World Mobility Perspectives
2017 Global Mobility Trends

How the world works better
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“We live in a fast-paced and interconnected world where breakthrough technologies, demographic shifts and political transformations have far-reaching societal and economic consequences. More than ever, leaders need to share insights and innovations on how to best navigate the future.”

*World Economic Forum, 2017*

The complex landscape of global mobility and global business continues to evolve. Each year, we take a look at 10 global mobility trends that could shape our industry in the coming months. This year we’ve seen some new concepts emerge and some that require an update. In fact, topics on our list that were “cutting edge” just a few years ago, are now popular trends in our field.

It’s also an exciting time for our industry, with added political, economic, security, and regulatory complexities. We’re experiencing the benefits of new technology and stronger global collaboration.

We can’t always predict what will happen, but practitioners should always be prepared for change. We hope our top 10 trends will inspire you to consider new possibilities and innovative thinking – and prepare your organization for change.
1. Closing the gender gap

The number of female assignees is creeping forward, with some progressive organizations, industries and regions moving faster than others. But the reality is that the percentage of female assignees remains at around 20% (more than a decade later).

Like any diversity and inclusion (D&I) strategy, the only way to change behaviors, and make an impact, is to drive change from the top down – and develop a culture where inequality is unacceptable and actions are taken to ensure inclusion.

Barriers to increasing female assignees

- **Unconscious bias** – male and female managers can have an unconscious bias that women would not want to accept an international assignment. Therefore, the assignment is not offered to them.

  Companies closing the gender gap require unconscious bias training for selection managers and formal links between talent development and mobility.

- **Timing** – opportunities for long-term assignments (12 months or more) often arise with little, or no, advance planning and employees at pivotal life stages (marriage, pregnancy, caring for parents, etc.) may not accept an assignment. This barrier continues to be higher for women than men.

  Companies closing the gender gap include advance assignment planning for employees in their leadership pipeline, so that the employee can better align personal and professional decisions.

- **Dual careers and family responsibilities** – traditional policies were designed for male employees with an accompanying (female) spouse/partner taking on much of the family adjustment responsibilities. Female candidates may not have the same support system and policies do not typically address the alternative support they need. This can impact a female employee and her accompanying family’s ability to adjust under equal circumstances. For example, spouse/partner support groups are traditionally led by, and designed for, female participants. The assignee is not always given time off to support the family settling in, and a female assignee might not want to ask for something not taken by her male counterparts.

  Companies closing the gender gap adjust their policies to include more flexibility and support for family and spouse/partner needs. They are changing their communication and upfront decision making support to include identifying and addressing potential family barriers.
Does it matter that there continues to be a big gap between the number of male and female assignees?

Yes, for global companies, future leadership development increasingly requires employees to have global experience and competencies. According to a recent PwC study, 77% of companies confirmed that “global acumen skills” are a requirement for advancement – and 60% use global mobility to develop their succession pipeline for future leaders.

The same study shows that, out of 134 global mobility executives, only 22% are actively trying to increase the number of internationally mobile women.

The need to address the gender gap in mobility is reinforced by the responses of 4,000 millennials across 40 countries. 71% of female millennials surveyed want to work outside of their home country, but live in a world where the female assignee population is stuck at 20%.

So, what can we do in 2017 to address this persisting gap?

One example of an organization closing the assignee gender gap is EY. So far this year, 44% of its assignees are women. In a recent talk, EY’s Global Chairman and CEO, Mark Weinberger, shared a list of actions (from a study of 400 leaders) for global companies breaking down barriers to gender equality. The three steps also ring true for global mobility programs:

1. Become a sponsor and encourage more senior male leaders to do same – encourage sponsorship and support for female assignees.

2. Create a culture of inclusion that focuses on workforce flexibility for women and men – it shouldn’t single out women to request flexibility. Add program and policy flexibility to address common barriers.

3. Look at your entire pipeline. Women need the right opportunities at all levels, not just at the top – gather data on your female assignees and high potentials (their levels, age groups, business units and home locations). Start a conversation with your colleagues that oversee succession planning and talent development.

Sources: PwC 2016 Modern mobility: Moving women with purpose; EY 2015 Let’s close the workforce gender gap: Three ways to act today
The gig economy concept has been a growing discussion in HR for a few years now. And in some industries, it is a common business model already.

The gig economy reflects a work environment where temporary contract positions are common, and companies use independent workers to fill short-term engagements. Looking at its impact on mobility is where we see the discussion heading this year. Mobility professionals need to understand what it is and how to support this growing and independent talent pool.

What makes it even more interesting, is that the “gig” worker – a temporary employee working on a short-term engagement – could also become a new way to define a full-time mobile employee assigned to gigs or short-term projects.

Some industries, like oil and gas, have a long history of supporting external gig employees. When an employee rotates off a project, they are no longer an employee of the company. The gig employee maintains a self-employment status and the company’s focus is on the skills they have to offer – not their long-term career path.

The growing gig economy is expanding outside of these traditional industries. An Intuit study predicts that by 2020, 40% of American workers will be independent contractors – a big leap for any country’s employee population. Some European countries opt for temporary employees to avoid hiring permanent workers that are more difficult to lay off. There is even a term: “permatemps.”

This year we will be talking about gig employment mobility policies, compliance challenges, the emerging industries that compete globally for gig talent and the locations where it is becoming more common.
3. Simplifying policy documents

We are at a turning point in how mobility policies are communicated. 2017 is the year to start simplifying (or doing away with) 30-40 page documents.

Over the past few years, we’ve seen more information available via websites and apps. There is less patience, especially from millennials, for long, text-heavy documents.

Infographics, animation and other visually appealing mediums are being applied to traditional HR documents – and mobility has lagged behind in this area.

Take a look at your mobility policies and other documents that you provide relocating employees. Pick one to start with – 2017 is the year to update your information and transform it into a more useful and relevant style.
4. How millennials are reshaping mobility

The topic of millennials is not new. Millennials are aging, of course, and many find themselves mid-career – or at least established in their organizations.

What is emerging, is our ability to recognize how millennials are reshaping mobility. There are certain ways that our industry and organizations continue to adjust to meet millennials’ requirements. These shifts are becoming an industry norm (not just for a demographic population):

• Low-cost policies and strategies to increase international opportunities

• Self-initiated moves are becoming a standard option; the millennial’s desire for international adventure early-career is being supported as a means of recruiting and retaining talent

• Flexible approaches to how some policy elements are offered, such as cash allowances for home leave or housing; furnished apartments or furniture allowances in lieu of shipping, etc.

• Online Do It Yourself (DIY) alternatives for the employee to organize housing, transportation, travel arrangements, safety information, payments, information sharing, etc.
5. Cost savings

Cost savings is a perennial topic in global mobility as new considerations emerge each year. There are at least two ways to look at cost savings. One relates to focusing on your policy, and reducing, or eliminating, employee benefits within a provision. The other is from a strategic perspective and relates to the company’s overall approach to moving employees.

Before making a cost-saving decision, you should ask the following questions:

- What is your company’s attitude towards mobility?
- Is the employee experience a critical component of your program?
- Do your employees assume they will need to move as part of a global organization or is it a rare event?
- Do you move people to hardship locations?
- Do you have an employee population that is internationally experienced or new to mobility?
- Are there business needs being supported by mobility that are difficult to meet due to the unique skills required?

Here is what we’ll be talking about in relation to cost savings this year:

- Reserving the traditional, home country balance sheet long-term assignment policy for VIP or high-payback assignments – and using a host location-based compensation approach for standard moves (see page 10)
- Making furnished housing the default approach and household goods shipments for exceptions or VIP moves only
- Centralizing assignment data so that costs and exceptions can be tracked and analyzed. Too often, companies approach cost savings exercises without good data or an understanding of the consequences. Unintended consequences can turn expected savings into higher costs
6. Low-cost policy approaches

Last year, in an article entitled “The New Normal,” we highlighted the shift from traditional, home country based Long Term Assignment (LTA) policies, towards low-cost approaches. This trend is gaining momentum and represents a major shift in our industry.

Today, we find fewer companies that are new to mobility using the traditional LTA approach. Keeping employees tied to their home country compensation and benefits is expensive – and does not reflect career paths that are less about sending employees on “out and back” temporary assignments and more about meeting business needs, wherever they are.

Low-cost approaches include:

- **Expat lite**: a less robust version of the traditional policy
- **Local plus**: using host location compensation and benefits as a base, and providing a few benefits where living as a local is unrealistic for a temporary assignee
- **Local-to-local**: the transfer of an employee from one location to another with relocation support, but not on-going assignment benefits; similar to an international transfer
- **Localization**: the transition to local status at the end of an assignment in lieu of repatriation, or the transfer of an employee to a new location to live as a local
- **Core-flex**: the most popular of flexible assignment approaches, core-flex offers a “core” set of policy benefits for all assignees, such as compliance-related support (immigration, tax), basic relocation support and some benefits relevant to meeting corporate values (such as cross-cultural training). It allows for flexible options based on employee needs and other drivers (i.e., business needs or budget)
- **Managed lump sum**: while a lump of cash is rarely offered for international moves (as it leaves too much room for employee, family or company error), a managed lump sum is increasingly popular for early career assignments. The relocation and compliance elements are managed by a relocation company while leaving the employee with a flexible assignment allowance (lump sum) for other expenses (i.e., housing, home leave, shipping, miscellaneous expenses, etc.)
7. Technology’s impact on mobility

Technology has touched every industry, and mobility is no exception. Like cost savings, technology has become a topic that, each year, allows us to consider the new ways our industry is evolving.

One area where we have seen enormous improvements, is the ability to have accurate data around mobility programs. Technology makes us smarter and we can be more strategic through data analytics. Companies can now track most assignment-related details, including:

- Volume
- Current assignment locations
- Previous locations
- Types of assignments
- Assignee reporting lines
- Length of time left on an assignment
- Repatriated assignees

Technology allows us to cut data based on assignee demographics (gender, generation, family status, region and business units) to understand the assignee population. Companies can find out how much they spend, what assistance is used the most, and how and where they make exceptions. We can start to measure assignment ROI in a tangible way.

Uber mobility

In 2015, we started talking about “uber mobility” for the first time. It refers to the employee’s use of technology to self-manage many move elements. Services now available online were previously managed for an employee via pre-selected and company-vetted suppliers.

Uber mobility later appeared on our trends list in 2016 – where we highlighted how Do it Yourself (DIY) mobility approaches were changing mobility. This shift continues to grow at a faster pace. Apps are available for destination information, managing your move, planning your trip, travel tracking, security tracking, expense reports, home finding and more elements of relocation every day.

In 2017, our industry will start to implement numerous virtual solutions to support or replace assignment planning, pre-decision trips, home finding solutions, pre-move home surveys, etc. These solutions will save time and money.

Artificial Intelligence

Artificial Intelligence (AI) can simulate human conversations as “chatbots” to offer support that falls somewhere between a really good FAQ list and a conversation with an expert. These technology advancements add a “cool factor” to mobility, but have their limitations.

This year we will see growth in the advantages that technology brings. We predict that we will also see an increase in discussions around the limitations of technology. Companies have very real concerns around the risks that technology brings – and are working hard to prevent cyber breaches and protect employee data. We expect to see early adopters of technology-driven solutions scrambling to add human emotion back into their platforms.

For mobility the question still remains: what is the right balance between high-touch support and low-touch technology? Sometimes there is no substitute for a person with the knowledge and expertise on-hand to answer your questions.
8. Assignee duty of care, safety and security

Our recent Duty of Care for Global Mobility study highlights growing concerns around employee safety and security, emerging from the increase in terrorist attacks, natural disasters and health epidemics around the world.

The study also highlights the progress being made in this area. A company’s duty of care responsibilities cover a wide range of issues – from the safety and wellbeing of employees and their families, to ensuring compliance for immigration and tax responsibilities.

While many companies seem prepared with safety and security measures in place for employees moving to traditionally hardship or challenging locations; employees traveling to more developed or cosmopolitan destinations are less likely to receive customized security briefings or preparation. A potential blind spot in global mobility programs, this requires some attention.

Another emerging perspective stems from the possibility to provide employees with more flexible DIY options. This uber mobility trend is growing faster than industry governance and regulations. Whether it is Airbnb-type temporary housing, on-demand ride shares like Uber or independent moving companies, there is still limited oversight of these start-up companies. Of the 60 global companies that Crown surveyed, the vast majority are still in a mode of caution – and show reluctance to move away from their current service partners that have been vetted through a procurement process.

The good news is that there is a growing awareness of the need to do more on the duty of care front. Corporate security teams are evolving to meet the needs of global companies. The services and solutions available on the market are also increasing and improving quickly. From traditional safety and security organizations, to newer communication platforms, it is possible to provide mass notifications, real-time information, and safety resources. We see companies with limited resources and those with more sophisticated systems moving towards better communication, travel tracking and preparedness.
9. Talent mobility
How to retain young people

Talent mobility is an industry term that is here to stay. But the way it is defined and the realities of how it works in different organizations still vary.

It is common knowledge that talent mobility reflects a decade-long move away from offering a tactical approach to employee mobility (i.e., getting people from A to B, and back again), to a strategic approach (identifying the roles to fill, selecting and preparing the right people to go, making a connection between the international experience and career paths, showing the value of the experience to the company, retaining experienced talent post-assignment, etc.).

There are many iterations of talent mobility. At mature companies, we see global mobility teams working with colleagues responsible for recruiting, developing and retaining talent, and future leadership, to ensure that mobility policies and programs are supporting the talent goals of the company.

Just a few years ago, studies on millennial values and career goals began surfacing that highlighted a desire for this generation to have an international experience at some point in their career. These studies have been repeated and the outcomes haven’t changed. Companies are acting on these findings and putting low-cost, creative options in place for recruiters and managers. This allows employees to look for roles in other parts of the organization.

We’ve seen a rise in self-initiated moves, talent swaps and short-term assignments. We’ve also seen an increase in creative and flexible policy benefits, such as using a home leave allowance to fly a friend to visit the employee. The war on talent, and the millennials’ values, are pushing global mobility’s role, in retaining millennials, to interesting places.
10. Political uncertainty

The final topic on our 2017 list is not so much a trend but rather a reflection on two political events that are transforming the landscape of our industry, and many global companies.

While political uncertainty is a factor to contend with for many parts of the world, 2017 brings this uncertainty to two countries that are historically global business leaders and international mobility hubs – in terms of volume of assignees moving through their boarders. As a result, this year we will see many global businesses rethink how they engage with the wider international community.

Brexit

Brexit is definitively underway. Theresa May, the British Prime Minister, has the daunting task of renegotiating trade deals with close to 50 countries and establishing new agreements with other allies after last year’s referendum results.

Companies within the technology, finance and services industries are just some of the businesses that are expected to experience significant changes as a result of these negotiations. The free movement of people, goods, capital and services, and anti-immigration sentiments are certainly part of the equation as the U.K.’s exit strategy progresses.

While the process of Britain leaving the E.U. is long, and will inevitably be hard fought, the international business community must start preparing itself for the uncertainty that will come from a fractured E.U.

The US transition

Since the inauguration of U.S. President Donald Trump, the country has quickly gone from being the leader of a free, liberalized, globally connected world, to an increasingly unpredictable, isolationist and internally divided superpower. A month into the new presidency we have already seen executive orders removing the United States from free-trade agreements such as the Trans-Pacific Partnership and banning immigration from seven Muslim majority countries (at time of publication the U.S. Supreme Court placed a temporary hold on this ban). In response, companies across a number of industries are already speaking out on the importance of immigration, globalization and diversity to their success. At the same time, promises of tax relief and less government regulation are being praised by some U.S. business leaders.

How will these two countries’ political shifts impact global mobility programs? Some areas to watch that we will focus on this year include:

1. Immigration – new regulations and changing attitudes
2. Currency fluctuations
3. Shifting business tax relief
4. Potential offices and groups of employees relocating from one country to another

Increased uncertainty requires stronger communication with existing assignees, third-country nationals in key business hubs, and employees concerned about accepting international assignments due to the changing attitudes about immigrant populations.
Conclusion

Every year there are numerous shifts, emerging topics and evolving issues that we want to discuss and share with you. And every year we present you with 10 that stand out to us as important considerations for the coming months.

Crown World Mobility’s 2017 trends are intended to stimulate creative thinking. We hope they provide a new lens through which you can look at your own programs and strategies – and the broader industry that we work in. It is an exciting and challenging time to be a global mobility professional – let’s see where the year takes us!

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