

Crown World Mobility: Top 10 Global Trends of 2018 Revealed

Workforce Mobility Experts Report What to Expect

As the world becomes more and more connected through the power of mobility, industries of all kinds are discovering new ways to enhance and speed up workforce relocation processes – without cutting into their bottom lines. In a time when geopolitical events are shaping the way countries and companies take in new employees, it has never been more important to understand the game-changing value of modern mobility.

Crown World Mobility (CWM), hosted its quarterly Perspectives Live webinar on February 27, for attendees interested in the latest in the field. Titled 2018 Global Mobility Trends, this event spotlighted CWM's annual list of topics identified as significant industry shifts or innovations. In addition, the webinar offered helpful tips that can be applied to current policies and programmes, practical next steps and strategies.

Below are the CWM's top ten trends businesses may need to consider in order to stay competitive in today's 24/7, mobile-digital atmosphere:

1. New Focus On The Accompanying Partner

Unlike the days of the “trailing spouse” – an antiquated reference to a housewife joining her husband on his occupational journey – the accompanying partner demographic has now grown to include both career-focused men and women, and same-sex partners. In order to secure the best possible talent, organisations are creating mobile heavy solutions to help the accompanying partner ease into a new life of opportunity with tools to best adapt financially, emotionally and culturally.

Talent-hungry companies are developing platform-based programmes focused on partner career search support, intercultural training, local job opportunities and diverse peer networking, along with policy and communication updates to ensure a non-presumptuous, politically correct process.

2. Mobility ROI

This year, we reported that businesses are going to see more debate and movement around mobility return-on-investment (ROI). There is still little agreement regarding how to best define and gauge mobility ROI. While a few companies have established specific measurements under an ROI equation – it has not led to an industry-wide norm.

The reality is that the industry is ready to hit the reset button, which may start to pop up in the form of a dashboard of measurements, showcasing company data on recruitment and retention, cost management, employee goals met and beyond. With such a vast landscape of companies with a different combination of priorities, the ROI equation is set to be flexible and to continue evolving.

3. Offering Lump Sums And Cash Allowances

The 2018 changes to US tax laws – eliminating tax advantages for companies that provide relocation travel and shipping benefits – will potentially increase the less-complicated lump sum strategy for mobile-forward organisations moving employees domestically or in/out of the US. In looking towards this approach, we expect more discussions focused on pinpointing the right sums and finding the right balance of technology and human support.

Also up for healthy debate, is offering structured policies with more flexibility, as it relates to an employee's lifestyle. While some companies are using a multi-tiered approach, others have a “menu” with similarly valued options to select from. Both are seeing positive responses from employees, who greatly value the freedom to choose how to live.

4. Diversity Mobility 2.0

In 2018, we predict a rise in the focus on diversity in global mobility candidates, especially within progressive brands that already have a strong commitment to D&I strategies. In recent years, there has been a slow but steady rise in female assignees in organisations around the world. Today,

D&I strategies are found amongst the more mature global companies; as a result, unconscious bias training has become more commonplace and is now being adjusted to include global mobility and assignee selection as part of the focus. In line with our research in this area, there will be a great number of emerging best practices expected in the diversity mobility area.

5. Duty Of Care, Risk Management And Assignee Wellbeing

Our reporting found that almost half of companies made recent changes to their global mobility duty of care programmes in light of current geopolitical events. Forming stakeholder groups, putting new security procedures in place and implementing technology to track employees are all cited as risk management steps. While there is not one universal set of laws to define the actions to be taken as part of the moral and legal obligations for the safety of business travellers and international assignees, there has been an increasing awareness of the need to better address mobility duty of care.

Meanwhile, road accidents, medical and health problems, and petty crime are far more common than terrorism, despite many business travellers' perceptions. As a result, safety technology and DIY mobility are both being implemented to trigger alerts, track employees and provide emergency assistance.

Finally, global companies increasingly acknowledge that their bottom line can benefit from healthier employees, which is why incentives that promote mental health and exercise are on the rise. This year, we will see a discussion emerge within Global Mobility programmes that includes assignment-related medical exams, cross-cultural and language training, partner support, settling-in services and assignee mentoring.

6. Smart Mobility

Thanks to the growing ability to harness data, we are certain to see an increase in using data analytics to refine global mobility and meet the employee and business needs head on.

With so much information at the fingertips of any analyst, companies can now determine how to better connect and stay on track by looking at programme stats on a single platform, which can include anything, from global mobility team member skills and competencies to knowing which assignments are ending each month, to visibility of information requested from the employee to create process efficiencies.

Temporary housing, real estate firms, settling-in services and language training are all examples of areas quickly adopting mobile technology to customise experiences – with high-tech concepts like ePacking, eSignatures and virtual home surveys already in play in the mobility space.

We also reported that chat bots are going to become the new normal as part of the employee experience in global mobility support, especially for policy and FAQ advice. Finally, facial recognition and fingerprint technology will expand to meet mobile payment solutions for relocation expenses.

7. Impact Of US Tax Code Changes

In 2018, it is likely that changes to policy – as a result of US tax code revisions – will be a big trend in the coming months and significantly impact relocating employees and their companies.

First, the removal of relocation-related household goods shipment deduction under the new tax code will increase the cost of providing that assistance to employees. As a result, companies may look to alternatives, such as the previously cited lump sums – in order to purchase furnishings in the destination location and store furnishings in the home location. Unfortunately, this could have a negative impact on productivity, due to the extended amount of time it will take for the employee to organise the move and the potential for things to go badly when they are not managed professionally. Therefore, we are likely to see new service approaches in 2018 in response to the new tax code, while continuing to provide important support to employees.

Second, the repeal of deductibility for certain moving expenses may also lead companies to consider additional policy changes. Under the new law, an employee can no longer exclude qualified moving expenses, or deduct certain expenses that are not reimbursed, from personal income. Unsurprisingly, this change will increase the cost for employers, who will need to factor in the taxes paid on these expenses as part of employee salary. In the next 10 months, companies are likely to be looking for ways to change policy and mitigate or prepare to absorb these costs.

8. Employee-Requested Moves

While facing a growing number of permanent transfer requests as alternatives to traditional temporary assignments, companies are also developing more low-cost, low-touch opportunities to help early-career employees gain short-term international opportunities. By aligning global mobility with talent strategies, organisations are responding to the growing millennial workforce population, which is famously hungry for international experiences and adventurous lifestyles. Crown's recent study shows 52% of companies adding an employee-initiated move policy to their Talent programmes.

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9. Cost Savings: Where Are They Coming From Now?

After a number of years of diligently looking for and implementing cost savings initiatives, many companies report that they are somewhat satisfied with where they are overall regarding mobility programme costs. In 2018, we can expect a further development of policies based on short-term assignments or one-way transfers, and alternative approaches to the shipment of household goods for temporary assignments. As mentioned earlier, the two most popular trends are to provide furnished accommodations in the host location, or to offer a lump sum for the purpose of purchasing items in the host location in lieu of shipping. Both of these approaches offer savings on expatriation and repatriation.

It also seems like the trend in core-flex style policies will be even bigger in 2018. The core benefits ensure compliance mandates are met and minimum standards apply to all employees; the flex benefits include customisation of business and personal needs, and the ability to minimise the need for exception requests, both of which offer cost savings to the company.

10. Repatriation: The Discussion Continues

Our 2018 Policy and Practices survey shows that 87 percent of companies have repatriation support written into their policies, up from 82 percent in 2015. For those companies with “out-and-back” international assignments, repatriation needs to be addressed from an assignment ROI perspective, i.e. setting objectives at the start of the assignment, preparing for repatriation during the assignment and including repatriation integration briefings in policies and programmes. The same study shows that only 9% of companies' policies include ROI strategies for Repatriation policy. For companies with less focus on temporary assignments and more focus on global career mobility, where consecutive assignments, open global recruitment policies or one-way moves are more the norm, repatriation support may simply remain tactical.

What does it all mean?

“They always say time changes things, but you actually have to change them yourself.”
- Andy Warhol

The major 2018 trends in global mobility are truly inspiring innovative thinking and creative solutions across industries and geographies. In any business, in order to survive, we must be adaptable to change and take matters into our own hands. In the coming months, trend followers can expect a deeper response to demographic shifts, ever changing technology, and smarter ways of connecting and retaining world class talent.



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Crown World Mobility's Global Practice Leader for Consulting Services, Lisa Johnson. Lisa has been with Crown for 5 years now and she is responsible for our Perspectives articles and Crown's industry research. She supports CWM's clients with their mobility policies and programme strategies and is a leader in addressing innovations and shifts impacting the relocation industry. Lisa has been in the global mobility area for more than 20 years and is one of the early thought leaders in assignment related Return on Investment and in the Talent Mobility area. Visit www.crownworldmobility.com.