

HEALTH WEALTH CAREER

**MOBILITY POLICY  
STRATEGIES**

FOR SMALL AND MID-SIZED  
MOBILITY PROGRAMMES

# TODAY'S SPEAKERS



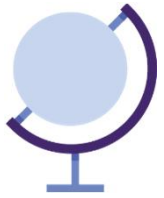
**Olivier Meier**  
Munich



**Arvind Gupta-Lawrence**  
Geneva

# MOBILITY POLICY STRATEGIES

## TODAY'S AGENDA



**Setting the scene:  
evolution of mobility  
programmes and  
policies.**



**The need for  
structure and  
change: business  
case.**



**Smart ways to  
structure and  
change policies for  
small and mid-sized  
programmes.**

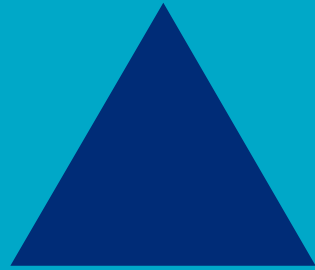


**Key takeaways  
and strategies.**






# STEP 1




## SETTING THE SCENE



# EVOLUTION OF MOBILITY PROGRAMMES

	 Phase 1	 Phase 2	 Phase 3	 Phase 4
	First overseas operations		Growing international maturity	Worldwide integration and planning
<b>NUMBERS</b>	Insignificant	Insignificant	<1% of Staff	1 to 3% of Staff
<b>NATIONALITY OF EXPATRIATES</b>				
	All company HQ nationals	Company HQ nationals + few third-country nationals	HQ nationals increasingly replaced by third-country nationals and locals	Global sourcing of talent, less emphasis on nationality
<b>HR ROLE</b>				
	HQ-driven, trial and error	Operational, focus on important administrative tasks	Involvement of host HR, defining roles and responsibilities	Business partner role, fostering mobility culture

# EVOLUTION OF MOBILITY PROGRAMMES

 Phase 1	 Phase 2	 Phase 3	 Phase 4
First overseas operations		Growing international maturity	Worldwide integration and planning

## ASSIGNMENT POLICY STRUCTURE

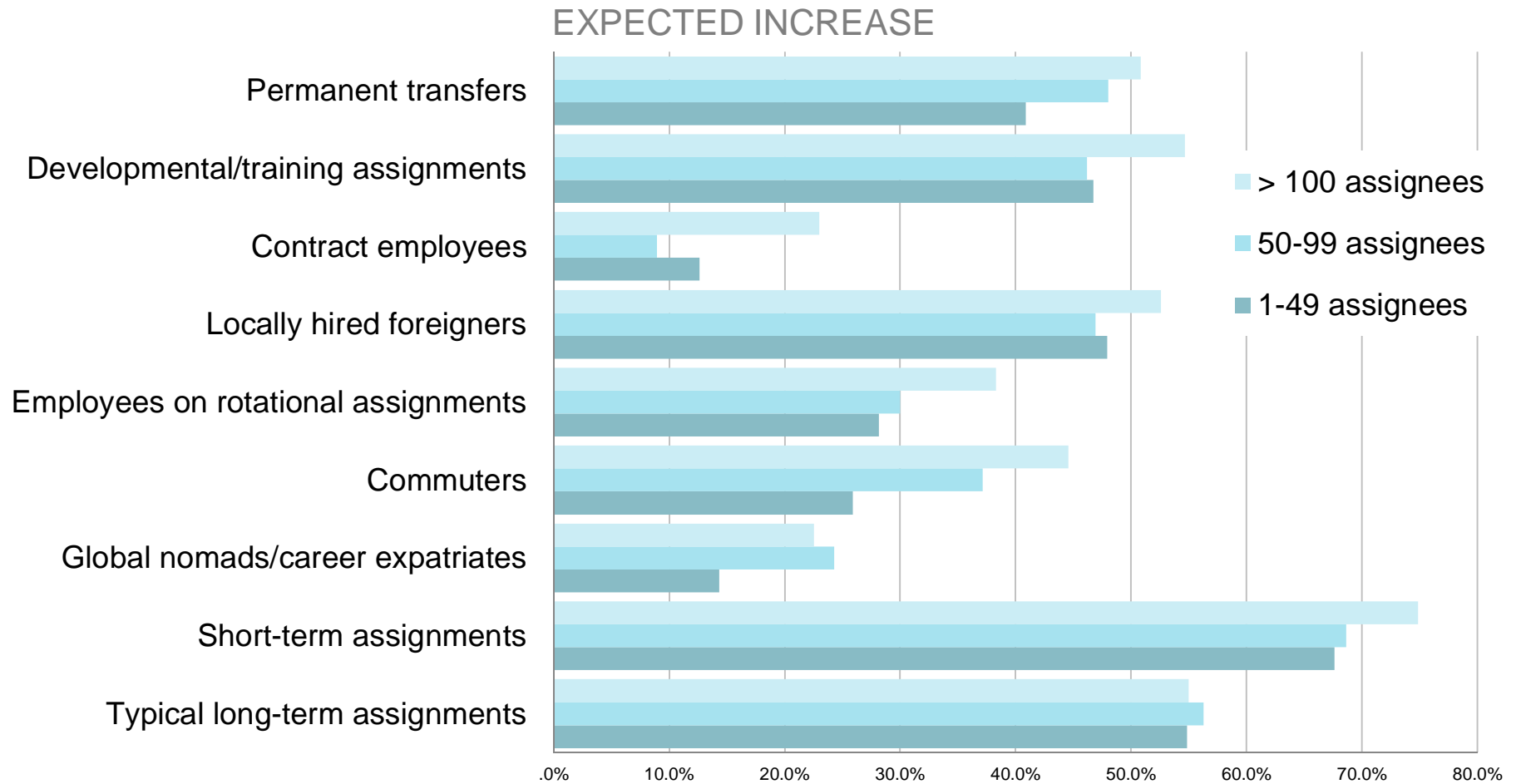
Individual negotiations with HQ	Home country balance sheet, HQ-centric focus on policy	Some degree of flexibility/segmentation, global policy framework	Full segmentation supporting assignment patterns
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## MANAGEMENT'S VIEW

“Find someone we can trust to get the job done”	“Something we need to do to grow” “use experience and bring back to HQ”	Cost concerns, alternatives, programmes to develop global perspective/talent	Global talent sourcing, redefinition of expatriation—ROI to company
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# TRENDS BY MOBILITY PROGRAMME SIZE

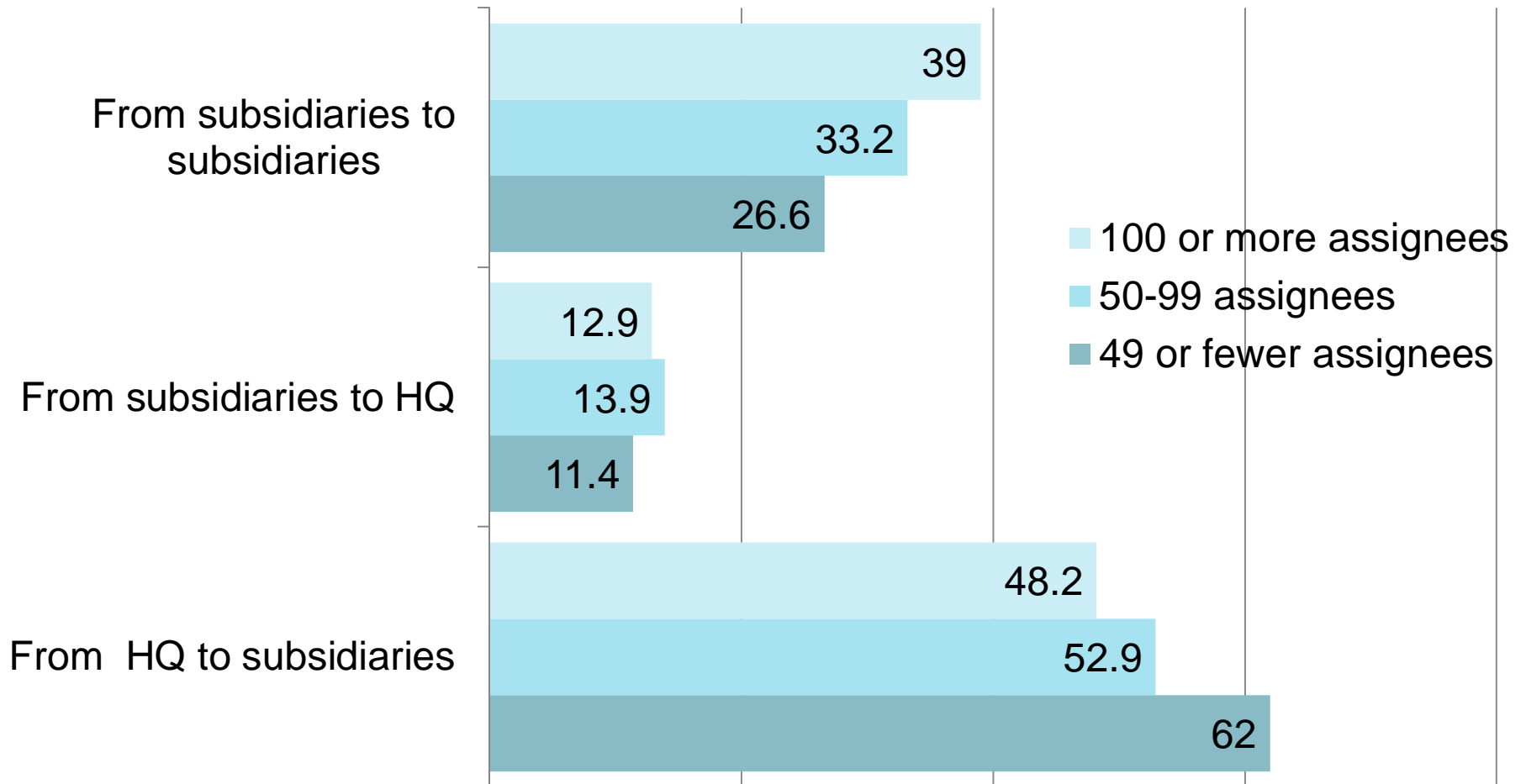
## ASSIGNMENT TYPES



Source: Mercer's 2012 Worldwide Survey of International Assignment Policies and Practices

# TRENDS BY MOBILITY PROGRAMME SIZE

## TYPES OF MOVES

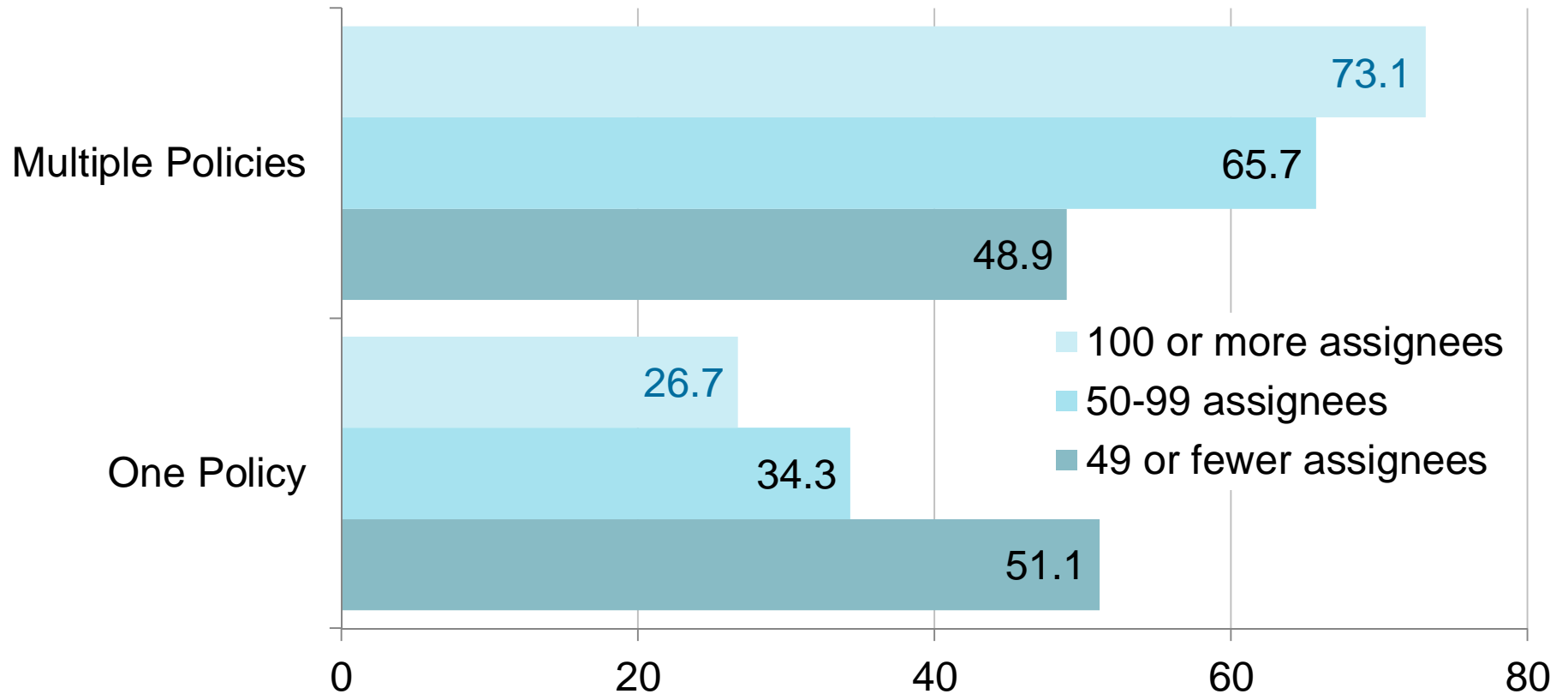


Source: Mercer's 2012 Worldwide Survey of International Assignment Policies and Practices



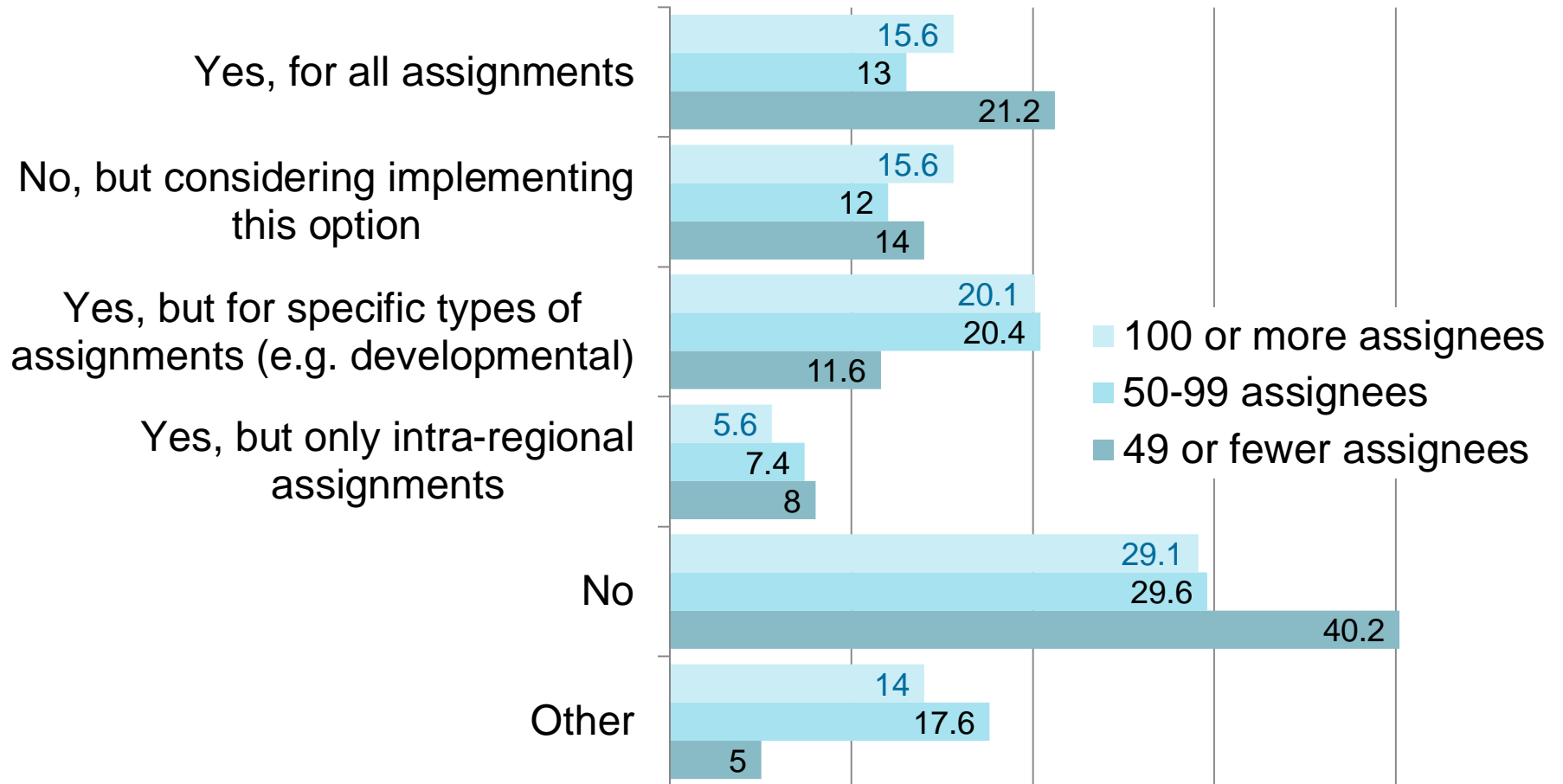
# TRENDS BY MOBILITY PROGRAMME SIZE

## NUMBER OF POLICIES



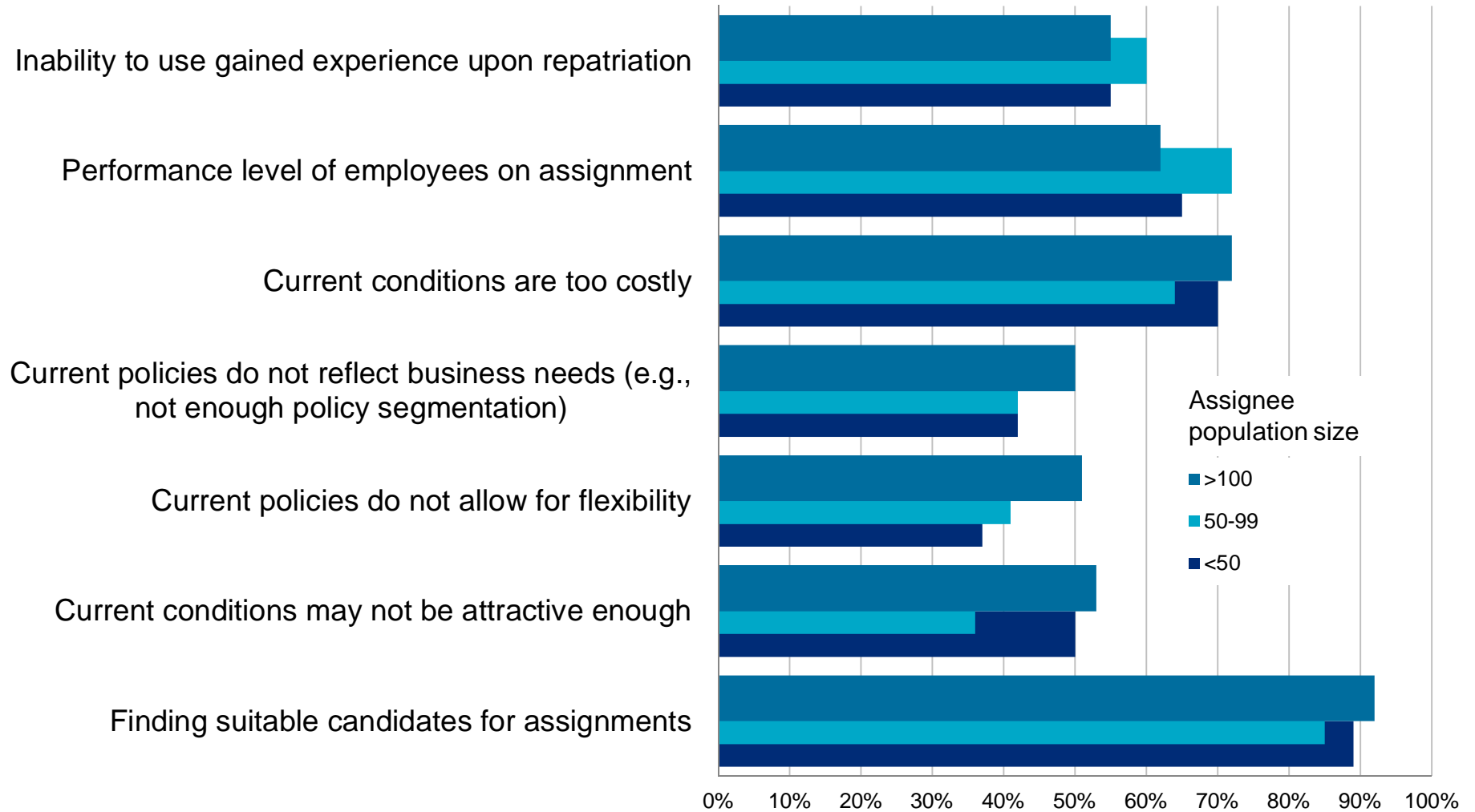
Source: Mercer's 2012 Worldwide Survey of International Assignment Policies and Practices

# TRENDS BY MOBILITY PROGRAMME SIZE USE OF LOCAL / LOCAL PLUS APPROACHES AS OPPOSED TO HOME-BASED BALANCE SHEETS



Source: Mercer's 2012 Worldwide Survey of International Assignment Policies and Practices

# CURRENT CHALLENGES

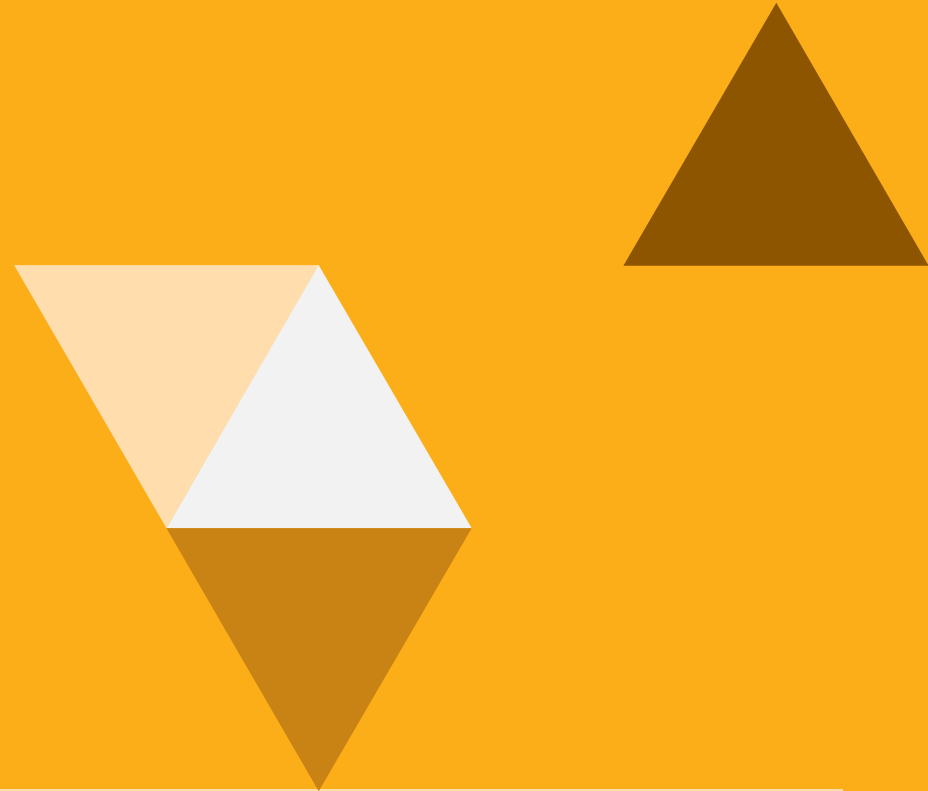


Source: Mercer's 2012 Worldwide Survey of International Assignment Policies and Practices



## STEP 2

# THE NEED FOR STRUCTURE AND CHANGE: BUSINESS CASE



## TALENT SHORTAGE

# INTERNATIONALISATION CHANGE IN DEMOGRAPHICS

**30%** CEOs CONFIDENT THEY WILL HAVE TALENT NEEDED TO GROW ORGANISATION

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**35%** COMPANIES REPORTING DIFFICULTIES IN FILLING VACANCIES

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**60%** COMPANIES THAT HAVE UPDATED, OR ARE CURRENTLY UPDATING, TALENT SOURCING STRATEGY

Source: Mercer research, Mercer Talent Barometer 2013, Mercer Talent Mobility 2012, Manpower 2013, Mercer Inside Employees' Minds 2011, LinkedIn Trends 2013, Deloitte 2013, PWC 2012, Economist Intelligence Unit 2011.

## REASSESSING ATTRACTIVENESS FOR DIFFERENT DEMOGRAPHIC GROUPS

### MOVING FROM:

Countries developing economically or with unstable political situation.  
Countries with stable economies, comfort of home.

### MOVING TO:

Greater appeal of certain locations vs. others.  
(Perceived) barriers such as language (Asia).

### AGE/LEVEL:

Compensation & Benefits.

Learning, appreciation, work life balance and workplace relationship.  
Job security aspects.

# POLICY MANAGEMENT COMPLEXITY



## INCREASING COMPLEXITY DUE TO:

- Rising number of third-country nationals.
- Need for special policy considerations such as dual career issues, unaccompanied moves, working in two + countries, commuter.



## INCREASING DEMAND FOR POLICIES THAT ARE WIDE-RANGING:

- Offering flexibility to attract wider range of target groups.
- Addressing change in value perception (package and benefit attractiveness).
- Offering attractive yet cost-optimised packages during budget constraints.

## INCREASING FOCUS ON ASSIGNMENT ROI

An environment of limited assignment candidate options.

Ensuring a need for successful repatriation and retention though number of position options often limited.

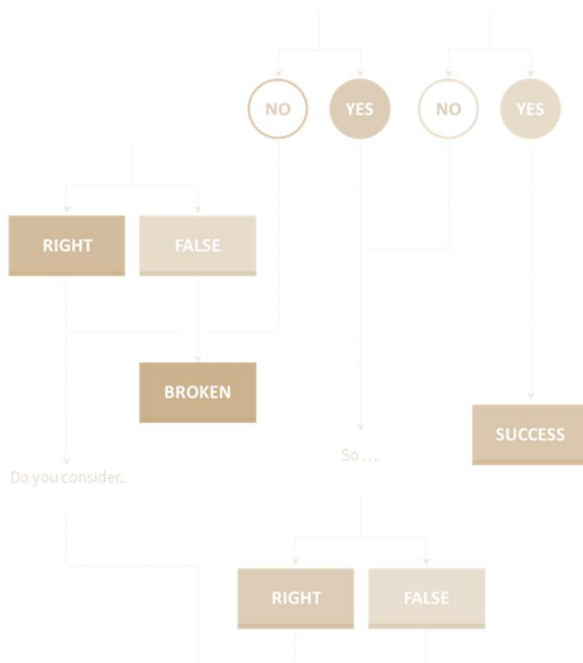
When business needs (make move possible) and policy options do not always match.





# PROGRAMME DELIVERY

## INCREASING FOCUS ON EFFICIENT EXPATRIATE MANAGEMENT DELIVERY



Threat of HR headcount considerations.

Difficulties in finding and keeping knowledgeable mobility experts.

Technology options on the rise and envisaged but often above the top and too costly for small/medium-sized expatriate populations.

Need for time consuming flexibility and exceptions handling while in tight personnel situations.

Compliance considerations.

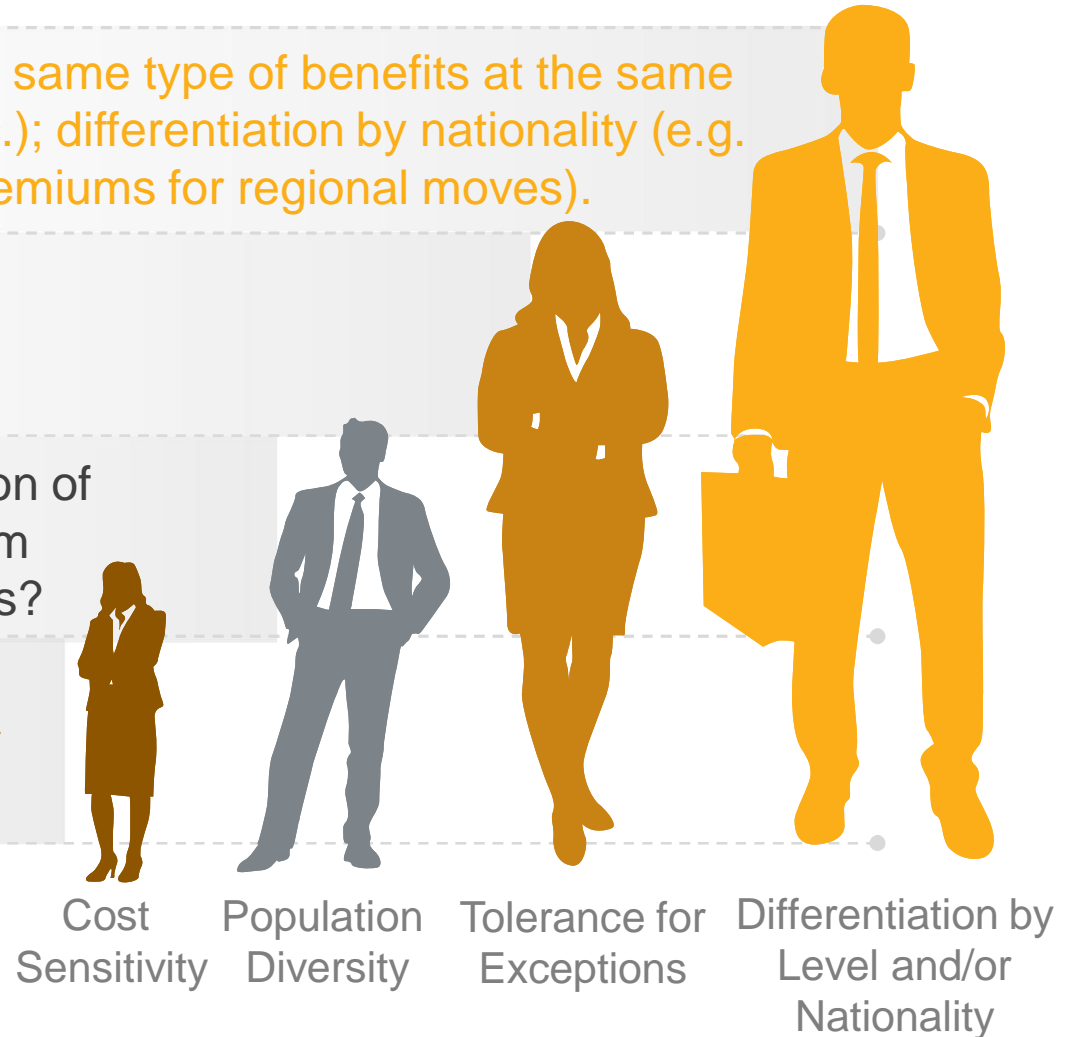
# CORPORATE CULTURE CHECKLIST

Should all the employees get the same type of benefits at the same level (e.g. housing, schooling etc.); differentiation by nationality (e.g. provision of lower hardship or premiums for regional moves).

How likely are line managers to approve exceptions?

Number of nationalities, proportion of third-country nationals, move from developing (low paying) countries?

Differences by industry (high cost/high margin – energy sector or lower margin – IT sector)?



# CORPORATE CULTURE CHECKLIST

Past history of the company: what policies have been tried and failed?  
Echoes of past acquisitions / different groups?

How centralised is the company? Policy guidelines only  
or detailed policies? How much family/spouse support?

Expat preference for cash incentive vs.  
benefits in kind? Family profiles, experience,  
cultural differences, industry practice?

Which profiles are difficult to recruit?  
Competition in specific market /  
countries? Practices driven by  
internal equity or market pressure?



Competitive  
Pressure

Cash or  
Benefits

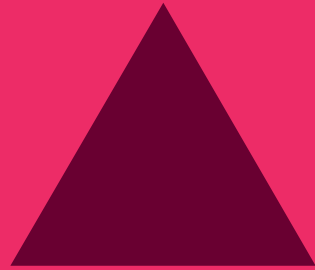
Hand-offs or  
Paternalistic

Skeletons in  
the Closet



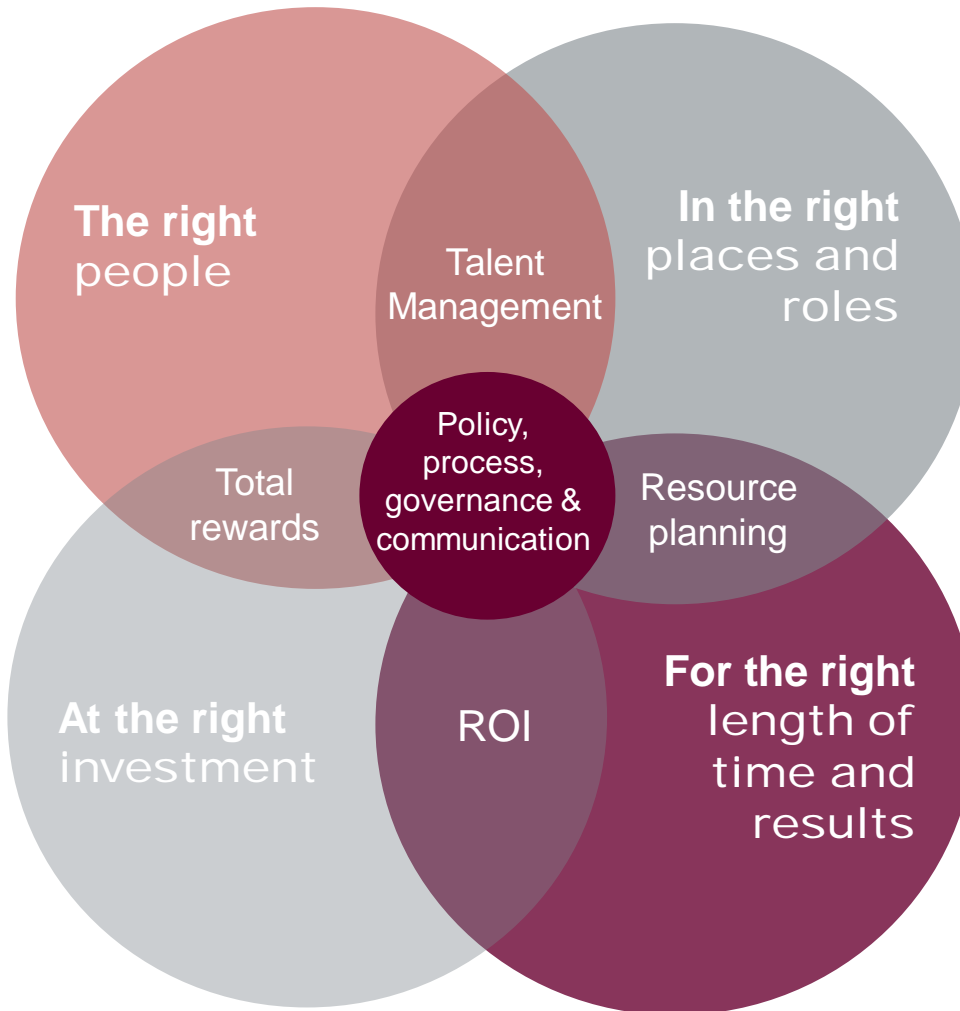
## STEP 3

SMART WAYS TO  
STRUCTURE AND  
CHANGE POLICIES FOR  
SMALL AND MID-SIZED  
PROGRAMMES



# SMART WAYS TO STRUCTURE AND CHANGE THE IDEAL MOBILITY LANDSCAPE

Talent segmentation.  
Talent identification.  
Candidate profiles.  
Selection criteria.  
Selection process.



Identification of need,  
locations, critical roles.  
Key skill needs.

Contracts.  
Remuneration,  
benefits, support.  
Retention.  
Funding.  
Other related costs.

Assignment purpose.  
Assignment type and  
length.  
Assignment lifecycle  
management.  
Transition management.

EXECUTED THROUGH POLICY, PROCESS, AND HR SERVICE DELIVERY

# RIGHT PEOPLE, PLACES AND ROLES



CONNECT smartly with Talent Management and Recruitment.

## CHALLENGE

Sourcing issues, scarcity of talent, no large expatriate pool.

## QUESTIONS

Is there any mobility strategy, what are the reasons and the purpose of having assignments?

Do we hire the right people?

What is our career proposition? Is it interesting enough?

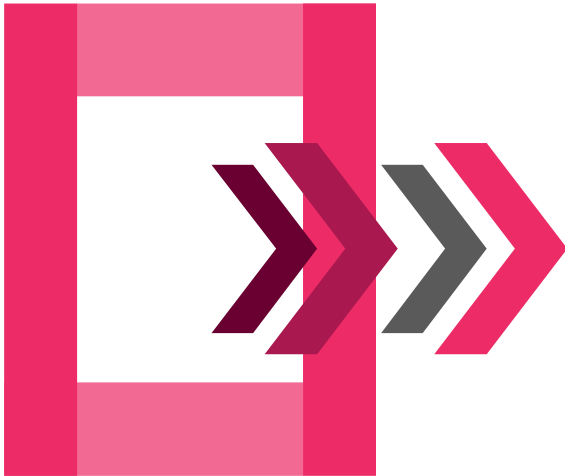
Do we have a vision or agenda on repatriation and retention?

Are we aware of any “political dimensions”?

How do we plan for future growth?

How do we meet challenges of a changing workforce along with demographic changes?

# RIGHT PEOPLE, PLACES AND ROLES



CONNECT smartly with Talent Management and Recruitment.

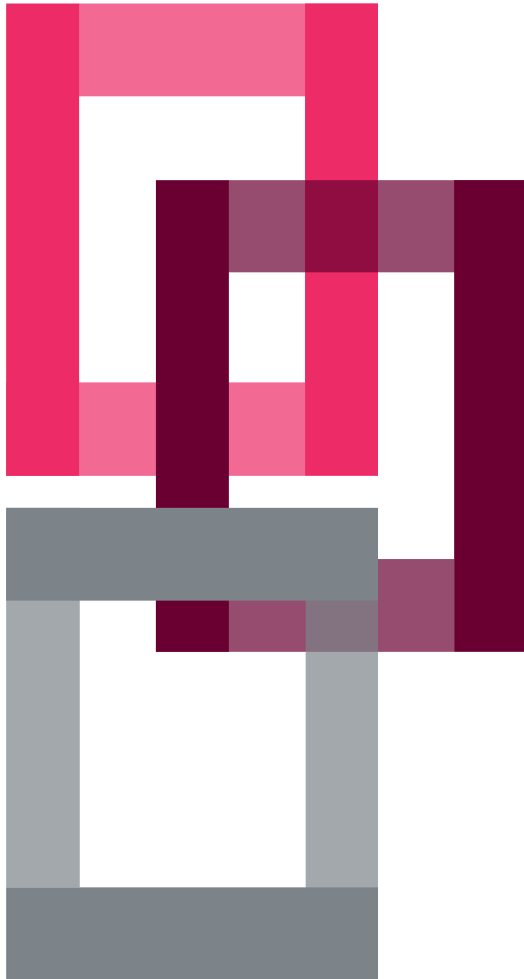
## STRATEGY

Involve business in mobility **strategy**.

Educate **stakeholders** in the mobility process.

Enlarge your **involvement** in the **hiring** processes.

# RIGHT INVESTMENT, TIME AND RESULTS



SEGMENT smartly when it comes to policies.

## CHALLENGE

Step away from one size fits all, but do not over-engineer.

## QUESTIONS

Why do we want to segment?

How many policies should we have for a smaller expatriate population?

Should we copy and paste what works well for company X “it looks really good”?

Should we adjust our policy according to what benchmarks say?

Do we have the right processes in place?



# RIGHT INVESTMENT, TIME AND RESULTS



SEGMENT smartly when it comes to policies.

## STRATEGY

Take wise decisions when segmenting, apply **common sense**.

Develop **flexible options** instead of increased segmentation.

Face the **brutal truth**: Segmentation will not put an end to exceptions.

Do not rely on benchmarking information only, but consider **what suits your organisation** best.

Place focus on **processes, communication and service delivery**.

# RIGHT INVESTMENT AND PEOPLE



PAY smartly.

## CHALLENGE

Provide an attractive package while keeping costs under control.

## QUESTIONS

How important is a very competitive mobility package?

What kind of restrictions do we have in terms of cost and spending?

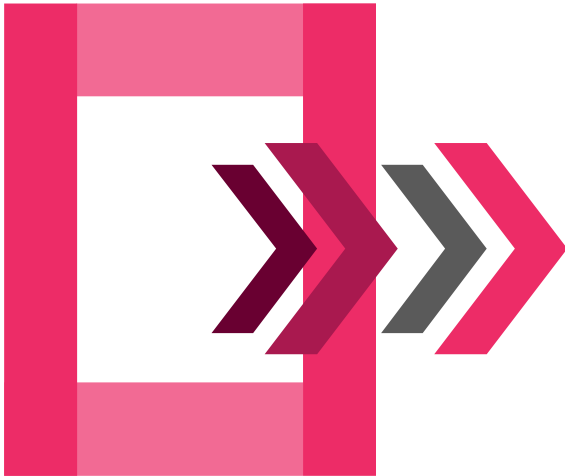
How is our mobility package valued?

Do we know what our assignees value (family, cash, benefits, etc.)?

Do we have to motivate all employees to accept an assignment via pay?

What is the company culture and direction (taking care or laissez-faire mentality, flexibility)?

# RIGHT INVESTMENT AND PEOPLE



PAY smartly.

## STRATEGY

Keep it simple.

Avoid full-scale copy and paste, but follow proven tracks in compensation approaches.

Avoid experiments and do not create custom expatriate pay philosophies.

Consider lump sum approaches, introduce flexibility.

Invest your money strategically and do not sacrifice due to cost constraints (cultural training, family support).

Invest in communication and preparation.

# RIGHT INVESTMENT AND PEOPLE



MANAGE smartly.

## CHALLENGE

Complexity, frustration, high expectations combined with administrative and compliance burden.

## QUESTIONS

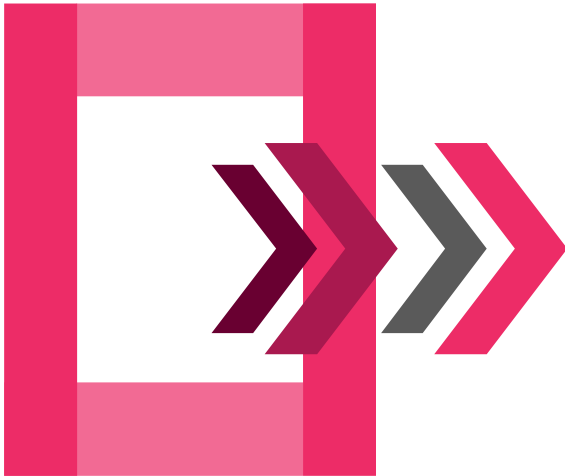
How should we organise our daily operations?

Should we consider outsourcing, and for what parts?

Outsourcing vs keeping task in-house: What are the benefits, what are the challenges?

Should we invest in technology, and if yes, when and to what extent?

# RIGHT INVESTMENT AND PEOPLE



MANAGE smartly.

## STRATEGY

Outsource smart: consider tax, social security, relocation; difficult to stay tuned to changes in risky environment.

Do not underestimate interface challenge when dealing with providers.

Conduct prior housecleaning; never outsource a mess.

Keep typical HR tasks in-house as they impact relationship with assignee.

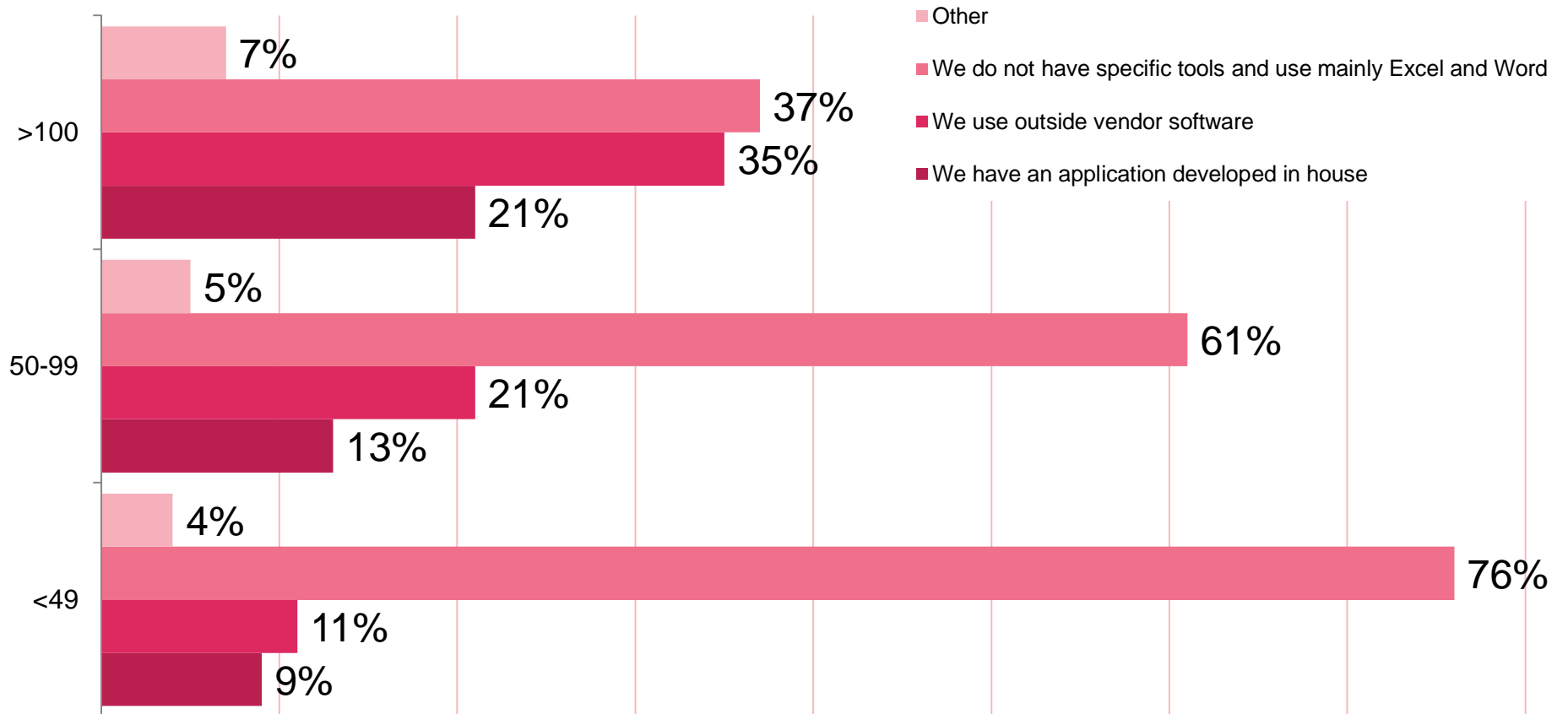
Review mobility processes and streamline.

Introduce strong exception management system to save time and cost.

Relax...! 75% of companies still work with Excel.

Introduce workforce metrics.

# MEASURE VALUE OF ASSIGNMENTS: ASSIGNMENT TRACKING TOOLS



Source: Mercer's 2012 Worldwide Survey of International Assignment Policies and Practices



## STEP 4

# KEY TAKEAWAYS AND STRATEGIES



# SUMMARY



Avoid copy/paste approach for policy work.

Seek benchmarking information, but focus on your company and specific needs of your organisation.

Do not over-engineer.

Put more focus on processes and communication.

Connect, network, get involved and reach out: internally, externally.



# IMPLEMENTING NEW POLICIES: A PROCESS

Check population and provisions.	Define approach by type of mobility.	Draft assignment policy.	Implement policy.
MONITORING & CONTROL			
<ul style="list-style-type: none"><li>• Workshop with stakeholders to establish requirements</li><li>• Analyse current practices and processes</li><li>• Evaluate current tools</li><li>• List current providers</li><li>• Assess current costs</li></ul>	<ul style="list-style-type: none"><li>• Brainstorming workshop and review of approaches</li><li>• Simulate costs using different assumptions</li><li>• Draft initial policy framework and guiding principles</li><li>• Market benchmarking</li><li>• Assess new tools</li></ul>	<ul style="list-style-type: none"><li>• Stakeholders approve policy framework</li><li>• Design detailed policy for each assignment type</li><li>• Draft assignment management structure</li><li>• Define provider co-sourcing model</li></ul>	<ul style="list-style-type: none"><li>• Stakeholders approve formal policy</li><li>• Finalise policy documents</li><li>• Finalise assignment coordination structure and team training</li><li>• Issue RFP to providers</li><li>• Start communication plan</li></ul>



# IMPLEMENTING NEW POLICIES: A CHECKLIST

## Set a realistic timeline!

- Initial diagnostic: two to three months.
- Draft policies and processes: two to three months.
- Implementation: six to twelve months.
- Total cycle for new policies to be accepted and implemented: 10 to 18 months.

Define key principles and seek approval by top management early in the process.

Establish advisory committees involving home and host HR, top level expats and management.

Establish steering committee to manage the policy, track exceptions and settle contentious issues.

# SMARTER MOBILITY TO FUEL GROWTH

## TRADITIONAL

Transactional.  
Focus on costs.  
One size fits all.  
An island within HR.

## CATALYSTS

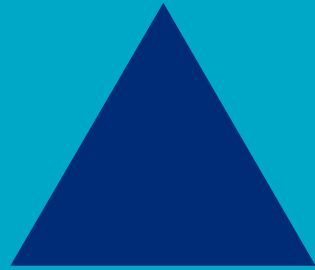
Globalisation.  
Organisational complexity.  
Demographic changes.  
Cost pressures.

## NEW

Strategic.  
Focus on value creation.  
Segmentation by talent type.  
Connected to human capital and  
business goals.



# QUESTIONS



# QUESTIONS



**Olivier Meier**  
Munich



**Arvind Gupta-Lawrence**  
Geneva

## QUESTIONS

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