Simplifying Global Mobility Data And Payments Is Key To Global Success

Research has proven that organisations with a global mindset are likely to be more profitable and successful. Yet, as mobility evolves with new trends emerging, so do the challenges. These trends bring a greater volume and variety of data to interpret, more payments to make and costs to reconcile, all adding to the complexity of Global Mobility operations. For businesses to succeed globally, Global Mobility operations need to be able to cut through this complexity.

For organisations with limited infrastructure or lacking support from the right technology, unifying and simplifying data and payment aspects of the mobility programme is the key to improving efficiency. It frees up resource to allow Global Mobility operations to support the business strategically, cut costs and better support assignees.

Trends In Global Mobility Operations

Over the past two decades, how organisations operate within the international marketplace, payment and fiscal factors, not to mention assignee expectations, have changed significantly.

Looking back 20 to 30 years ago, Multinationals typically operated from a global HQ, which assignees were expatriated from and returned to. Organisations are now more likely to have multiple home-host combinations and policy types, all adding to the complexity of managing the mobility programme and business processes.

Changing external factors are also having a significant impact on how Global Mobility teams operate. Digitisation of tax processes by fiscal authorities brings a new level of compliance that international organisations must adhere to, while the shakeup of employee payment methodology looks set to change the way salaries are paid. As new generations become more accustomed to alternative payment methods – such as open banking, mobile banking and digital wallets – so is the expectation that employer payment methods will follow suit.

Gone are the days of assignees taking on international roles purely for financial reward. The assignee experience is an area of growing importance. Now it presents them with the opportunity for personal and career development, putting an even greater onus on a seamless transition to their new place of work and home. And it pays dividends for organisations to do this well. Research shows businesses that deliver a great assignee experience, generate four times the profit per employee compared to organisations that do not invest significantly in the employee experience, despite paying 50% more in terms of salaries.[1] Part of this involves supporting them with accurate and timely payments, especially at the start of the assignment, allowing them to focus solely on settling into their new role and home.

Vendor Reliance Can Add Complexity

As Global Mobility has continued to grow in scale and complexity, mobility functions have become increasingly dependent on specialist Global Mobility vendors, with each vendor requiring its own data set to perform its service. This data is often shared in a manual and inefficient way or not at all.

Vendor reliance may seem like the obvious and immediate solution but long-term it becomes a costly exercise. It can be challenging to manage, leading to inefficiencies that cost more in the long run than investing in a scalable, comprehensive solution upfront. Here's why:

- With data dispersed across vendors it's difficult to achieve a global view of mobility data required by payroll and compliance. e.g. each country payroll team providing separate formats of data for tax return compliance
- The siloed approach between vendors inevitably leads to the duplication of data and tasks, resulting in unnecessary cost and inefficiency. e.g. multiple relocation vendors making payments on behalf of the organisation/assignee
- Under significant profit pressure to reduce cost-of-delivery, vendors begin to charge additional fees for out-of-scope work or additional requests. e.g. additional data collection or data validation to file a tax return
- Lack of bigger-picture data makes it impossible for organisations to assess the actual cost of their Global Mobility programme and return on investment of international assignments. e.g. manually amalgamating multiple excel files for management reporting.

Reference
1. Learnlight, "How Can Global Mobility Enhance the Assignee Experience" by Daniel McInnes https://insights.learnlight. com/en/articles/global-mobility-enhance-assignee-experience/.

In Global Expat Pay's experience support costs alone are 25-40% higher than necessary with a significant proportion of each vendor's costs related to data collection and validation or correcting the impact of late or inaccurate data.

Creating A Single Source Of Truth

Associated functions, such as Reward, HR, Finance and Tax and their operational needs in areas such as cost recharging, budget-to-actual reconciliations, total cost reporting or performance management are rarely efficiently supported or enabled in Global Mobility operations, largely due to the vast spread and volume of data. This makes it challenging for organisations to assess the true cost of global assignments or evaluate return on investment, particularly when volatile exchange rates add an incremental layer of cost to businesses, with international salaries costing more from one month to the next.

Establishing a solid foundation for data management is key to removing these inefficiencies and cutting the associated costs. Clear identification of data ownership, validation and controls not to mention attaching to the relevant business process (for example recharging reports, payroll instructions or management reporting) throughout the data's life cycle is vital in maximising the usefulness of data and bringing down costs.

This will cut back the time commitment currently invested in data collection, payment accuracy and managing compliance, creating a more holistic approach.

Traditionally, there has been little other option for organisations lacking the infrastructure and support but to rely on specialist Global Mobility vendors to manage the process for them. Particularly when technologies in the Global Mobility space have focused on serving a specific outcome. This has resulted in some vendors supporting non-core services, such as payments, to supplement the organisation's internal capabilities.

Global Expat Pay has developed a unique technology-enabled Global Mobility data and payment service that helps organisations seamlessly manage their Global Mobility operations through one platform. Using a combination of smart technologies, mobility data management expertise and Western Union Business Solutions leading global foreign exchange payment capabilities, it's a one-stop solution for organisations that lack the internal infrastructure or face challenges in fully managing the Global Mobility operation's complexity.

The Right Technology Can Help

Investment in the right technology will help organisations to rework the traditional Global Mobility operations model. Creating a coherent, single view will eliminate many of the challenges currently faced by Global Mobility teams. By enabling Global Mobility operations to combine all data and payment management into one single-source of truth the process becomes simple, efficient, accurate and secure. It will reduce internal efforts, reduce external costs and help make the assignee's experience frictionless. The right technology can help to automate, even eliminate, many labour-intensive business processes, freeing up resource to ensure Global Mobility supports the business as a strategic partner.

With access to valuable business insights, mobility teams can shape the Global Mobility strategy with a bigger-picture view of what is and isn't working for the business and the assignee, where costs can be saved and what investment is required to achieve integration of business processes. All factors high on the agenda for global organisations, particularly as they look to branch out into new markets.

With the volume and variety of data looking only set to grow, now is the time for organisations to consider how they futureproof Global Mobility operations through the right technology. A platform that aids the consolidation of this data is the key to continued success in an increasingly competitive market. Organisations need to rethink how they drive outcomes, by streamlining business processes and removing the financial and operational complexity behind Global Mobility.

DAVID MCALISTER
Chief Customer Officer,
Global Expat Pay
David has a wealth of experience in the Global Mobility sector, having worked for in-house mobility teams, Big 4 service providers and having been an assignee himself multiple times.
He believes simplification of Global Mobility data and payment is key to eliminating the large operational inefficiencies and duplication of mobility costs most organisations face.
David is responsible for overseeing customer success for Global Expat Pay. His emphasis is on bringing in the voice of the customer and aligning the delivery of Global Expat Pay's solution to remove complexity and operational barriers of Global Mobility programmes.
Email: David@GlobalExpatPay.com

About Global Expat Pay

Global Expat Pay was formed by industry-leading experts to tackle the challenges faced by Global Mobility teams. Its sole purpose is to reduce the time, cost and complexity in delivering effective Global Mobility operations, and help businesses develop a strategic Global Mobility strategy through insightful reporting and analytics.
Want to find out more?
Visit www.globalexpatpay.com or call +44 (0)1753 944 785. Follow Global Expat Pay on LinkedIn: www.linkedin.com/company/global-expat-pay