GRAEBEL

The Workforce Imperative:

Views from the C-Suite

2025 – 2026

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Introduction

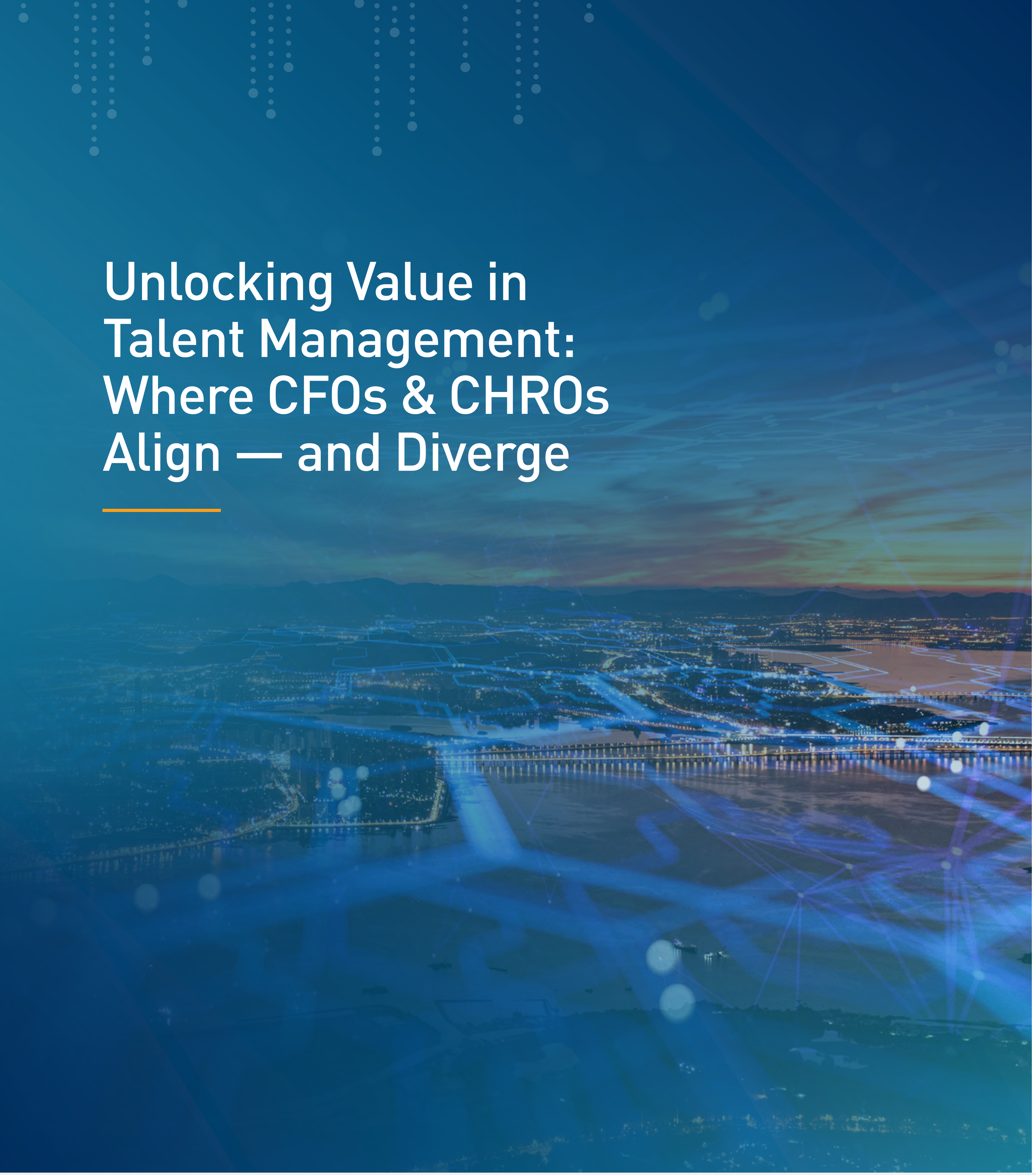
As global business grows more complex and competitive—and as the workforce driving it continues to evolve—executives face mounting pressure to drive innovation and deliver ROI. HR and talent management are no exception, and leaders are reassessing these functions for ways to unlock greater value.

This report draws on insights from 950 Chief Financial Officers (CFOs) and Chief Human Resources Officers (CHROs) worldwide, exploring talent management priorities, strategies for efficiency and the balance of in-house ownership versus outsourced partnerships in achieving business objectives.

The headline results: executives are making meaningful investments in global talent, AI, workforce management and HR services. Technology is emerging as a critical lever—whether developed internally, delivered through managed service providers or enabled by hybrid models. Shared service centers are being reevaluated as organizations seek efficiency and measurable impact.

Rather than offering a single viewpoint, this report presents a data-driven look at how senior leaders are shaping the future of talent enablement. It is designed to encourage cross-functional dialogue, helping organizations consider which elements of the talent stack deliver the greatest strategic value, and how best to align people, technology and partnerships to support growth.

Talent mobility is evolving in this context. For decades, mobility professionals have excelled at delivering smooth, high-touch relocation experiences across borders, domestically and virtually. Today, however, organizations are asking for more: not only the ability to deploy talent effectively, but also to design and contribute to broader talent strategies—riving agility and retention to sustain long-term organizational success.



Unlocking Value in Talent Management: Where CFOs & CHROs Align — and Diverge

Although financial markets in some regions are reaching new highs, the global business environment remains dynamic and multifaceted. Rapid technological change, especially advancements in AI, offers opportunities for greater innovation and efficiency, while shifting global trade flows and geopolitical considerations add complexity that businesses must navigate.

48%

With markets in transition and technology reshaping how we operate, it's no surprise that global CFOs and CHROs most often selected **return on investment (ROI) and cost-effectiveness among their top three corporate objectives (48%), followed by growth and competitiveness (47%) and successful implementation of strategic operations (44%).**

61%

Respondents identified several ways to reduce talent management costs, including integrating AI into HR operations, enhancing learning and development for management, upgrading technology, outsourcing HR services and improving procurement. **Almost two-thirds (61%) expect AI to yield significant savings.**

45%

When asked where these savings would be reinvested, **45% would put funds back into HR technology to improve efficiency and automation,** creating a positive feedback loop: cost reduction enables further investment in tools that drive efficiency. Executives largely agree on reinvesting within HR but diverge on reallocating savings outside of HR: **41% of CFOs support reinvestment in other business areas, while only 32% of CHROs do,** highlighting a strategic divide between financial and HR leadership.

31%

Interestingly, **reinvestment into Corporate Social Responsibility (CSR); Environmental, Social, Governance (ESG); or Diversity, Equity and Inclusion (DEI) programs ranked lowest in priority (31%) for executives.** This doesn't just signal de-prioritization, it highlights the divide. While some companies are scaling back social impact initiatives amid political and economic pressures, others are doubling down, viewing DEI—often reframed as belonging or people-first programs—and ESG as essential to talent strategy, resilience and brand equity. The 31% reflects this tension: a meaningful minority remains committed even as the broader trend leans toward operational efficiency and ROI.

Essential Insight

Capturing value from HR services functions and prioritizing exceptional employee experiences are not mutually exclusive goals; they're complementary, and the real challenge is how to achieve both effectively. Companies, in some cases assisted by their managed services providers, have an opportunity – and an obligation – to innovate talent management programs and delivery methods to provide value to the employee and to the enterprise.

In practice, that means modernizing the people-technology stack, such as upgrading HRIS, payroll and talent platforms, as well as reducing redundancy across systems to simplify operations, improve data quality and accelerate ROI. Equally important is a disciplined measurement and reporting model that links HR outcomes to financial, operational and risk metrics so that leaders can see, trust and reinvest in the value created.

The question then becomes how to deliver at scale. The right path may involve AI-enabled insourcing of formerly outsourced functions, working with managed service providers who bring technology leadership and functional or sector expertise or – most likely – some combination of these things.

TAKE ACTION

Form a cross-functional task force: Bring together HR, finance, IT and operations to map out the talent management journey. Identify pain points and opportunities for collaboration, prioritizing one initiative to address together.

Challenge Questions

What is the ROI of avoided risks - lawsuits, compliance failures or reputational damage - that HR prevents? Does an ROI-only lens risk underinvesting in long-term health?

Which activities belong in shared services, centers of excellence, and/or embedded in the business - and what are the ROI criteria for each placement?

What would a balanced scorecard for HR look like that blends financial, cultural and human capital metrics?

How do we define "return" more broadly - is it just cost savings, or also innovation, resilience and employee loyalty?

Where does talent management rank as a source of improved ROI compared with other corporate functions such as marketing or IT?

The State of Mobility: Shared Services Shortfalls, Growing Investment

Talent mobility plays a crucial role in talent enablement, helping employees and organizations reach business and career goals. Yet, while many HR functions have migrated smoothly toward shared services, mobility operations stand out as an area where that model is showing cracks. Many organizations assumed relocation could be managed effectively within internal shared services, but satisfaction levels tell a different story. This suggests that the insourcing approach may not fully capture the complexity and cross-border demands of mobility.

Here's what CFOs and CHROs had to say about talent mobility's position in their companies:

23% 21% 14%

While nearly all executives have migrated elements of global relocation operations to an internal shared services function, nearly a quarter found that the process addressed their needs only somewhat, a little or even not at all (23%). While 21% of CFOs have found their needs totally met by this, only 14% of CHROs feel the same.

43% 42% 40%

The biggest workforce mobility-related headaches during an employee relocation for CFOs and CHROs are payroll and tax operations (43%), global compensation and benefits (42%) and compliance and risk management (40%).

$500K

More than half of companies spend at least $500K annually on assignment manage-ment technology (54%). Among organizations generating $500M+ in annual revenue, investment climbs even higher, with a third of those spending over $1M each year (35%).

57%

Slightly over half of executives (57%) would prefer to hire a new employee when filling a role in a new market. However, almost half of companies with revenues over $500M (48%) prefer to relocate existing employees.

74%

Nearly three quarters of CFOs and CHROs (74%) expect their company's budget for employee relocation to grow over the next two years.

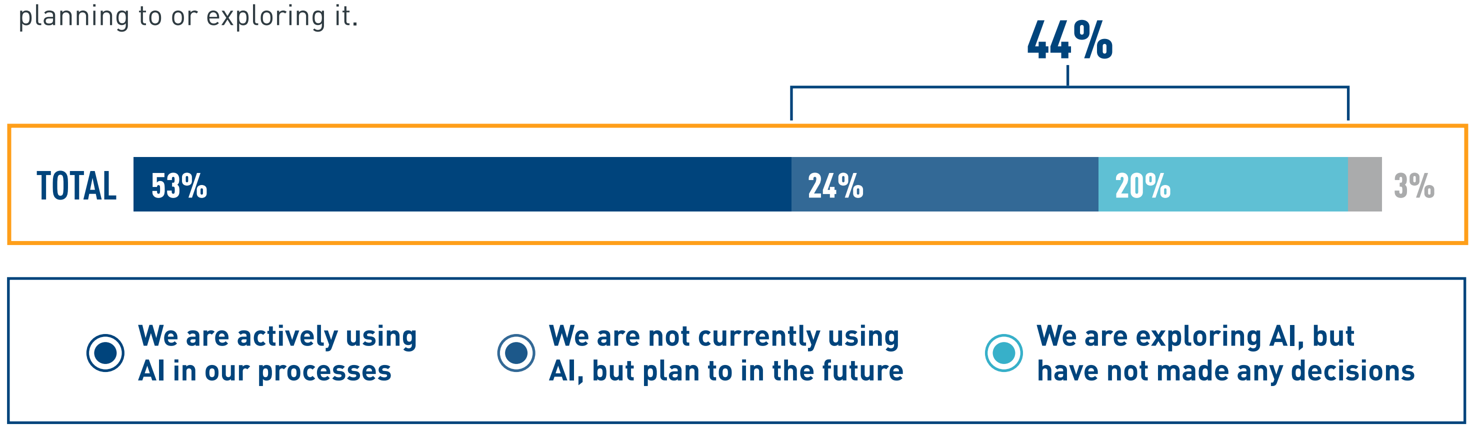
Taken together, these findings highlight an important tension: while companies continue to expand their investments in mobility, their reliance on HR shared services has not consistently delivered the results leaders expected. As organizations scrutinize the effectiveness of this framework for relocation, many will need to reconsider whether mobility is best served through traditional internal models alone, or if alternative and hybrid approaches could better balance complexity, cost and experience.

TAKE ACTION

Step back to gain a holistic view of your mobility program. Map each stage — from key transitions and compliance checkpoints to the digital tools that enable them. This perspective helps you assess your internal shared services, revealing where they deliver strong value and where opportunities exist to drive greater consistency and impact.

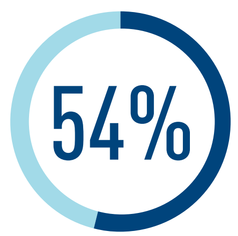
The Future of HR Lies in Tech-Savvy Partners – Not Just AI Or Vendors

It is clear that AI is seen as a critical tool for achieving business goals, with over half of executives already having integrated AI tools into their global HR and relocation processes **(53%)**, and another **44%** either planning to or exploring it.



AI is already transforming operations—automating manual routine tasks, analyzing workforce data at scale and delivering insights that drive faster, smarter talent decisions. When used responsibly, it has the potential to elevate HR's role as a driver of both business performance and employee growth.

Yet despite the respondents' enthusiasm for integrating AI into HR's work, **more than half of respondents (54%) include outsourcing HR services among their options for achieving savings.** Partnering with managed service providers allows companies to **gain expertise in specific HR categories – the #1 driver for working with a third-party service provider.**



Whether it's deep knowledge of a particular service area, like compliance or mobility, or industry-specific experience that aligns with unique workforce needs, managed service providers bring a level of depth that most in-house teams can't easily replicate or don't have the capacity to keep up with. Layering in strategic workforce planning links this external expertise to organizational design by clarifying what to insource with AI, what to organize within a Center of Excellence to set standards and build capability, what to outsource to a provider and how to right-size spans, layers and locations for speed and accountability.

Today's leading organizations are turning to outside partners not just for expertise but for access to scalable tech and AI solutions that eliminate the need (and cost) for internal development. These partners empower HR teams to move quickly, reduce risk and deliver standout employee experience. Far from simply filling operational gaps, they become strategic allies by helping HR to lead the charge in business transformation. It's no surprise that respondents ranked being a trusted source of ideas and operational insight among the most sought-after qualities in a managed service provider.

These contradictory data points spark a critical debate: should companies double down on AI as the future of HR efficiency, or lean on outsourcing partners who can deliver hard-to-replicate expertise and experience? The Challenge Questions that follow help unpack the potential — and the trade-offs — of each path.

Essential Insight

Debating AI versus advisors is a valuable exercise for HR leaders and executives. Framed against their own business realities, the questions below can help organizations decide whether AI will truly cut costs or whether it risks cutting corners and driving up expenses in the long run.

However, focusing solely on this binary choice is too limiting, as there's a third alternative to seriously consider: tech- and AI-enabled HR managed service providers. This model blends the efficiency of automation with the expertise of a trusted partner, offering companies the potential to capture the best of both worlds.

Amid these options, one guiding principle should be kept in mind: it's important to find the right partner – one that aligns with the company's strategy, culture and long-term goals – to be able to help companies capture more value from HR services.

According to CFOs and CHROs, these are the top qualities to look for in an HR services vendor:

1. Technological leadership and ability to integrate into their company's systems
2. Trusted partner who shares ideas and advice on HR operations
3. Experience working with companies in the same sector
4. Experience in providing required services
5. Well-recommended by advisors or peers

TAKE ACTION

Leadership challenge:
Convene a cross-functional workshop to map out which HR functions could benefit the most from AI, outsourcing or a hybrid approach. Then decide what pilot project could be launched to test these models in your organization.

Challenge Questions

Is the future AI?

- How much time and money could companies save if AI handled manual routine tasks like payroll, scheduling, benefits administration or candidate screening – or is it a fallacy if HR has to audit for accuracy?
- How scalable is outsourcing compared to AI that can easily expand as headcount grows?
- How much of the HR team's bandwidth could be freed up for strategic, people-focused work if AI took over repetitive processes?
- Would AI allow companies to respond faster to regulatory changes, shifting workforce needs or new market conditions without waiting on a vendor?
- Does AI open companies up to additional security risks?

Or is it outsourcing HR?

- Will companies have the expertise to manage HR functions in-house effectively?
- Is the rush to insource driven by perceived savings, while ignoring the hidden costs of managing complexity across jurisdictions, systems and regulations?
- How confident are companies that AI can stay current with rapidly changing labor laws and regulations?
- What are the true costs of building and maintaining AI-enabled HR systems internally? How do those compare with the predictable pricing of outsourcing?
- Who is accountable when AI raises ethical or regulatory issues?

Compliance Risks & Complexity Drive the Need for Subject Expertise

CHROs and CFOs agree: global HR compliance is a major pain point, with more than half of respondents (52%) ranking it in their top three hardest global people management needs to address.

52%

Instead of aligning and creating efficiencies, countries are moving in different directions on issues like immigration, tax policy, labor laws, data privacy standards, ESG and AI regulation, creating a headache of issues to track and manage. It's forcing businesses to treat compliance as a core strategic function rather than a back-office task.

Despite the consensus that compliance is a universal challenge, the data shows clear confusion about how it should be handled and who should be responsible. **Fifty-three percent of respondents say responsibility for compliance should be kept in-house, while 39% place it in the top three responsibilities for which they would hire a third-party.** There isn't a clear path forward, as executives must weigh control versus expertise, cost versus risk and agility versus rigor.

This is especially pronounced in talent mobility, where compliance and risk management challenges are magnified. **During employee relocations, executives cite payroll and tax operations (43%), global compensation and benefits (42%) and compliance and risk management (40%) as the biggest headaches.** These persistent pain points highlight how mobility amplifies the need for integrated compliance solutions and expert support.

43% Payroll and Tax Operations

42% Global Compensation and Benefits

40% Compliance and Risk Management

Ultimately, the debate comes down to a fundamental choice: should companies keep compliance close to maintain control, or look outward to tap into specialized expertise?

60%

France, Germany and the U.K. – were the only three countries where 60% of respondents ranked talent acquisition and performance management among their top three most difficult global people management needs.

26%

Ensuring labor law compliance is especially concerning in Australia, where 26% of executives ranked it as their #1 most difficult global people management need to address. The other two countries rounding out the top three most concerned about labor law compliance are the U.S. and the U.K., respectively.

	TOTAL	US	AUS	BR	CN	FR	GER	IN	UK
Compliance with labor laws and global HR regulations	**52%**	**55%**	**57%**	50%	51%	**51%**	45%	**56%**	**47%**
Talent acquisition and performance management	**51%**	**50%**	43%	47%	39%	**63%**	**61%**	**49%**	**60%**
Employee health, well-being and safety programs	**50%**	**52%**	48%	**52%**	**56%**	**53%**	49%	46%	43%
Employee satisfaction, engagement, and retention	**50%**	47%	**56%**	47%	**54%**	50%	46%	44%	**56%**
Compensation, benefits, and total rewards	49%	48%	**52%**	**52%**	**52%**	40%	43%	**56%**	**49%**
Employee relocation and mobility	48%	48%	44%	**52%**	48%	43%	**56%**	**49%**	45%

% = the three options selected the most

Essential Insight

Compliance can be costly, time-intensive and strategically unavoidable, which has accelerated its shift from being a background function to a central operational imperative. While some organizations continue to treat compliance as a burden, others are reframing it as a competitive advantage. With the right HR managed service provider, compliance can become less about avoiding penalties and more about enabling opportunity — a passport to global growth.

In today's environment, compliance expertise is no longer a differentiator; it's table stakes. What sets vendors apart is their ability to go further: to not only reduce risk, but also to accelerate execution, simplify complexity and provide the agility companies need to move talent and operations both domestically and across borders with confidence and speed. Vendors who combine deep regulatory knowledge with speed, scalability, technology and foresight will shift from being service providers to indispensable strategic partners.

TAKE ACTION

Review your compliance strategy: Audit your current approach to global HR compliance. Are you treating compliance as a enabler or a back-office burden?

Challenge
Questions

How can compliance be managed without slowing agility? Does outsourcing introduce bottlenecks that could delay workforce deployment, or does it actually speed them up?

How do firms balance speed-to-market with regulatory risk?

In a world of shifting regulations, is it realistic for internal teams to maintain global compliance without external expertise?

What's the cost (financial and reputational) of getting compliance wrong, and which model best mitigates that?

How do we measure ROI in compliance: is it about cost savings, risk avoidance or business enablement?

Between Efficiency and Control: The Case for Hybrid HR Models

The mixed emotions on compliance aren't the only areas where CFOs and CHROs aren't sure how to proceed with managing HR functions. Collectively, CHROs and CFOs ranked which HR functions they were most likely to outsource, versus which they believe should be kept in-house, based on two distinct questions:

- Thinking about what HR functions you are most likely to outsource, please select the top three you would hire a third-party service provider to handle.
- Which HR functions do you believe must be kept in-house rather than outsourced to a service provider?

	HR Functions Most Likely to be Outsourced by Respondents	HR Functions that Respondents Believe Must be Kept In-House
1	General HR Operations (expense rembursement, payroll processing **44%**	Hiring and Retaining Employees (candidate sourcing and assessment, talent management) **57%**
2	Performance and Engagement Metrics **40%**	Operational Functions (employee relocation, equity application, payroll processing) **56%**
3	Compliance and Risk Management **39%**	Employee Experience Functions (benefits, safety, health, well-being, satisfaction, engagement) **54%**
4	Compensation and Benefits **38%**	Compliance (labor laws,reporting, workplace regulations) **53%**
5	Employee Well-Being and Safety **38%**	Compensation (incentive programs, bonus structure, salary planning **51%**

As the table demonstrates, there are nuanced perspectives on which HR functions should be outsourced versus kept in-house. For example, employee experience (including safety and well-being) ranked as the #3 function executives believe should be retained internally. Yet, in a separate question, it was also identified as the #5 function most suitable for outsourcing. This suggests that while some leaders view employee experience as a strategic capability best managed in-house, others see potential efficiency gains through external partnerships.

Similarly, some operational functions executives insist must remain internal—such as employee relocation or payroll processing—have also been cited as areas where internal delivery does not fully meet expectations. This challenges the notion that these, or any other functions listed here, are truly 'must keep,' raising the question of whether external partners could deliver stronger outcomes while controlling spend.

Organizations should move beyond viewing in-housing and outsourcing as independent choices. A hybrid model—where some responsibilities are retained internally while others are supported by external partners—offers the flexibility to adapt as business needs, regulatory demands and workforce expectations evolve.

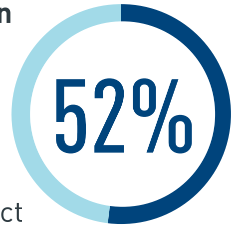
By approaching HR management as a portfolio of activities rather than an all-or-nothing decision, companies can balance efficiency with control, strengthen vendor relationships and ensure talent management remains both resilient and responsive.

TAKE ACTION

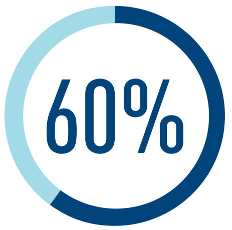
Evaluate your HR portfolio: Identify HR functions and categorize them by strategic importance and potential for outsourcing. Where could a hybrid model improve agility or reduce costs without sacrificing control?

HR Tech Is Only As Seamless As Its Systems

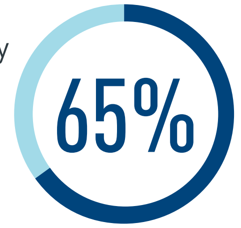
Part of what makes an HR partner the "right" vendor is not just their expertise, but their ability to bring technology, AI and system integration to the table as part of the solution. **In fact, more than half of respondents (52%) value third-party providers who lead in technology and offer compatibility with their system**. Companies are no longer looking for vendors who only manage transactions; they need partners who can streamline processes end-to-end, connect seamlessly with internal systems and surface insight s that inform intelligent workforce decisions.



This drive for efficiency is reflected in executive preferences; **60% of CFOs and over half of CHROs (51%) favor consolidating vendors to reduce costs.** Combining enables organizations to leverage a managed network of specialist suppliers, delivering calculated benefits for companies' talent strategies through streamlined processes, improved integration and enhanced agility. By simplifying and strengthening the governance of multiple vendor relationships, companies can focus on building a connected HR ecosystem that supports both operational efficiency and long-term business goals.

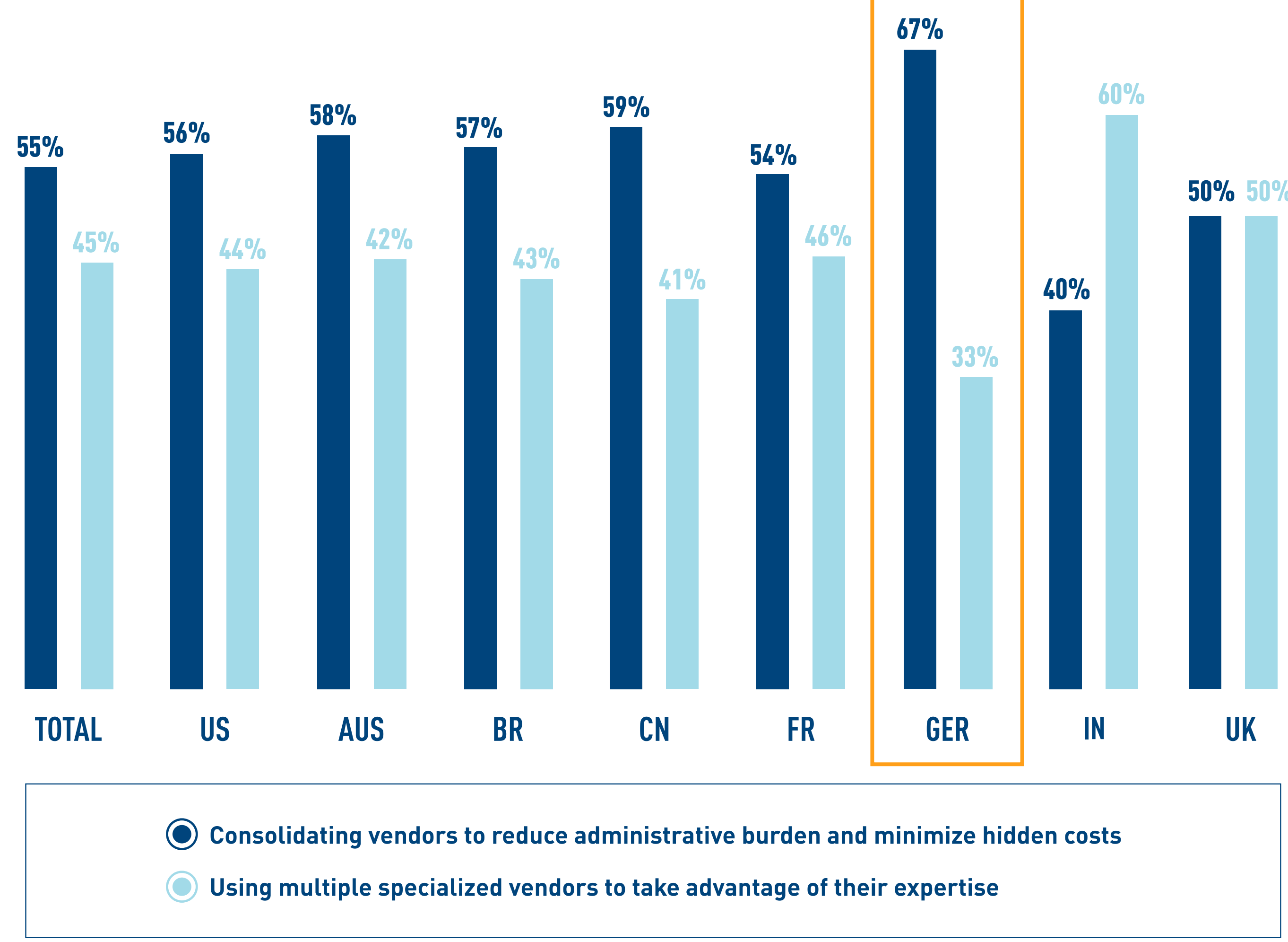


While CHROs and CFOs expect third-party providers to be technology leaders, **65% of executives prefer hybrid models that combine enterprise platforms with third-party tools when delivering global relocation services and support.** Integration ensures that HR operations don't run in isolation, but as part of a connected ecosystem that ties together the various HR workstreams, such as payroll, benefits, performance management and mobility. Vendors who can align these capabilities with a company's strategic goals create far more than operational support — they become strategic partners and enablers of agility, resilience and competitive advantage.



Even the most capable HR vendors can't fully realize their potential if organizations aren't intentional and thoughtful about how technology is deployed. Without a strategic process, companies can be left with a growing patchwork of HR systems that may not communicate effectively. Clear ownership, proper integration and a cohesive approach are needed to avoid "tech sprawl," which can create inefficiencies, reduce the quality of the employee experience and even increase compliance or cybersecurity risks.

More than two-thirds (67%) of executives in Germany believe vendor consolidation is the most effective approach to streamline administration and minimize hidden costs associated with managing multiple suppliers.



Essential Insight

Whether a company wants to use a partner's tech entirely or combine it with their own, strong technology capabilities are now a must-have for any HR partner. Today's HR systems need to do more than just track data — they must operate efficiently, adapt quickly and give leaders insights that support smarter decisions and achieve business goals.

A fully unified approach, where systems and expertise work together seamlessly, creates a much better experience for both employees and leaders. The most successful HR partners in the future aren't just selling tools; they're connecting people, processes and data into a system that helps companies operate more intelligently, move faster, and achieve greater consistency.

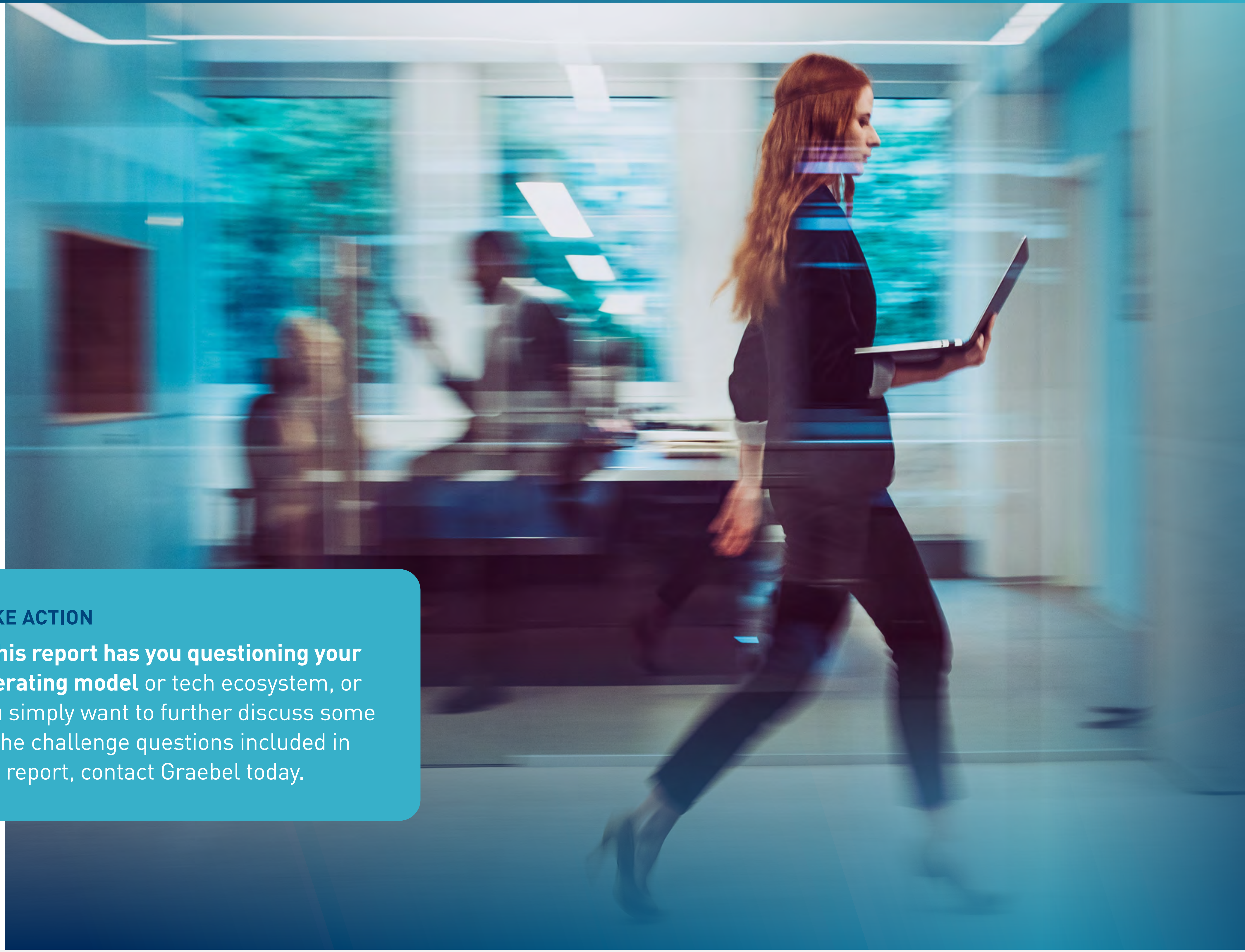
TAKE ACTION

Assess your tech ecosystem: Map your current HR technology landscape. Where are the integration gaps or redundancies?

Challenge Questions

- As companies seek to consolidate / use fewer technologies, what can providers do to better integrate with companies' existing systems?
- How do companies avoid "tech sprawl" from too many disconnected solutions?
- In a hybrid model, who bears the risk if integrations break – the vendor, IT or HR?
- How do you ensure business continuity if a vendor upgrades or sunsets their tech?
- Could hybrid structures dilute responsibility?
- Which is more cost-effective long term: maintaining integrations or leveraging a vendor's fully managed ecosystem?

Conclusion



A hybrid HR approach — combining AI-enabled in-house capabilities and tech-enabled expert outsourcing — offers the best path forward. It provides the expertise, technology and human-centered experience needed to deliver efficient, people-first talent management that drives measurable ROI for companies. By leveraging both internal capabilities and external partners, companies can optimize operations while ensuring employees receive consistent, high-quality support.

Because there is no one-size-fits-all model for managing HR functions, executives and HR leaders must be deliberate in deciding which services are handled internally and which are outsourced. This flexibility will allow organizations to balance control, cost and risk while aligning HR operations with broader business priorities.

Given the strategic role outsourcing can play, choosing the right partner is key. The best partners bring strong HR expertise, technology that blends internal and external systems smoothly and a focus on cost-effectiveness and efficiency. In short, they create a unified, future-ready HR ecosystem that meets today's business needs while supporting growth and success in the long run.

This cohesive structure is increasingly important as organizations scrutinize the need for multiple dedicated HR technologies and the associated costs of maintaining separate platforms. By integrating assignment management capabilities delivered by third parties directly into the company's HR tech stack, organizations can simplify operations and enhance strategic value by streamlining through vendor consolidation.

TAKE ACTION

If this report has you questioning your operating model or tech ecosystem, or you simply want to further discuss some of the challenge questions included in the report, contact Graebel today.

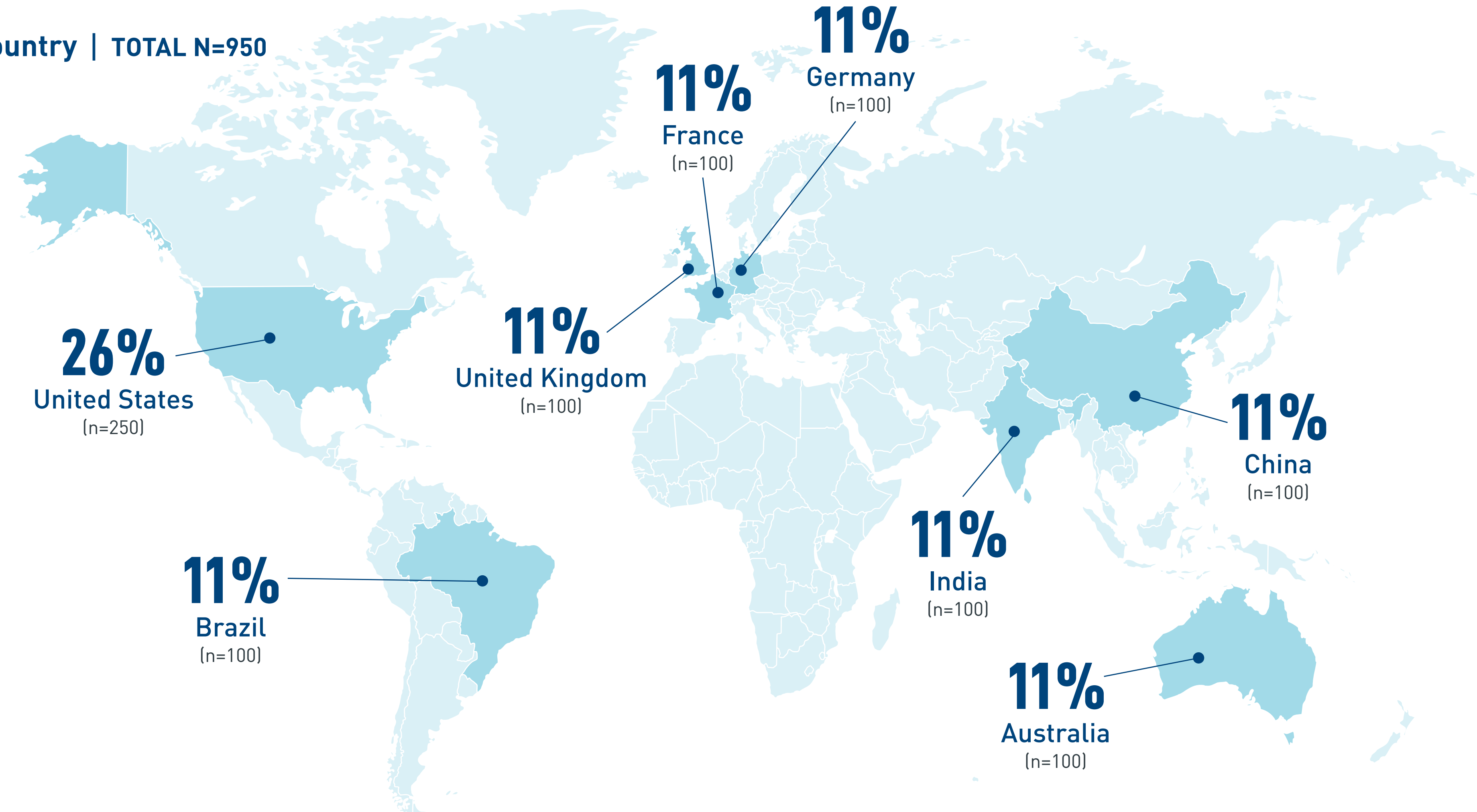
Demographics & Comprehensive Insights

To ensure the insights in this report reflect a global, executive-level perspective, Graebel partnered with Wakefield Research to survey 950 CFOs and CHROs from companies in the United States, United Kingdom, Germany, India, China, Brazil, Australia and France.

This section provides a transparent view into the survey design, respondent demographics and the full data set. In addition to demographic breakdowns, you'll find results for each question asked, accompanied by a brief synopsis highlighting key patterns and takeaways. Together, these details offer the foundation for the analysis presented throughout the main report.

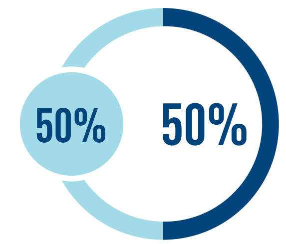
Demographics

Country | TOTAL N=950

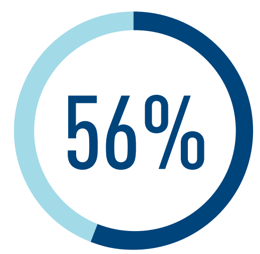


C-Suite Role | TOTAL N=950

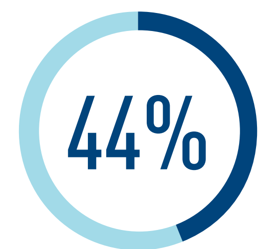
- CFO (Chief Financial Officer)
- CHRO (Chief Human Resources Officer)



Company Size | TOTAL N=950



Less than 1,000 employees = 56%
(533/950)



1,000 employees or more = 44%
(417/950)

Industry | TOTAL N=950

- Accounting
- Automotive
- Banking / Finance
- Business and Management Services
- Communications
- Consulting
- Construction
- Education
- Entertainment
- Energy
- Government / Policy
- Healthcare / Medicine / Pharmaceuticals
- Hospitality / Restaurant / Service Industry
- Information Technology (IT) / Software
- Insurance
- Journalism / Media / Publishing
- Law
- Manufacturing
- Non-profit
- Real Estate
- Retail
- Science / Engineering
- Utilities
- Other

Q1. What are your top three objectives as an executive at your company?

The top objective for executives at their company is ensuring a return on investment (48%), followed by achieving enterprise growth and hitting profitability goals (47%) and the successful implementation of strategic operations (44%). Achieving ROI is particularly true for executives in China (54%) and the U.S., while in a developing market like Brazil, the top priority is employee satisfaction and retention (47%) and expanding into new markets (46%).

	TOTAL	US	AUS	BR	CN	FR	GER	IN	UK
Ensuring ROI and cost effectiveness for company investments and expenditures	**48%**	**53%**	41%	41%	**54%**	43%	42%	**50%**	**50%**
Achieving enterprise growth and profitability goals	**47%**	**49%**	**52%**	**43%**	40%	**46%**	**50%**	**48%**	42%
Successful implementation of strategic operations	**44%**	**47%**	**43%**	41%	36%	**51%**	41%	47%	44%
Driving innovation and digital transformation	43%	40%	**50%**	41%	34%	**50%**	**44%**	**55%**	34%
Global compliance with all relevant regulations and laws	41%	41%	39%	41%	**45%**	38%	40%	37%	**46%**
Employee satisfaction and retention	40%	38%	37%	**47%**	44%	34%	39%	34%	**49%**
Expanding into new markets	38%	32%	38%	**46%**	**47%**	38%	**44%**	29%	35%

% = the three options selected the most

Q2. To the extent that ROI and cost effectiveness are strategic imperatives, which of the following areas do you believe would yield the greatest cost reductions in your HR operations? Please select all that apply.

For executives interested in achieving a return on investment for people and cost effectiveness in their strategic goals, the means by which they get the greatest cost reductions in HR operations are by integrating AI into HR offerings (61%), offering better learning and development opportunities for management (55%) and upgrading existing technology (55%). Upgrading technology was where executives in Germany (65%) and Brazil (61%) would see greatest cost reductions.

	TOTAL	US	AUS	BR	CN	FR	GER	IN	UK
Integrating AI into HR offerings	**61%**	**60%**	**61%**	56%	**65%**	**66%**	60%	56%	**67%**
Better learning and development opportunities for management	55%	54%	58%	46%	55%	54%	53%	**64%**	61%
Upgrading existing technology	55%	53%	52%	**61%**	50%	56%	**65%**	50%	51%
Improving purchasing and procurement	54%	59%	50%	53%	53%	57%	51%	54%	50%
Outsourcing HR services	54%	58%	38%	56%	56%	53%	56%	57%	55%

% = top response

Q3. If you could achieve meaningful cost reductions or efficiency improvements in your HR operations, where would you re-invest the proceeds?

For nearly half of executives, savings achieved through meaningful cost reductions in HR operations would be re-invested in HR technology to improve efficiency and automation (45%). But the top area for reinvestment in Germany is diversity initiatives (44%), in Brazil it is employee satisfaction programs (41%), and in India it is performance improvements (43%).

	TOTAL	US	AUS	BR	CN	FR	GER	IN	UK
Investments in HR technology to improve efficiency and automation	**45%**	**52%**	**46%**	36%	**43%**	**50%**	37%	**39%**	**48%**
Expanded total rewards	**39%**	37%	39%	**40%**	**48%**	34%	**43%**	36%	**40%**
Leadership development or succession planning	**39%**	**40%**	32%	**38%**	**45%**	**39%**	35%	37%	39%
Programs to boost employee satisfaction, engagement	38%	36%	35%	**41%**	42%	32%	37%	**42%**	**44%**
Performance and talent management improvements	37%	35%	**40%**	36%	26%	**47%**	**38%**	**43%**	35%
Reinvestment outside of HR	36%	**42%**	**45%**	37%	30%	32%	30%	35%	30%
Employee health, safety, and well-being initiatives	35%	35%	32%	36%	37%	33%	36%	32%	37%
CSR, ESG, or DEI program development	31%	22%	31%	36%	29%	33%	**44%**	36%	27%

% = the three options selected the most

Q4. What aspects of your company's global people management needs do you find to be the most difficult to address?

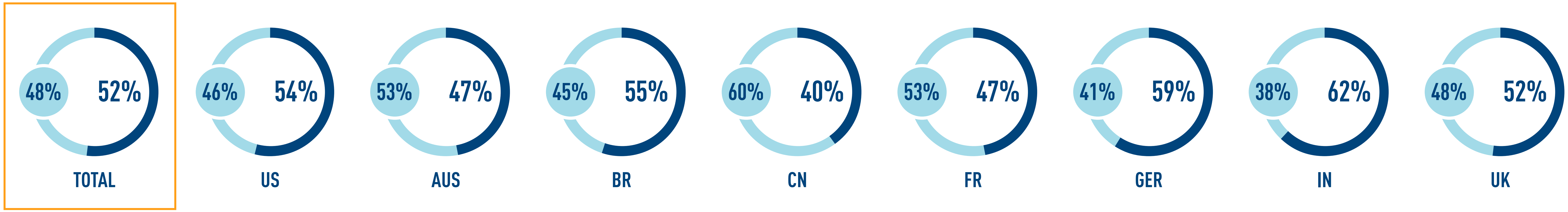
The top three most challenging areas of people management for executives to address are compliance with labor laws and global HR regulations (52%), talent acquisition and performance management (51%), followed by employee health well-being and safety and employee satisfaction engagement and retention (50% each). But in France, Germany, and the U.K. the greatest challenge is finding talent (63%, 61%, and 60%, respectively), while China's challenge is employee health and well-being (56%).

	TOTAL	US	AUS	BR	CN	FR	GER	IN	UK
Compliance with labor laws and global HR regulations	**52%**	**55%**	**57%**	50%	51%	**51%**	45%	**56%**	47%
Talent acquisition and performance management	**51%**	**50%**	43%	47%	39%	**63%**	**61%**	**49%**	**60%**
Employee health, well-being and safety programs	**50%**	**52%**	48%	**52%**	**56%**	**53%**	**49%**	46%	43%
Employee satisfaction, engagement, and retention	**50%**	47%	**56%**	47%	**54%**	50%	46%	44%	**56%**
Compensation, benefits, and total rewards	49%	48%	**52%**	**52%**	**52%**	40%	43%	**56%**	**49%**
Employee relocation and mobility	48%	48%	44%	**52%**	48%	43%	**56%**	**49%**	45%

% = the three options selected the most

Q5. Which statement best reflects your view on using third-party service providers to support HR functions?

Executives are split on using third-party service providers to support HR operations, with slightly more preferring to outsource whenever they can (52%), and 48% opting to keep whatever they can in-house. Executives in India (62%) and Germany (59%) are more likely than other countries to outsource at every opportunity. Executives in China showed a stronger preference than other countries to keep HR operations in-house (60%).



Q6. Which HR functions do you believe must be kept in-house rather than outsourced to a service provider?

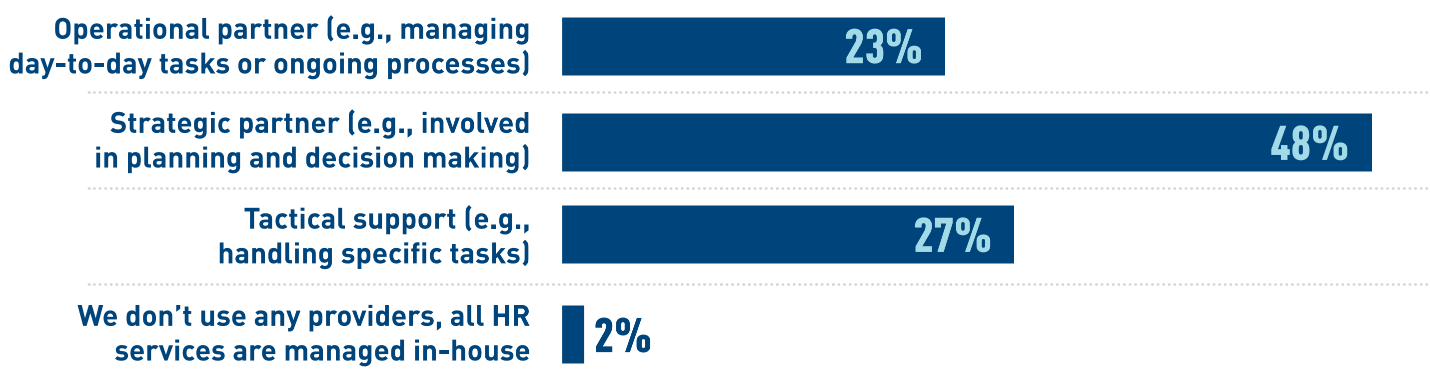
Among the HR functions that executives believe are the most important to keep in-house are hiring and retaining employees, including candidate sourcing (57%); operational functions like employee relocation or payroll processing (56%); employee experience functions like benefits, safety or health (54%). Executives in the U.K. prioritize employee experience functions (62%), in India its compensation (60%), in China operations (65%), and in Australia and Brazil compliance (64% each).

	TOTAL	US	AUS	BR	CN	FR	GER	IN	UK
Hiring and retaining employees	57%	62%	55%	45%	50%	62%	61%	59%	57%
Operational functions	56%	55%	53%	52%	65%	57%	55%	58%	54%
Employee experience functions	54%	48%	46%	54%	59%	60%	56%	58%	62%
Compliance	53%	46%	64%	64%	60%	42%	60%	51%	44%
Compensation	51%	47%	45%	47%	63%	55%	44%	60%	57%
None - all HR functions can be outsourced	3%	8%	-	1%	-	3%	1%	2%	3%

% = the three options selected the most

Q7. How do you currently use third-party service providers to support HR functions at your company?

When using a third-party service provider to support HR functions at their company, about half of executives prefer to use one or more providers for a specific HR task (48%). But roughly a quarter partner with providers on HR strategy and compliance (27%), while another quarter fully outsources all HR services to one or more provider (23%).



US	AUS	BR	CN	FR	GER	IN	UK
30%	28%	14%	17%	14%	24%	23%	27%
44%	**38%**	**57%**	**58%**	**52%**	**49%**	**47%**	**45%**
23%	32%	29%	24%	33%	26%	30%	26%
3%	2%	-	1%	1%	1%	-	2%

% = top response

Q8. Which role best describes how you would expect a third-party HR provider to support your company over the next two years?

For more than one-third of executives, the best description of the role a third-party HR provider over the next two years would be to support them as an operational partner managing day-to-day tasks or ongoing processes (39%). For another third of executives, they would prefer a strategic partner involved in planning and decision making (38%), and about a quarter are looking for tactical support in handling specific tasks (23%).

US	AUS	BR	CN	FR	GER	IN	UK
39%	39%	29%	33%	**50%**	**48%**	34%	40%
37%	**41%**	**43%**	**43%**	30%	30%	**43%**	**43%**
24%	20%	28%	24%	20%	22%	23%	17%

% = top response

Q9. What would be the primary reason driving you to hire a third-party service provider for HR operations at your company?

Among the top three reasons executives would hire a third-party service provider for HR operations at their company are: the execution of daily operations and processes (45%), gaining expertise in specific HR categories like payroll or benefits administration (45%) or some cost savings to be gained (43%). Executives in the U.S. were most driven by cost (50%), while Australia was most driven by staffing areas it couldn't support (51%). Executives in China appreciate tech leadership (54%).

	TOTAL	US	AUS	BR	CN	FR	GER	IN	UK
Execution of daily / routine operations and processes	45%	48%	41%	44%	40%	43%	55%	41%	47%
Gaining expertise in specific HR categories	45%	46%	47%	43%	52%	48%	31%	45%	46%
Technology leadership and compatibility with our system(s)	43%	40%	40%	44%	54%	43%	40%	43%	45%
Cost savings to be gained	43%	50%	33%	40%	33%	45%	46%	40%	43%
Delivering employee-facing services	42%	37%	41%	50%	43%	38%	46%	47%	38%
Leveraging external experience working within our industry	41%	42%	47%	38%	43%	37%	39%	39%	43%
Staffing areas we cannot support ourselves	41%	37%	51%	41%	35%	46%	43%	45%	38%

% = the three options selected the most

Q10. Thinking about what HR functions you are most likely to outsource, please select the top three you would hire a third-party service provider to handle.

Among HR functions executives are most likely to outsource, the top are general HR operations like expense reimbursement and payroll processing (44%), performance and engagement metrics (40%) and compliance and risk management (39%). Executives in China, Australia, and Germany are most likely to outsource performance metrics (45%, 44% and 40% respectively).

	TOTAL	US	AUS	BR	CN	FR	GER	IN	UK
General HR Operations	44%	50%	37%	39%	41%	39%	37%	50%	48%
Performance and engagement metrics	40%	37%	44%	38%	45%	34%	40%	46%	43%
Compliance and risk management	39%	42%	41%	36%	37%	36%	36%	37%	39%
Employee well-being and safety	38%	38%	30%	39%	42%	42%	41%	34%	42%
Compensation and benefits	38%	37%	32%	39%	35%	42%	41%	39%	37%
Candidate sourcin and employee retention	36%	31%	39%	35%	46%	36%	35%	38%	37%
CSR, ESG, and DEI-related programs	32%	30%	32%	28%	30%	42%	36%	33%	30%
Business travel	29%	30%	36%	31%	24%	29%	34%	23%	24%

% = the three options selected the most

Q11. When selecting a third-party service provider for HR functions, what do you value most? Please select all that apply.

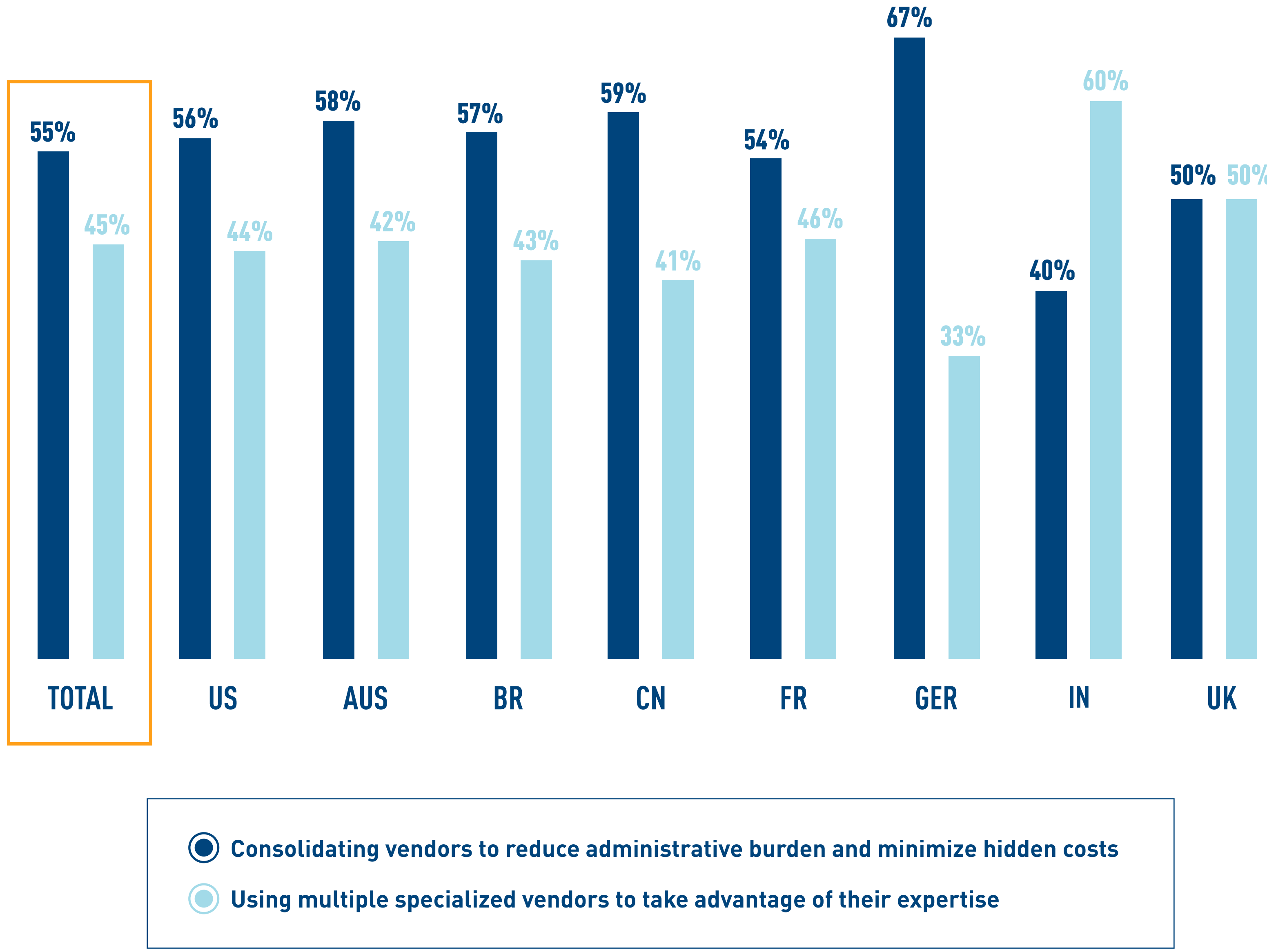
When selecting a third-party service provider for HR operations, executives most value that the entity is a leader in their technology and that it is compatible with current systems (52%), that the entity can provide ideas and advice on HR operations (51%) and that the provider has experience working with the firms' industry (50%). Executives in the U.K. are driven by a provider being a trusted partner with ideas (62%), while in India it is having experience in the company's sector (57%).

	TOTAL	US	AUS	BR	CN	FR	GER	IN	UK
Leads in their technology and its compatibility with our system(s)	**52%**	**55%**	40%	**46%**	**63%**	**51%**	**55%**	49%	**51%**
Can serve as a trusted partner for ideas and advice HR operations	**51%**	49%	**52%**	41%	**57%**	**51%**	47%	**56%**	**62%**
Has experience working with companies in my sector	**50%**	**54%**	**44%**	**45%**	42%	**49%**	**53%**	**57%**	**54%**
Leads in experience providing the required service(s)	48%	**50%**	40%	42%	47%	**49%**	**58%**	**52%**	47%
Comes well recommended from advisors or peers	48%	42%	**54%**	**53%**	**62%**	46%	39%	51%	49%

% = the three options selected the most

Q12. When it comes to vendor management, which approach do you believe is more effective?

Over half of executives believe consolidating vendors to reduce administrative burden and minimize hidden cost is the more effective approach when it comes to vendor management (55%). This view of efficiencies is strongly held by German executives (67%), with strong support in China (59%) and Australia (58%) as well.

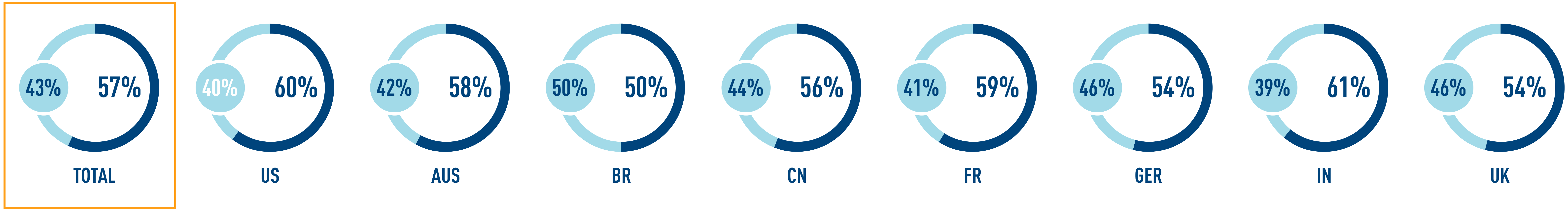


Q13. When filling a role in a new market, which approach do you believe is generally more cost-effective for your company?

Over half of executives would prefer to hire a new employee when filling a role in a new market (57%) rather than relocating an existing employee (43%). This isn't the case for companies with revenues over $500 million; executives there would rather relocate employees (52%) rather than hire a new employee (48%).

Keep in-house where possible

Outsource what we can



Q14. If you have migrated global relocation operations to an internal shared services function, did it address all your needs?

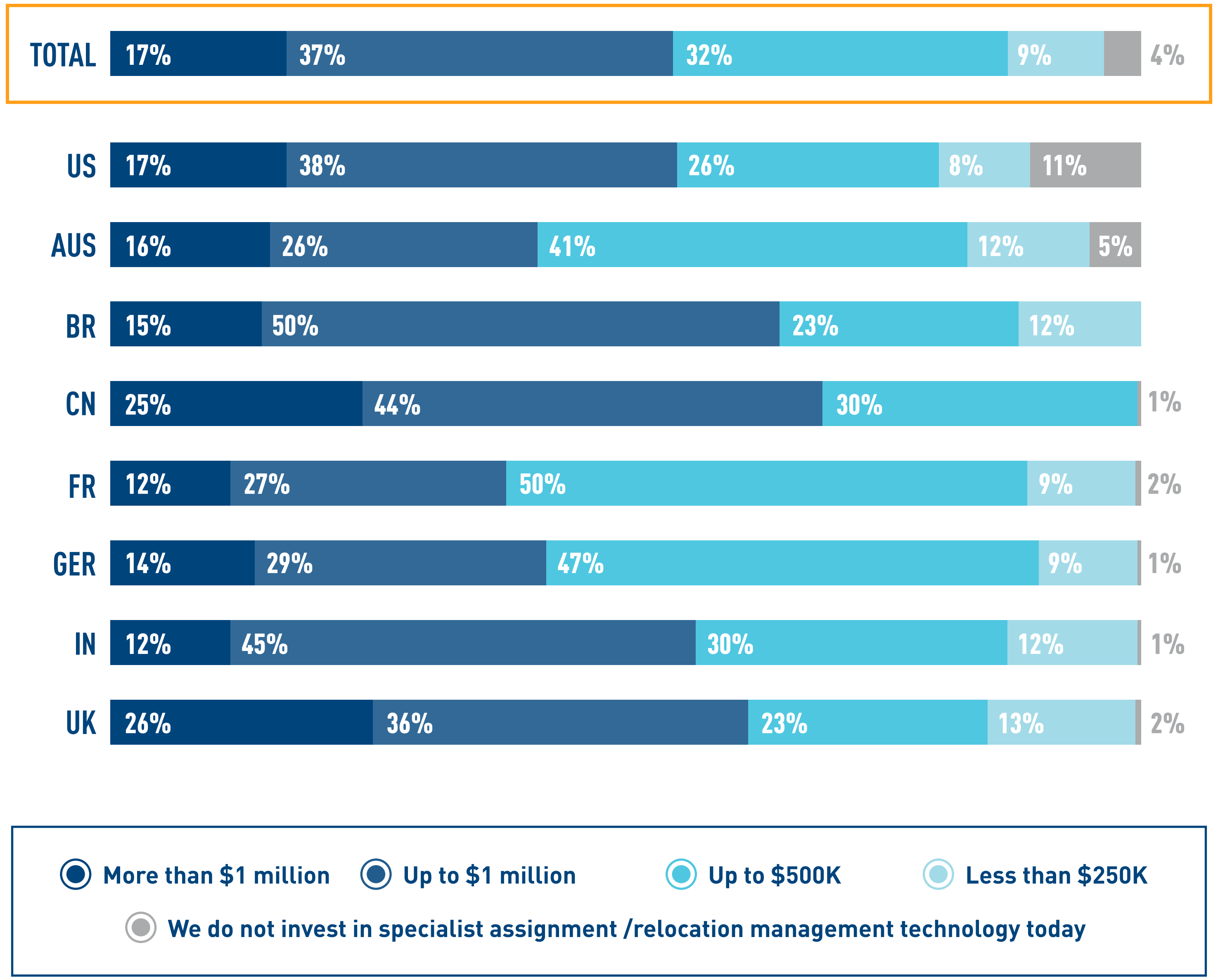
While nearly all executives have migrated global relocation operations to an internal shared services function, nearly a quarter found that the process addressed their needs only somewhat, a little or even not at all (23%). While 21% of CFOs have found their needs totally met by this, only 14% of CHROs feel the same.

		US	AUS	BR	CN	FR	GER	IN	UK
Completely – 100%	17%	18%	20%	12%	32%	8%	19%	16%	15%
Mostly	57%	**51%**	**52%**	**64%**	**56%**	**66%**	**71%**	**53%**	**55%**
Somewhat	22%	26%	24%	23%	9%	22%	9%	28%	28%
Only a little or not at all	1%	-	2%	-	3%	2%	-	1%	2%
No global relocation operations	2%	6%	2%	1%	-	2%	1%	2%	-

% = top response

Q15. How much does your organization currently invest in specialist assignment / relocation management technology today on an annual basis?

The majority of executives invest over $500,000 a year in specialist assignment or relocation management technology (54%), including 17% that spend more than $1 million annually. The U.K. has the largest share that invest more than $1 million a year (26%). But China has the biggest share of organizations spending over $500,000 a year on relocation technology (69%).



Q16. Which of the following HR factors are the biggest headache for you during the relocation of an employee?

During the relocation of an employee, the biggest HR headaches for executives are payroll and tax operations (43%), global compensation and benefits (42%) and compliance and risk management (40%). In India and Brazil, executives struggle most with global pay equity (48% each).

	TOTAL	US	AUS	BR	CN	FR	GER	IN	UK
Payroll and tax operations	43%	48%	46%	40%	39%	44%	41%	41%	39%
Global compensation and benefits	42%	42%	35%	41%	49%	42%	43%	39%	41%
Compliance and risk management	40%	42%	38%	40%	41%	36%	36%	43%	42%
Global pay equity	39%	36%	36%	48%	38%	45%	30%	48%	38%
Security and duty-of-care services	38%	36%	41%	41%	38%	33%	40%	36%	42%
Onboarding assistance	35%	32%	42%	35%	32%	30%	41%	35%	33%
Candidate assessment	33%	36%	34%	24%	34%	39%	34%	32%	31%
Business travel	30%	27%	28%	31%	29%	31%	35%	26%	34%

% = the three options selected the most

Q17. Which of the following best describes your organization's preferred approach to how employees access global relocation services and support?

The majority of executives (65%) prefer a hybrid approach to HR that includes both enterprise platforms and third-party supplier tools in how employees access global relocation services and support. This is consistent across countries.

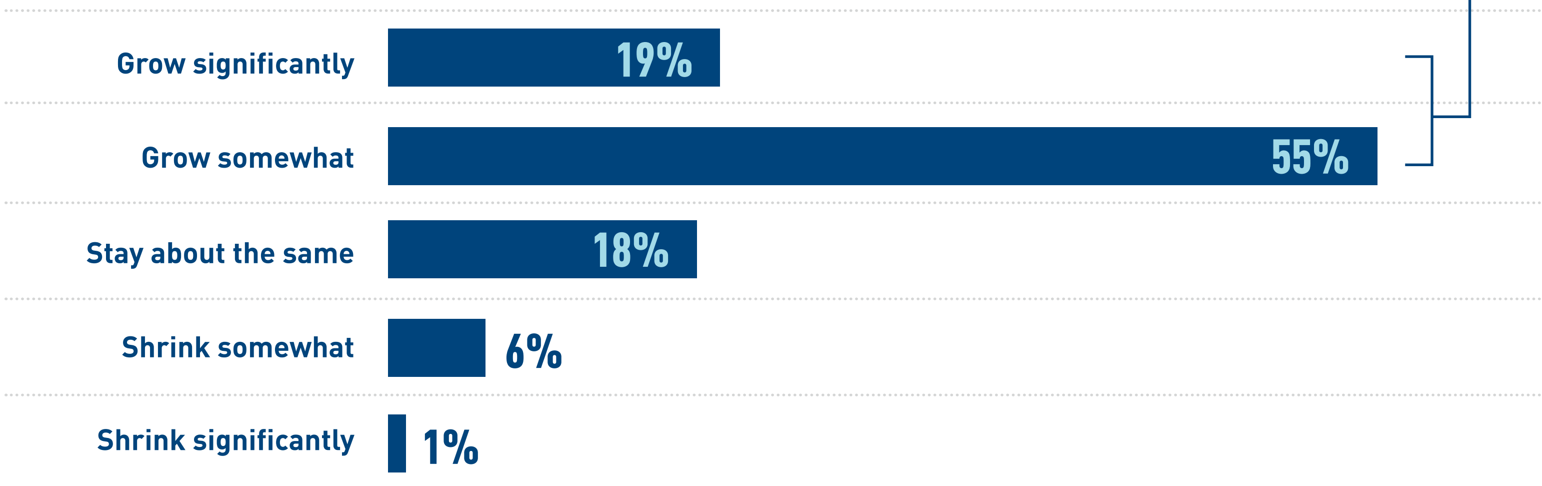
	US	AUS	BR	CN	FR	GER	IN	UK
A single enterprise platform	22%	24%	16%	33%	25%	36%	25%	27%
A hybrid approach	**68%**	**66%**	**74%**	**61%**	**68%**	**55%**	**67%**	**55%**
Third-party supplier tools	9%	10%	10%	6%	7%	9%	7%	18%

% = top response

Q18. How do you expect your company's budget for employee relocation to change over the next two years?

Over the next two years, the majority of executives expect their relocation budget to grow (74%). While only 19% believe it will grow significantly, over half (55%) believe it will grow somewhat.

74% of executives expect their relocation budget to grow

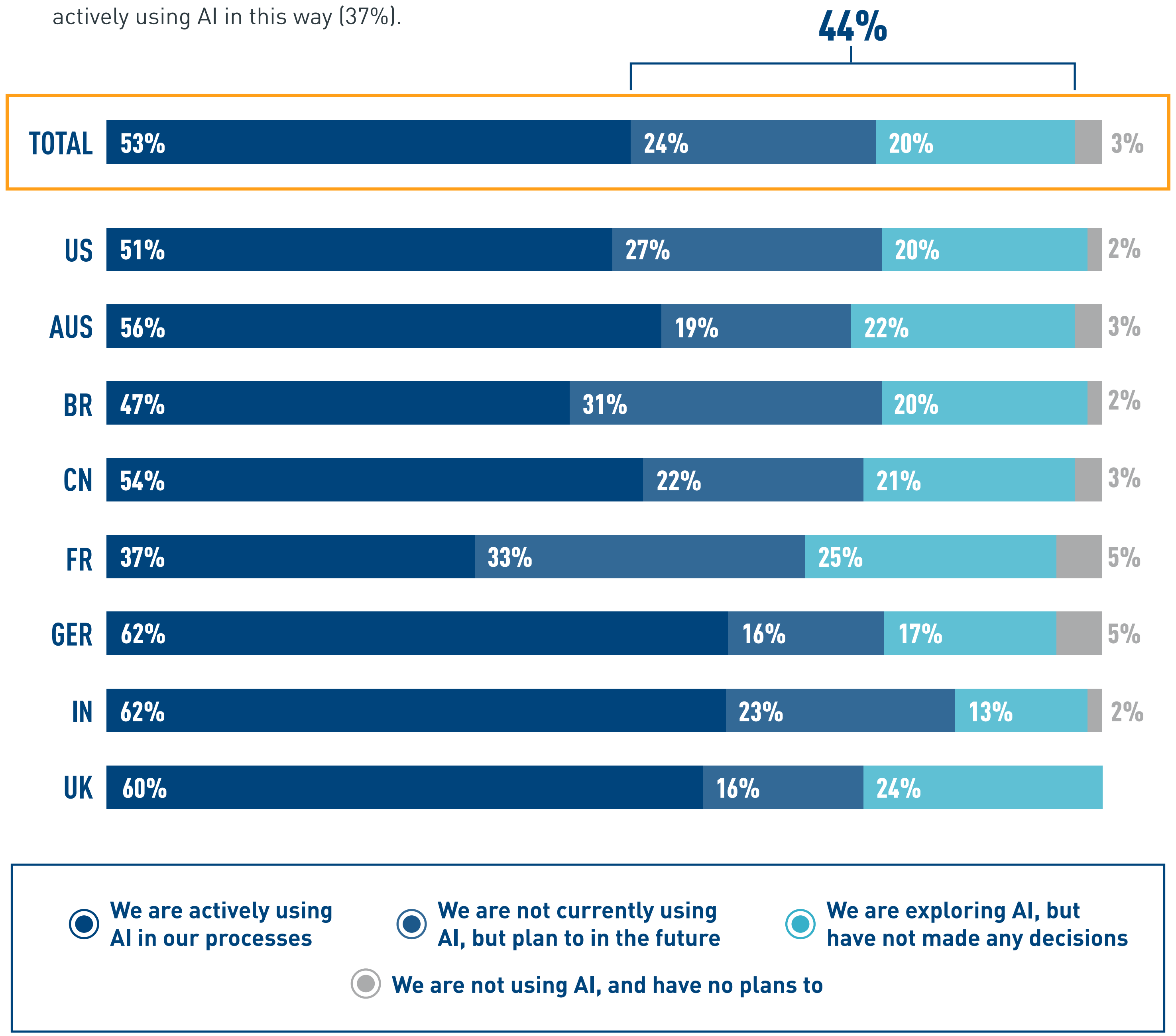


	US	AUS	BR	CN	FR	GER	IN	UK
Grow significantly	20%	25%	19%	14%	15%	21%	17%	18%
Grow somewhat	**55%**	**57%**	**47%**	**57%**	**54%**	**54%**	**58%**	**60%**
Stay about the same	20%	15%	15%	24%	21%	19%	16%	13%
Shrink somewhat	5%	3%	15%	5%	8%	5%	7%	4%
Shrink significantly	-	-	4%	-	2%	1%	2%	5%

% = top response

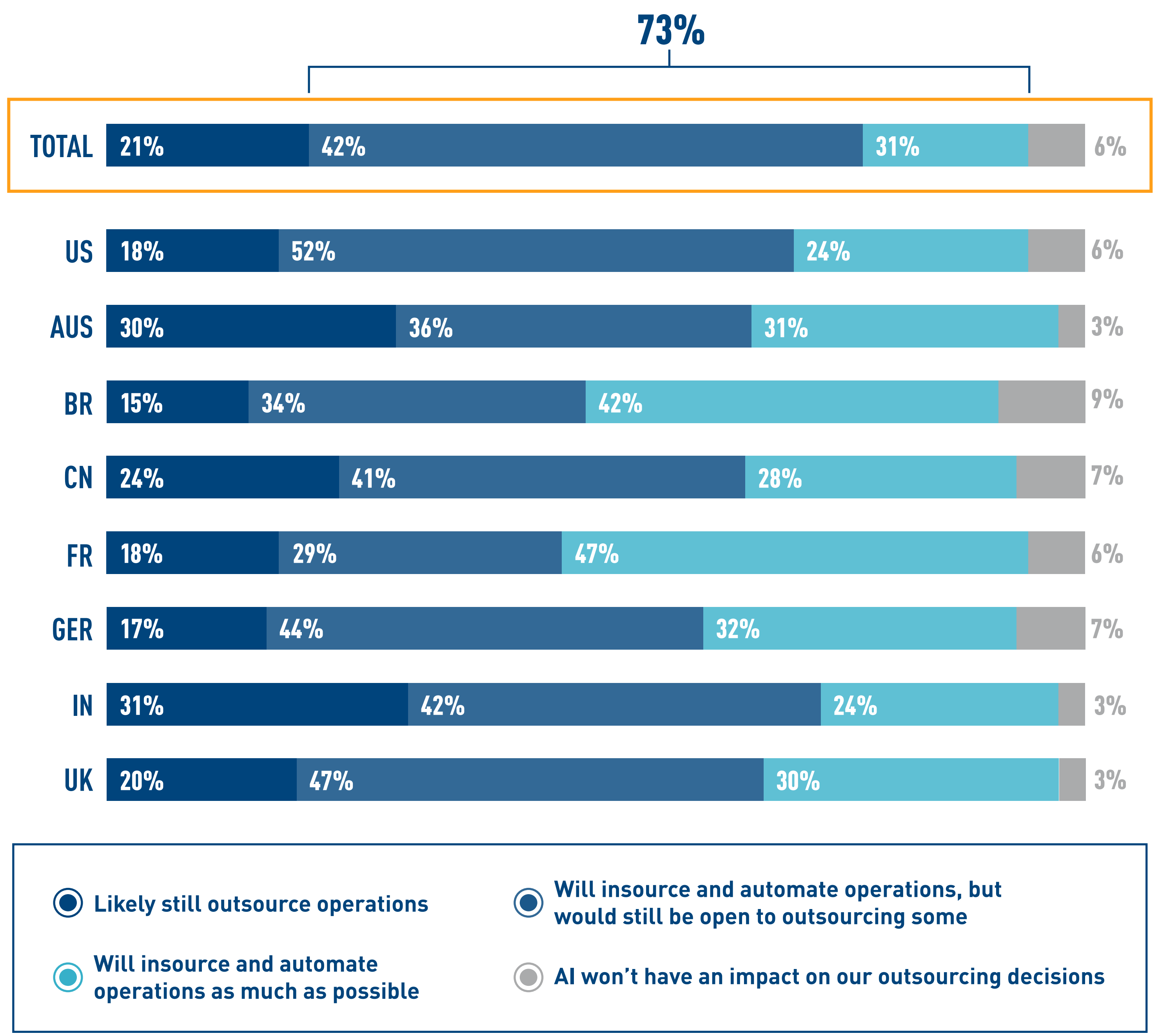
Q19. Which of the following best describes your company's perspective on using AI in global HR and relocation processes (e.g., logistics, creating policies, assisting with paperwork, etc.)?

While over half of executives already have AI tools integrated into their global HR and relocation processes (53%), another 44% are either planning to or exploring it. Germany (62%) and India (62%) lead in active integration of AI, with UK close behind (60%). France has the fewest organizations actively using AI in this way (37%).



Q20. Looking ahead, what impact will AI have on your company's decision to keep HR operations in-house instead of outsourcing them?

Looking ahead, for 73% of executives the impact of AI on companies HR operations will likely lead them to insource and automate at least some of their HR operations. This is particularly true in France (47%) and Brazil (42%) where executives would like to insource and automate as much as possible.



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