

# Making Global Mobility More Sustainable

**Sustainability is rising up the agenda for organisations and individuals alike, so it follows that the green credentials of mobility programmes are now coming under greater scrutiny. Yet ECA's Global Mobility Now Survey showed that only 3% of organisations' global mobility (GM) teams believe they are successful in achieving sustainability. This is unsurprising given that mobility is in the business of moving people around the world. However, whether it is through the choices of the business or the assignees themselves, there are ways to cut or minimise the impact of global mobility on the environment at each stage of the assignment process.**

## Relocation (And Repatriation)

The first point to consider – do all your assignees actually need to go on an assignment in person? Facilitating virtual assignments is one way to reduce your GM programme's carbon footprint, with just under half of organisations either already encouraging this option, or planning to do so, specifically as a means of making the programme more sustainable. However, not all assignments can be done remotely and those that can might still have a high carbon footprint if they involve assignees regularly visiting colleagues with whom they are working.

When making assignments virtual is not viable, the impact of air travel to and from the assignment locations is a major area of concern but there are some options for those looking to limit or mitigate the environmental impact. Sometimes the use of flights to travel internationally can be avoided; for certain routes, assignees may be in a position to travel by train, and virtual look-see visits for prospective assignees are becoming more common. Nevertheless, it is likely that some air travel will be necessary, in which case companies could offset the carbon emissions by investing in equivalent reductions in emissions elsewhere. Discouraging the use of business class will also help as these seats have a higher carbon footprint per seat than economy class ones.

Similarly, the shipment of assignees' belongings can have a sizable carbon footprint. Relocating to another country will always require assignees to take some items with them. What companies can do is seek to balance the needs of the assignee and their family with the best approaches environmentally.

One way of doing this is to offer flexibility – so the assignee can find the mix of air freight, surface freight and excess baggage that works for them – while also encouraging sustainable choices by providing information on alternatives where they exist. For example, shipping furniture is rarely a necessity. Companies could instead give assignees a cash allowance and encourage them to rent furniture for the duration of the assignment, or a housing budget sufficient for renting furnished accommodation. A cash allowance could also be used to purchase furniture locally; this could be more sustainable than shipping furniture, but of course the purchase of new items comes with an environmental impact. There are ways to minimise this, however; assignees could be encouraged to buy from companies with sustainable practices who source materials locally, or to even consider high quality second-hand furniture. Disposing of any purchased furniture at the end of an assignment should of course be avoided – it could be sold or donated, or potentially even retained and reused if there is a steady flow of new assignees into the same location (although this last option could prove difficult in practice).

One thing to bear in mind is that the cost and availability of furnishing options can vary drastically from location to location, so make sure that you are well-informed on the possibilities and constraints in each host country. For example, furnished accommodation is extremely rare in Zimbabwe, and there are no furniture rental companies, so furniture purchase is the only alternative to shipping there. Meanwhile, furnished accommodation can cost the same as unfurnished in some countries, but 50% more in others.

## During Assignment

While transport during the relocation stage can have a huge environmental impact, travel during the assignment itself is also an area where companies and assignees can look to make more sustainable choices. Rather than providing a car as a benefit to your assignees,

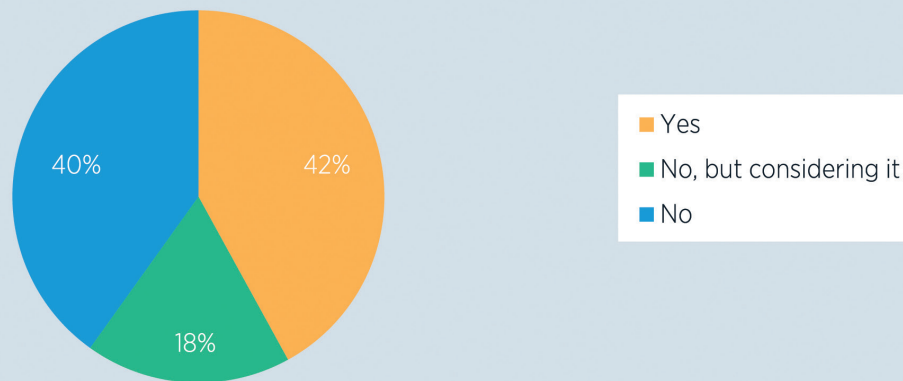
a public transport allowance could provide an excellent, more sustainable alternative. This, however, will depend heavily on the location of the assignment. For example, while it is typically much more convenient to use public transport in Hong Kong than to drive, many cities in the USA are not well served by public transport.

Another option is to provide electric cars to assignees. Not only are electric cars more environmentally friendly than petrol and diesel cars, they have the added benefit of lower long-term running costs than regular vehicles and many countries offer incentives to encourage electric car ownership, such as subsidies and preferential tax treatment. However, the viability of this option will again depend on where your assignees are based, as well as many other factors: the distance travelled regularly, the range of the car between charges and the domestic charging infrastructure, including whether you can charge it from home. Make sure that you have the data you need so that you can easily assess which locations are likely good candidates for an electric car benefit and to help you calculate the budget needed to provide it.

It may even be possible to avoid the need for cars or public transport altogether, if the accommodation provided to assignees is very close to the office, and near the school of any accompanying children. However, areas within walking distance of city centres or popular schools are likely to come at a premium. An assessment would need to be made case by case, but getting around on foot or by bike is a prospect that may be more realistic for, say, unaccompanied short-term assignees in a city centre serviced apartment than it would be for accompanied long-term assignees with more complex needs around space and bedroom numbers, access to outdoor spaces and school runs.

The actual buildings housing your assignees also have a role to play. You may consider ensuring that you provide more recently built homes to your assignees, which usually have far superior insulation than older properties and will therefore help your assignees use less heating and air conditioning. Lowering energy consumption is a key tenet of sustainability. If you pay the utilities costs of your assignees, this might encourage gratuitous energy usage. Therefore, in considering a well-insulated building, you may want to consider replacing the provision

## Flexible relocation benefits approach



of utilities benefit with an allowance based on typical costs or to include utilities in your cost of living index instead. In the latter case, assignees will be responsible for paying for their own utilities but protected from a difference in cost between the home and host countries through the COLA.

### Can Flexibility Promote Sustainable Choices?

Flexible approaches to benefits are becoming increasingly popular. A quarter of companies participating in our Benefits for International Assignments Survey last year are already taking such an approach for ongoing assignment benefits, but almost the same number of companies said they were considering doing so in the future. It's even more common for companies to use a flexible approach to relocation benefits; two in five report doing so, with another one in five considering implementing this. Most companies taking this approach provide assignees with a fixed lump sum they can allocate as required, and the remainder are evenly split between a core & flex approach and a managed lump sum approach.

Many companies already using a flexible approach have not yet considered their approach through a sustainability lens but could easily do so. If assignees are left to their own devices, there is no guarantee that some won't apportion an outsized amount of their allowance or budget to shipping and increase their carbon footprint. Therefore, proactively educating assignees about sustainable choices may be the best approach – and in fact, making assignees feel empowered to take ownership over more of their own carbon footprint and sustainability, and think more carefully about what they really need to relocate to establish a comfortable life in their new home. Whereas, under the traditional approach of companies providing a fixed suite of benefits (either in kind or as cash), assignees may be more likely to distance themselves from the environmental

impact of their assignment, seeing this as the company's problem and being incentivised to make full use of all entitlements on offer.

### Sustainability From Your Vendors

Increasingly, clients rightly expect their vendors to contribute to their sustainability goals. A third of organisations currently consider sustainability when it comes to choosing GM vendors, and this is likely to increase – two in five participating companies in our Global Mobility Now Survey plan to do this in the future.

Being picky about your vendors may have the downside of reducing the choice of services, but ethically minded assignees will feel reassured that the company has carefully selected partners who can demonstrate that they are taking proactive steps towards sustainability and are committed to reducing their environmental footprint. Relocation and shipping vendors are of course key ones to examine, but all of your global mobility providers – throughout the assignment lifecycle – should be mindful of their impact on the planet and actively playing their part in reducing ecological harm.

### Perfection Is The Enemy Of Progress

Most companies are at best in the earliest stages of embedding sustainable options and practices into GM programmes, while many others are unsure where to start, or wonder if it is even possible to be sustainable when international relocation is essential to the business. But there are lots of simple initiatives you can begin with, and if you are concerned about balancing assignee satisfaction with sustainability, then giving assignees an active role in achieving sustainability objectives may help them feel they can make a positive difference and encourage their engagement with the issue. Sustainability is already important to most individuals and if organisations lead

by example in prioritising sustainability goals, and if they empower assignees with education and support, assignees are more likely to make greener choices and take satisfaction from playing a part in reducing the organisation's environmental footprint.



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