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Driving Excellence in Talent Mobility

> 2017 APAC Workforce Mobility Strategy Summit Report

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> The Best Ideas Come from Industry Insiders

Talent Mobility Professionals Share and Learn

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What's Inside this Report

In advance of the meeting, participants were polled on several key areas and 60 of the 64 attendees responded. Results are shared throughout the document.

The 2017 APAC Workforce Mobility Strategy Summit in Singapore was hosted by insideMOBILITY™ and sponsored by Graebel. Singapore, in fact, was the site of the very first insideMOBILITY thought leadership forum three years ago. We now host these summits around the globe.

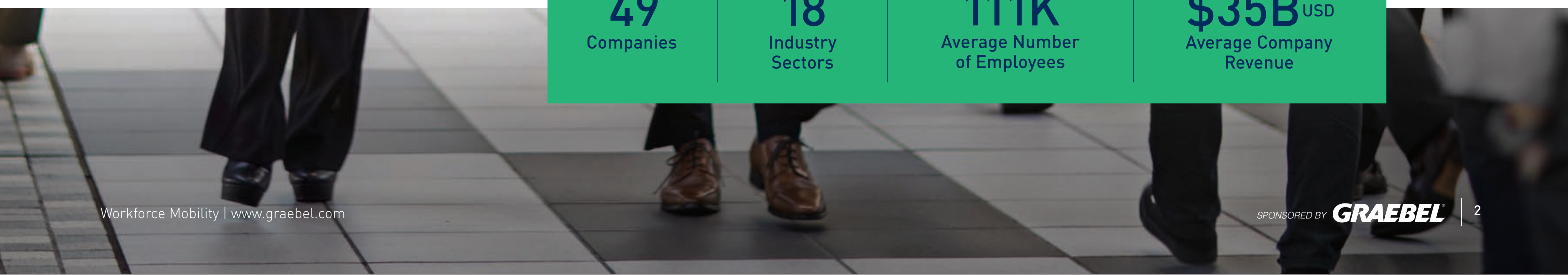
The insideMOBILITY programme gives Talent Mobility professionals the opportunity to:

- **Meet** face-to-face
- **Share** best practices and insights
- **Connect** to build lasting professional relationships

Sixty-four attendees representing 49 companies did exactly that on 22 September 2017 in Singapore. We're pleased to present this report summarising the highlights and key takeaways.

2017 APAC Summit Attendee Profile – 64 Talent Mobility Professionals Participated

49	18	111K	$35B USD
Companies	Industry Sectors	Average Number of Employees	Average Company Revenue



Key Takeaways

1. The leadership skills required for Talent Mobility programme management are diverse — and many professionals in this field acknowledge these are lacking in the industry.

2. Talent Mobility leaders and managers are eager for greater balance between administrative, transactional tasks and the more consultative strategic services they can offer within their organisations. In some cases, there's a lack of requisite skills or direction within the company in this area.

3. Localisation seems to be a win-win for companies and transferees as long as the organisation can ease the transition. This type of policy offers benefits to companies beyond cost reduction.

4. Similarly, there is significant interest in how lump sum policies might offer a remedy to complex policy challenges, even if the practice is not, as yet, in wide use. Participants noted certain downsides that should be acknowledged if not overcome.

> Programme Evaluation

Participants shared assessments of their own Talent Mobility programmes and identified many of their ongoing challenges.

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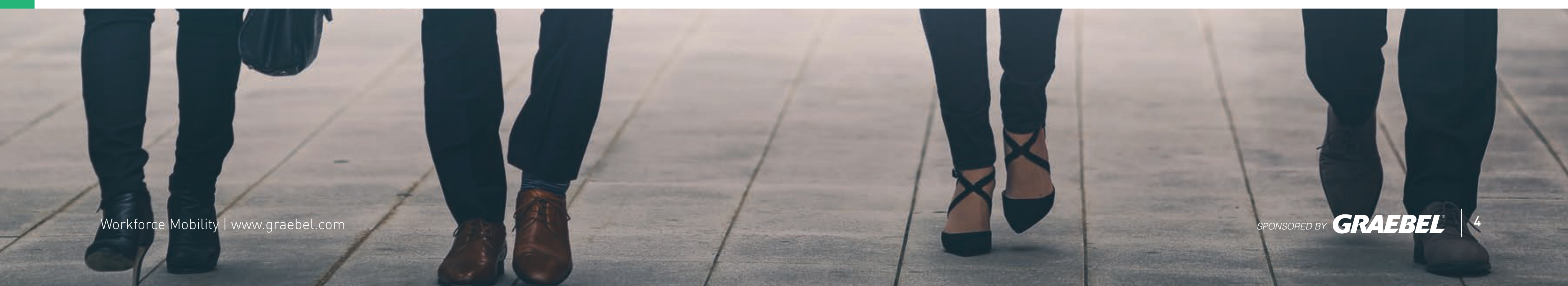


From the participant survey

What are the top challenges your Talent Mobility programme faces in the next 12-24 months?

- **23%** Cost reduction
- **18%** Operational efficiencies
- **17%** Integration with Talent Management programme and processes
- **14%** Policy enhancements
- **12%** Transferee/ assignee experience
- **7%** Enhancing the programme's internal brand
- **4%** Rapid programme growth
- **3%** RFP process and decision
- **2%** Reduction in programme scope

Programme Leadership

Compared to most department or business unit leaders, a Talent Mobility programme leader arguably must have a wider array of hard and soft (people) skills.

Participants were eager to describe the ideal traits of an exceptional Talent Mobility team leader:

- Views Talent Mobility with both an individual transferee and programmatic perspective and can address a personnel matter at either level, depending on what's 'right'
- Has a global perspective, ideally with international experience him/herself
- Balances policy and exceptions in accordance with the company's culture
- Is eager to learn about Talent Mobility trends, best practices and innovations
- Develops systems for measuring success
- Comfortably and actively networks throughout the company. Has a thorough understanding of business units and support functions and can 'talk their talk.'
- Thinks outside the box to solve challenges and meet business unit needs
- Is willing to enforce Talent Mobility policies with business unit leaders

From the participant survey

How would you rate your organisation's Talent Mobility leader from 1-10, with 10 representing perfection?
(Results were submitted and compiled anonymously.)

6.77
Composite average rating

Measuring Return on Investment

When it comes to Return on Investment (ROI), companies focus primarily on measuring Talent Mobility programme investment costs and, in fact, those efforts typically trigger cost-minimisation strategies. (See, for example, the discussions of localisation and lump sum arrangements.) On the other hand, measuring return is far more challenging, in large part because organisations relocate employees for many different reasons.

At recent insideMOBILITY sessions around the world, we've seen steady progress in how companies identify and analyse return. We're also increasingly hearing how, through this exercise, they're adding more rigour to business decision making and Talent Mobility policymaking.

Participants in Singapore defined 'returns' or 'success' in three general areas, acknowledging, though, there's overlap across the three:

Employee experience, measured by:
- The number of logistical complications
- Employee satisfaction surveys and interviews
- Successful job transition

Organisational benefits, measured by:
- Employee retention
- Performance improvement at the host location (e.g., sales, production or business development)
- Key employee career development – advancement in the skills, perspective and competencies required for senior level advancement

Programme performance, measured by:
- Turnaround time to place an employee in an established or a new environment
- Whether transferees are good ambassadors for the relocation programme (i.e., a 'Net Promoter Score' approach to measuring quality)

Participants clearly want to calculate ROI but don't have a formal way to calculate it (see survey responses to the right). They described the challenge of accessing a full set of data that would provide a complete view of the programme.

From the participant survey

How well does your programme calculate ROI for relocations and share the data with key stakeholders?

73%	22%	5%
We're thinking about it but have no formal process to calculate	ROI is like the Loch Ness Monster – everyone's heard of it but no one's really seen it	We're advanced – we provide ROI metrics regularly

> Programme Enhancement

Participants shared high-level, best-practice approaches for extending the value of Talent Mobility programmes throughout an organisation.

Collaborating within the Organisation

We learned from the participants that the best Talent Mobility programme leaders are active and visible throughout their companies. The Industry Insiders described what these leaders should seek to accomplish through this internal outreach:

- Introduce data into the assignment/relocation decision process
  - > Ensure data is refreshed daily rather than relying on quarterly dashboard snapshots
  - > Incorporate third-party data for improved insights into contributing factors and trends
  - > Utilise predictive analytics to explore the impact of trends extending into the future

- Incorporate these tactics in your plan
  - > Identify champions
  - > Start "small" and promote realistic expectations
  - > Find the right data sources and their owners
  - > Define your first set of measures
  - > Ask for feedback and adjust accordingly
  - > Build, revise and evolve what you're measuring
  - > Seek out practitioners and subject matter experts to guide your approach

For additional insight into how to obtain internal feedback to transform your programme into a key differentiator for your company, please download The Definitive Guide to Strategic Mobility eBook.

From the participant survey

How important is the development of Talent Mobility analytics to your organisation in the next 12 months?

55%	27%	13%	5%
Important, but there are other priorities next year	Very important	Not something we're focused on	Not sure what you mean by 'Mobility analytics'

Talent Mobility Managers' 'To-Do' List

Many of the participants shared personal, long-term goals for their Talent Mobility programmes. Some of the areas most frequently mentioned include:

- Balance and reallocate administrative and transactional tasks (utilising a Shared Services or Human Resources staffer) to increase the focus on strategic planning and internal programme integration
- Automate transferee transactions with more online/mobile app features and portal-based access
- Consolidate service providers through more efficient supply chain management practices
- Harmonise global versus regional programme policies
- Reduce benefit package options by shifting to a menu-based benefits approach to meet the needs of a diverse workforce
- Address extended business travel compliance and related costs

There are innovative technology tools that can help track and manage extended business travel, for example: Business Travel Manager solution.

From the participant survey

How confident are you that your international business travellers are in compliance with tax and immigration rules of the countries they're visiting?

37%	27%	14%	22%
Somewhat Confident	Not Confident	Very Confident	Unsure

Views on Relocation Management Company and Supplier Quality

Participants described the qualities they look for in outsource partners — from a Relocation Management Company (RMC) to specific service category providers:

- **Proactive –** Anticipate challenges so the company can get ahead of them and reap benefits or avoid costs and problems

- **Solutions-Driven –** Provide multiple options whenever a problem or challenge is encountered

- **Experienced –** Familiar with technical/specialised issues (e.g. immigration and tax). Being experts on all matters is not necessary but the provider must know enough to raise red flags or engage the needed subject matter experts.

- **Flexible –** Understand and work within an organisation's policies, but also offer suggestions in a collaborative environment consistent with its values and culture

> Evaluating Trending Strategies

Companies are exploring new approaches to placing and supporting employees around the world, particularly in hardship locations where top talent remains scarce. This is driven by: increased cost control concerns, creating a more effective host country presence and different expectations and preferences from a new generation of workers.

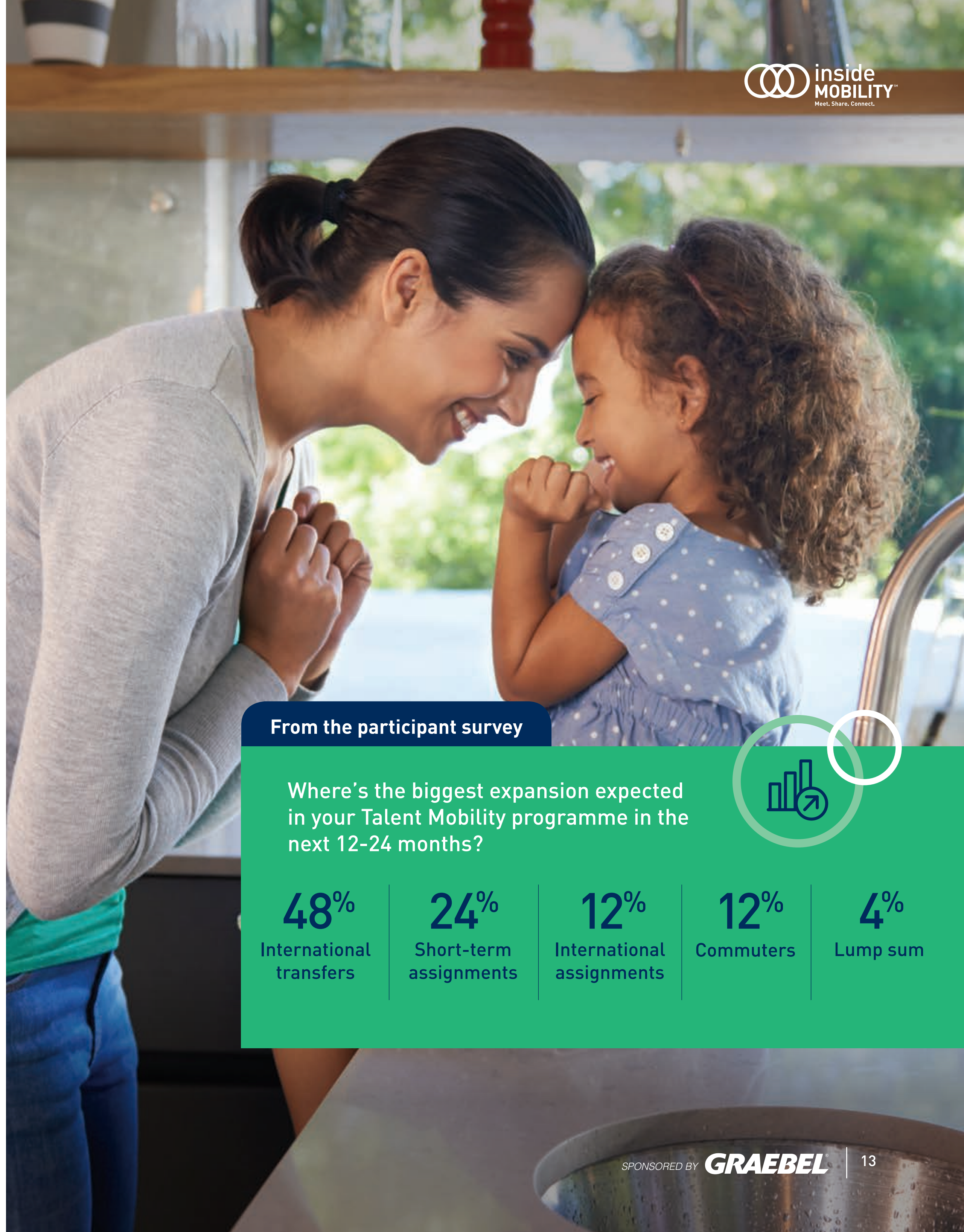
The Shift to Localisation

Localising can be a less costly way to place employees internationally for extended periods. Younger workers are especially open to this arrangement. At the Summit, we heard diverse perspectives on localisation and innovative ways companies are implementing this approach:

- Offer transitional assistance in key areas. Participants described 'Local Plus' arrangements with temporary support (often through lump sum) for benefits like education and housing or to ease the transition to a host country pay schedule.
- Retain the home salary structure when faced with significant currency exchange differentials
- Provide ongoing child education support
- Maintain a strict host-based compensation policy, including pay scale and pensions

One participant described how her company has shifted to a global payroll and pension structure that minimises some of the financial impacts of cross-border relocations.

Another attendee mentioned that the challenge of finding positions for repatriated employees is one reason his company is moving toward localisation.



From the participant survey

Where's the biggest expansion expected in your Talent Mobility programme in the next 12-24 months?

48%	24%	12%	12%	4%
International transfers	Short-term assignments	International assignments	Commuters	Lump sum

A Deeper Dive into the Data behind Localisation

We also explored participants' experience with localisation through a series of survey questions.

What are the primary reasons for international transfers?

- 34% Company goals and objectives require long-term skills unavailable in local workforce
- 31% Less expensive than long-term assignments
- 25% Helps meet the goals of developing globally experienced talent internally
- 3% Company desire for increased foreign national presence in local workforce
- 7% Employee preference or career path alignment

Why does your company localise assignees?

- 40% Operational cost cutting measures
- 23% Minimise perceived inequities between expatriates working with local staff
- 15% Localisation requested by assignees desiring to stay in the host location
- 13% Demonstrate long-term commitment to a particular host country or region
- 13% Other*

*Other
- Aligns with long-term career path of the assignee
- Regional culture encourages localisation
- Assignment extends to the point where localisation is appropriate

Has implementing an international transfer policy helped your company meet its talent and workforce planning goals?

- 50% Yes
- 37% Too soon to determine
- 10% Don't know
- 3% No

What is the biggest objection from assignees who are considering localising?

- 68% Removal of the assignee's expatriate status, including benefits and allowances
- 16% Retirement benefits – shortfalls in both the home and host social security plans
- 8% Healthcare – local plan is not adequate when compared to prior coverage
- 4% Taxes – many companies provide tax preparation assistance to newly localised staff (but not equalisation)
- 4% Schooling

Observations and Innovations regarding Lump Sum

Challenges related to lump sum benefits administration emerged in many of the breakout sessions and of course with our featured afternoon panel on this topic. It's no wonder the Talent Mobility world is paying close attention to the lump sum model—properly planned and managed, it can significantly reduce costs and is popular with many transferees.

Following are key discussion points and advice from Industry Insiders:

- When it comes to unfamiliar situations and foreign markets, employees will ask for guidance and assistance so be prepared to respond

- The potential for unplanned personal tax liability should trigger hands-on attention from employers in the spirit of Duty of Care

- Many relocation programmes have a blend of both lump sum and assisted relocation. Participants shared how they successfully manage this hybrid approach:
  - > Allow employees to choose between the two programme options
  - > Require lump sum arrangements for employees at certain levels or in certain situations
  - > Offer specific benefits or categories of benefits on an optional lump sum basis—e.g., housing and home leave travel

Panellists

Thank you to the Talent Mobility Industry Insiders who served on our featured panel session, 'Realities of Lump Sum Experience':

- **Róisín Foley,** Vice President, HR – APMEA, Kerry
- **Lynn Lee,** Senior Global Mobility Manager APAC, Mars
- **Nicole Milman,** Senior Manager Global Mobility EU, EMA and Greater Asia, Becton Dickinson
- **David Monical,** Global Mobility Operations and Compliance Manager, Amazon

Pros and cons of lump sum policies

PROS

- Employees like the flexibility and empowerment
- It's easier to administer with the right systems and tools in place
- The company is not technically responsible for employee challenges and unforeseen problems (however, see the contrary in the cons...)

CONS

- Employees may be confronted with challenges and unforeseen problems they are not equipped to solve
- With cash-based benefits, it's easier for employees to compare packages and uncover 'inequalities'
- With more hands-on involvement, employees can be distracted from work-related priorities
- A lump sum arrangement may be seen as a conflict with the 'Duty of Care' principle

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Balancing and Progressing Talent Mobility   Advancing the Art of Mobility

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