



CONVERSATIONS WITH MOBILITY LEADERS

How Economic, Social,
and Geopolitical
Macro-trends Influence
Mobility Strategies

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In our continuing series, “Conversations with Mobility Leaders”, Sirva explores the topic of economic, social, and geopolitical (ESG) macro-trends and their influence on mobility strategies, including:

- Supporting responses to crisis management through data gathering and strategy
- Handling crisis management, particularly considering escalating situations around the globe
- The impact of today's economy and the need for program cost transparency across all stakeholders
- New opportunities for improved reporting and decisions driven by program insights

Following are highlights of our discussions in which industry thought leaders provide insights on how ESG macro-trends are impacting their mobility programs.

INTRODUCTION

In today's dynamic global business environment, the interplay between economic, social, and geopolitical macro-trends significantly shapes organizations' mobility strategies. As the world shifts towards deglobalization and strategic footprints, organizations face a growing need to align their mobility approaches with these evolving paradigms. Recent escalations in the Middle East and Eastern Europe require effective crisis management strategies to safeguard personnel and assets. Moreover, the pervasive impact of rising inflation and interest rates underscores the importance of program cost transparency across all stakeholders, compelling companies to adapt their mobility initiatives accordingly.

Amidst these challenges, there emerge new opportunities for enhanced reporting and decision making, driven by insights gained from mobility programs.

There is a growing need for:

- Crisis management strategies
- Cost transparency
- Enhanced reporting and insights to drive decision making





CRISIS MANAGEMENT AND DATA GATHERING

One mobility leader's company security team initiated a request to review their crisis management program because of the war between Israel and Palestine, recognizing the importance of crisis management within their global organization. Efforts have since been made to centralize information regarding all employees' locations and citizenships to facilitate swift decision making during a crisis. However, it was noted that there's a challenge in obtaining data from vendors, which is prompting a reevaluation of data acquisition methods. The conversation highlighted the complexity organizations are facing when attempting to track data across different systems and countries, particularly within HRIS and vendor platforms.

It is widely acknowledged that comprehensive data tracking is necessary, especially for immigration-related matters, and there is a realization of the gap in information provided by some vendors. Despite the challenges, organizations are acknowledging the importance of implementing tracking measures, particularly within vendor systems, while realizing that maintaining data integrity, especially within a large global workforce, poses logistical difficulties. Overall, conversations with mobility leaders have underscored the critical need for accurate and centralized data for effective crisis management and decision-making processes.

CRISIS MANAGEMENT STRATEGY

When the war broke out in Ukraine, one organization, with an office in Poland, made strategic decisions regarding crisis management and employee mobility. It was determined that while the company wouldn't proactively offer relocation assistance, individuals expressing a desire to move would receive the company's support. Assistance included facilitating moves to offices in safer locations, obtaining necessary work authorizations, and arranging temporary housing. However, any further decisions beyond temporary accommodations were left to the individuals themselves, emphasizing personal choice regarding security concerns. The approach ensured that employees had options and support while maintaining autonomy in assessing their security risks and making corresponding decisions. In other cases, organizations ultimately decided to close their offices in Russia.

The use of Workday for tracking employee data was highlighted by some organizations, though challenges persist in obtaining comprehensive citizenship information. Despite limitations, recent crises have demonstrated the importance of mobility in decision-making processes, granting it a significant role in organizational strategies. Even in disparate situations like Israel and Russia, swift involvement and proactive planning proved to be very important. For one organization, a crisis team, managed by the employee relations organization, emerged as a critical group and central hub for decision-making and coordination, highlighting the collaborative approach to crisis response within the company.

Proactive crisis management measures are vital, including:

- Readiness and monitoring
- Security assessments
- Collaboration with global security teams
- Quick dissemination of information





SECURITY CONCERNS AMID HEIGHTENED TENSIONS

It is clear from our conversations with global mobility leaders that proactive measures are being taken by organizations to protect their mobile populations and nationals, particularly in light of rising anti-Semitism and security concerns in many locations. Instances of needing to relocate individuals due to security threats are highlighted as significant challenges faced by some clients. Many organizations are aware of higher levels of risk for certain employee populations and acknowledged their readiness and monitoring mechanisms for potential crises, including conducting security assessments and keeping abreast of geopolitical developments. Proactive measures, such as securing corporate housing in safer regions, are mentioned as part of an overall crisis management strategy.

The importance of information dissemination and collaboration with global security teams to ensure timely alerts and responses to emerging threats is acknowledged by many organizations. The dialogue that is taking place underscores the complexities and considerations involved in crisis management and relocation efforts, especially in regions like the Middle East, where both heightened tensions and security risks are at play.

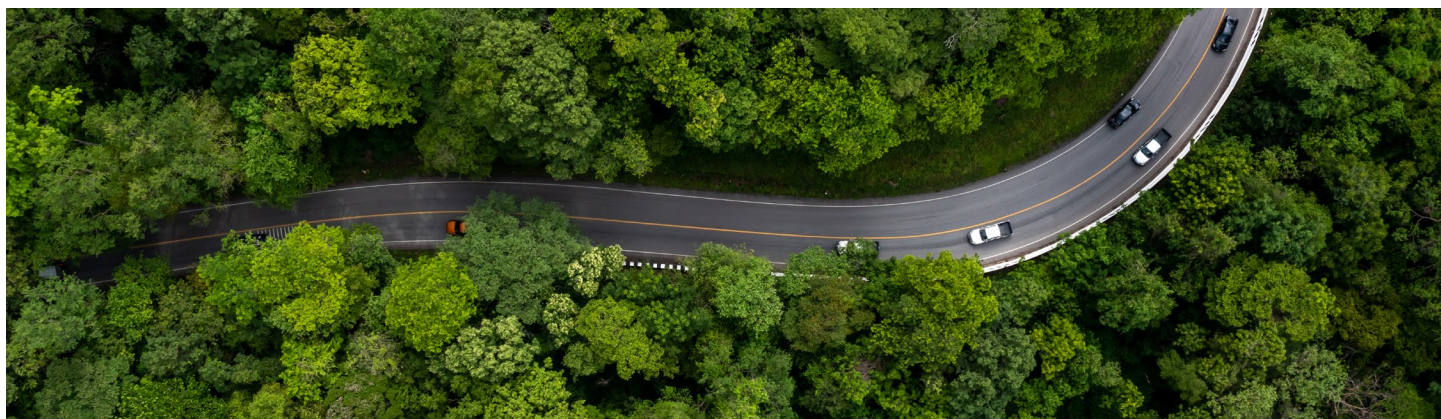
THE IMPACT OF TODAY'S ECONOMY ON GLOBAL MOBILITY

Mobility leaders are acknowledging that the challenges posed by increasing relocation costs in a post-COVID world, including inflation and rising interest rates, are escalating the need to justify relocation decisions with Talent Management teams. Strategies being discussed by mobility leaders include building rationales for relocations based on skill gaps or talent development and adjusting location strategies accordingly. The importance of facilitating in-office collaboration amidst hybrid work schedules underscores the critical role of global mobility in talent placement. The evolving landscape of mobility management amidst economic shifts and organizational changes emphasizes the need for proactive adaptation and strategic alignment.

Another company's Global Mobility Team, now part of Talent Management, is undergoing a strategic shift to focus on early-career international experiences which are beneficial to both the company and the mobile employee. Focusing on early-career relocations can mitigate costs by moving a demographic that may be less expensive to move; reduce stress, particularly for employees with families; and emphasize the long-term benefits of early-career international exposure. The focus is not solely on cost reduction, but also on providing employees with valuable experiences that can benefit them throughout their careers.

Several global mobility leaders have highlighted the significant impact of program costs, particularly an increase in expenses related to their visa programs. This surge is due to several factors, including the implementation of a return-to-office policy, and the deferral of employees relocating during the pandemic now choosing to move. The costs have escalated, surprising some financial officers and human resources leaders.

Many mobility teams are approaching each move with the question: what is the intention of the move? It is often automatically assumed that a permanent transfer is going to be less expensive than a regular assignment, and that is not necessarily so based on where the employee is going to and coming from. This gives mobile employees an understanding of the various types of moves, such as host plus or expat light, and what that means for development programs, as well as the overall cost associated with each move. In some cases, mobility managers have been tasked with determining which are baseline provisions and then what can be flexed. The mobility team ultimately has a duty of care baseline, and then by market, the business can decide what is best for their talent population.



THE INCREASING IMPORTANCE OF DUTY OF CARE AND WELL-BEING SUPPORT



Many global mobility leaders are sharing that there has been a sudden surge of interest in the global mobility function at their company. Along with this, global mobility leaders are emphasizing the importance of educating business units about the duty of care provided by global mobility, particularly since it seems to be garnering increased attention and inquiries. One organization has developed a virtual tour to educate colleagues, especially those with influential voices, about the various scenarios and support available regarding expatriates and employees impacted by different circumstances.

Some mobility leaders are being contacted by their security teams regarding different scenarios involving expatriates. This attention highlights how all roads lead back to global mobility, contributing positively to both the group's and the company's reputation.

Organizations are seeing a growing interest in tracking the demographics of individuals to ensure duty of care or well-being support. In response, some global mobility teams are tracking all relevant data and are providing monthly, quarterly, mid-year, and annual reports detailing the duty of care activities, impacted populations, and regional breakdowns. By presenting information at a micro level to leadership, and effectively tracking and reporting on all aspects of their duty of care responsibilities, mobility leaders ensure relevance and generate increased interest across the company in Mobility's role.

Many global mobility leaders are seeing a surge of interest in the Mobility function, emphasizing the importance of educating business units and highlighting Mobility's key role.

Ongoing discussions about the increasing need for greater levels of well-being and duty of care, especially for the Gen Z demographic entering the workforce, are also taking place. Many organizations are seeing that this generation expects more from their corporate employers than what has traditionally been provided. As a result, tracking demographics may become a key focus for global mobility leaders as the Gen Z cohort grows in the workforce. With more early-career individuals, particularly Gen Zs, entering the workplace, data indicates a greater need for duty of care and well-being support, which they expect from their employers.

DATA, REPORTING, AND PROGRAM INSIGHTS

The importance of tracking relevant data points for analysis was highlighted as a critical practice by many mobility leaders, as well as using mobility reporting for decision-making. Organizations are facing the challenge of obtaining accurate data promptly. Presenting data on benefit preferences and financial transparency, especially during budget planning periods, is vital as is the importance of ensuring data accuracy to avoid flawed outcomes.

Several organizations are focused on long-term transformation projects geared primarily toward ensuring data integrity. There is an increasing demand within these organizations for data analysis, particularly as it pertains to dissecting spending patterns across various business sectors, including providing detailed breakdowns of spending trends, comparing current data with previous years, and projecting future expenditures. It is challenging to accurately portray spending per expatriate assignment, rather than just overall spending figures, to reflect the true impact on costs. Despite efforts to streamline data analysis, companies are seeing a time lag in reporting due to the meticulous process of verifying data integrity and ensuring consistency with previous reports.

Overall, while acknowledging the importance of robust reporting and decision-making processes, organizations are expressing the common challenges of proactively anticipating and determining what the business' most pressing data needs are, extracting and obtaining data from internal resources and external providers, and presenting data effectively. There is a continued need to address these ongoing challenges to drive informed mobility decisions.

Data analysis challenges facing organizations including:

- Anticipating business needs
- Obtaining data from external vendors
- Extracting data from internal sources
- Presenting data effectively

CONCLUSION

The exploration of economic, social, and geopolitical (ESG) macro-trends and their influence on mobility strategies calls attention to the dynamic nature of global mobility management. Today's mobility thought leaders recognize the growing imperative to leverage data gathering and strategic planning to effectively support their companies' responses to crises. Particularly amid escalating tensions in regions like the Middle East and Eastern Europe, adept crisis management strategies have become paramount.

Within these challenges lie opportunities for innovation, with enhanced reporting capabilities enabling informed decision-making and driving program improvements. As organizations navigate the complexities of global mobility, staying in tune with these macro-trends remains essential for adapting and thriving in an ever-evolving landscape.

If you are interested in joining Sirva's "Conversations with Mobility Leaders" program, please reach out to your Sirva representative or email us at marketing@sirva.com.



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