



World Mobility Perspectives

# What's next for employee-focused policy?

*How the world works better*

# Our 2018 Global Mobility Survey findings





**We live in a world where e-commerce and personalized experiences are becoming the norm, influencing how many industries do business. The Global Mobility industry is no different.**

Companies continue to look for ways to make mobility policy more employee focused – whether it is increasing policy flexibility, providing more employee choice or allowing employees to manage more themselves. The structure and format of policy and other program communications are also evolving. We are increasingly seeing companies move away from text-heavy PDF documents and introducing simpler, visual and digital alternatives.

This year we surveyed 127 Global Mobility professionals who shared their companies' experiences, priorities and attitudes around employee-focused policy. This *Perspectives* report summarizes the findings and provides analysis of key elements and trends.

The confidential, online survey was divided into four sections:

1. Policy flexibility and choice
2. Employee-initiated assignments and transfers
3. Self-managed move policy, including lump sum and managed lump sum
4. Communication of policy and program information



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This report was authored by Lisa Johnson to support you and the Global Mobility industry in considering new and improved ways to meet business needs, manage costs and enhance the employee experience.

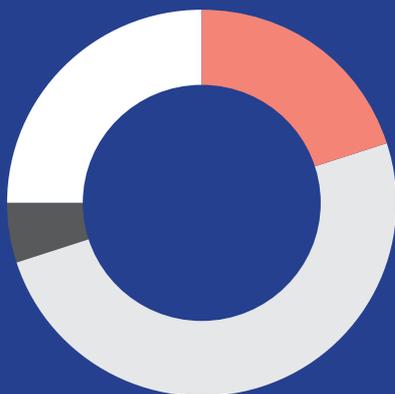
If you have any questions regarding this research or would like to find out more about our other services, please contact Lisa or visit our website at [www.crownworldmobility.com](http://www.crownworldmobility.com).

# Methodology and participant demographics

## Number of participants

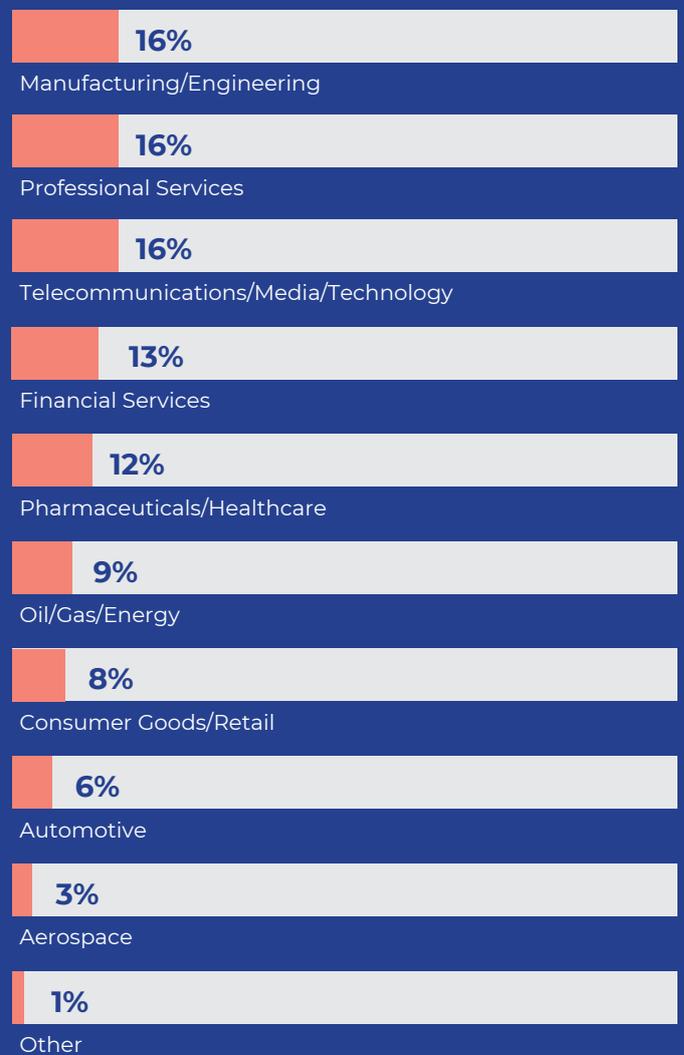


## Regional headquarters



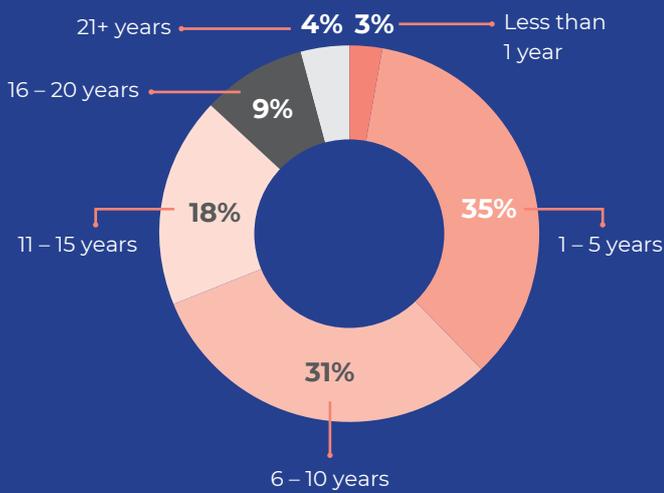
- 20% APAC
- 50% EMEA
- 5% LATAM
- 25% NAM

## Industry



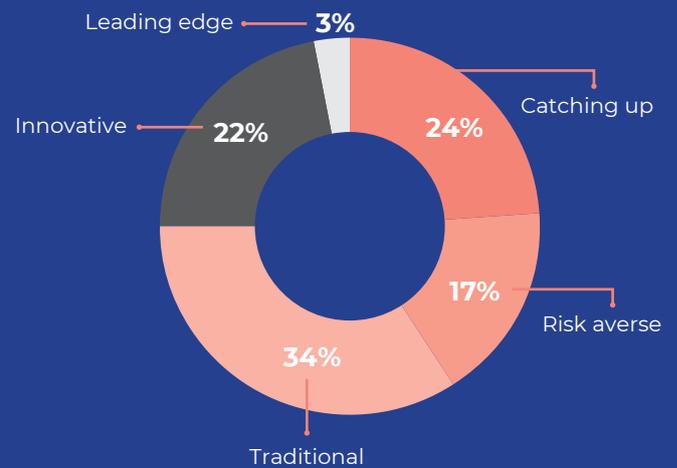
## Number of years working in Global Mobility

Almost 70% of participants have less than 10 years' experience; while 31% have more than a decade's worth of experience in the Global Mobility industry.



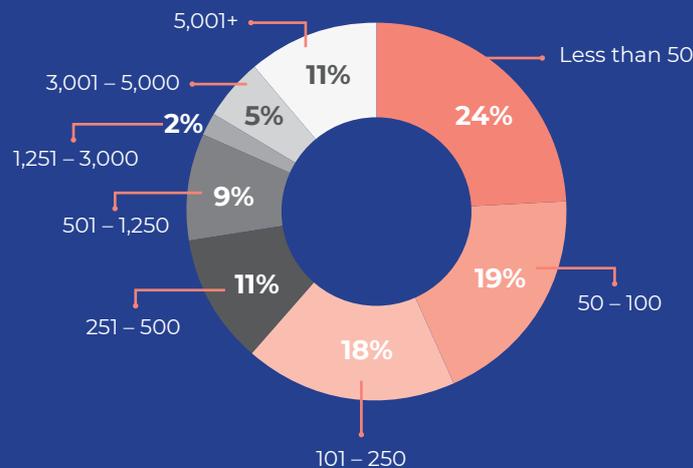
## Global Mobility programs: leading edge or catching up?

The vast majority of participants (75%) describe their companies' programs as traditional, risk averse or catching up. Only 25% see their companies' programs as innovative or leading edge.



## Program size

Participating companies represent a wide range of Global Mobility program sizes. Almost half (43%) move 100 or fewer employees annually; more than half of these move fewer than 50 employees per year. At the other end of the spectrum, 27% move more than 500 employees annually, with more than half of these moving over 3,000 employees per year.





# Flexibility and choice

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**For companies that have developed a more segmented approach to mobility strategy, it has become the norm to include different types of policies in their programs. Over the years, policy has commonly been differentiated by duration: Long Term Assignments, Short Term Assignments, Permanent Transfers, Rotational Assignments, etc. Companies have also used tiers to make distinctions within move types – primarily by job level.**

More recently, adding flexibility to policy has emerged as another way to segment policy and mobile population; although flexibility means different things in different companies.

This section addresses policy trends that give flexibility to Business Units, HR or Global Mobility in terms of what benefits are offered to employees.

The findings show that over half (56%) of companies offer some flexibility for Business Unit Managers, HR and Global Mobility. Another 10% are planning to add some flexibility to policy in the next 12 months; 25% would consider it in the future. Only 6% of companies state that they would never consider a flexible policy.

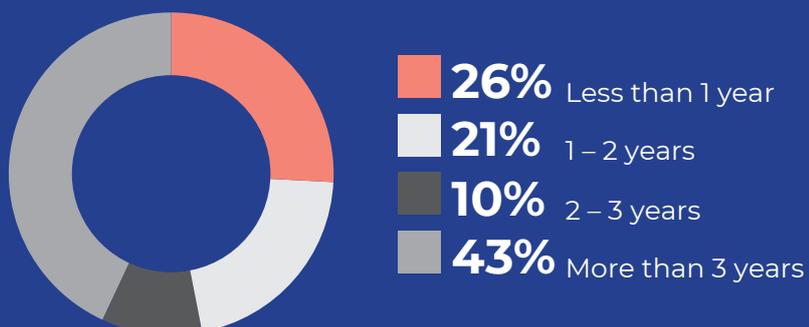


## Does your mobility policy provide flexible options for Managers, HR or Global Mobility to offer employees?



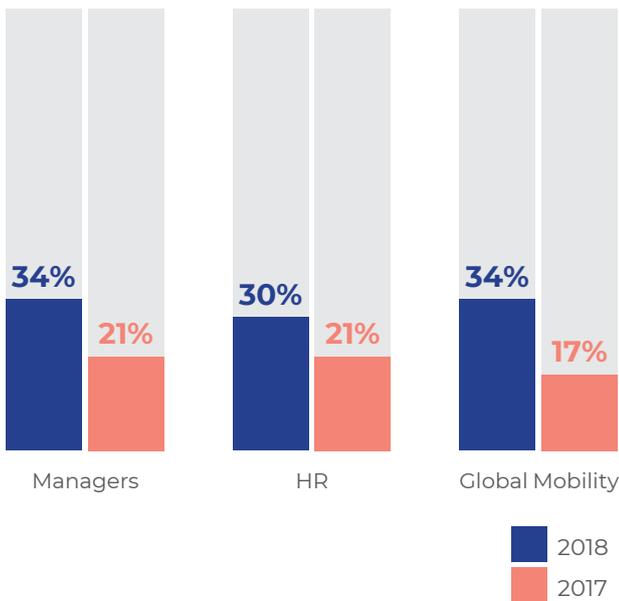
While flexible policy has been a growing trend for the last decade, more than half (57%) of companies have only added them in the past three years or less. That said, 43% of companies adopted this shift earlier and have had flexible policies for more than three years.

## How long have you had a flexible policy?



## Who drives the flex?

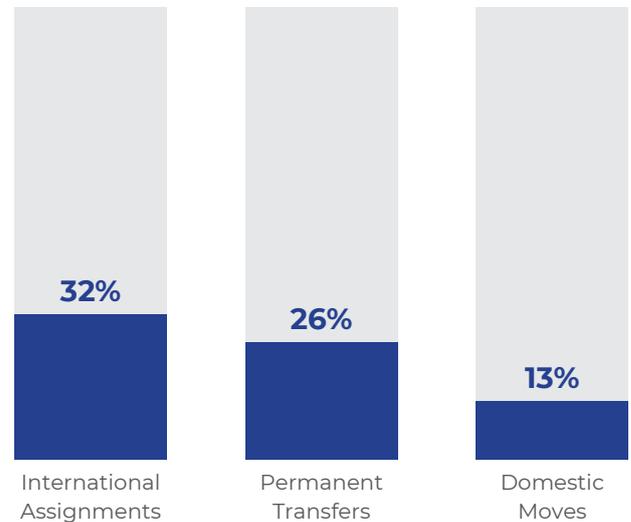
Consistent with the results of our 2017 survey on Local Plus policy, these results show that companies vary in how they manage the flexible aspect of policy, with no one role emerging as a leader.



Most companies state that they are using a flexible policy approach for international mobility but less for domestic relocations. This aligns with the high cost of international mobility and the continued efforts of most companies to manage costs better – a key driver of policy flexibility over the years.

**“An increase in the types of policies helps meet the business’ needs and offer needed flexibility.”**

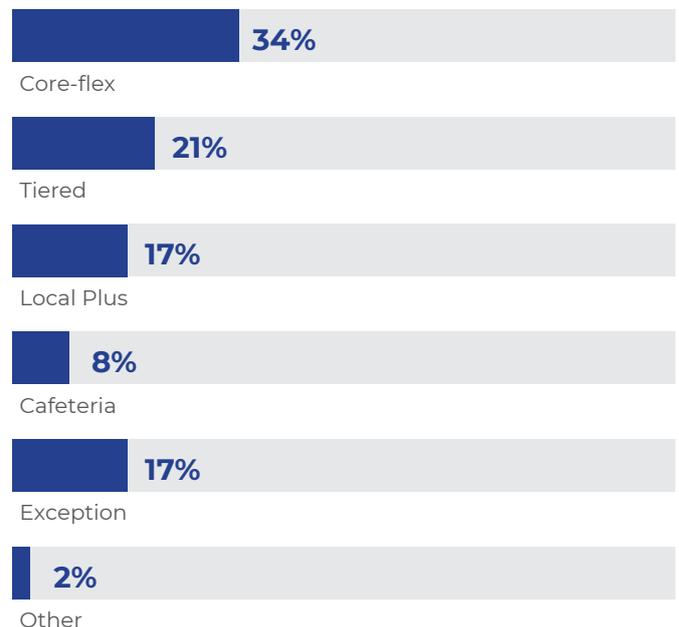
## Which policies are given flexibility?



Most frequently cited move scenarios

Flexible policy approaches come in many shapes and sizes. Over the past decade, core-flex has been the most frequent and the survey results confirm this trend; more than one third of companies (34%) are using this approach. The least used flexible policy is cafeteria style; less than 10% of companies are using it. It is worth noting that the same number of companies continue to provide flexibility using the most traditional approach, by policy exception, as those that say they are shifting to the popular flexible option of a Local Plus approach.

## Which type of flexible policy is your company using?



Adding flexibility to a policy is often associated with adding more complexity to administering the program.

## Is having a flexible policy easier or more challenging than you thought?

Participants shared a number of challenges around administering a flexible policy. One central theme is that cost is the decision-making driver for the flex benefits, especially when driven by the Manager role. This leads to a lack of consistency in what is offered and the need for

Global Mobility functions to take on more of an advisory role. This is consistent with a growing industry-wide consensus that Global Mobility professionals are shifting into strategic roles; whether it is as an advisor to the business or to the mobile employee.

**“Flexible policy needs a higher skillset of consulting than standard policy, to ensure stakeholders understand choices and apply accordingly.”**



### Challenges with adding flexibility to policy:

“It is challenging getting the home and host manager to agree on what benefits should be included and who should bear the cost. As soon as that is decided, it is quite easy to manage.”

“Challenges exist when the business is looking to cut costs without understanding the impact. We are trying to educate the business to come to us early, discuss their budget or other constraints, and collaborate on the flex.”

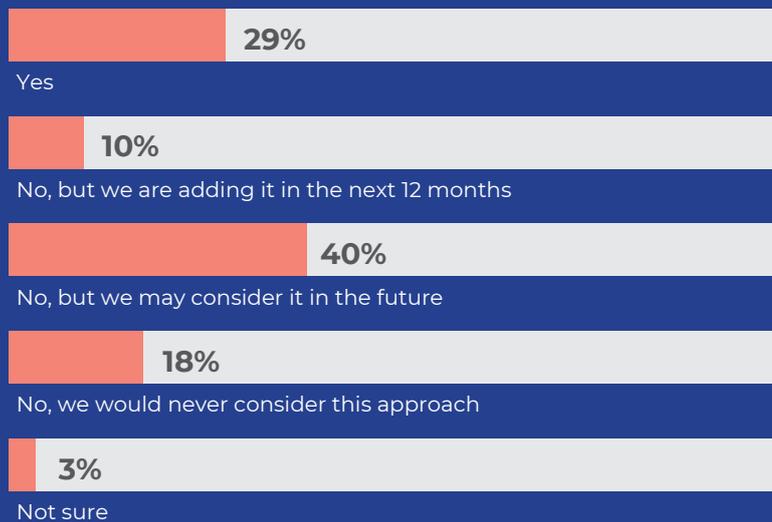
“The employee might feel unfairly treated, since their manager has the option to use cost as a decision-making tool. As a result, HR and Global Mobility have to advise on the best option.”

“Assignees talk, so what is negotiated or approved for one does not mean it applies to someone else at the same level or assignment location.”

# Employee choice

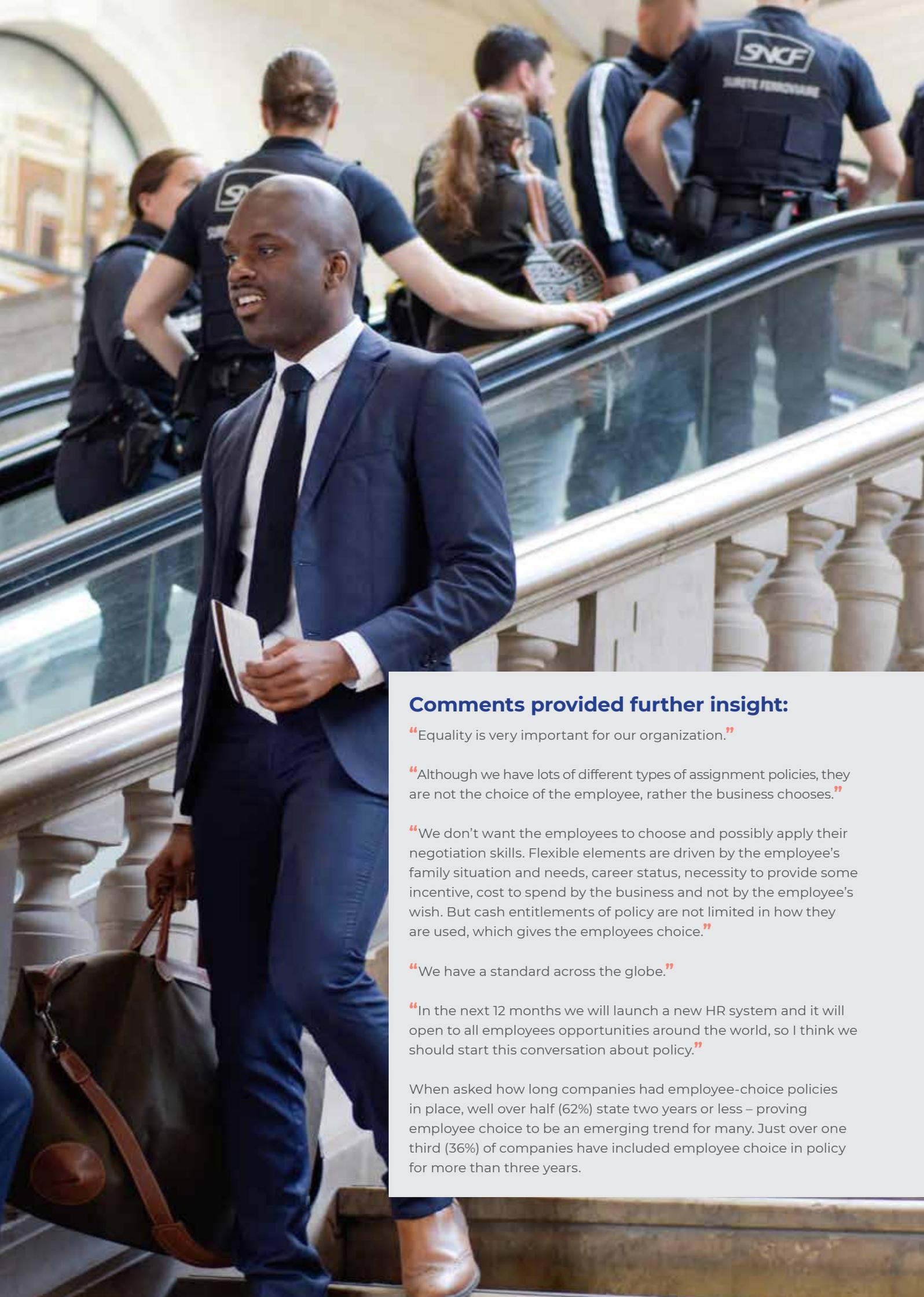
Another aspect of flexible policy relates to offering employees choices around some benefits. Almost one third of participating companies (29%) have a mobility policy that provides employees with choices for benefit options. Another 10% are in the process of adding employee flexibility in the next 12 months. It is also worth noting that a similar number (40%) of participants indicate that it is a possible approach in the future.

## Do you have a mobility policy that allows the employee to choose from different benefit options?



The majority (68%) do not provide employee choice or plan to have it in the next 12 months. Common themes for not offering employee choice are equality, global standards to reduce negotiations and business control. It will be interesting to continue tracking employee-choice policy in future studies as demographic shifts towards younger employee populations further influence corporate strategies to recruit and retain talent.





### Comments provided further insight:

“Equality is very important for our organization.”

“Although we have lots of different types of assignment policies, they are not the choice of the employee, rather the business chooses.”

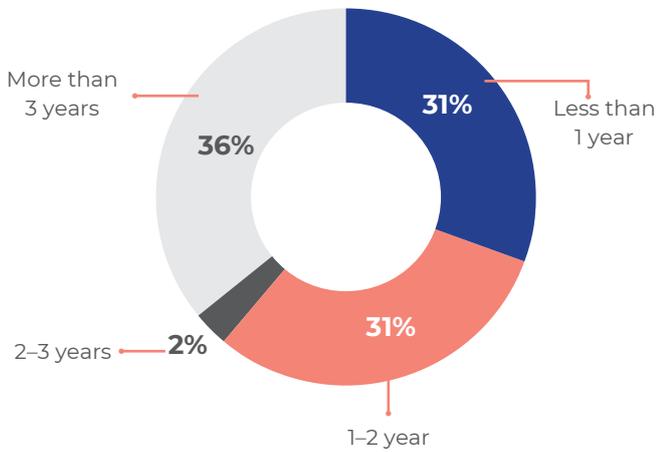
“We don’t want the employees to choose and possibly apply their negotiation skills. Flexible elements are driven by the employee’s family situation and needs, career status, necessity to provide some incentive, cost to spend by the business and not by the employee’s wish. But cash entitlements of policy are not limited in how they are used, which gives the employees choice.”

“We have a standard across the globe.”

“In the next 12 months we will launch a new HR system and it will open to all employees opportunities around the world, so I think we should start this conversation about policy.”

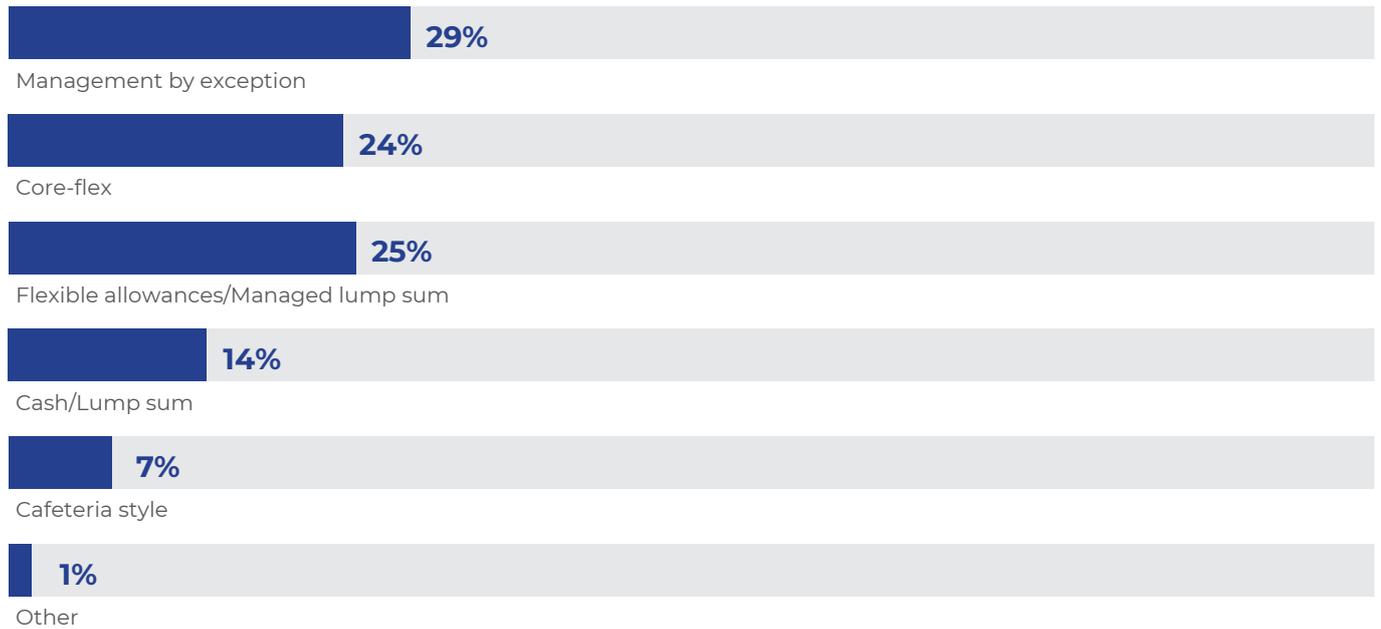
When asked how long companies had employee-choice policies in place, well over half (62%) state two years or less – proving employee choice to be an emerging trend for many. Just over one third (36%) of companies have included employee choice in policy for more than three years.

## How long has your company had an employee-choice policy approach?



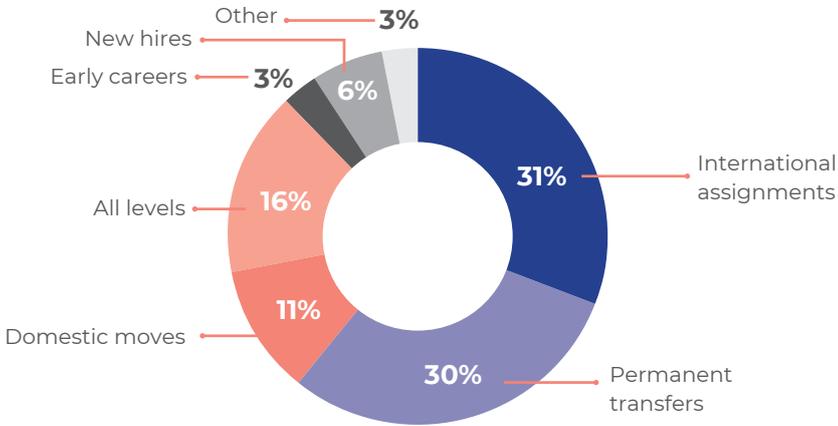
Flexible policy is often described as being the new normal in our industry, so it is interesting to note that the most frequently used employee-choice approach is the most traditional – management by exception (29%). That said, core-flex policy and flexible allowances/managed lump sum received almost as many responses.

## Which best describes the employee-choice policy?

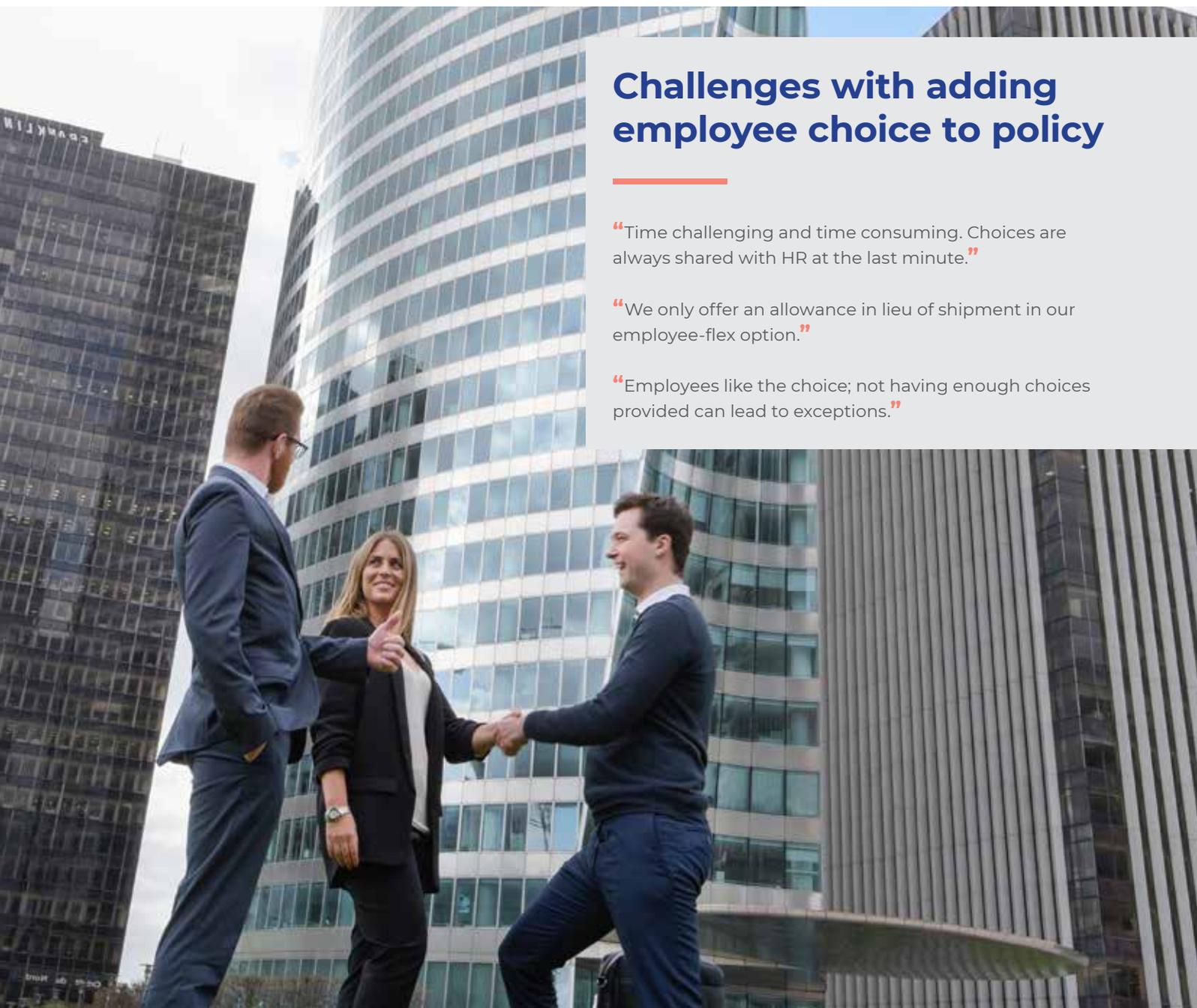


A significant majority (61%) state that employee choice is used most frequently for international mobility scenarios. The approach is used far less frequently for domestic moves. This may be attributed to the fact that domestic relocation is less evolved and far more tactical outside of a few locations; international mobility is increasingly a more strategic function. Another contributing factor is that efforts to lower the cost of international moves by reducing benefits may be driving some creative approaches to enhancing the employee experience.

## What policies are given employee-choice options?



Employees can select a number of benefits in an employee-choice policy but not one benefit stood out as offered by the majority of companies. This shows that employee-choice is influenced by the company's policy and culture, and a standard approach has not emerged across the industry at this stage.



## Challenges with adding employee choice to policy

“Time challenging and time consuming. Choices are always shared with HR at the last minute.”

“We only offer an allowance in lieu of shipment in our employee-flex option.”

“Employees like the choice; not having enough choices provided can lead to exceptions.”

# Employee-initiated moves

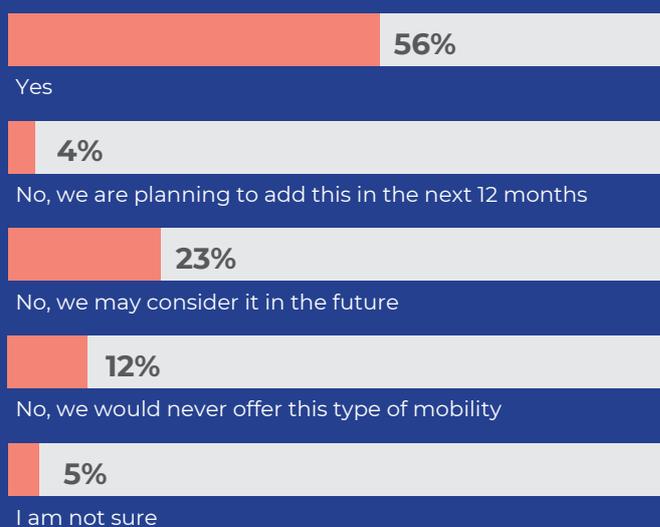
**Employee-initiated moves have existed for decades. Traditionally, they were applied in rare circumstances, when an employee required a move to a new location for personal reasons. Separate policy for employee-initiated moves was also rare; typical benefits were negotiated down from other move types or addressed on an ad-hoc basis. The objective was to offer limited support for the relocation and was considered a low-cost way to help an employee remain with the company while meeting a personal need.**

Today, Global Mobility has seen a shift towards employee-initiated moves; enough for many companies to develop policy specifically for this move type. Employee-initiated moves may be part of a company's Talent Mobility strategy or as a way to support career development, international experience, employee engagement and retention. Our 2017 Global Mobility Survey showed that 52% of participants already had employee-initiated move policies in place and that the biggest challenge was in managing employee expectations (due to fewer benefits than those provided for company-initiated moves).

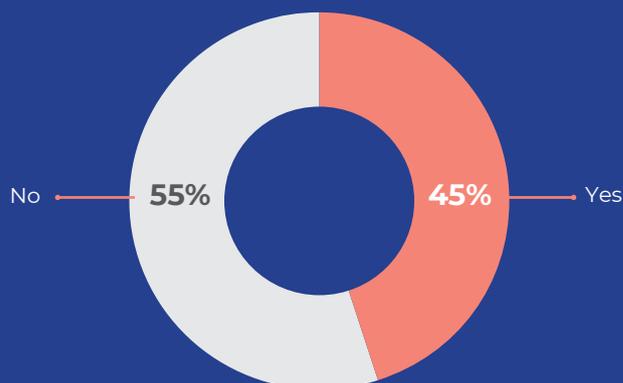
This year's findings support the 2017 results and show a small increase in the number of companies using this mobility option. Still, more companies support the employee-initiated move option than those that have a specific policy for employee-initiated moves. For companies without clear policy guidelines, managing expectations is even more challenging.

**“Our employee-initiated moves offer lean services and the expectation from the employee needs to be managed well.”**

## Does your company offer employee-initiated move opportunities?



## Does your company have a policy for self-initiated moves?





## Comments reflect a range of experiences with the approach, both positive and negative

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“Employees sometimes feel that the company should move them, even if the employee is requesting the move or that the employee should be repatriated at the company’s expense if it doesn’t work out.”

“There are no clear rules on how this kind of move is managed. Employees believe that they are eligible for the same benefits that the standard expats get.”

“If the company can afford it, it is a great approach to keep talent within the company.”

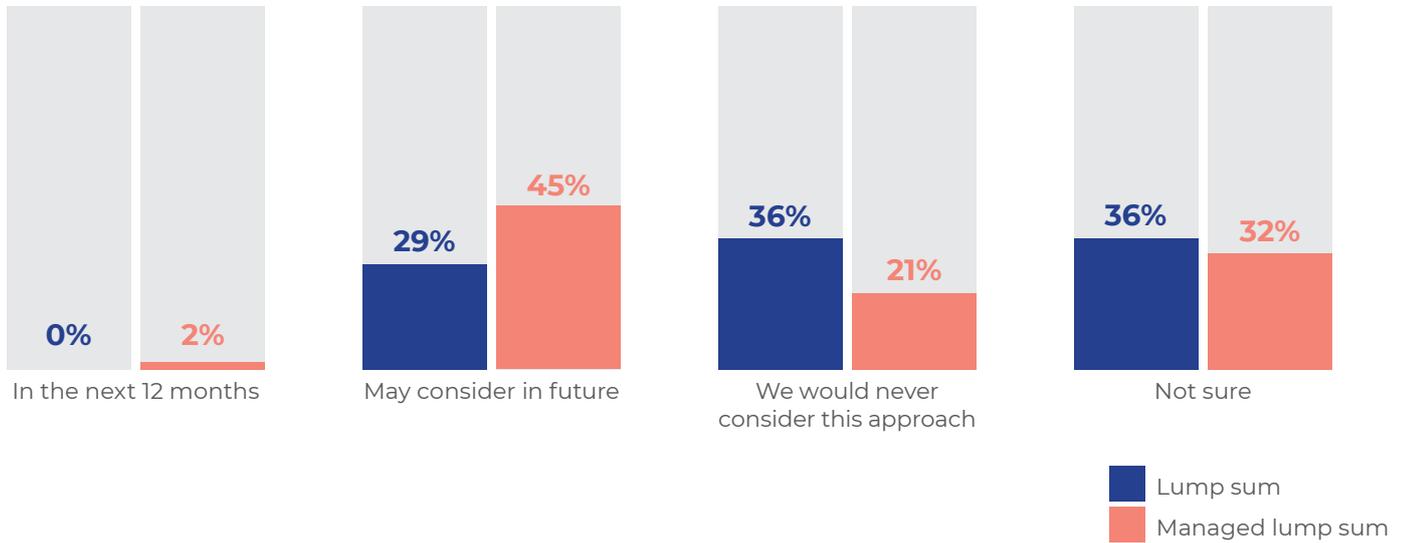
“This type of move is viewed as a recruitment source, and therefore tactical, not strategic. Often there is no or limited ROI.”

“Usually employees do not know the risks associated to move to another location and to be in compliance such as immigration and tax liability.”

“We attract people from different countries and support them in their new life.”



### If no, is your company considering either for the future?



**“Depending on the level, some are willing to do the heavy lifting and move themselves. Most like it. Executives are not willing to do any of that.”**

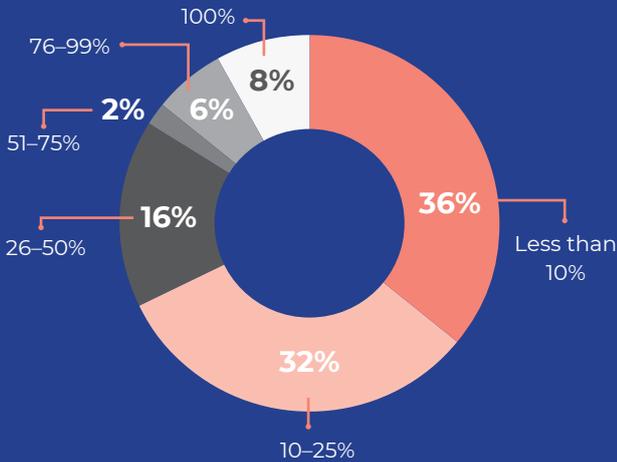


### Comments reflect a wide range of viewpoints:

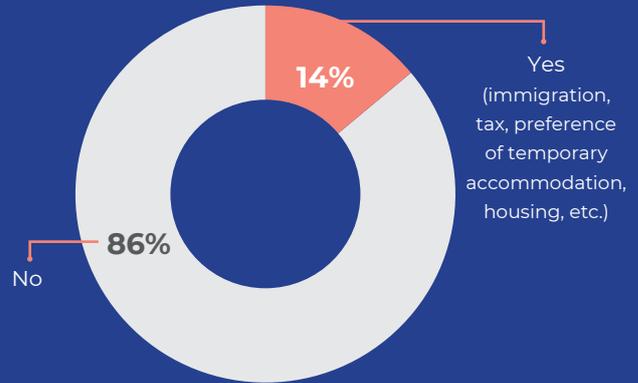
- “We deliberately do not offer cash. We want to make sure the employee has quality services they require to support their move when needed.”
- “We currently provide this for domestic moves in the USA. It may be a consideration in the future for international moves.”
- “We are thinking less about a budget and more about easy to spend points.”
- “We provide a lump sum relocation allowance in addition to other primary benefits.”
- “For CEO and CFO roles we allow negotiations, but for all other employees we need to have a common transfer policy.”

# Companies using lump sum

What % of total assistance is provided via a lump sum (excluding tax assistance)?



Does your lump sum policy have any required services that the employee cannot eliminate?



What elements do employees self-manage?



**13%**  
House hunting trip



**24%**  
Household Goods (HHG) shipment



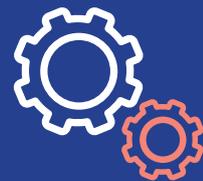
**17%**  
Temporary living



**16%**  
Travel to host location

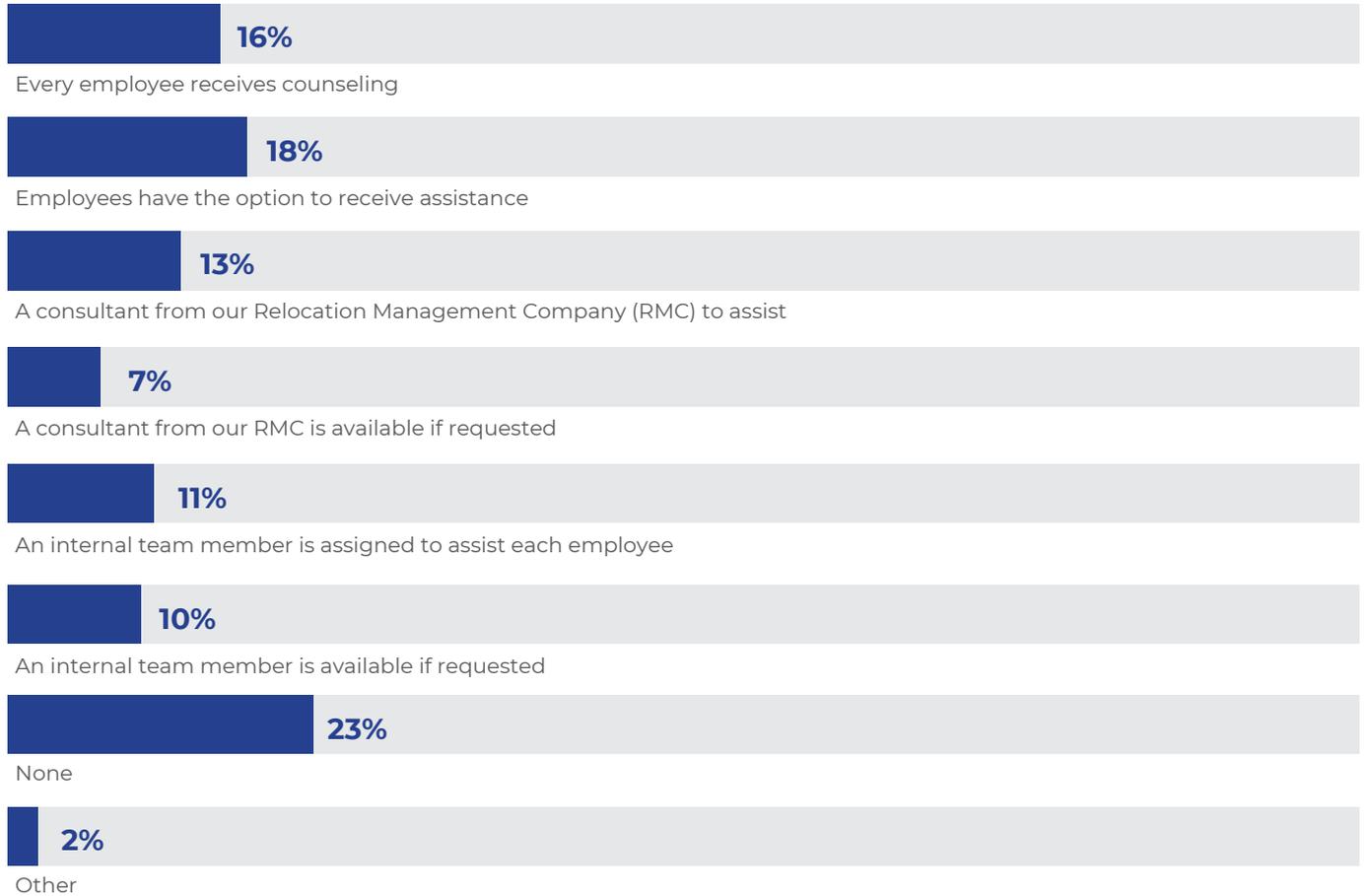


**19%**  
Destination housing



**17%**  
Other (miscellaneous allowance, home leave, relocation allowance, language training, spouse support, etc.)

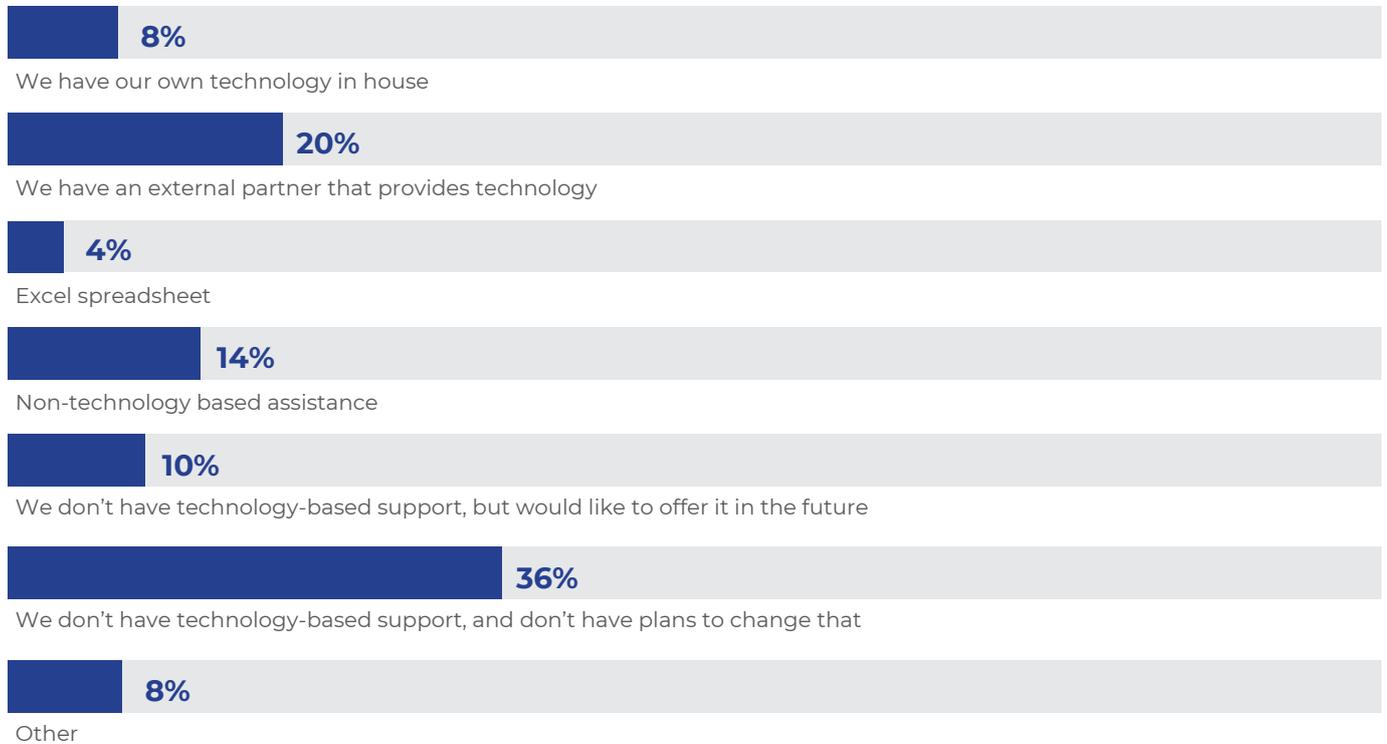
## How much guidance do you provide for employees using lump sums (non-technological)?



## Why did you decide to use a lump sum approach?

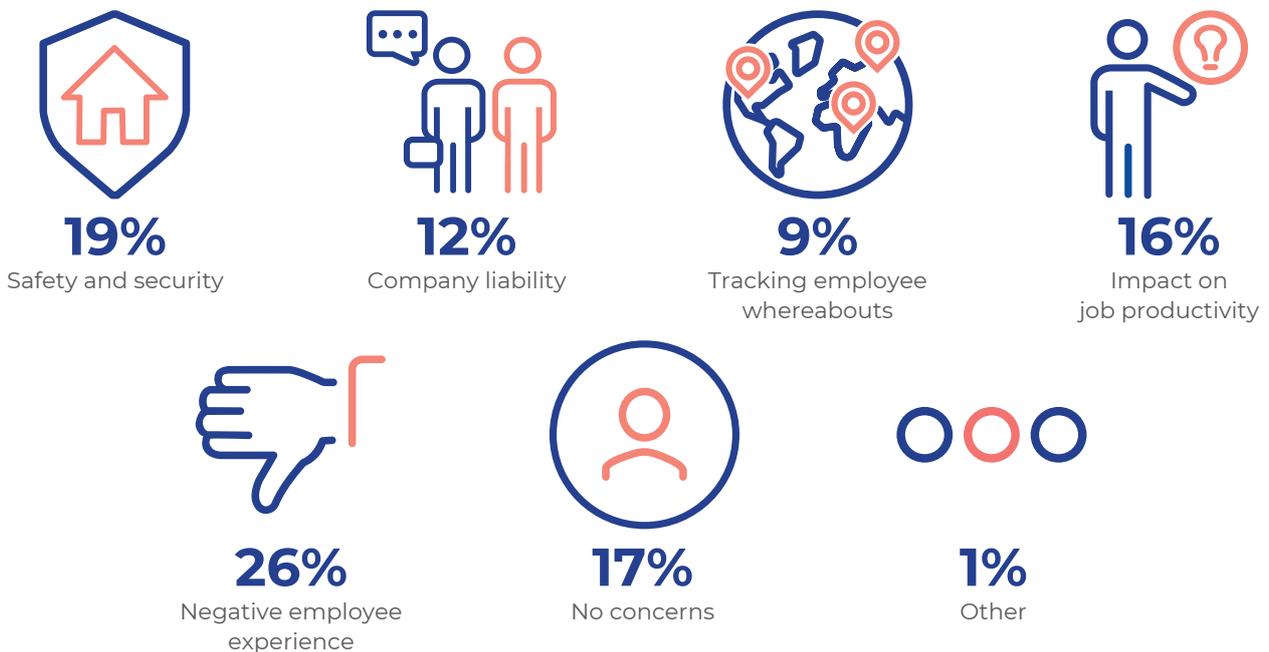


## What technology support do you provide for employees using lump sums to help them select support for their moves?



## Concerns

The use of lump sums can replace the established approach of using vetted supply chains and service partners to support employees' moves with a do-it-yourself methodology. This shift brings the potential for added concerns around risk, liability, safety and security. The biggest concern for companies by far is the potential for a negative employee experience, followed by safety and security.





## What measures, if any, have you put in place to address these concerns?

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“More explanation during the briefings.”

“We are still working on it.”

“Review of Domestic policy this year.”

“Insurance policy.”

“Employees to provide sufficient details and update the company on any change.”

“Counseling.”

“We share with employees a selected list of shipping agencies as well as a Travel Agent, including a list of recommended airlines for them to use. We also have our domestic security point people who can advise and brief them on what to do, what not to do.”

## What is the general response from employees using lump sum

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“Provides additional flexibility and quick cash for employees to start in a new country.”

“It is done and incorporated into the salary to avoid comparisons between employees.”

“It is only used for lower-level employees and college graduates.”

“It is not enough!”

“Lump sum works well for individuals that are single and have small households.”

“Lump sum for us is just the Relocation Allowance, everything else is provided in the services.”

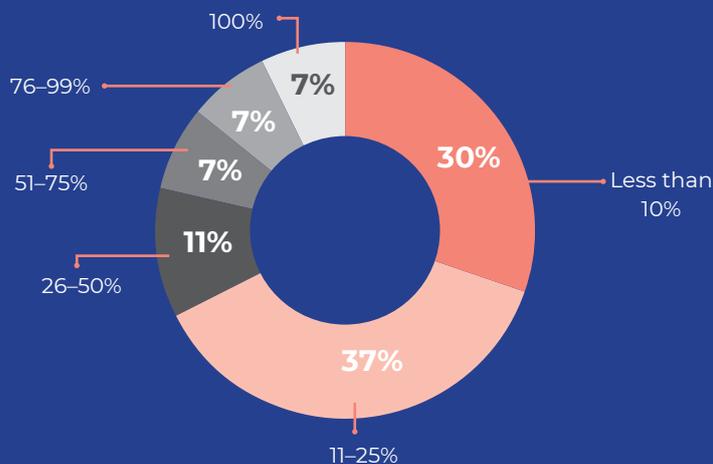
“Employees are usually not happy. They did not realize it costs so much to move.”

“90% of employees opt for the lump sum program because it feels more flexible for them. It also lets them avoid requesting assistance from the office, which requires a formal process and requires steps to follow.”

“It is simple, employees can spend the cash as they wish (purchase furniture, shipment, housing), but it may not always be enough to cover all costs.”

# For companies using managed lump sum

What % of total assistance is provided via a managed lump sum (excluding tax assistance)?



What elements do employees self-manage?



**18%**  
House hunting trip



**24%**  
HHG shipment



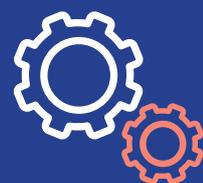
**19%**  
Temporary living



**15%**  
Travel to host location

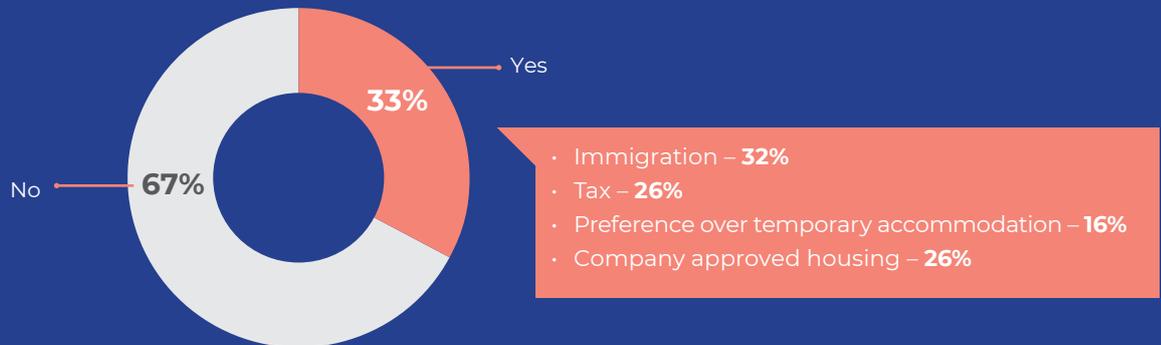


**14%**  
Destination housing

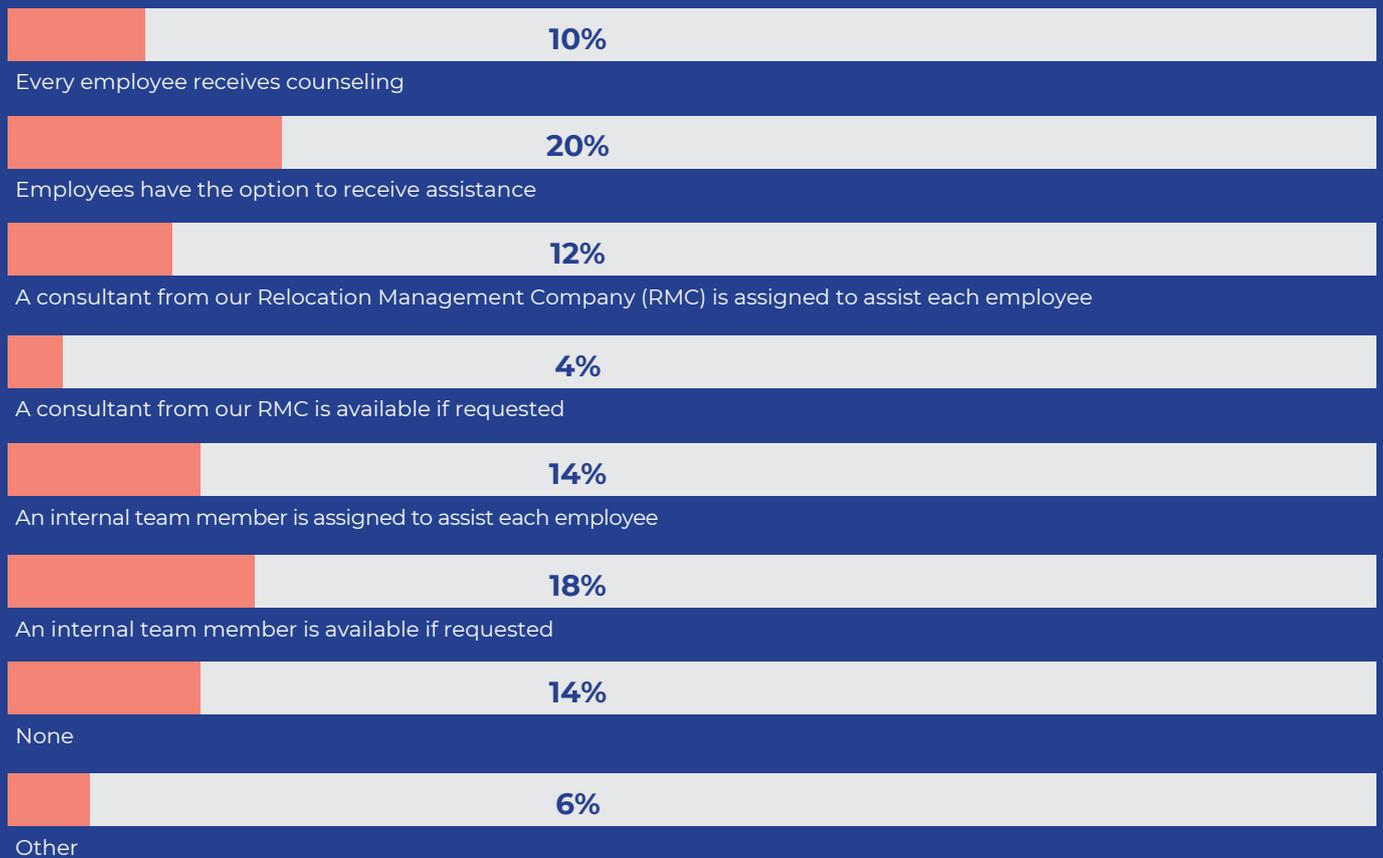


**10%**  
Other (miscellaneous allowance, home leave, relocation allowance, language training, spouse support, etc.)

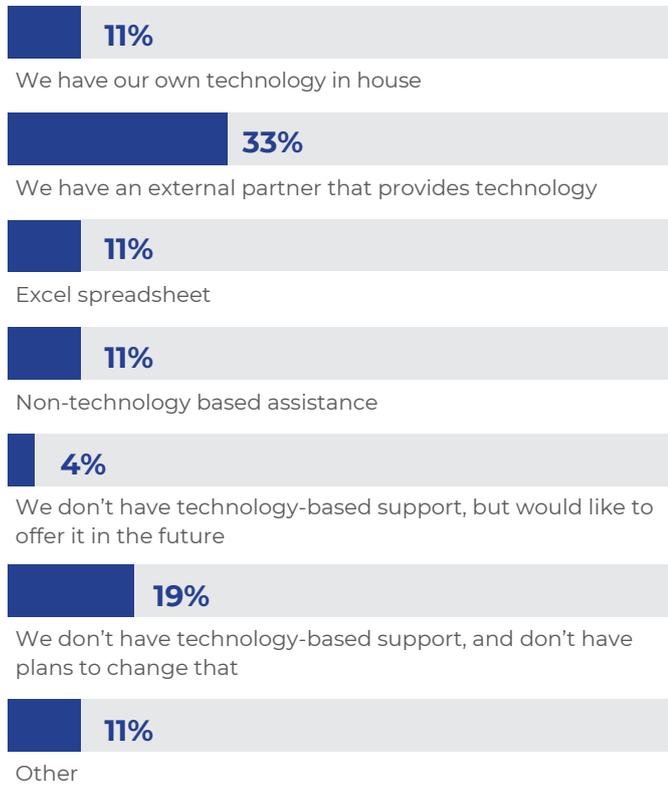
## Does your policy have any required services that the employee cannot eliminate?



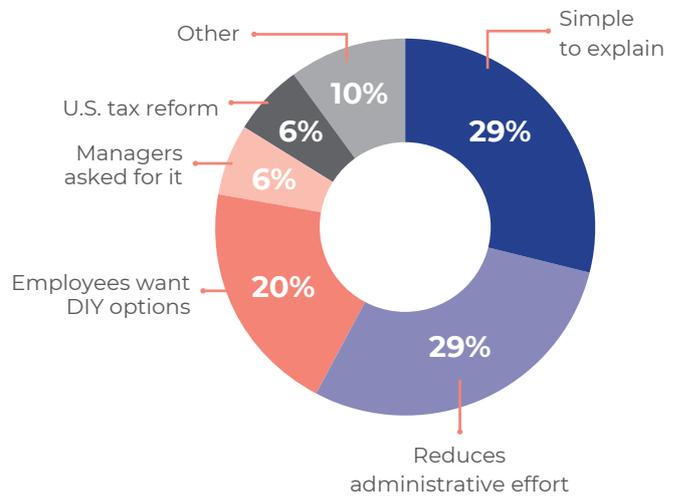
## How much guidance do you provide for employees using managed lump sums (non-technological)?



### What technology support do you provide to help employees select support for their moves?



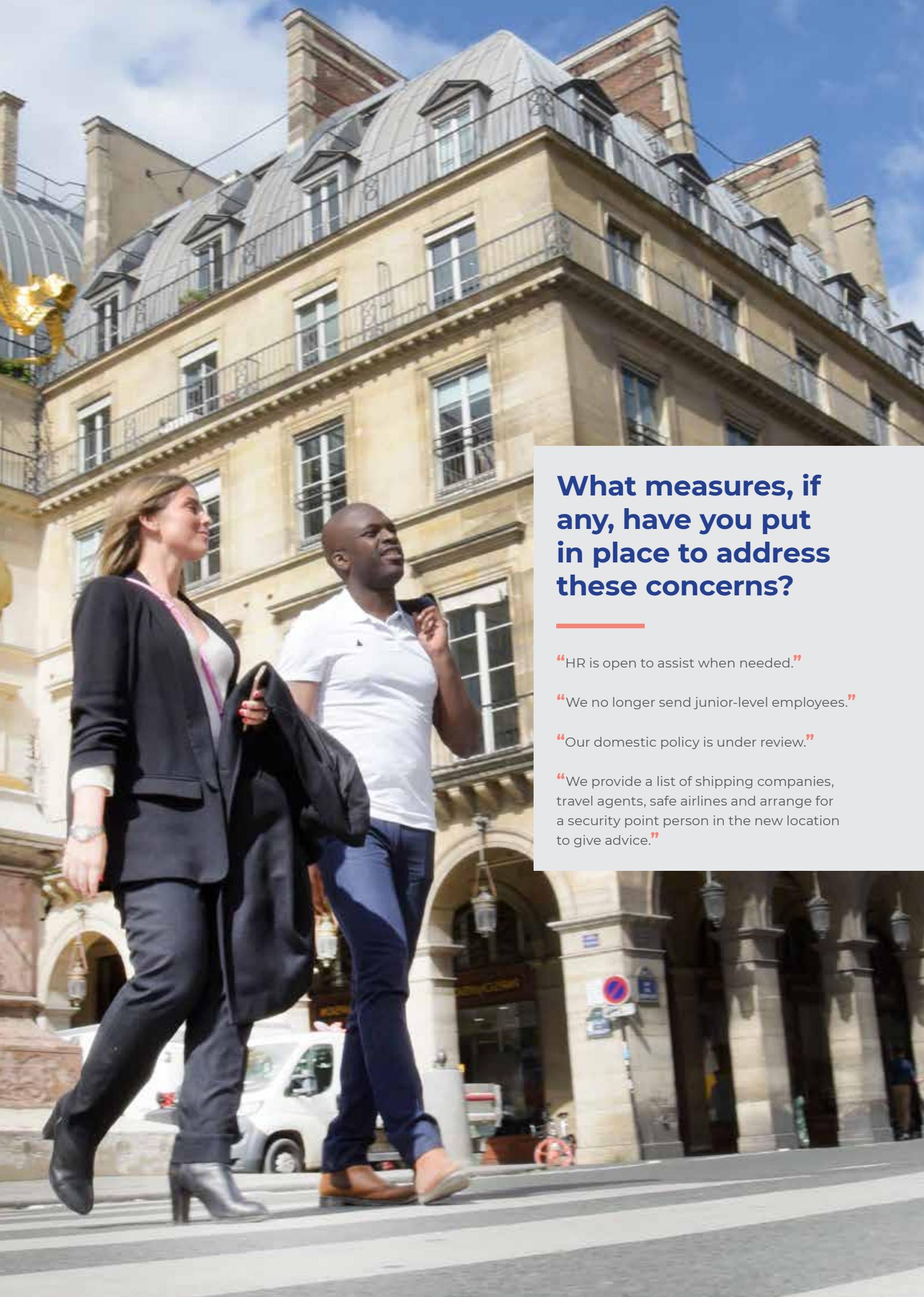
### Why did you decide to use a managed lump sum approach?



### Concerns

As with general lump sum policy, we asked survey participants about their concerns. Once again, the biggest concern by far is the potential for a negative employee experience, followed by safety and security.





## What measures, if any, have you put in place to address these concerns?

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“HR is open to assist when needed.”

“We no longer send junior-level employees.”

“Our domestic policy is under review.”

“We provide a list of shipping companies, travel agents, safe airlines and arrange for a security point person in the new location to give advice.”



# Policy format and communication changes

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We are at a turning point in how mobility policies can (and should) be communicated. Today, across all industries, more information is available online, often via websites and apps, and there is a growing impatience among employees of all generations with long, text-heavy documents. Charts, infographics, photos, linkages and the use of other technology-driven mediums are being applied to traditional HR documents. Still, mobility is not often at the forefront of these changes. This year's survey shows just that in terms of mobility policy and communication.



## Policy enhancements

This section of the survey asked participants about the changes that their companies are making to policy format and communication with mobile employees. Half of participants state that their programs have not made any changes to the format of their policies to make them more user-friendly. Just under one-fourth (23%) have made some changes, primarily in terms of simplifying the descriptions of benefits and services, with many also stating that they provide online policy guidelines.

Companies that describe their programs as “innovative” show higher rates of making communication and policy enhancements than the general participant population. Those companies had a far higher response (61%) for offering policy in the form of online guidelines, compared with 43% of all survey participants. A few companies are now using less text and adding infographics to traditional policy documents. Findings confirm that only a small number of companies have begun to use more innovative communication approaches such as incorporating video or chatbots into employee communication.

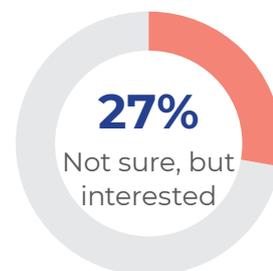
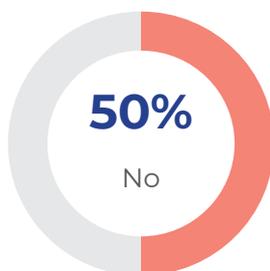
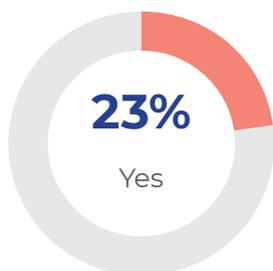
## Communication platforms

Email remains by far the most common approach. In general, more than half (58%) of companies have an Intranet site, though the use of Intranet sites in companies that consider themselves innovative is much higher (82%). Use of text messages is much less common across the board, with 30% of companies using this approach.

Surprisingly, only 15% of companies are using apps as part of their Global Mobility program, and even among those companies that identify themselves as being innovative or leading edge, there was no significant difference in App usage. Vlogs/Blogs are not far behind and have limited use today (13%) across all companies.

Updating and innovating policy and communication approaches remain areas that the Global Mobility industry lag behind on, and continue to be much more traditional in approach today.

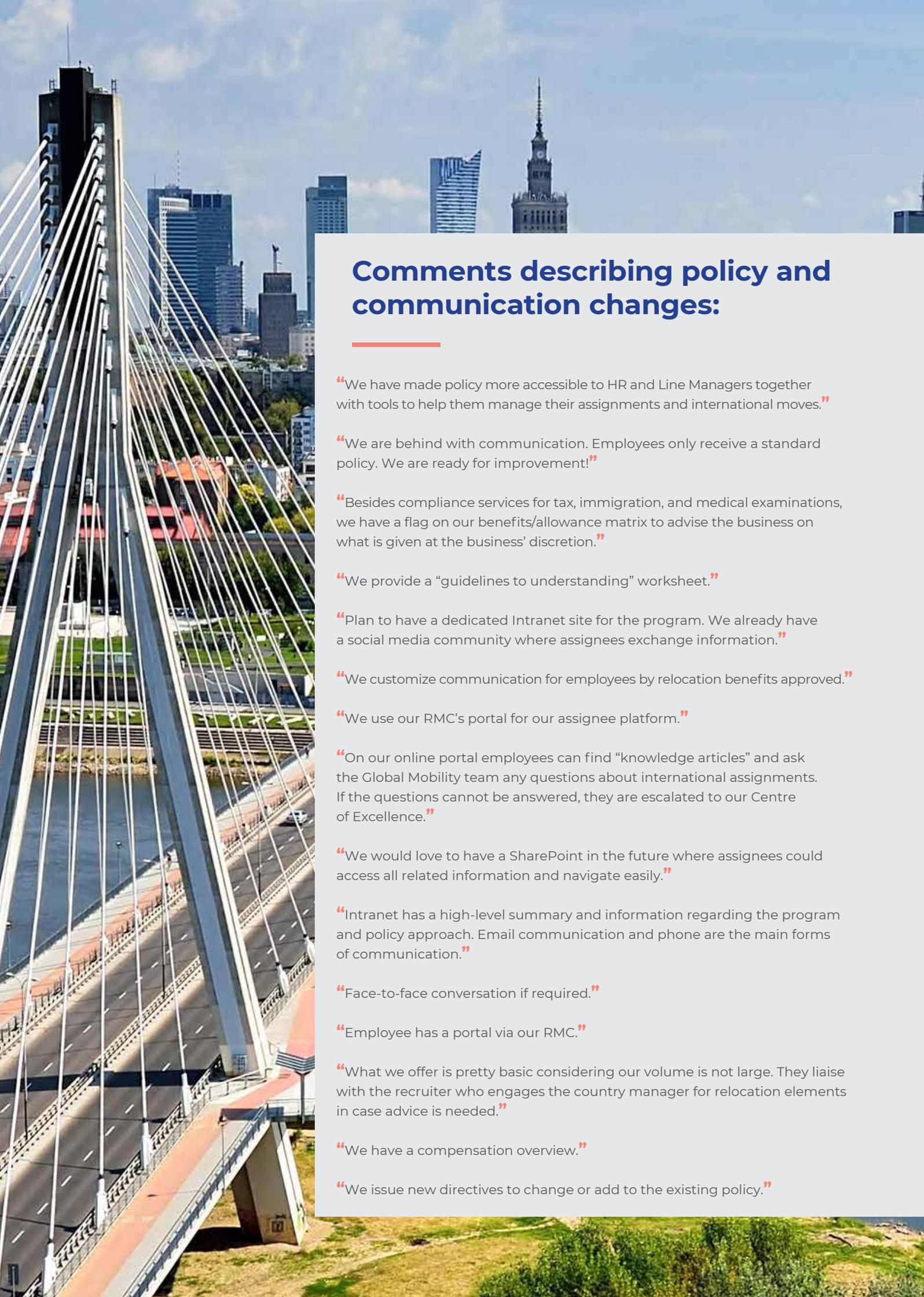
### Have you made any changes to the format of your employee policies to make them more user friendly?



Type of change	Yes	No	Not yet
Use of infographics, less text	23%	50%	28%
Online guidelines	43%	33%	24%
Video	7%	74%	19%
Chatbots	3%	73%	24%
Simplified descriptions of benefits and services	57%	23%	20%
No policies provided, only Letters of assignment (LoAs)	28%	63%	9%

### Other than policy, does your Global Mobility program use any other platforms to communicate to employees?

Type of change	Yes	No	Not yet
Intranet site	58%	27%	15%
Global Mobility blog/vlog	13%	70%	17%
Social media community	18%	67%	15%
Apps	15%	63%	21%
Email	83%	13%	4%
Text messages	30%	62%	8%



## Comments describing policy and communication changes:

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“We have made policy more accessible to HR and Line Managers together with tools to help them manage their assignments and international moves.”

“We are behind with communication. Employees only receive a standard policy. We are ready for improvement!”

“Besides compliance services for tax, immigration, and medical examinations, we have a flag on our benefits/allowance matrix to advise the business on what is given at the business' discretion.”

“We provide a “guidelines to understanding” worksheet.”

“Plan to have a dedicated Intranet site for the program. We already have a social media community where assignees exchange information.”

“We customize communication for employees by relocation benefits approved.”

“We use our RMC's portal for our assignee platform.”

“On our online portal employees can find “knowledge articles” and ask the Global Mobility team any questions about international assignments. If the questions cannot be answered, they are escalated to our Centre of Excellence.”

“We would love to have a SharePoint in the future where assignees could access all related information and navigate easily.”

“Intranet has a high-level summary and information regarding the program and policy approach. Email communication and phone are the main forms of communication.”

“Face-to-face conversation if required.”

“Employee has a portal via our RMC.”

“What we offer is pretty basic considering our volume is not large. They liaise with the recruiter who engages the country manager for relocation elements in case advice is needed.”

“We have a compensation overview.”

“We issue new directives to change or add to the existing policy.”



# Conclusion

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**The mobility industry is undergoing a number of changes that are influenced by larger global transformations. New ways for information to be provided and customized due to advances in technology have changed consumer and employee expectations. These innovations also provide opportunity to transform how Global Mobility supports global business in terms of potential efficiencies, data analytics, cost transparency, reporting and productivity, but also in terms of changing the employee experience.**

## **Flexibility driven by cost**

This year's survey focused on evaluating how companies are redesigning mobility programs and rewriting policy to align with this environment and the shifting assumptions around how, and why, companies move their employees and what employees want from the experience. What we find is that, despite the drumbeat of innovation, technology and change, our industry finds itself moving at a slower pace. Two thirds (75%) of participating companies do not describe their programs as Innovative or Leading edge. More than half (58%) of participants describe their Global Mobility programs as being Traditional or Catching up. Another 17% describe their programs as being Risk averse. Flexibility seems to mostly be driven by cost, rather than the impact on the employee.



This finding does not mean that changes are not happening. 52% of companies with flexible policy added them in the past three years, as have 62% of participants with employee-choice policy. There is also a strong recognition that the Global Mobility function is becoming more of an advisory and strategic role.

## Number of years working in Global Mobility

Perhaps part of the reason for much of the change we are seeing is due to the relative newness of survey participants in our industry. The vast majority (69%) of participants have been Global Mobility professionals for 10 years or less. An indicator that a new perspective is coming to our industry and bringing with it changes that will align with those in other industries.

## Policy and communication

This research reflects a general delay across our industry for adopting new ways of presenting information and communicating with employees. Approaches that are commonplace for most employees and their families – and for most professionals outside of the workplace – like texting, using apps and forming communities on social media, are still infrequently found in Global Mobility programs. We will continue to track these findings and are certain that changes are imminent, but it confirms that our industry has a way to go.

Perhaps it is the 25% of companies that describe themselves as being at the forefront that will deliver significant changes that require our entire industry to take notice and get excited about things to come. As we begin to envision many of these shifts, it continues to be an exciting and energizing time to work in Global Mobility.

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