. And please indicate the top 5 activities that, in your opinion, the Global Mobility management team should be spending most time on.

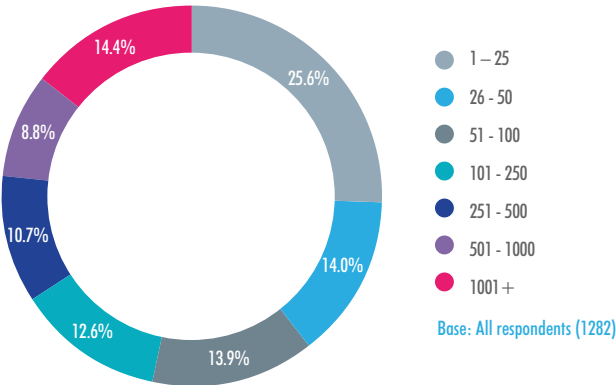


Base: All respondents (1282)

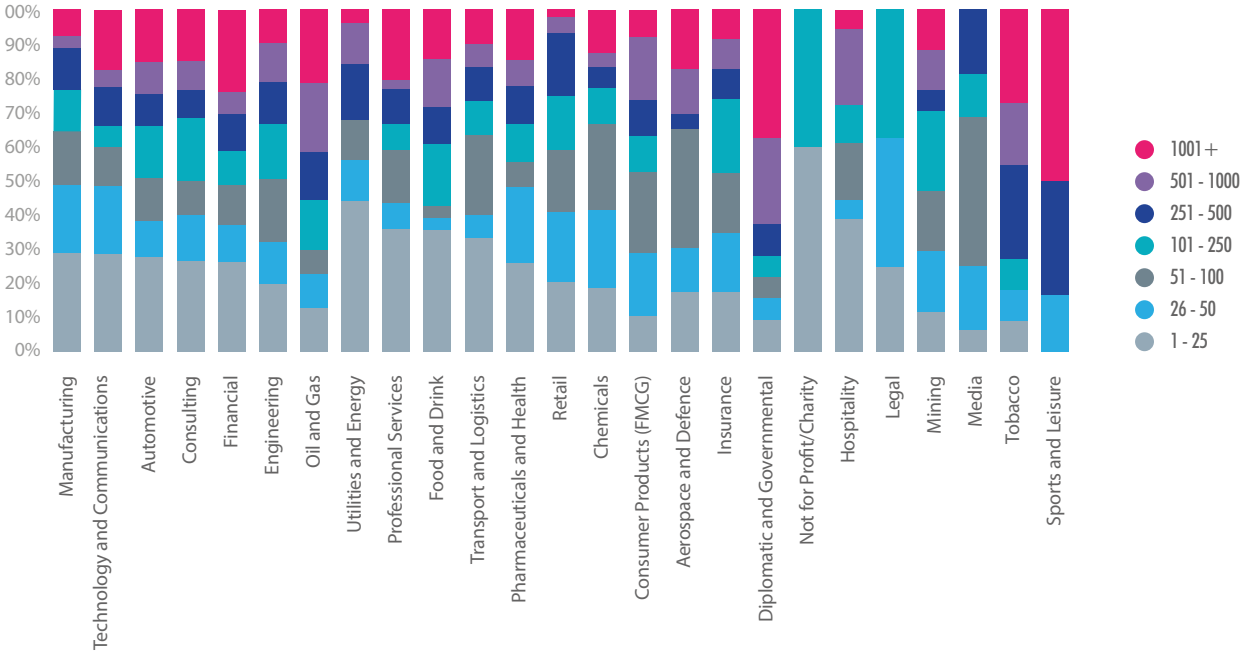
Q8B. And please indicate the top 5 activities that, in your opinion, the Global Mobility management team should be spending most time on.



Q9A. Approximately how many expats/assignees does your organisation have in total worldwide?

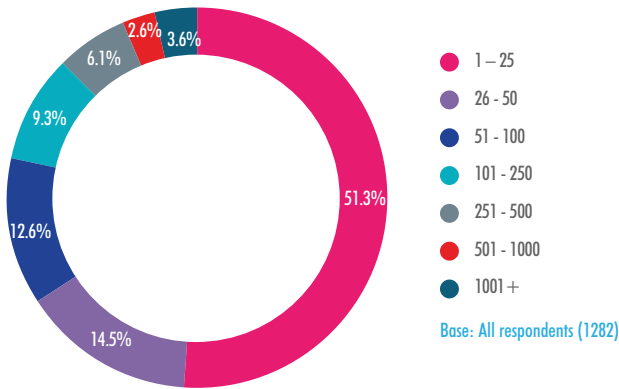


Q9B. Approximately how many expats/assignees does your organisation have in total worldwide?

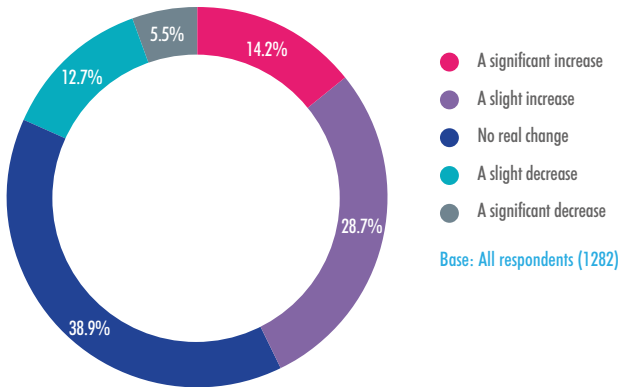


SECTION TWO: THE FULL RESULTS

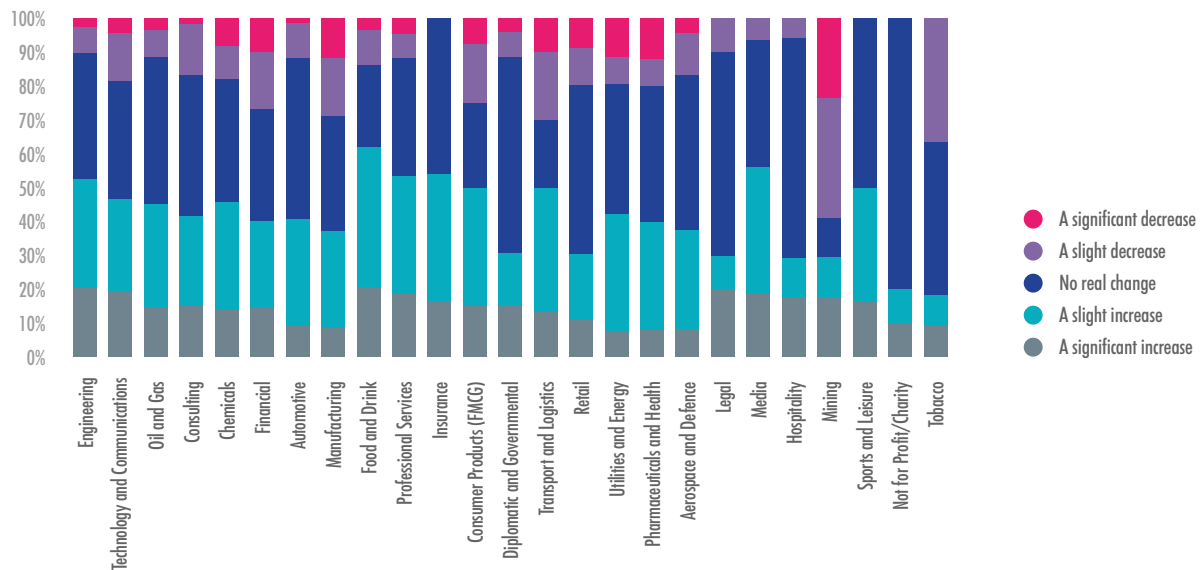
Q10. And approximately how many assignments has your organisation authorised in the last 12 months?



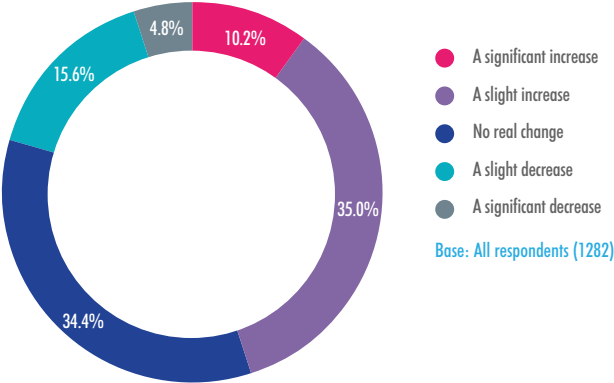
Q11A. How does this compare with the number of assignments authorised in the previous 12 month period?



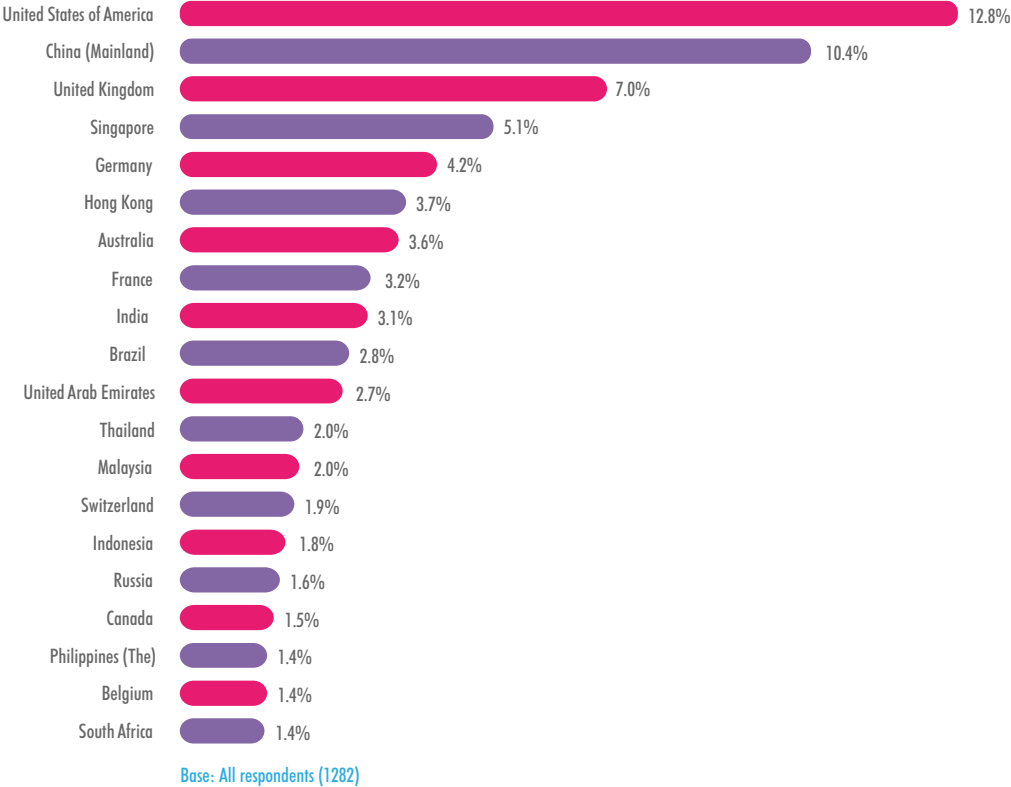
Q11B. How does this compare with the number of assignments authorised in the previous 12 month period?



Q12. And do you expect the number of assignments authorised to increase or decrease over the next 12 month period?

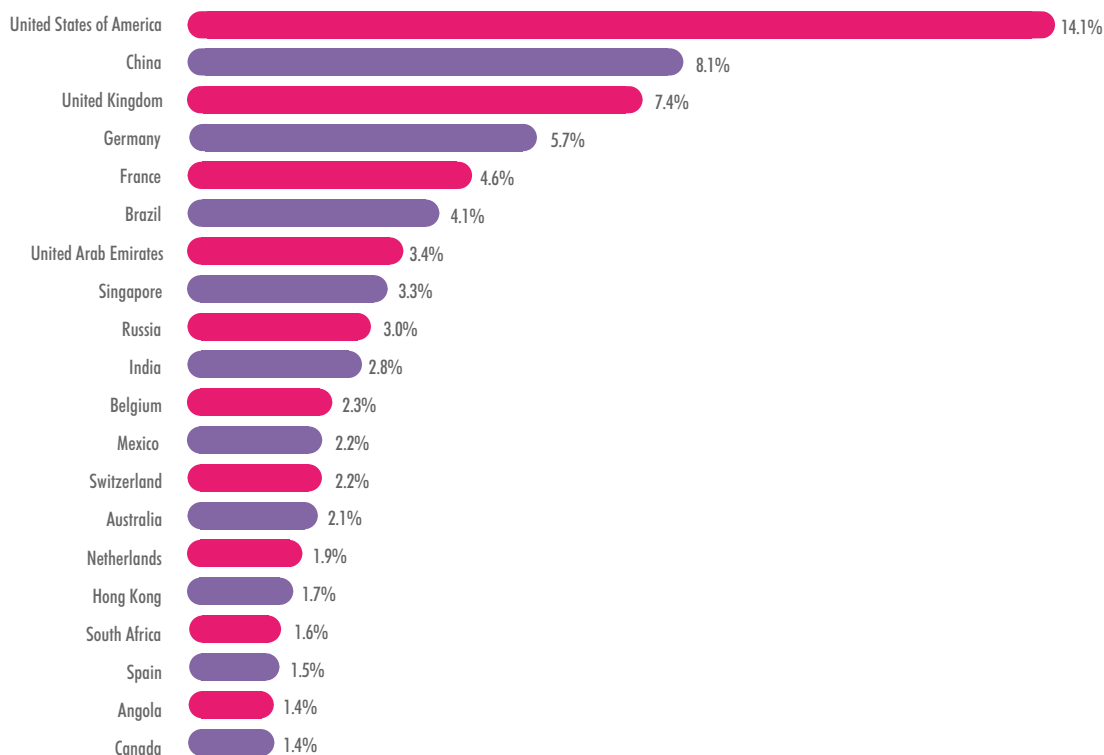


Q13A. What are likely to be the three most common assignment destinations for your organisation over the coming 12 months?

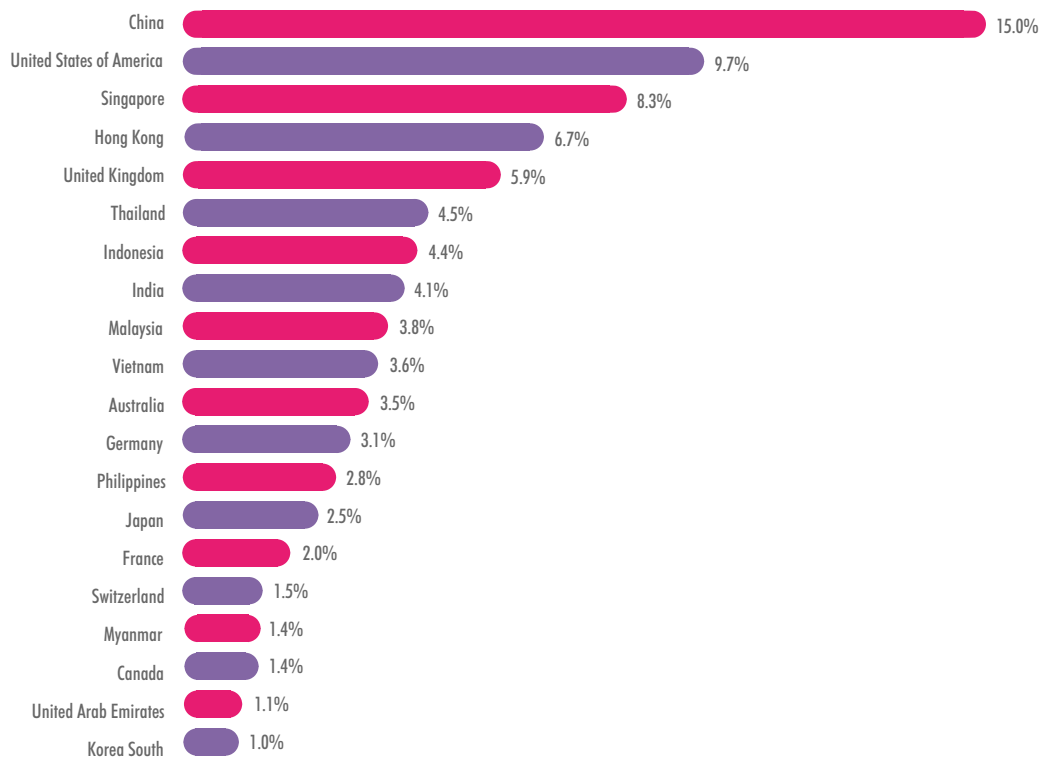


SECTION TWO: THE FULL RESULTS

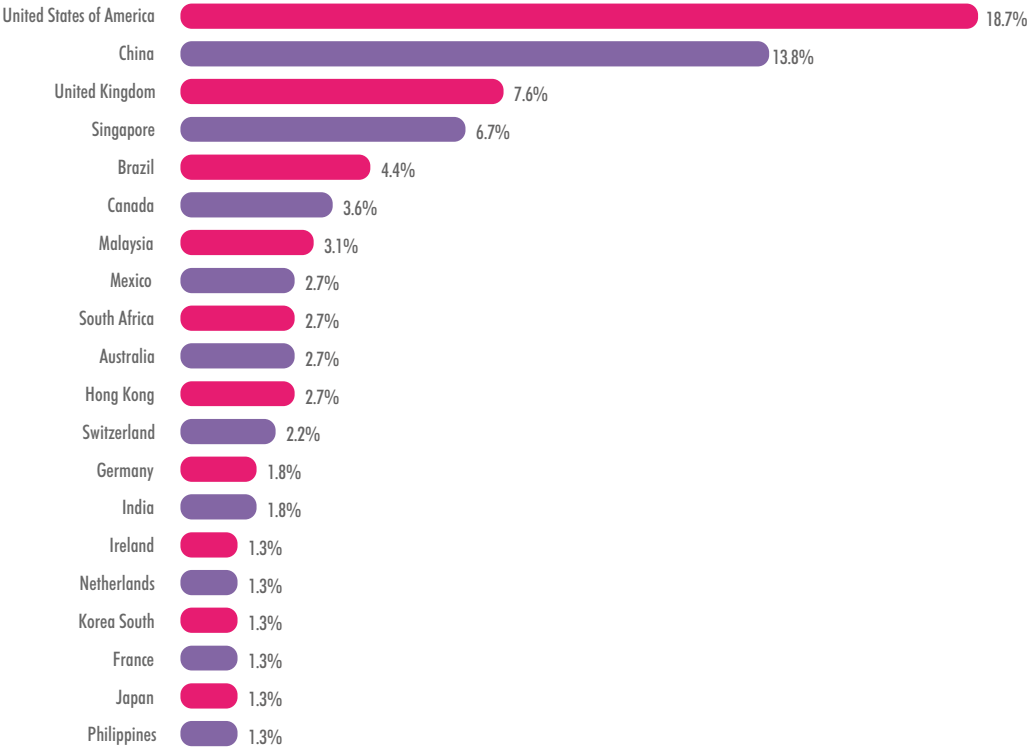
Q13B. What are likely to be the three most common assignment destinations for your organisation over the coming 12 months?
EUROPE-BASED RESPONDENTS



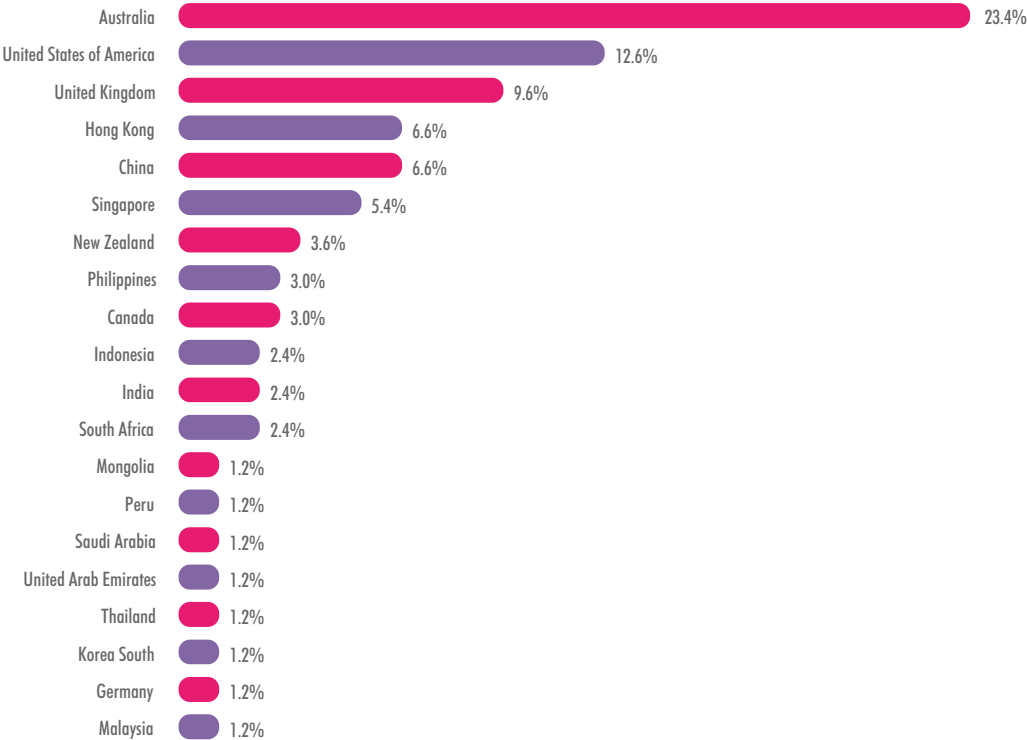
Q13C. What are likely to be the three most common assignment destinations for your organisation over the coming 12 months?
ASIA-BASED RESPONDENTS



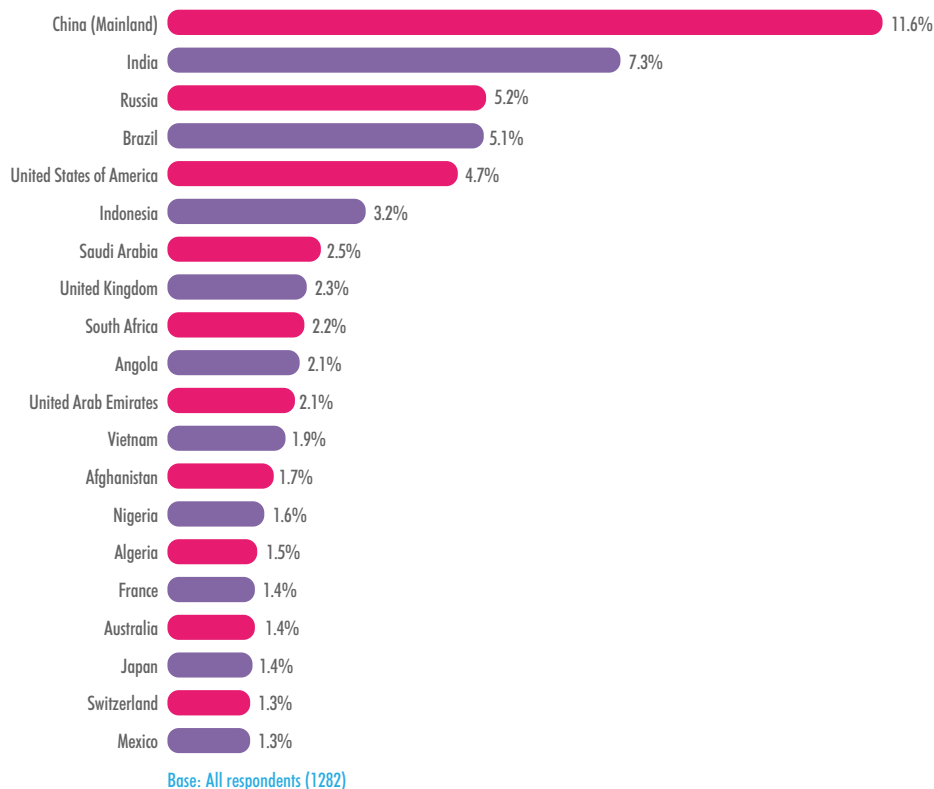
Q13D. What are likely to be the three most common assignment destinations for your organisation over the coming 12 months?
 NORTH AMERICA-BASED RESPONDENTS



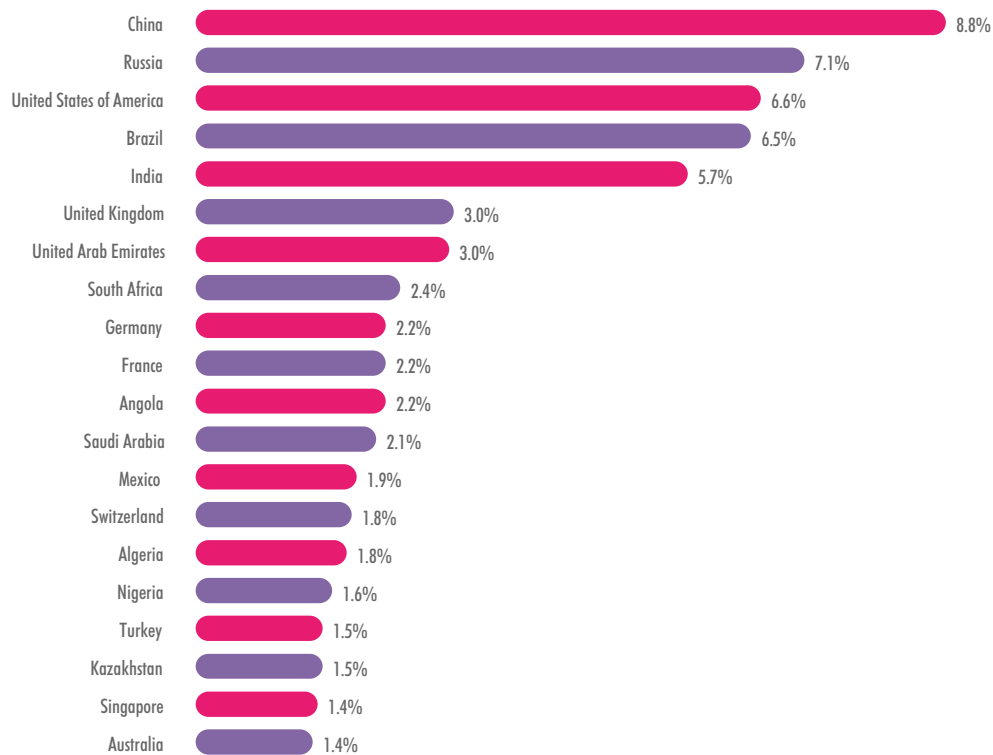
Q13E. What are likely to be the three most common assignment destinations for your organisation over the coming 12 months?
 AUSTRALASIA-BASED RESPONDENTS



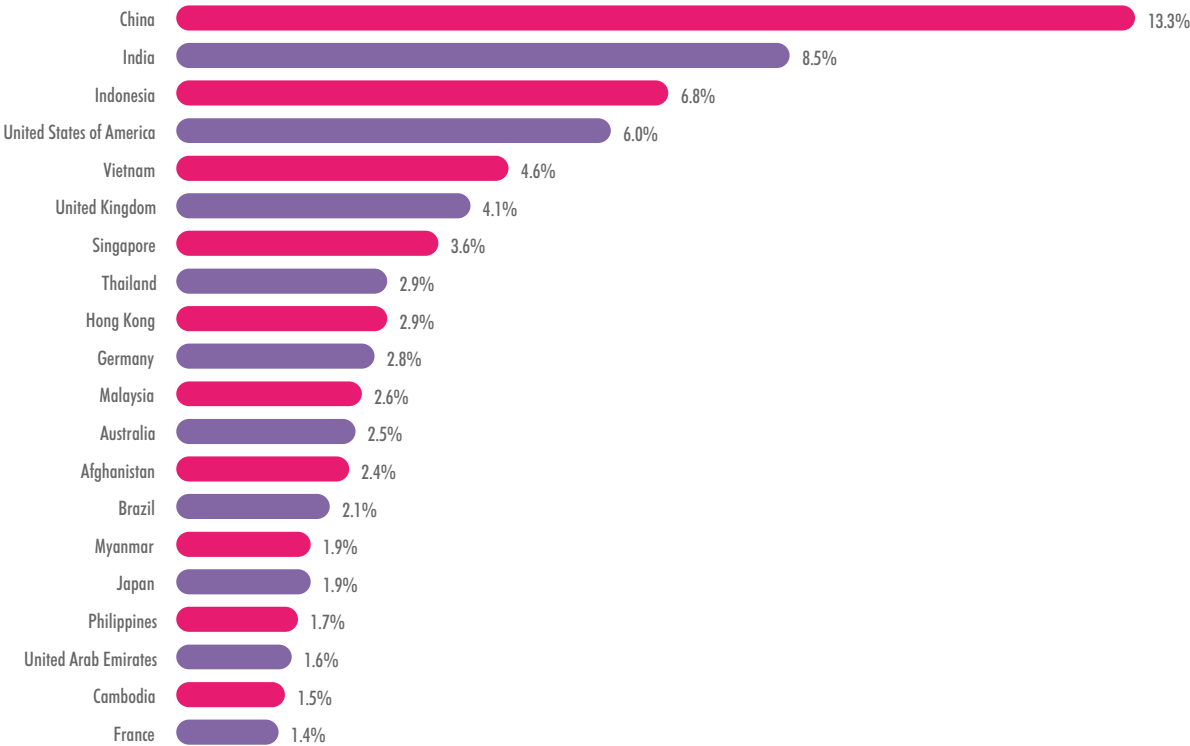
Q14A. And which countries do you find are typically the most challenging relocation destinations?



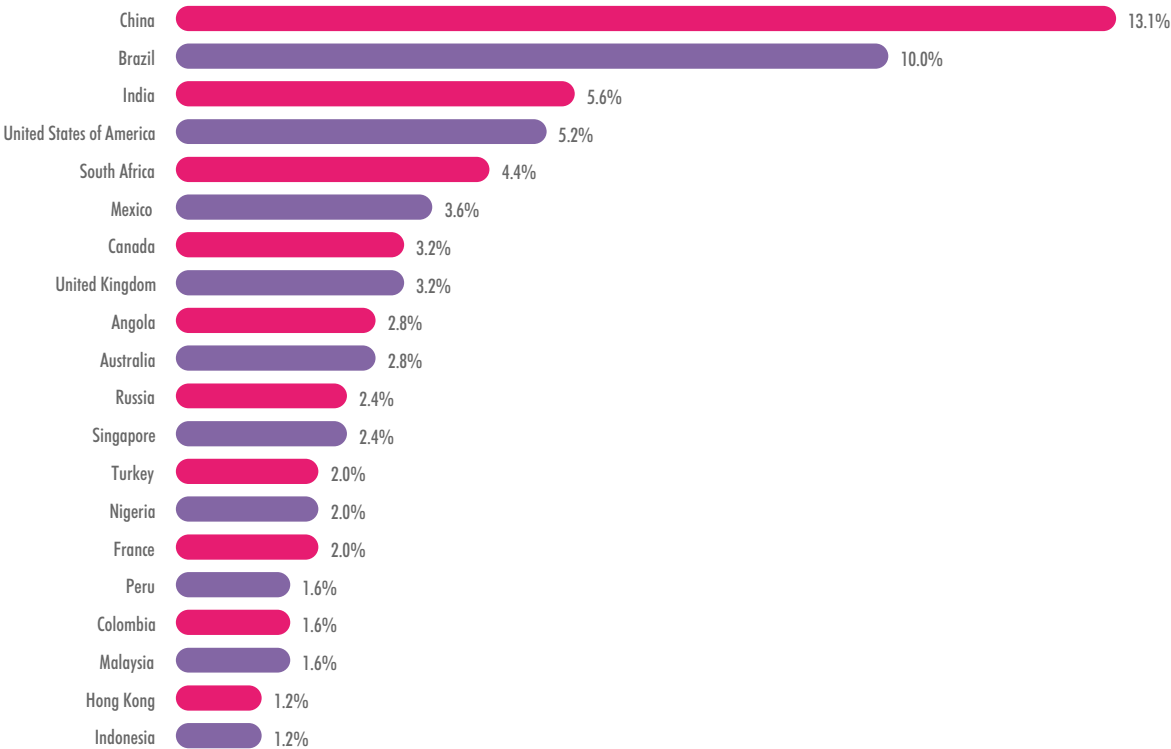
Q14B. And which countries do you find are typically the most challenging relocation destinations?
EUROPE-BASED RESPONDENTS



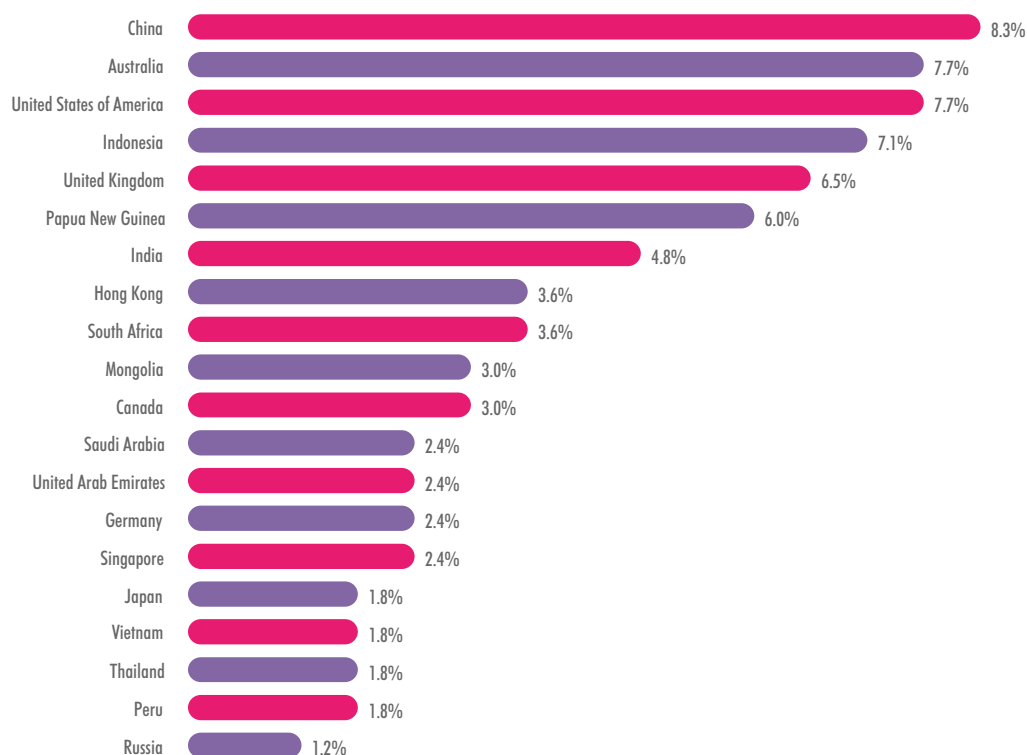
Q14C. And which countries do you find are typically the most challenging relocation destinations?
 ASIA-BASED RESPONDENTS



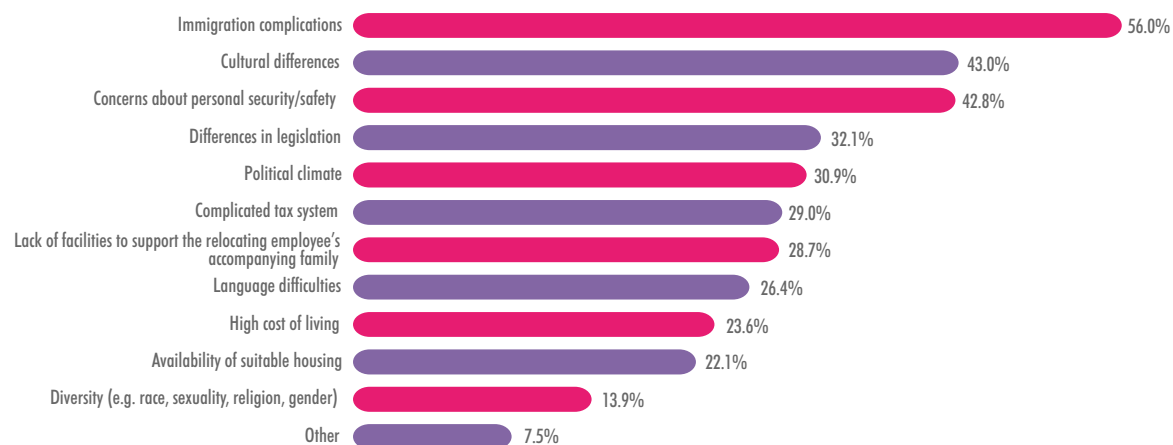
Q14D. And which countries do you find are typically the most challenging relocation destinations?
 NORTH AMERICA-BASED RESPONDENTS



Q14E. And which countries do you find are typically the most challenging relocation destinations?
AUSTRALASIA-BASED RESPONDENTS

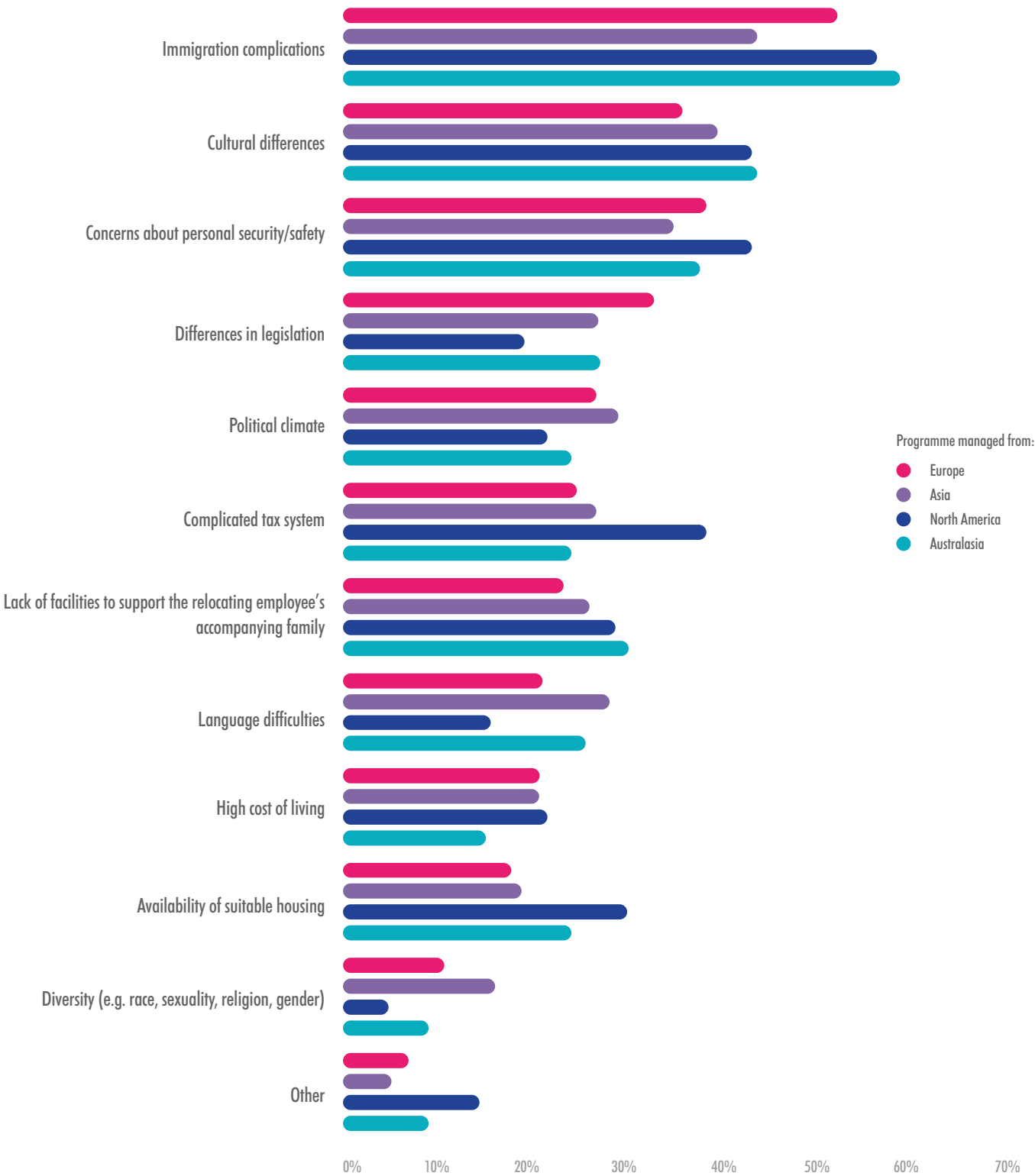


Q15A. Generally speaking, what is it about these locations that makes them particularly challenging?

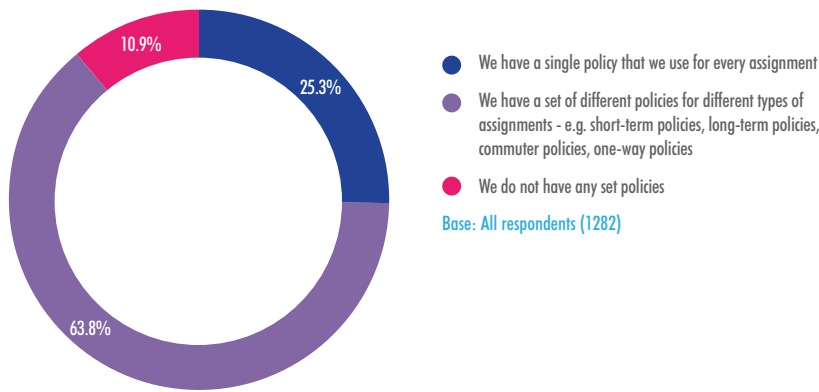


Base: All respondents (1282)

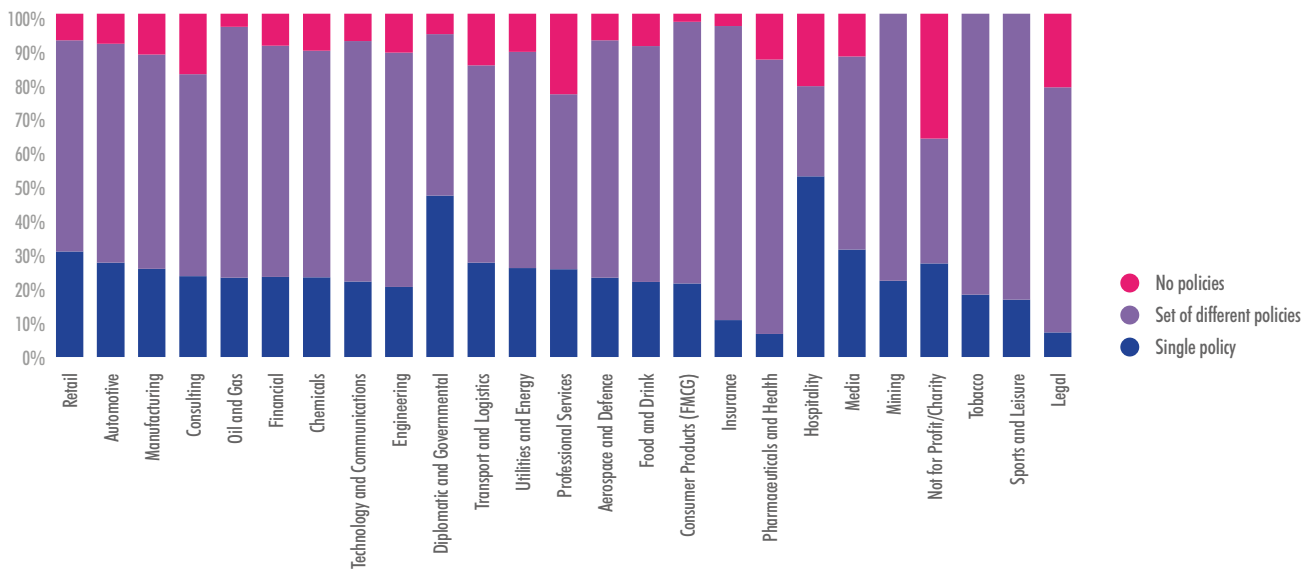
Q15B. Generally speaking, what is it about these locations that makes them particularly challenging?



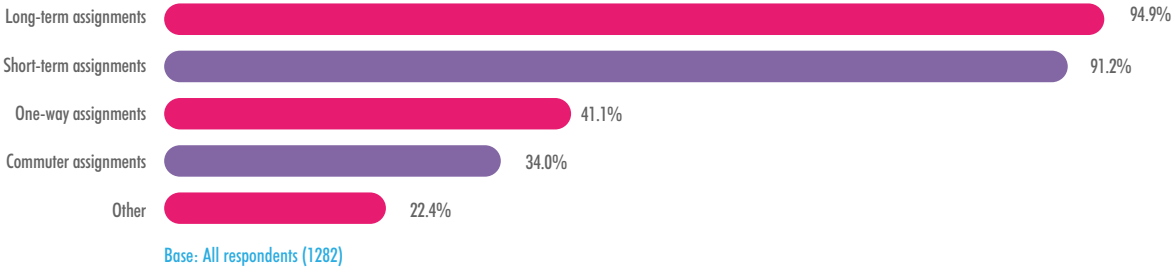
Q16A. Which of the following best describes how you structure your Global Mobility policies?



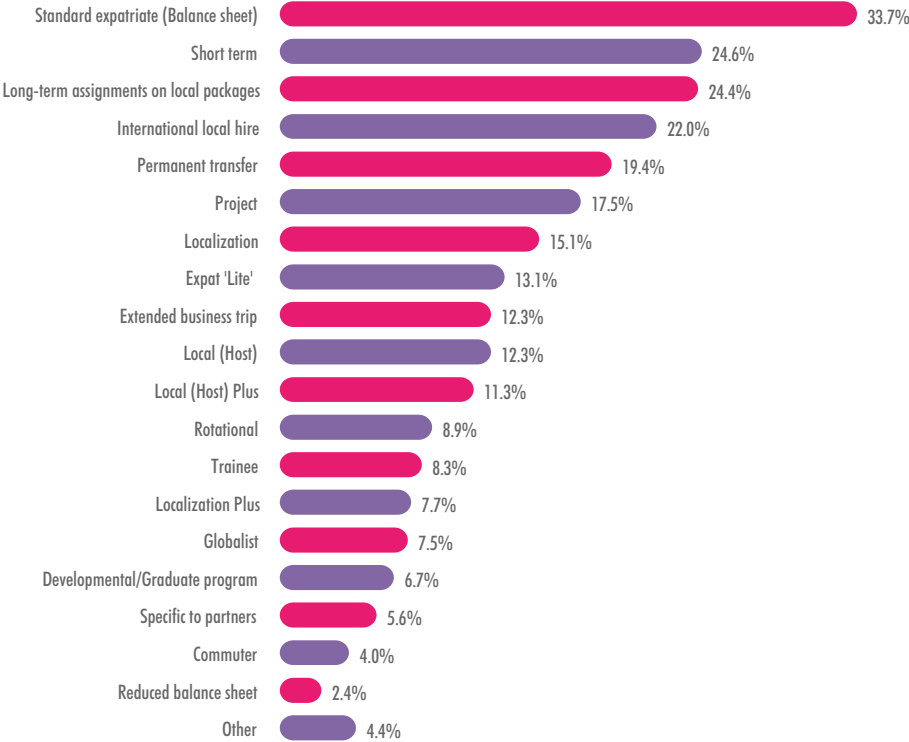
Q16B. Which of the following best describes how you structure your Global Mobility policies?



Q17. Which of the following do you have policies for?

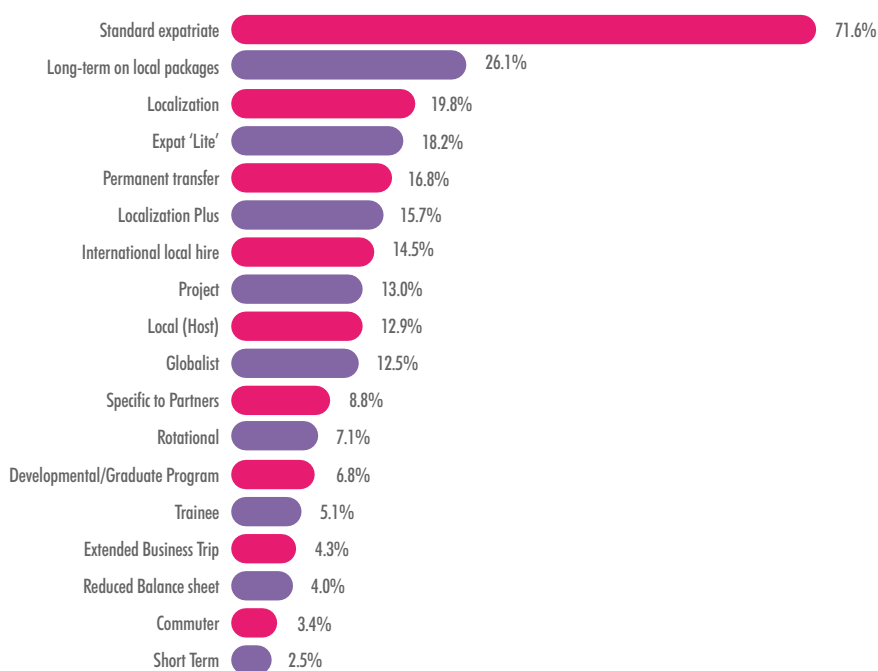


Q18. Which of the following compensation approaches do you typically use?
SINGLE POLICY ONLY

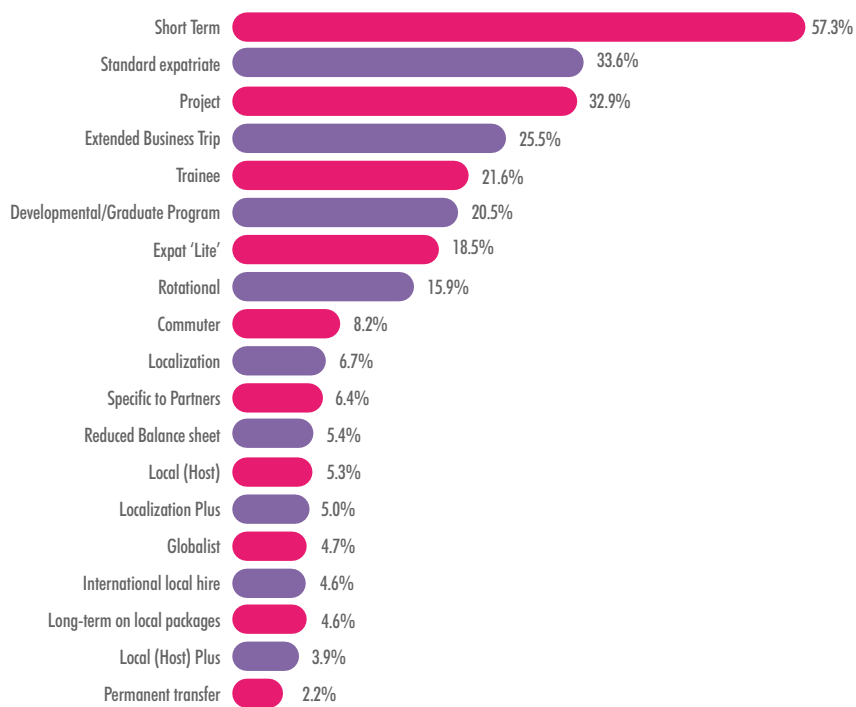


SECTION TWO: THE FULL RESULTS

Q19A. Which of the following compensation approaches do you typically use for each of the different policies types?
LONG-TERM ASSIGNMENTS

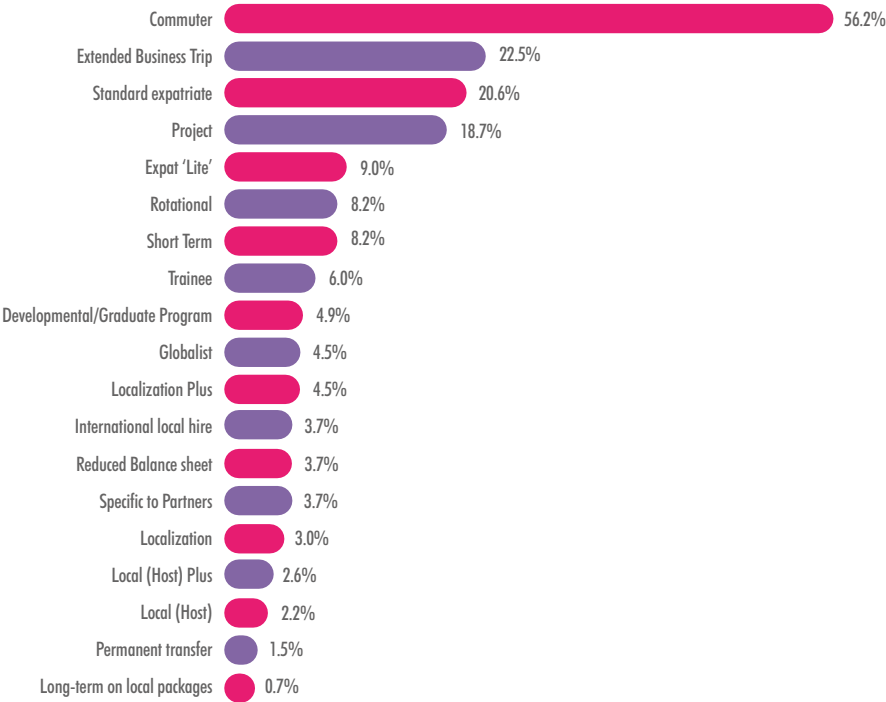


Q19B. Which of the following compensation approaches do you typically use for each of the different policies types?
SHORT-TERM ASSIGNMENTS



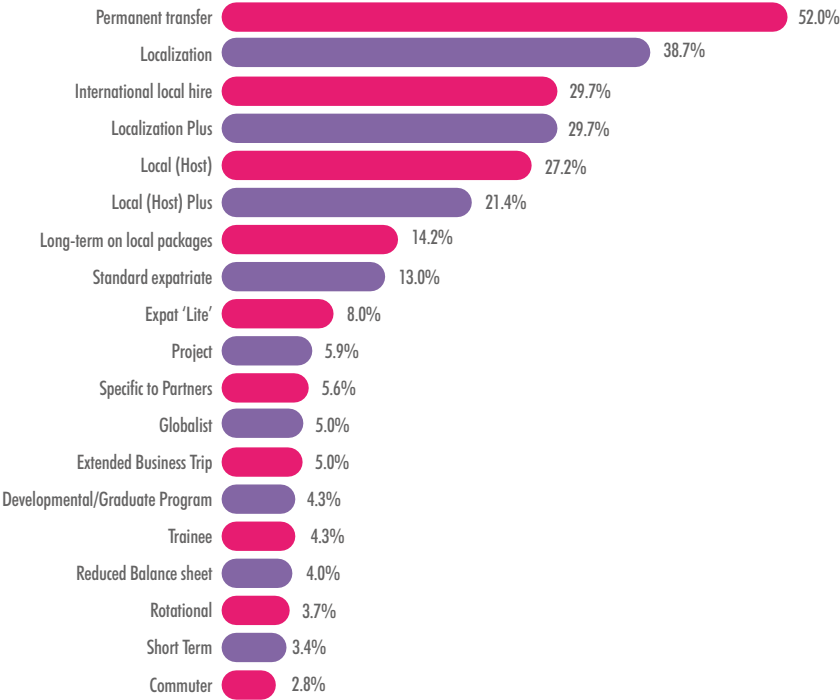
Q19C. Which of the following compensation approaches do you typically use for each of the different policies types?

COMMUTER ASSIGNMENTS

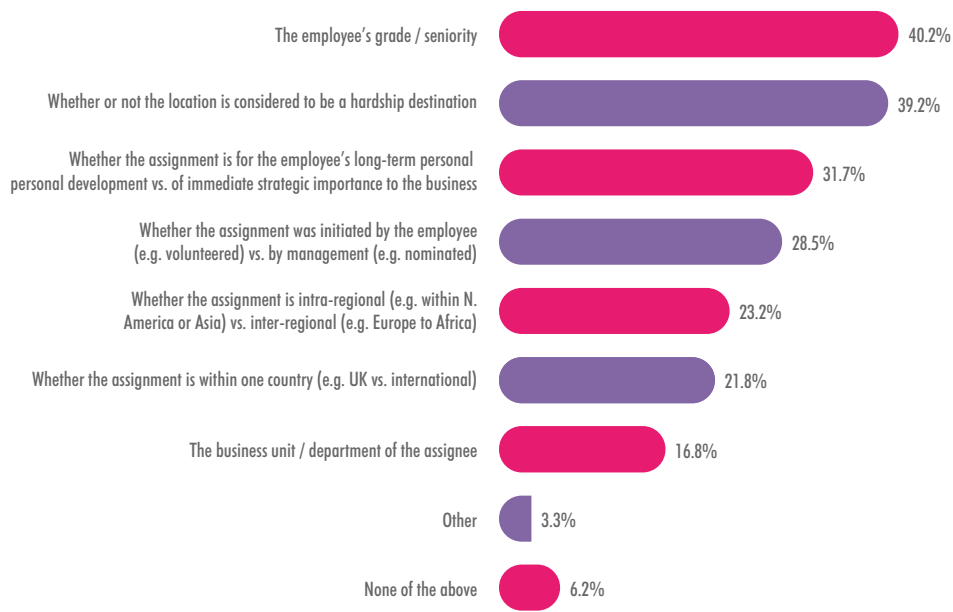


Q19D. Which of the following compensation approaches do you typically use for each of the different policies types?

ONE-WAY ASSIGNMENTS

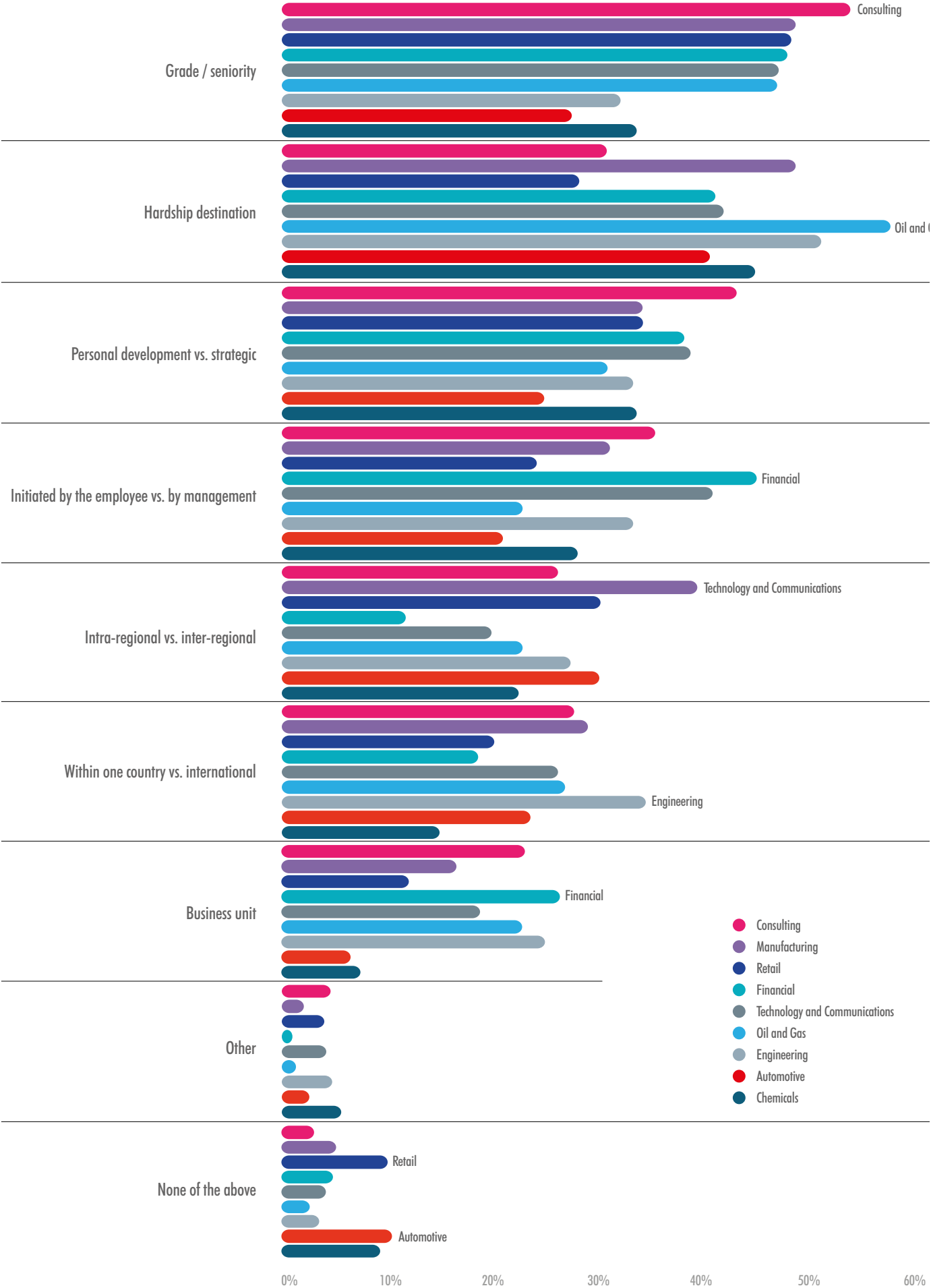


Q20A. Do the contents of the assignment packages you offer vary according to any of the following criteria?

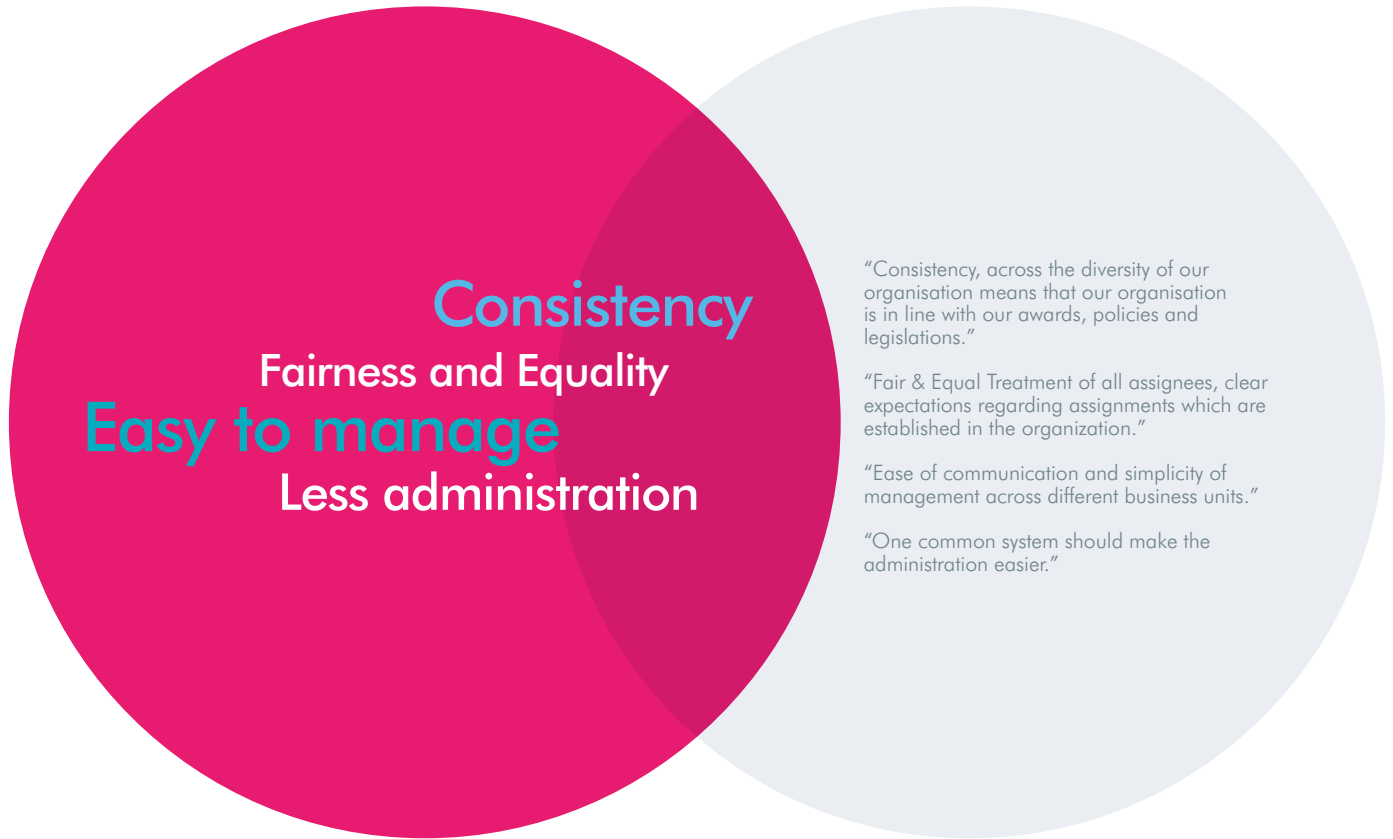


Base: All respondents (1282)

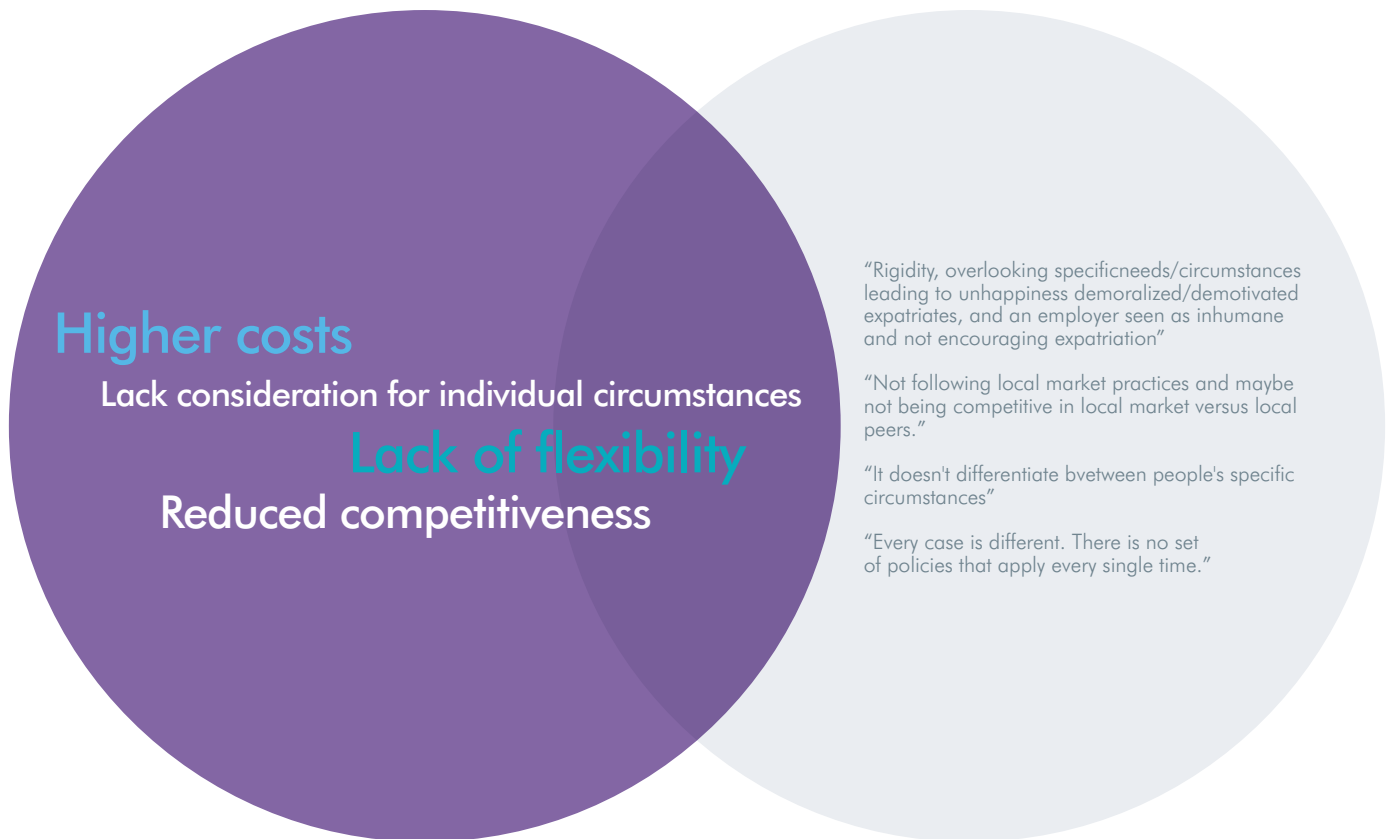
Q20B. Do the contents of the assignment packages you offer vary according to any of the following criteria? (Split by top industry sectors)



Q21. What are the benefits of not varying the policies used?



Q22. And what are the challenges or difficulties of not varying the policies used?



Q23. What are the benefits of varying the policies used?

Flexibility
Meets specific needs
Cost effective
Customised solutions

“Able to provide benefits appropriate to the circumstances.”

“Keeps costs to a minimum. Ensures that the assignment meets the business need.”

“Reduce exceptions by having policies based on the situation.”

“Ability to match policy with the needs of the assignment.”

“Relevant to the assignment type, allows more efficient administration and cost management.”

Q24. And what are the challenges or difficulties of varying the policies used?

Ensuring fair treatment
Administrative burden
Complexity

“Complexity in making the right decision to fit an assignee into the right policy.”

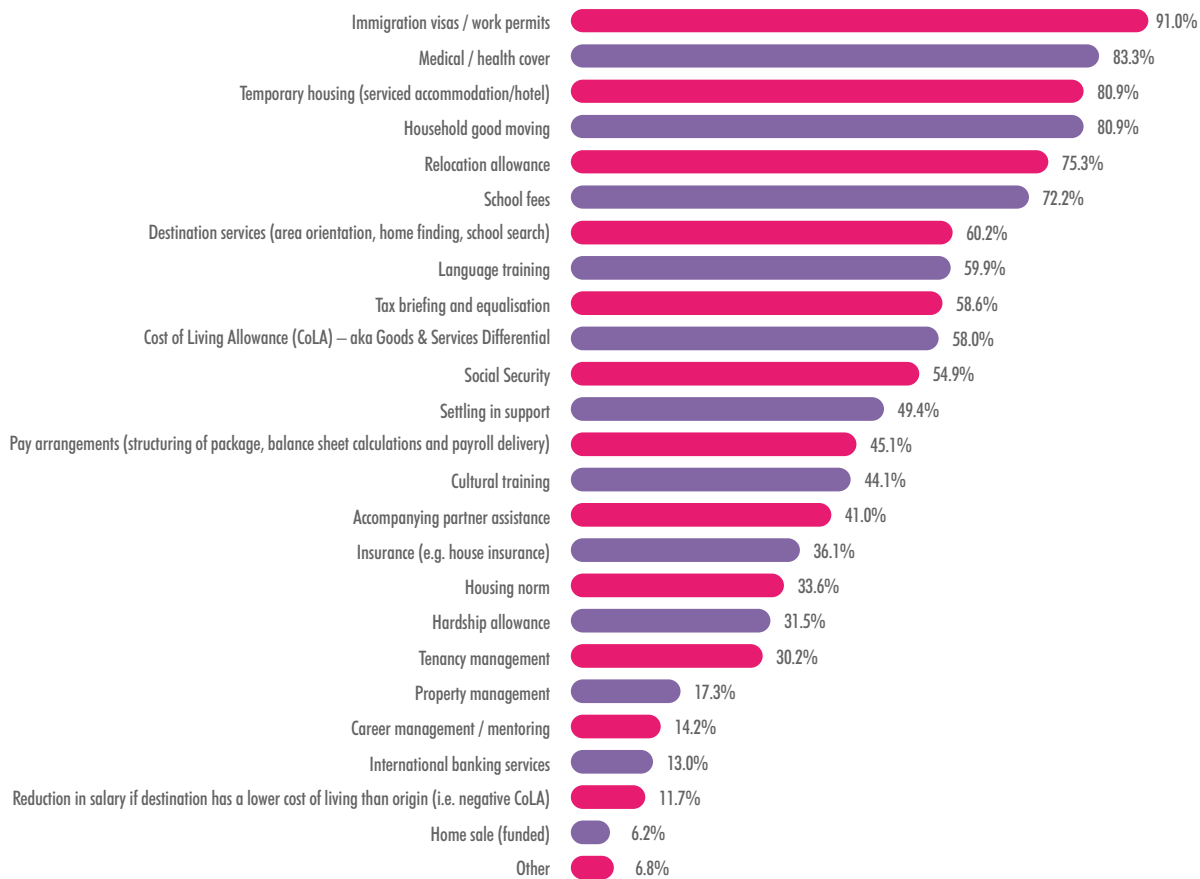
“Different treatment. Each case is a special case. Anger and frustration of Expats over length of deliberations (haggling). Cherry-picking. Change of benefits for cash.”

“Inconsistency and 'unfair', creating precedents. Business then think they can challenge each assignment”

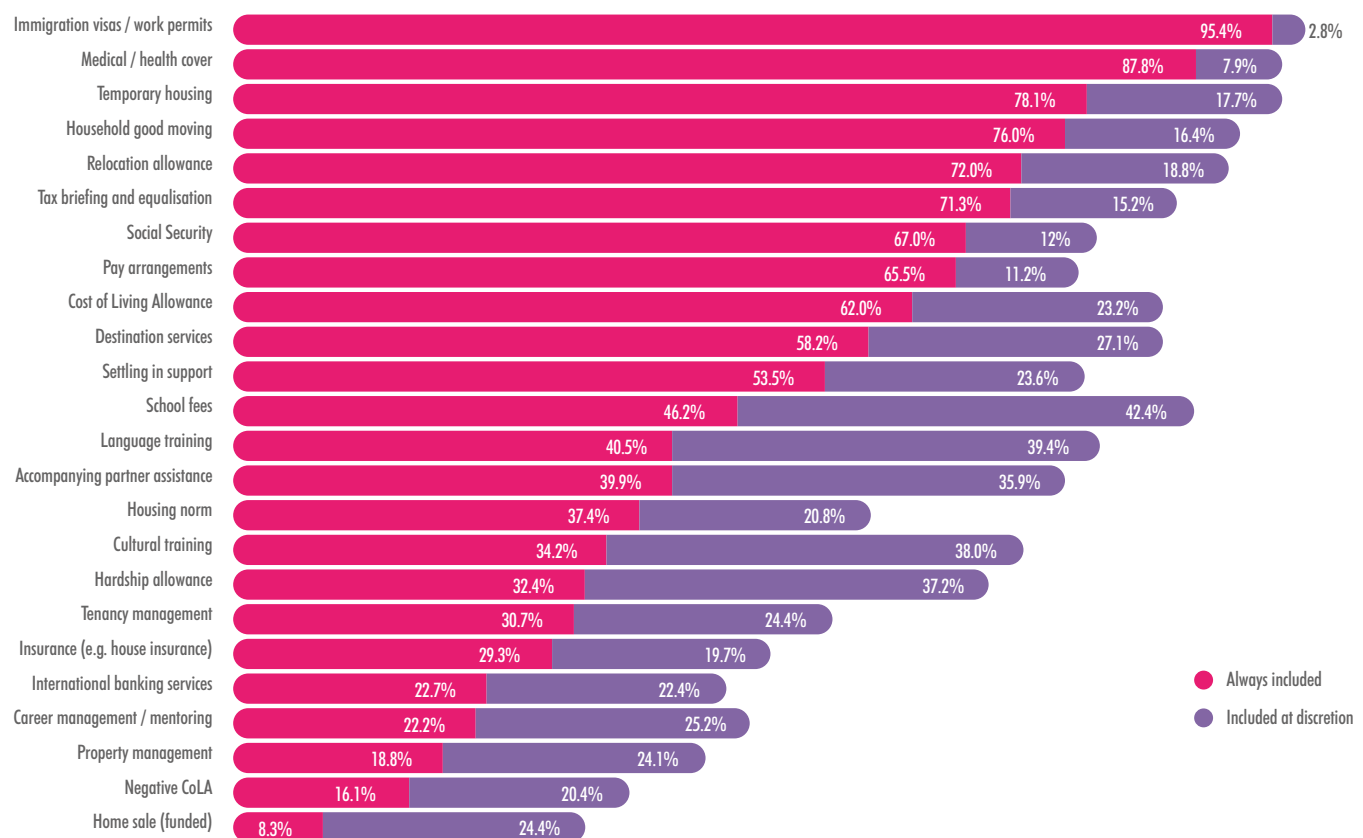
“It is very difficult to avoid discrimination when you have this type of variety. It is a huge challenge to create a fair policy when you have a diversity of profiles and countries.”

“More complicated administration and additional communication required to ensure assignees understand the differences in packages.”

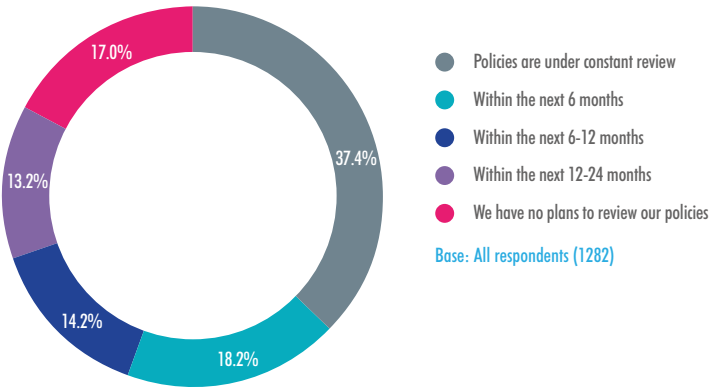
Q25. Which of the following elements do your typical assignment packages include? (Single policy only)



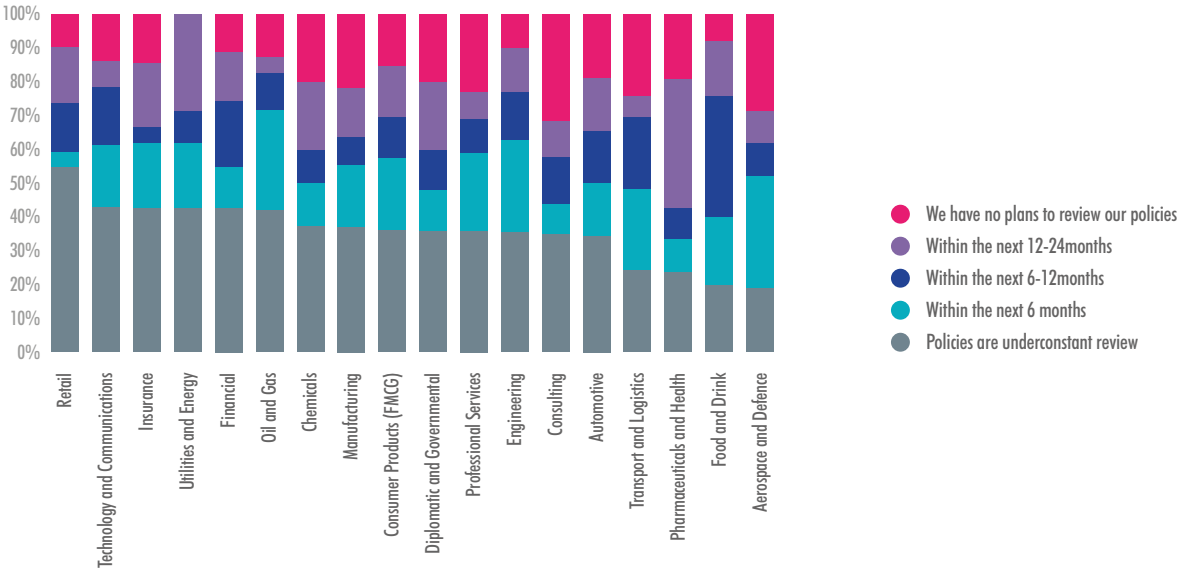
Q26. To what extent are the following elements generally included in your assignment packages? (Multiple policies)



Q27A. When do you next plan to review your Global Mobility policies?

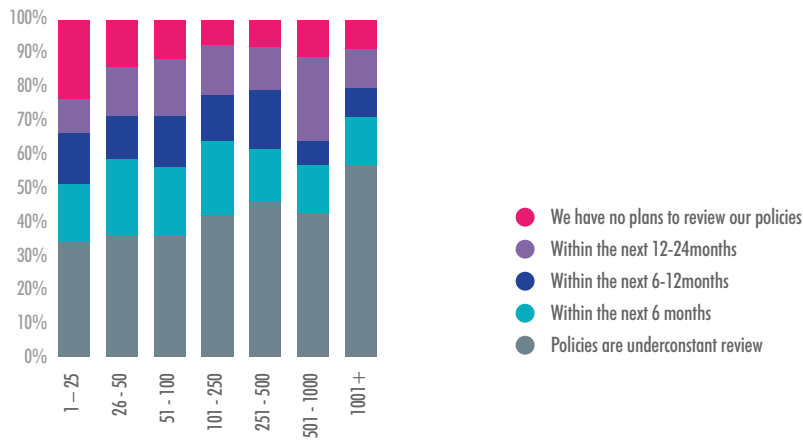


Q27B. When do you next plan to review your Global Mobility policies?
SPLIT BY INDUSTRY – ALL INDUSTRIES WITH AT LEAST 20 RESPONSES.

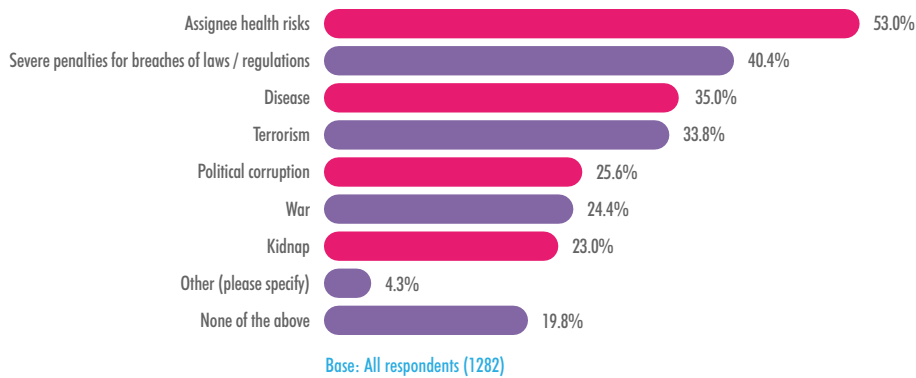


SECTION TWO: THE FULL RESULTS

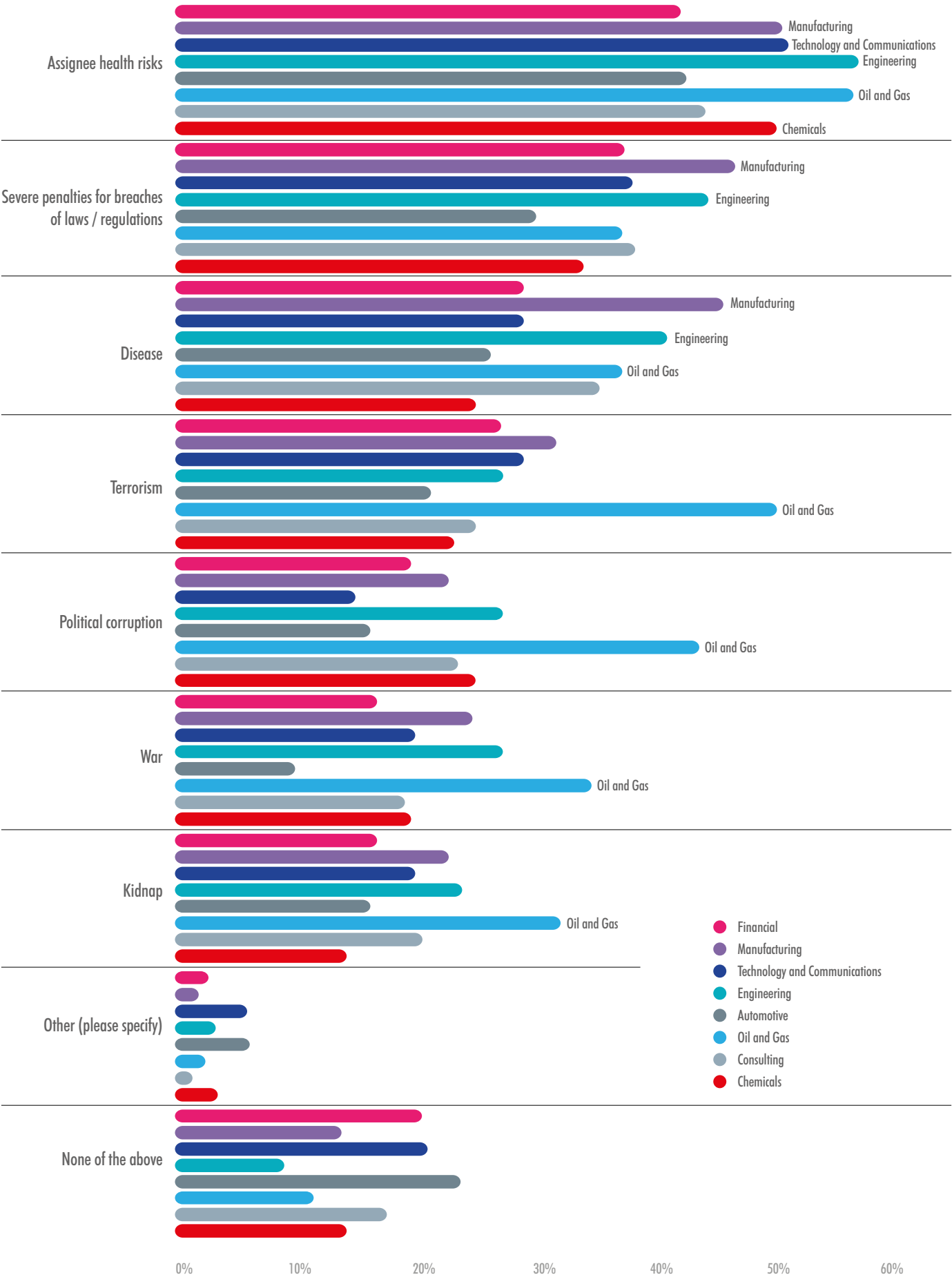
Q27C. When do you next plan to review your Global Mobility policies?
Split by number of annual assignments.



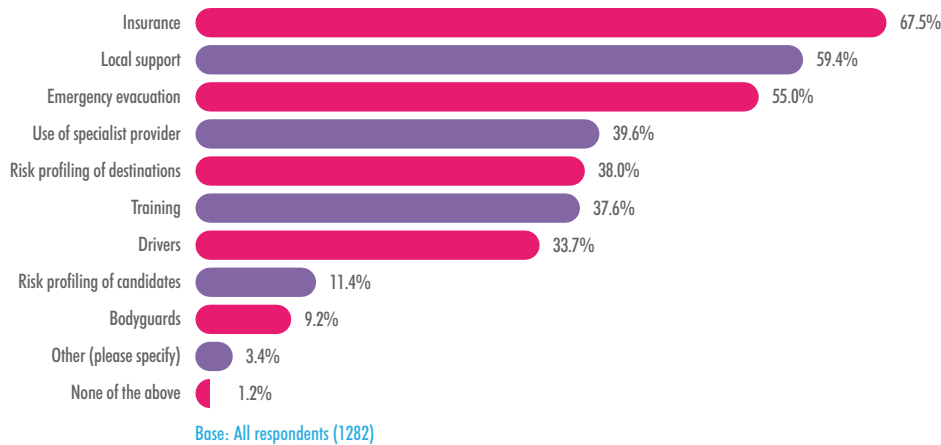
Q28A. Which, if any, of the following do you consider to be significant risks your organisation faces when organising and managing international assignments?



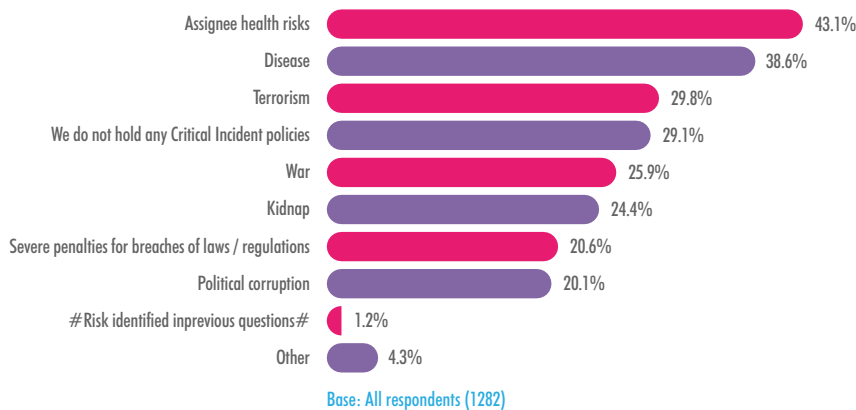
Q28B. Which, if any, of the following do you consider to be significant risks your organisation faces when organising and managing international assignments?



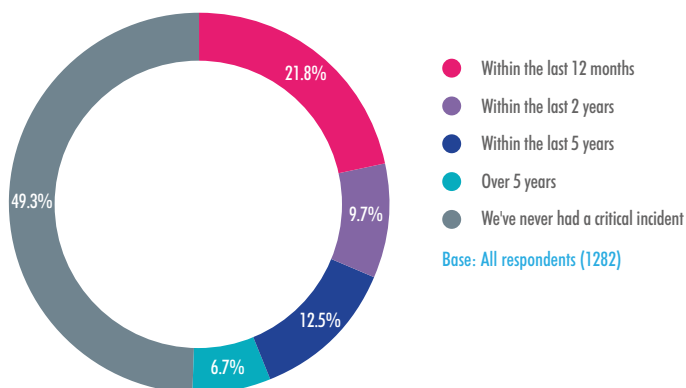
Q29. Which of the following measures does your organisation take to mitigate against these risks?



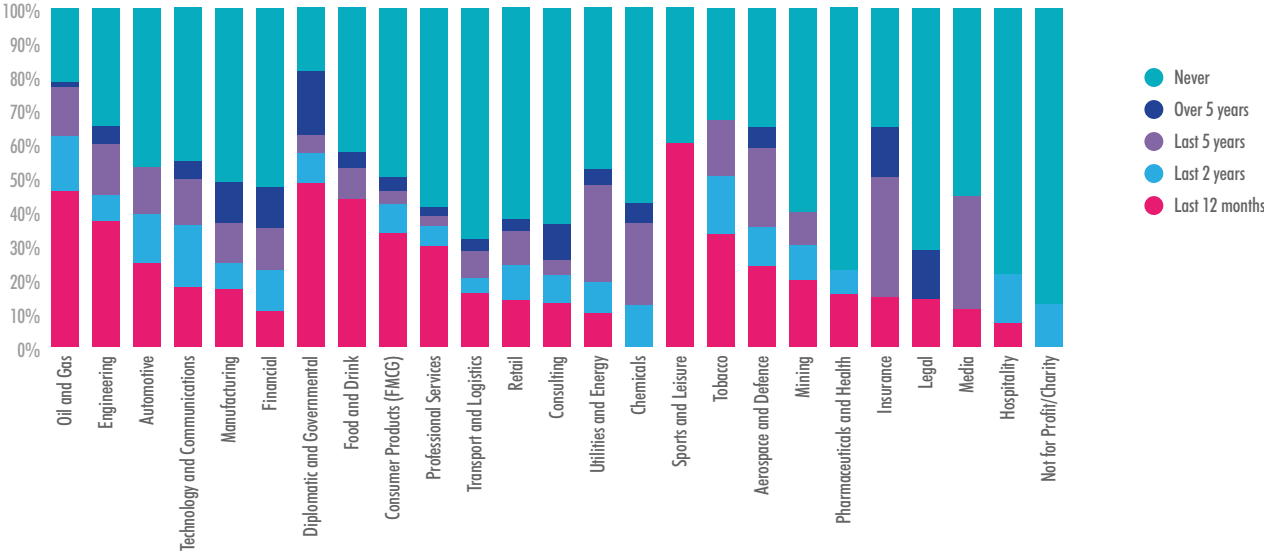
Q30. And which of the following does your organisation hold Critical Incident policies for?



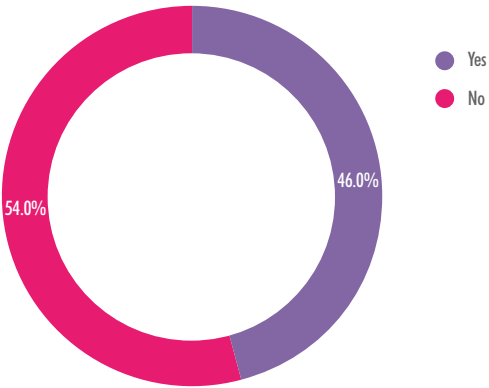
Q33A. When was the last time your organisation experienced a Critical Incident relating to one of these risks?



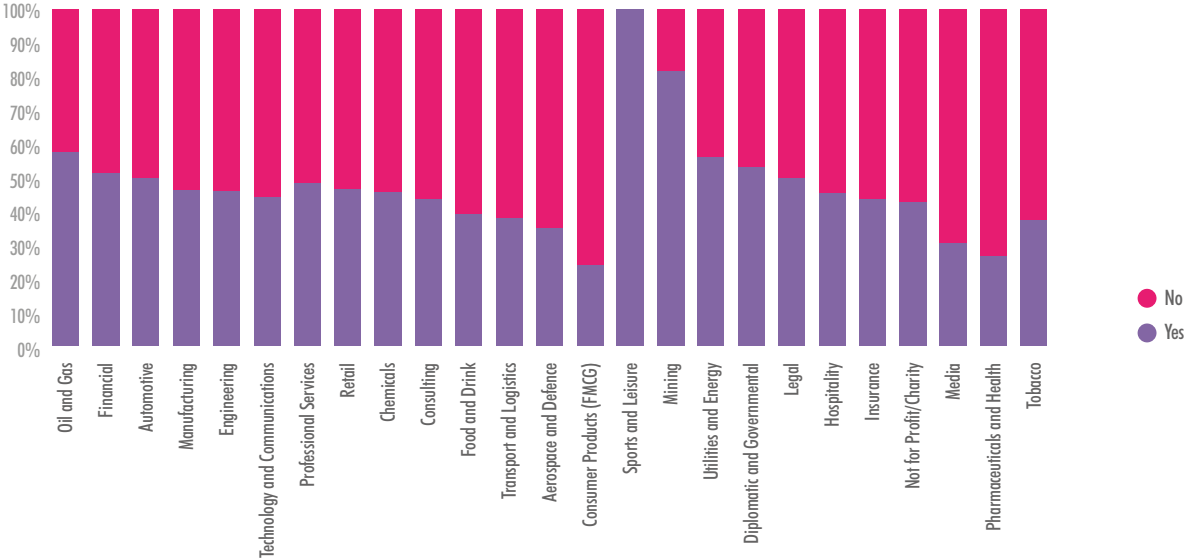
Q33B. When was the last time your organisation experienced a Critical Incident relating to one of these risks?



Q34A. Does your organisation have a formal 'duty of care' policy in place for assignments?



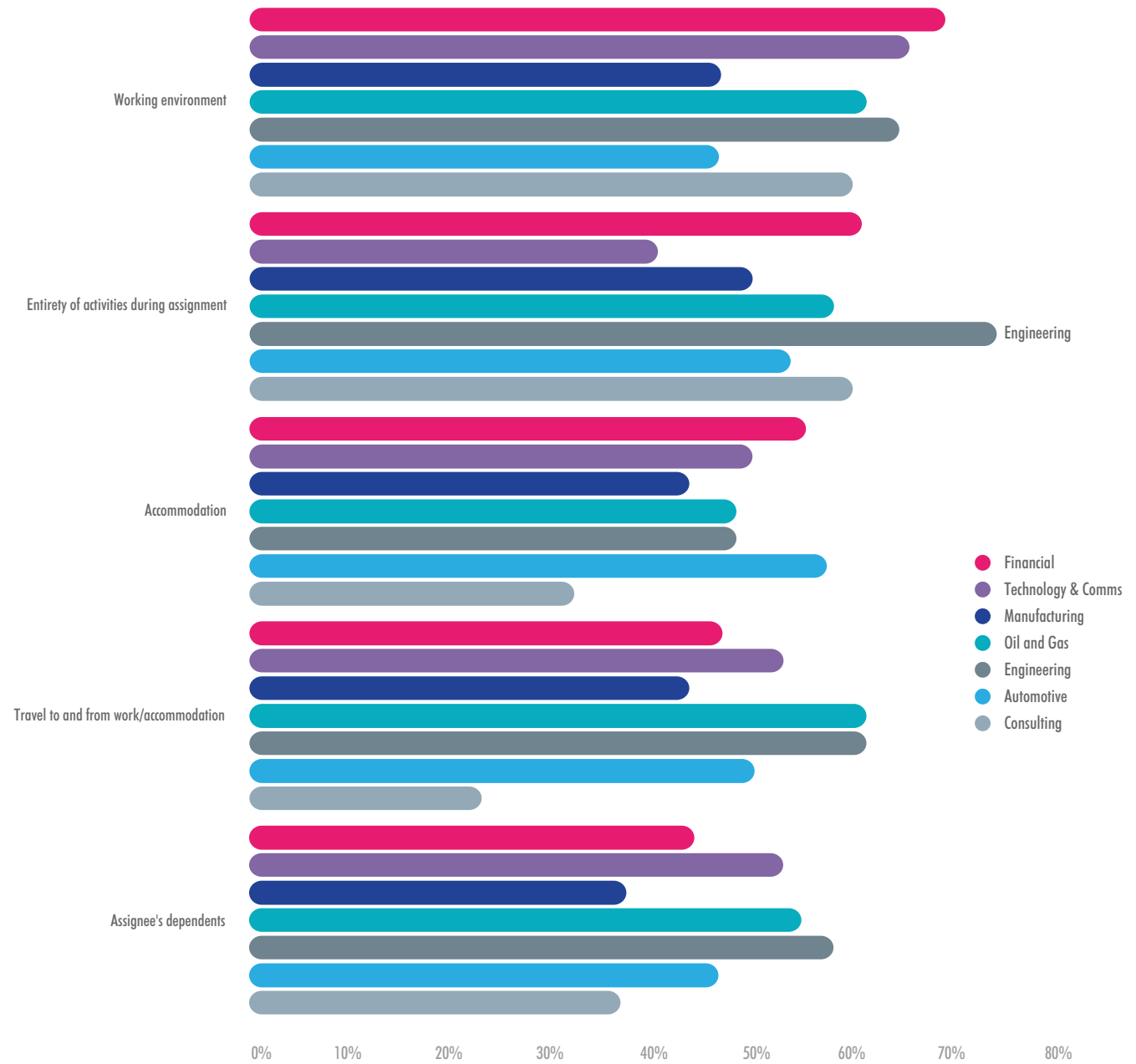
Q34B. Does your organisation have a formal 'duty of care' policy in place for assignments?



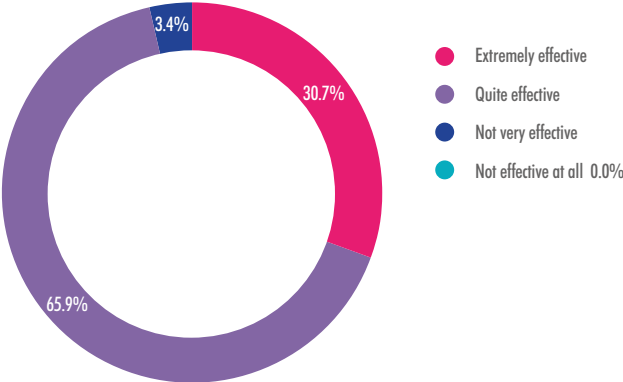
Q35A. Which of the following assignee environments does this 'duty of care' policy extend to?



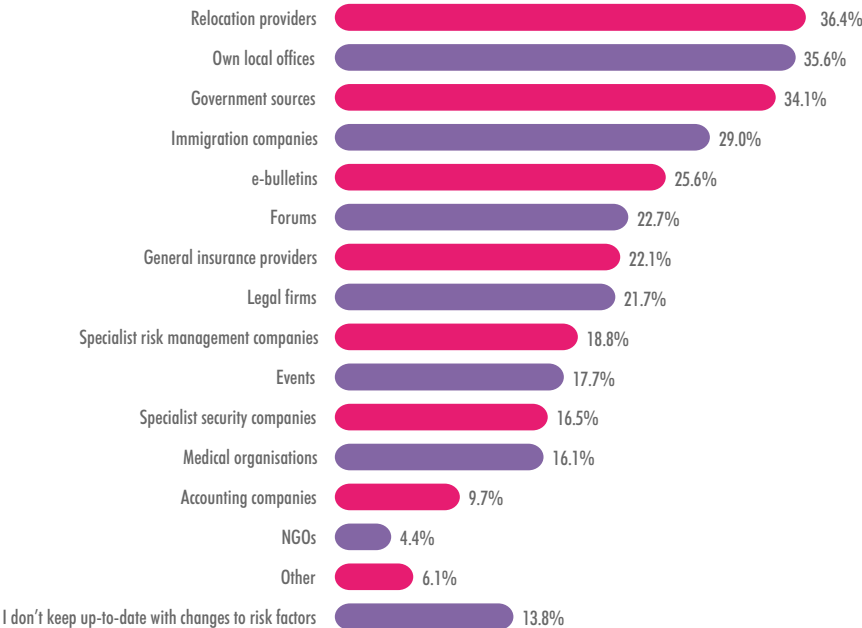
Q35B. Which of the following assignee environments does this 'duty of care' policy extend to?



Q36. On the whole, how effective do you think your organisation’s ‘duty of care’ policy is at ensuring that your assignees are safe and protected whilst on assignment?

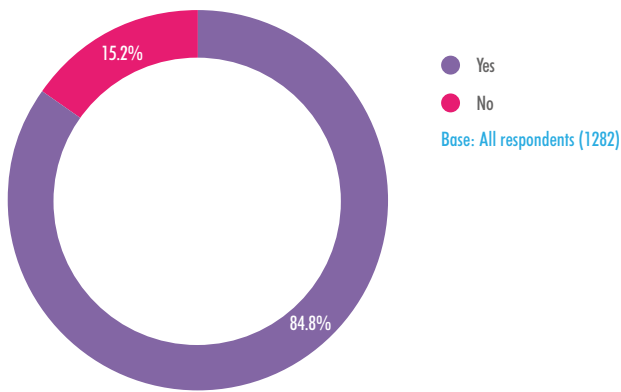


Q38A. How do you keep up-to-date with developments on Global Mobility risk factors?

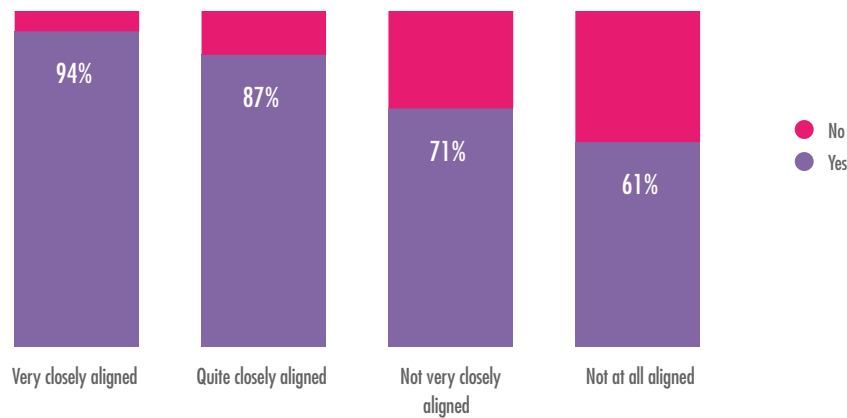


Base: All respondents (1282)

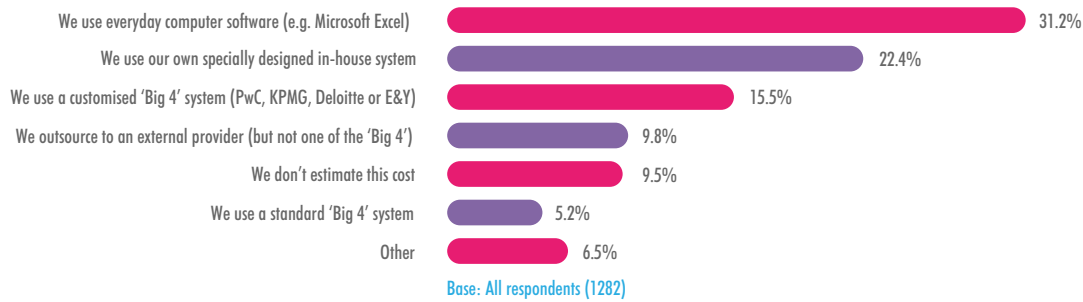
Q38B. Do you believe your Global Mobility programme delivers value for money?



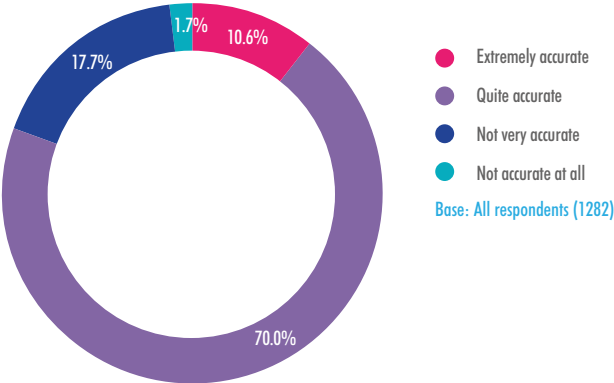
Q38C. Do you believe your Global Mobility programme delivers value for money?



Q39. What system do you primarily use to estimate the cost of an assignment before it is authorised?



Q40. How accurate do you find this system is for estimating the cost of assignments?



How does your programme deliver value to your business?

Mobilised workforce

Higher profitability

Facilitate knowledge transfer

Cost savings

Attract talent

“Transfer of knowledge becomes faster, improving performance of the business.”

“We put the right employees in the places where their skills will have the most positive impact on the business – helping the company achieve its targets.”

“Enables us to attract and retain the best people in the industry. Makes us more competitive as a company.”

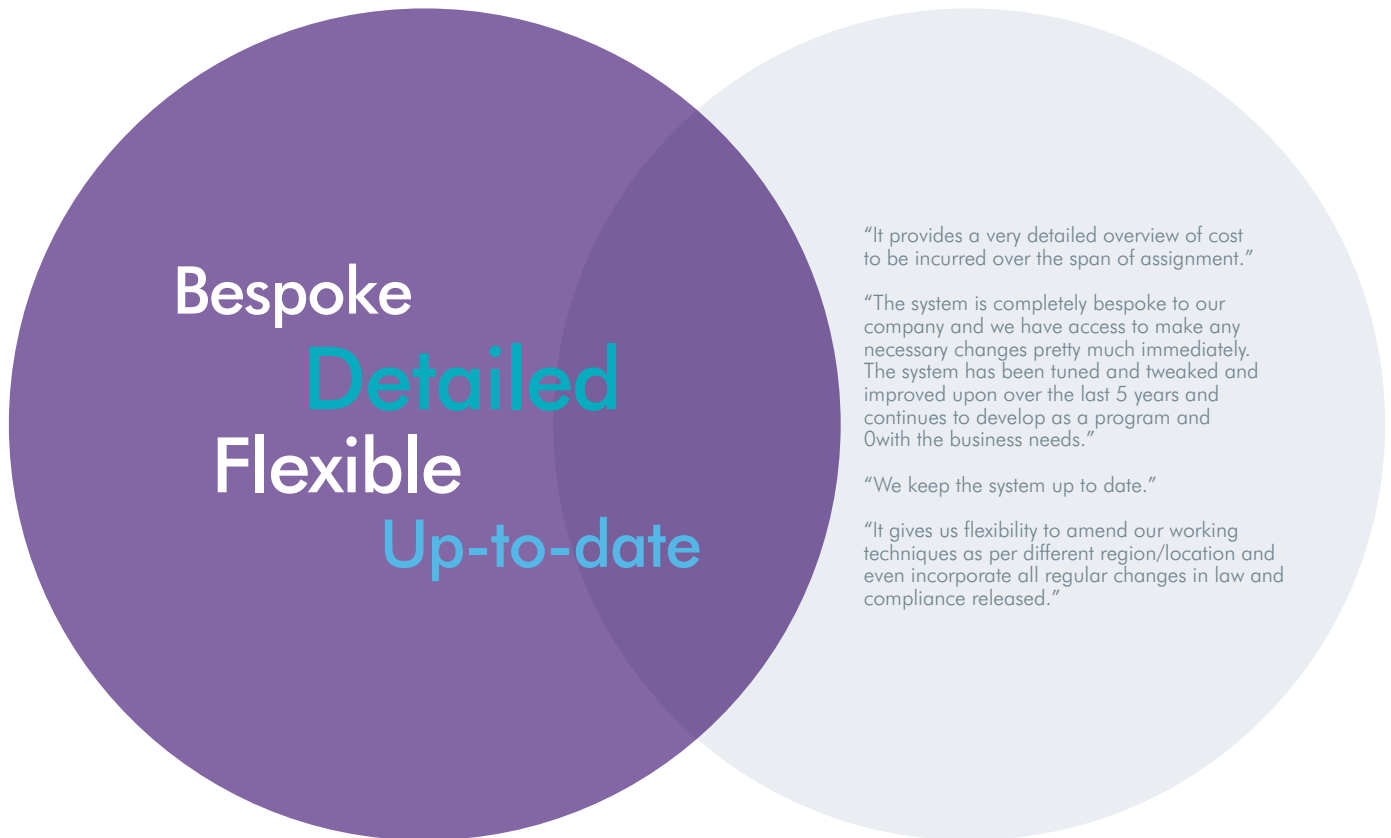
“We provide the cost estimates to business before going ahead.”

“We link cost of assignments to the results of the local business to prove ROI.”

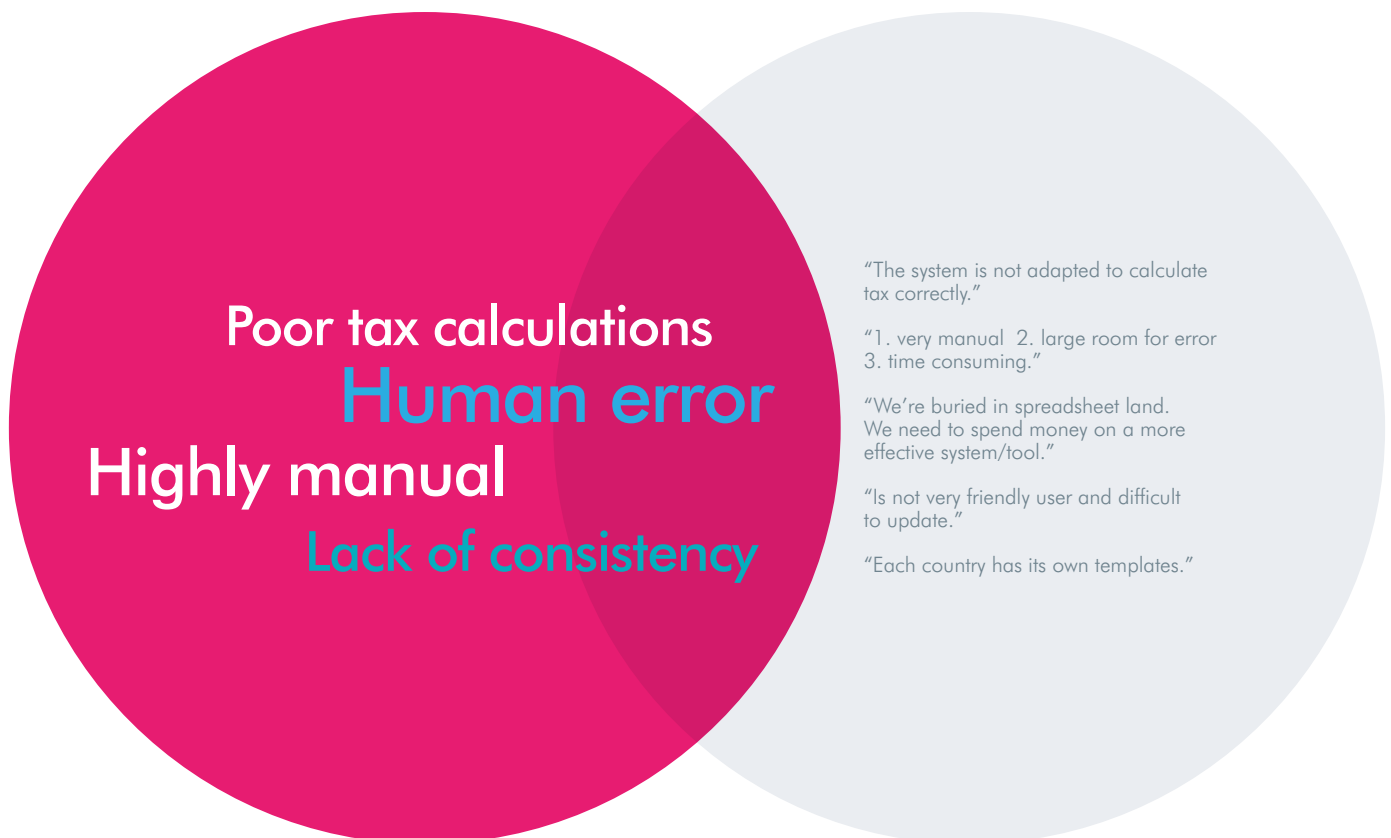
“Assignment costs and employee performance are monitored.”

“We facilitate training of many talented people who come back with new knowledge and skills from abroad. They apply these at a local business level.”

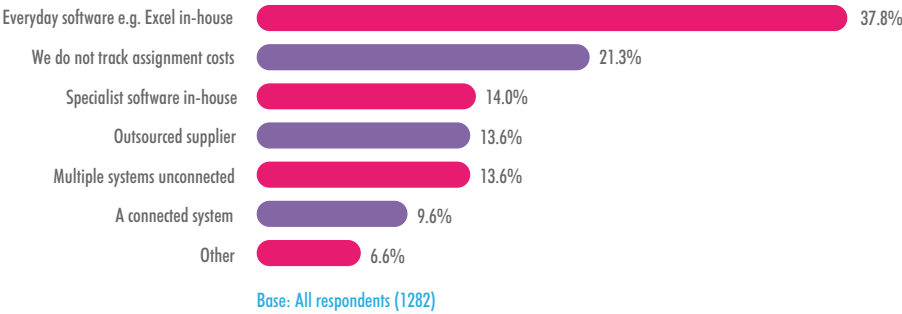
Q41. You mentioned that this system for estimating costs is accurate. Why is this?



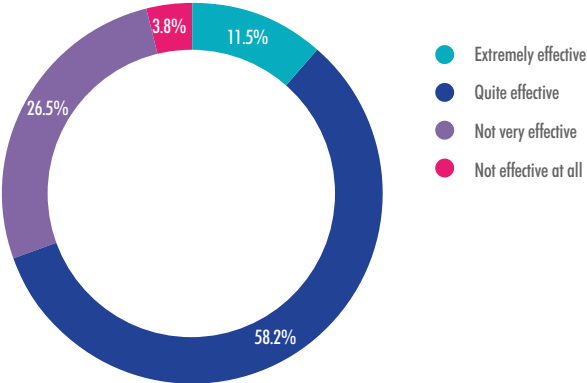
Q41. You mentioned that this system for estimating costs is not accurate. Why is this?



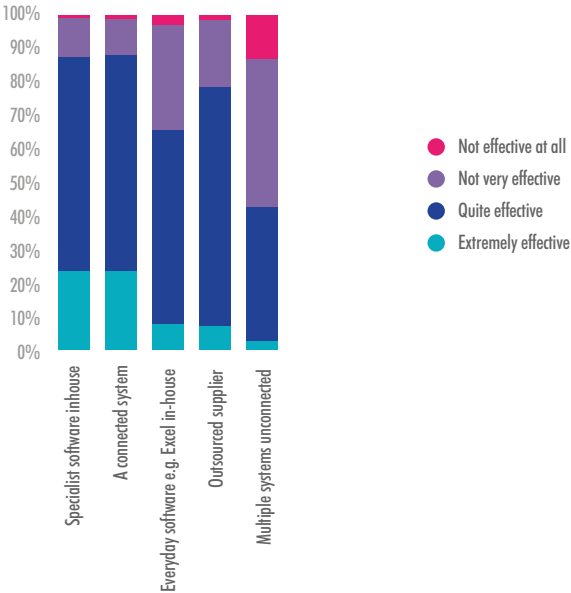
Q42. And how do you currently track costs during an assignment?



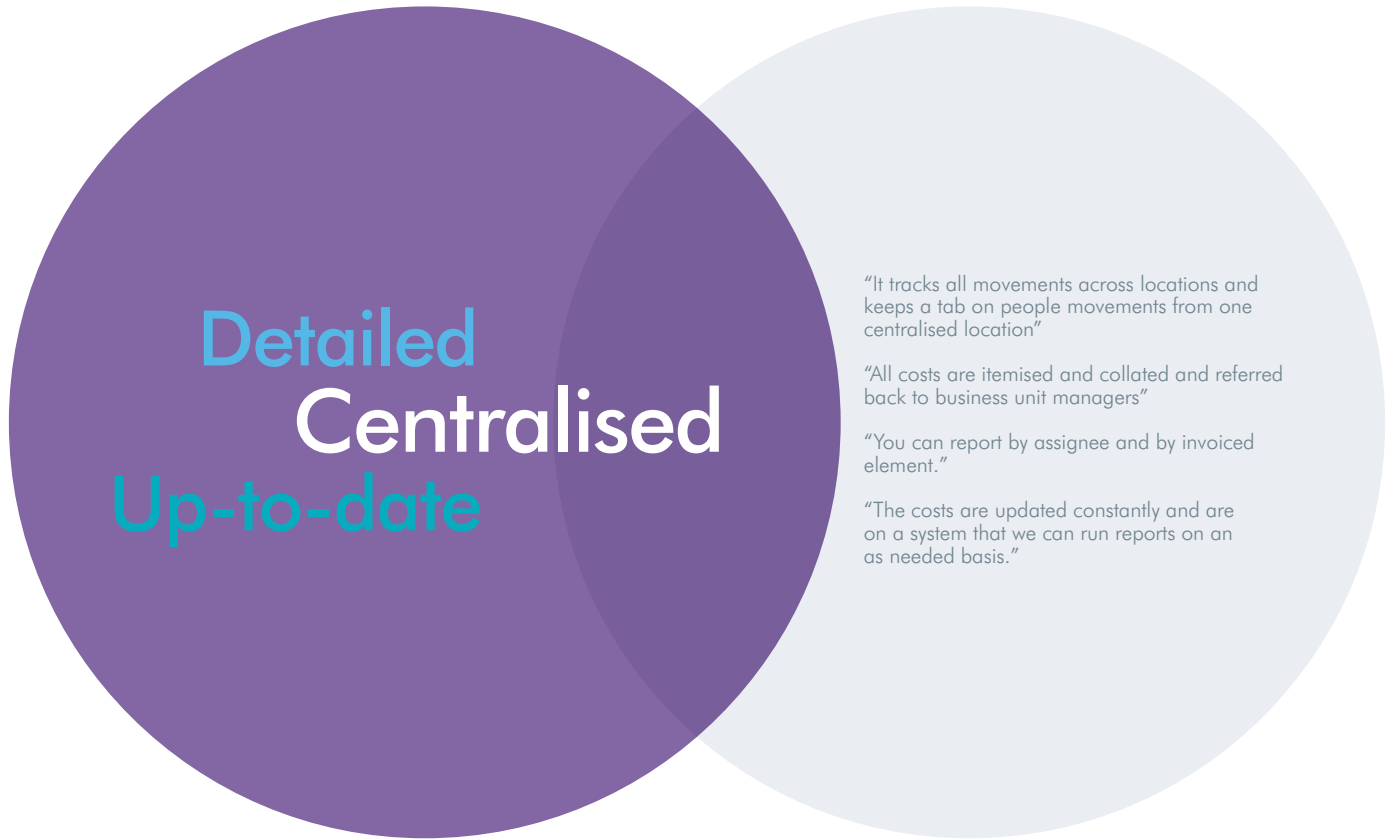
Q43A. How effective do you find this method in tracking assignment costs?



Q43B. How effective do you find this method in tracking assignment costs?



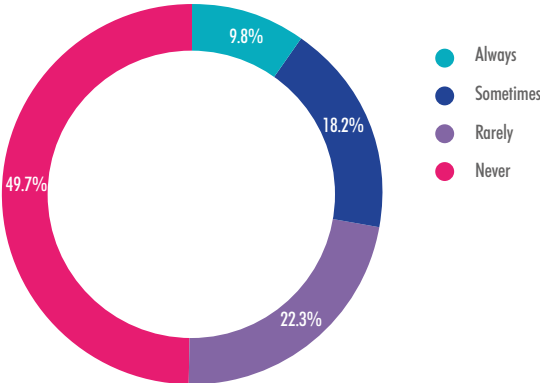
Q44. You mentioned that this system for tracking costs is effective. Why is this?



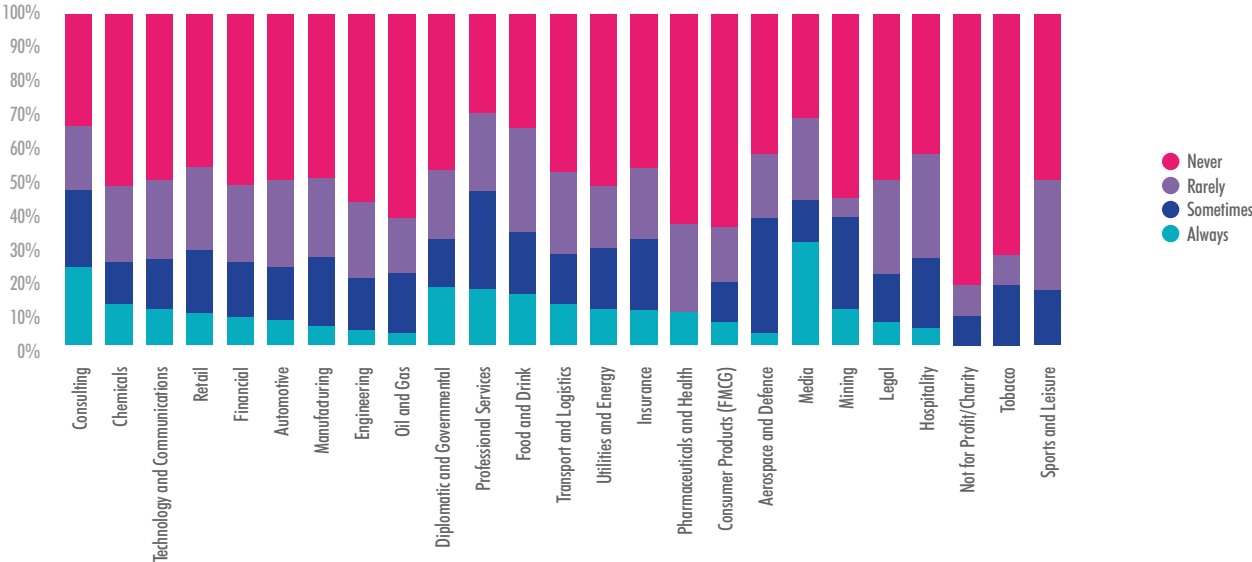
Q44. You mentioned that this system for tracking costs is not effective. Why is this?



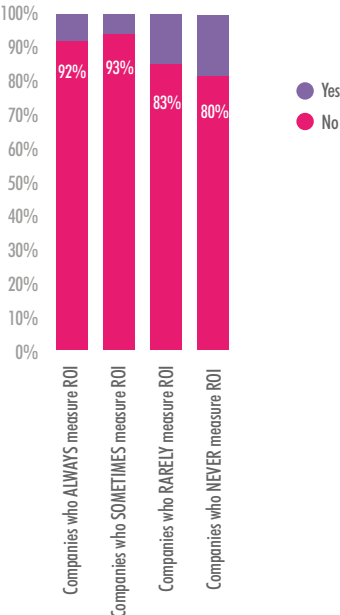
Q45A. Do you currently measure Return on Investment for each individual assignment?



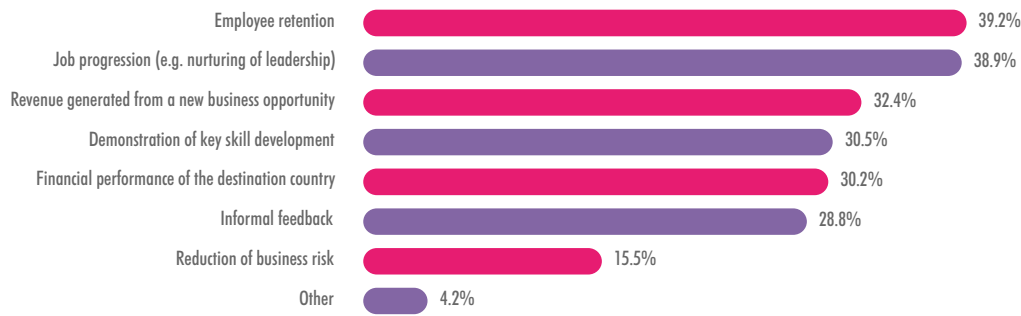
Q45B. Do you currently measure Return on Investment for each individual assignment?



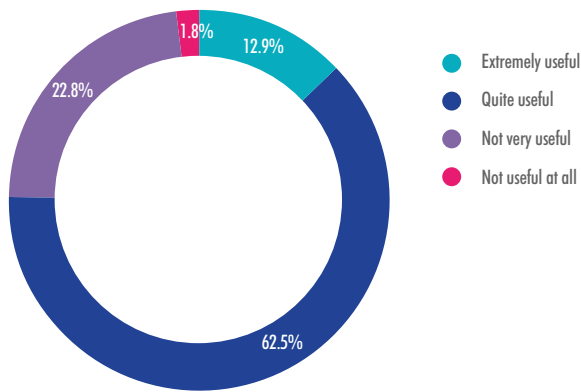
Q45C. Do you believe your Global Mobility programme delivers value for money?
+ Q45. Do you currently measure Return on Investment for each individual assignment?



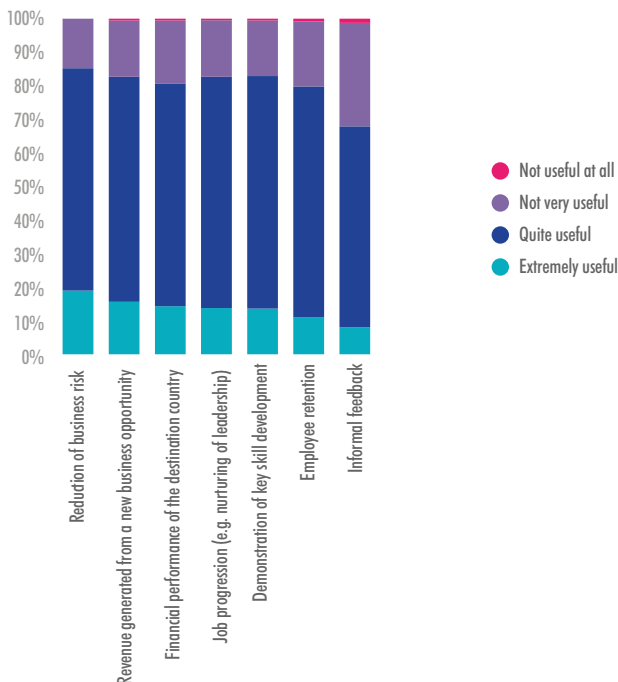
Q46. What are the primary ways you calculate the Return on Investment of an individual assignment?



Q47A. How useful do you find these methods to be in calculating the Return on Investment of an individual assignment?



Q47B. How useful do you find these methods to be in calculating the Return on Investment of an individual assignment?



Q48. You mentioned that this system for measuring ROI is bad. Why is this?

Lack consistency in approach

Difficulty calculating intangibles

Informal system used

Wrong metrics used

"It can only provide us with a snapshot of the expat's performance and any other deeper details are left out. Hence, the usefulness of the system is quite limited. The system would be more effective if it can provide us more analytical metrics of the ROI of an assignment, this will give us a better insight of the ROI."

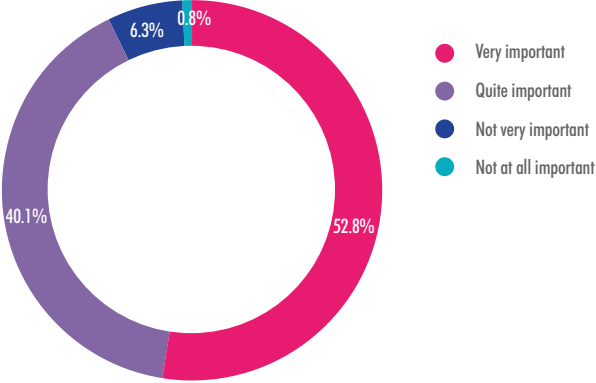
"The business is focused on immediate short term value creation of mobility assignments. The hidden and opportunity costs of assignments are not really taken into consideration. To attempt to do more thorough ROI analysis would require additional resources the business does not have."

"Measuring qualitative factors is never perfect."

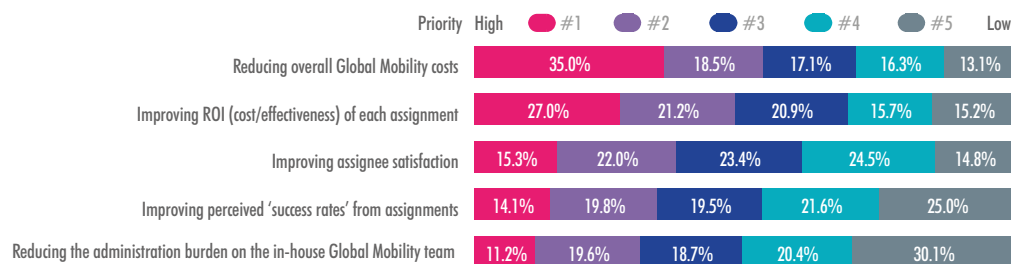
"Return on Investment is an accounting/financial term which does not always translate effectively to intrinsic and less visible benefits such as employee retention and satisfaction"

"We do not have a consistent approach for measuring ROI."

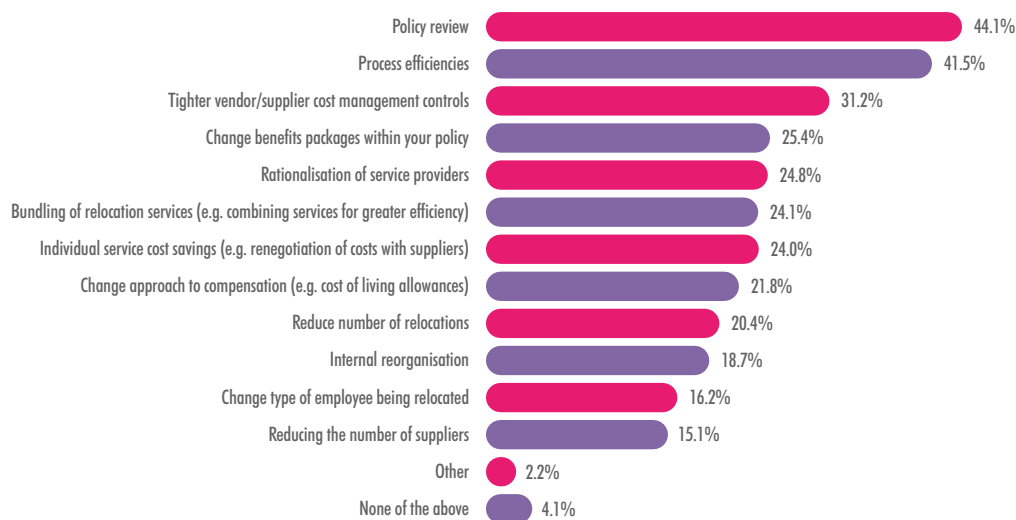
Q49. How important is assignment cost containment to your organisation?



Q50. Please rank the following in order of priority.



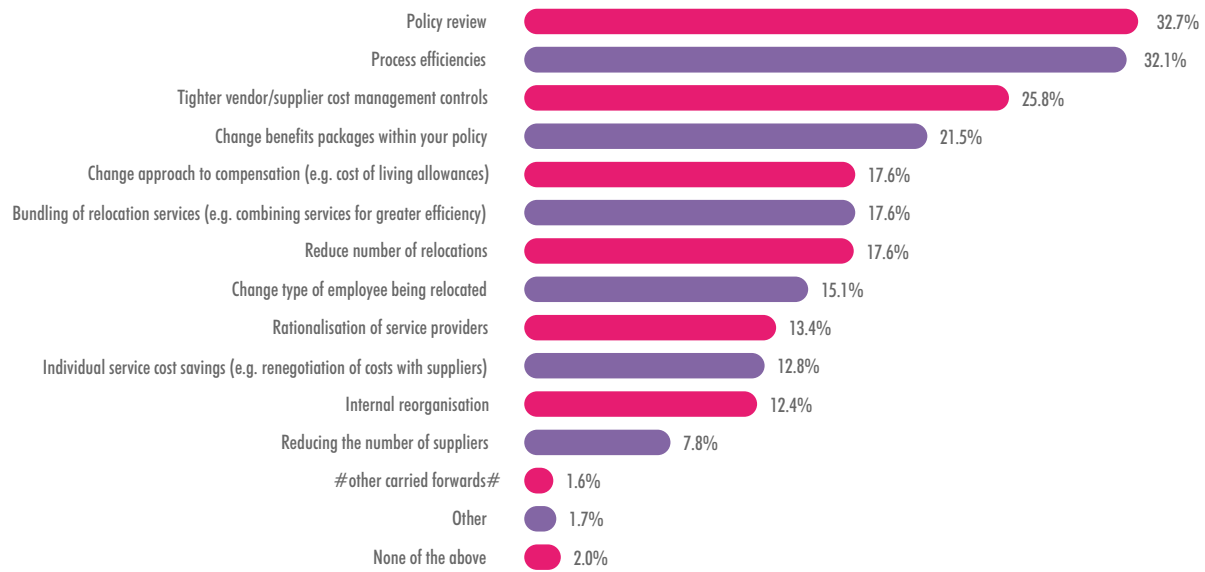
Q51A. Which, if any, of the following areas are you focussing on for reducing your organisation's mobility programme costs?



Q51B. Which, if any, of the following areas are you focussing on for reducing your organisation’s mobility programme costs?



Q53. Regardless of what you are or are not focussing on at present, which of the following do you think would be the most effective areas for reducing the costs of your organisation's mobility programme?



SANTA FE AND CIRCLE RESEARCH

The survey is commissioned by Santa Fe Relocation Services. Research is conducted by Circle Research.

SANTA FE RELOCATION SERVICES

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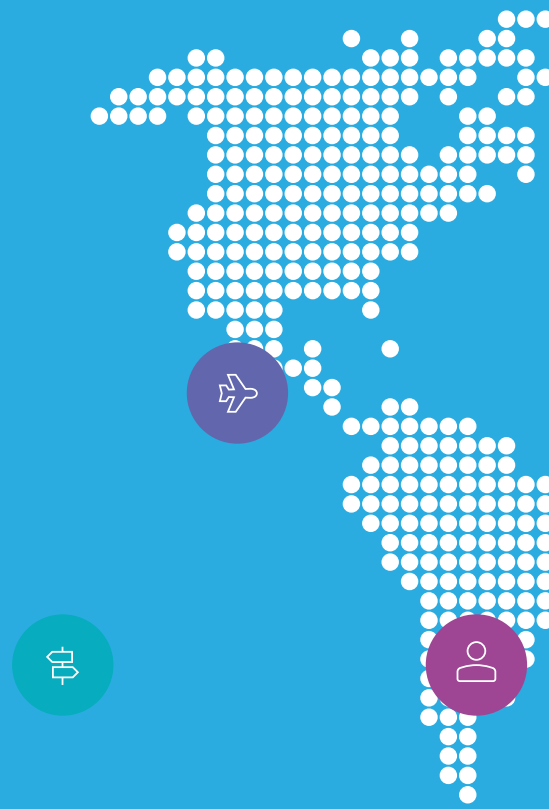
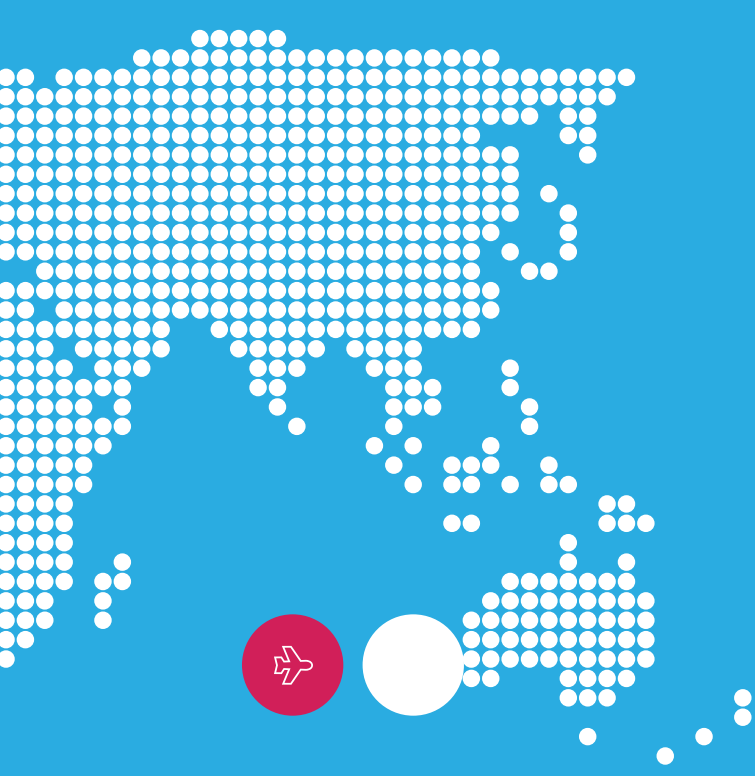


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