Work From Anywhere

Practical issues and future possibilities

Written by Professor Michael Dickmann and Dr. Benjamin Bader

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One of the secret benefits of using remote workers is that the work itself becomes the yardstick to judge someone's performance.

- Jason Fried

Post-pandemic, the work landscape has truly changed for companies large and small, local and global. Where, pre-pandemic, employers allowing home working one or two days per week were seen as generous, there is now an expectation from many employees to not only be home based most of the time but to be able to perform their work anywhere in the world.

Particularly in the tech sector – where most work can be done effectively anywhere there is an internet connection – there is an increased demand for employers to enable international remote working. Overlaying that with a scarcity of critical skills in the tech sector has created a demand to which employers had to react and create solutions.

In the last two years there has been a rapid increase in companies creating global mobility roles facilitating international remote work, none more so than Airbnb who have set up a team of "Live Anywhere Specialists." Pre-pandemic, such a team would have been unthinkable. The primary remit of this and other teams like it, is to enable employees to move anywhere (although, only where Airbnb has an office) in a compliant fashion, considering immigration and tax legislation. Their secondary, but (nearly) equal remit is to create a framework where employees who move and work remotely can still thrive in the organisation and maintain a strong sense of organisational culture.

Managing
company culture & employee experience in a remote-first world

Written by a Global Mobility Leader in the technology sector

Managing company culture & employee experience in a remote-first world

Employees who used to be fully remote previously worried about missing opportunities and organisational culture. In 2022, given the complete turnaround in the attitudes to remote working, employers are now expected to create an environment where everyone can thrive. This counts equally for employees who are fully remote as for those in the office most of the time. Depending on the organisation and its geographical spread, this is more or less of a challenge.

In truly global companies where many roles have regional or global responsibilities, it's likely that stakeholders are spread around the world, and teams are often managed remotely, making it less of an issue. For those global organisations, working and managing virtually is second nature, allowing them to adapt easier to the new way of working. As would have been the norm for dispersed management teams, company culture is built, and employee engagement is achieved through face-to-face offsites. This mindset allows such organisations to use this model with local offices where remote work would not have been the norm.

For smaller organisations this is much more difficult to achieve, particularly where neither the management nor the employees would be familiar with remote work. Yet, in the new world of work – and to be able to compete in the war for talent – they must offer partly or fully remote roles. These organisations would do well to consider the Airbnb Live and Work anywhere model. This model allows employees to work where they are comfortable, rather than forcing them into an office, which enables them to do their best every day.

Airbnb, however, recognises that a fully remote worker may not feel connected to the company or the culture. To fix this, they commit to facilitating in-person "value add sessions" on a quarterly basis. While there is a cost to these offsites, this is offset by reduced costs of office space. And done right, these in-person sessions can have an incredible impact on morale and collaboration.

Introduction

The topic of (international) remote work is currently basking under the spotlight's glare. Our new research report is one of many resources you can turn to on the topic. In fact, we have published research on the larger idea of international remote work before. At that time, we were investigating Digital Nomads as an emerging phenomenon.

So why do we believe a new report is necessary?

Firstly, a lot has happened since our last report. Moreover, as with all the RES Forum's research, we focus on Global Mobility (GM) and emphasize the international part of remote work. Combining academic research and methods with practical insights, our research directly benefits the reader, providing practical tools and processes to use in your daily work.

Additionally, having had a detailed look at what has – and, more importantly, what has not – been written on international remote work, we feel there needed to be an evidence-based piece, balancing the great opportunities (now and in the future) against the practical issues of international remote work.

Therefore, we have spoken to various experts on the topic and interviewed people with different perspectives. Doing so helped us triangulate our research with the views of GM professionals, the RES Forum's Strategic Advisory board, and international remote workers. We also gathered the views of consultants who advise organizations on how best to set the corporate framework for international work.

Finally, this research report is enriched by findings from an empirical study on digital leadership that we initiated in 2018, continuing to work on the implications since. While this work is ongoing and the final academic piece is not published, we reveal some preliminary findings here. This rich and extensive data allowed us to explore the practical issues and opportunities of international remote work, leading to a valuable and hands-on tool to be used in your organization: **the RES Forum International Remote Work Readiness Check (RES IRWR Check)**.

Jason Fried, quoted at the beginning of this report, is co-author of the book "Remote: Office not Required". The quote is possibly one of the most important takeaways when looking at remote work: the work itself becomes the focus of the employer-employee relationship. Biases and impression management, for instance, play a much smaller role. Eventually, people concentrate on doing their work and delivering results. Here we are already touching the practical issues. To fully exploit all the benefits of working remotely across different countries, several prerequisites must be met, and, in this report, we present them in detail.

Practical issues
and future opportunities

The first practical issue regarding (international) remote work relates to whether work can be conducted 'from the country-of-origin office' or from the 'home'. Physical or manual activities (lab work or working with heavy machinery) is often seen as difficult to do virtually. Devices such as Google's Glass and the increased use of artificial intelligence to monitor activities, and stop mistakes, are providing organizations with more choice. Nevertheless, occupations such as human care provision or farming are likely to remain 'in situ' for now.

Then there is work that can easily be done remotely but certain elements make it less effective. Jobs that are interaction or trust-based, such as coaching or building a new sales network. Holistic observation centered work – such as observing non-verbal, non-physical interaction in court proceedings – may also remain face-to-face by choice.

Overall, companies need to properly analyze which international jobs could be done remotely. Based on this analysis they can identify activities which might become international remote work as choice of their employees. For instance, this may allow individuals to choose to not go on a traditional long-term assignment and, instead, devise a pattern that includes one short term assignment, a couple of international business trips and a lot of remote work.

Technology has added not just to the opportunities of organizations but also to those of individuals.

Compliance issues – working permits, passport issues, general visa challenges, corporate and individual tax – are well-known challenges for organizations. These – especially where "workations" and on-demand, flexible hybrid global work become more prevalent – are likely to increase in complexity.

In contrast, family issues around global moves, accommodation, schooling, or health provision may become less costly. Obviously, where time zone differences are substantial, employees and their families may experience continuous challenges and work-life border issues may become more salient.

In addition, the trend to international remote work includes several other opportunities. Working with technology and assignment patterns that give more choice and flexibility to individuals means the GM employee value proposition of an organization is more attractive to employees. This is not only beneficial for a company's position in the War for (Global) Talent, but also for the employee experience.

In essence, global assignees' engagement and motivation is likely to increase where they have more agency in their global work patterns. While we have no concrete data yet – these phenomena are too recent – research on psychological contracts and employee voice has consistently shown the benefits of autonomy.

Last but by no means least, where organizations replace physical global assignments (or reduce the duration of the actual stays) with increased remote international work, they are likely to experience cost savings.

A balancing act

Written by Carla Foden, Growth Leader and Managing Consultant at Gallagher

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Post-pandemic, we have seen a rapid increase in companies offering - or trying to offer - remote working and, indeed, Work from Anywhere. However, when you investigate the finer details, you have to ask, does this truly exist and how often is it effectively put into practice in a fair and equitable way?

When it comes to addressing the Work from Anywhere conundrum, many Gallagher clients seek our advice on how best to accommodate employee's requests to work in alternate countries versus the practicalities of implementing this. Before seeking our advice, our clients have already come up against blockers and prohibitively high administration and costs. But they also have concerns around losing talent to competitors who might appear to offer Work from Anywhere solutions.

The possibility of Work from Anywhere comes down to how much the company is willing to invest. Potential costs include setting up entities to mitigate corporate tax risks, as well as seeking the relevant tax, employment law and statutory advice in jurisdictions where employees have a desire to work but the company does not have a presence.

A balancing act

Several companies shared that they feel obliged to offer terms which go against their culture and / or current policies and practices, simply because they believe their competitors offer this flexibility. They also share that this flexibility is increasingly expected by talent in the post pandemic world. However, it is often the case that such flexibility is heavily caveated and not applied in all cases.

Some companies have told us that their tolerance for risk is higher than others and that the benefit of offering the flexibility outweighs the level of risk involved. However, possibly the biggest concern is around reputational risk and the impact on company growth if they're found to be non-compliant. That said, without the right talent, the success of the company is also at risk.

We advise our clients to fully assess the benefits verses the cost and administration involved in managing Work from Anywhere in a compliant way. To evaluate priorities and work closely with your compliance partners before taking any action. And to communicate any relevant policies to the business.

As a minimum, companies should ask:

- Who bears the burden of any additional costs - particularly if this is an employee led request?
- How can you ensure a fair and equitable approach for all employees when, for example, it is often not possible to offer this in all locations?
- How viable is it to set up an entity where you currently have no presence and what are the cost implications of not only setting it up, but also running it?
- Could an Employer of Record (EoR) solution be adopted and are there alternative risks to this approach?
- In addition to statutory requirements, how do you address compensation and benefits in the new location?
- Does data privacy / protection become an issue with the elected location?
- How flexible are your suite of policies and how will you manage exceptions when talent start to expect out of policy approaches?

In our experience it really is a case of implementing a full and thorough due diligence process when it comes to Work from Anywhere. And, just like our clients, Gallagher's own in-house team deal with this challenge regularly.

Five dimensions
as fundament for successful international remote work

Balancing the practical issues against current and future opportunities, we based our conclusion for successful international remote work on five dimensions.

- **Communication**
- **Digital Maturity**
- **Digital Leadership Skills**
- **Top Management Support**
- **Employee Engagement**
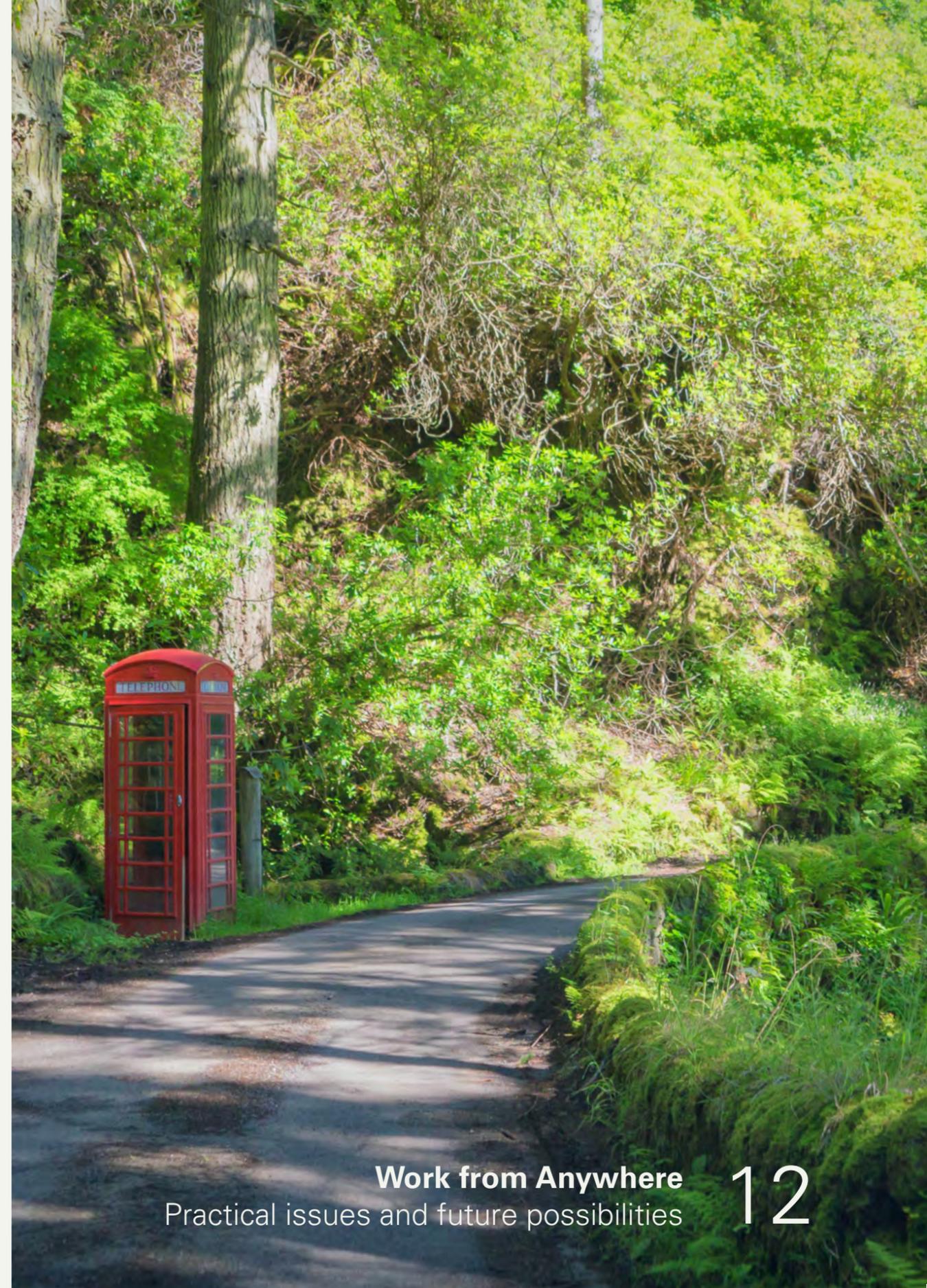
Our research shows that organizations who champion these dimensions are generally more successful when enabling and successfully managing a globally dispersed workforce.

While we understand that these dimensions represent separate constructs, we have found correlations between them. For instance, organizations with a high digital maturity typically also have a workforce with advanced digital leadership skills.

Moreover, organizations with efficient communication within and across teams typically also have more engaged employees.

Nonetheless, the constructs are distinct enough and, especially regarding the **RES IRW Check**, it is important to differentiate between them to identify improvement potential. In the following, we explain each dimension and define their relevance to GM. We then introduce **the RES Forum International Remote Work Readiness Tool** as a basis for your implementation.

Communication

Virtually every person we spoke to emphasized the importance of communication. While efficient and effective communication is fundamental in any organizational setting, it becomes even more important when we consider the challenges of international remote work.

The modes of communication themselves are a major factor. International remote work often requires more asynchronous communication (where there is a time lag between contact), for instance due to time zone differences. While misunderstandings or misinterpretation is also possible in synchronous communication, it is much easier to spot and correct mistakes – especially in face-to-face settings.

Moreover, to find the right balance between content and context, communication needs to be unambiguous and efficient. Many studies have found that successful leaders can communicate efficiently from anywhere - in the office and remotely - and that they choose a balanced mix of synchronous and asynchronous communication.

In other words, they know when things can be sorted via email or when a personal chat (even if via video call) is necessary.

This may sound trivial. However, during the research we heard many examples where communication was not good, often in the context of examples or reasons why international remote work is not ideal. In other words, rather than questioning the communication style, the whole concept of international remote work was questioned.
As such, communication is the first dimension that organizations must get right for successful international remote work.

It is a must-have, not a nice add-on. The good news is good communication is a skill that can be learned by individuals. Therefore, companies can train their employees. Equally, companies should not use examples of bad communication as a reason for moving away from international remote work. Instead, difficulties in remote communication should be addressed to exploit the opportunities connected with a globally mobile workforce.

Digital Maturity

Due to its topicality, this concept has been interpreted in various ways. In our research, we found that leaders in different organizations have a different understanding of what digital maturity means.

Digital maturity indicates the extent to which an organization is implementing and using digital technology, particularly when challenged to manage organizational culture and the attitude of the workforce towards technology.

Crucially, digital maturity is not so much about digitizing processes and systems per se, but rather about if and how digitization is embraced. In other words, it indicates to what extent "digital" is already part of the organization's DNA. This is a fundamental difference to just using technology.

Technology has long made its way into HR and GM. International remote work is an ideal area in which to create value with and by digitalization. From automated workflow systems to communication platforms, whenever individuals or teams are not co-located, it is essential to put structures in place that enable them to work seamlessly together.

Consequently, organizations with an already high level of digital maturity are in a much better position to successfully manage international remote work. Not only do they have the technology in place, but they can also count on employees to view technology as something beneficial and supportive, rather than a necessary evil.

Digital Leadership Skills

The following "experiment", will help you understand how digital transformation has already hit the field of Human Resource Management.

Go to Google and enter "digital leadership skills". In less than half a second you will be provided with almost half a billion hits. Considering the massive spike in (domestic) remote work in response to COVID-19, this is not surprising.

What are digital leadership skills and why are we introducing this as one of our five dimensions?

Essentially, apart from the apparent openness to digitalization, there are two core elements that matter for digital leadership skills: networking and knowledge transfer. If you followed our experiment, you may argue there are many more elements defining digital leadership skills. And we agree.

Based on our conversations with experts in the GM industry, almost everything that has been mentioned around digital leadership skills boils down to these two things:

1. Great digital leadership means that leaders understand themselves as networkers and knowledge brokers. Knowledge transfer and networking are crucial when you consider the practical issues stopping organizations from better engaging in international remote work.

2. Getting back to Jason Fried's quote, excellent digital leaders understand and embrace that it is the outcome of their employees' work that matters, not necessarily from where or when they do their work. By linking the right people within the organization and fostering cross-border collaboration and exchange of knowledge, excellent digital leaders naturally orchestrate the activities of the workforce around the globe.

This is a key pillar in successfully managing international remote work.

Top Management Support

This dimension is as straightforward as it is important. Top management support for international remote work is essential for success.

It is not the only essential dimension though. We spoke to people in organizations where the top management fully supports international remote work, yet they are struggling. On the flip side, none of the organizations without top management support reported much success.

In common across all the organizations reporting best practices was that the top management team fully supports their endeavors.

Hence, we conclude that getting the top management team on board is essential.

Employee Engagement

Just like any other policy that changes the nature of work, success depends on what extent the (entire) workforce supports it.

What makes international remote work special is that not every job can currently be done from anywhere. Therefore, employees are affected to differing degrees - consider your barber or a factory worker on an assembly line, for example. In fact, according to several statistics, between 25 and 40 percent of all jobs can realistically be done remotely at present.

At stake is not just whether an activity can be done but also the quality of the remote work. For instance, while coaching might be done remotely, there are indications that individuals would normally like their coaching sessions to be face-to-face, especially when sensitive information is exchanged.

Therefore, even the most optimistic estimates conclude that only around one in two jobs can effectively be done remotely. Thus, every organization employing people with those jobs must account for the natural injustice.

Despite all the great opportunities connected to international remote work, one must not forget the implications for the entire workforce. Some occupations and activities are simply less likely to be virtually delivered.

Where remote international work looks difficult and traditional assignments are still conducted, the offer of alternative incentives (such as additional paid leave or other benefits) depends on the individual situation. However, ensuring a sufficient employee engagement across the entire organization is key to ensure a successful international remote work climate.

Be prepared
to compete for the world's best talent

Written by Martina Kaul and Doris Huber, licensed German tax advisors and Directors at WTS Germany

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When it comes to Hybrid Work - occasional business trips across the border in place of a complete relocation with the family - good preparation from an employment law, tax and social security perspective is the be-all and end-all.

Hibernation due to the COVID-19 lockdown is over. Instead, the course is being set for a successful future after the crisis. In that future, a return to the pre-pandemic status quo is unlikely. Sweeping lockdowns proved that remote working does not necessarily lead to a productivity collapse. Indeed, they fostered confidence that this model is entirely possible.

COVID-19 remains one of the major challenges in everyday work. Employees drop out, others spontaneously step in and the strain on everyone increases. This makes it more important to respond to the needs of employees and to support them.

To offer employees any form of mobile working can lead to significant savings in office space and associated costs. Among workers, the successful implementation of the home office model will lead to demands to continue this model even after the pandemic.

Be prepared to compete for the world's best talent

It is therefore necessary to cut old ties and recognise new trends at an early stage, so as not to be left behind and to make sure you have the right employees in the right place at the right time (and to do so internationally). This also applies to demographic change, a lack of personnel, and the fight for the best talent on the labour market.

So, what do employees expect from their employers in the future? What forms of working will become the new "normal"? And what does this mean for GM?

It is common that a "yes" to a foreign employer fails due to an unwillingness to move abroad with the entire family. Changing schools or the spouse giving up their job - both of which are often the result of a move abroad - stand in the way.

If a company offers alternative solutions, the talent pool expands enormously. For example, many more doors open on the international recruitment market with flexible working models such as home-office arrangements and hybrid working. Occasional business trips mean a complete family move is no longer necessary. This makes employment attractive to more top foreign talent.

Anyone who deals with the international recruitment of specialists knows that quick action is required. Otherwise, they might simply join a rival who does move quickly. Rapid answers and swift solutions to the applicant's questions are essential. After all, these questions usually arise in complex matters such as labour, tax and social security law.

For example, which labour law applies when a Dutch employee works for a German employer mainly from the Dutch home office? Which state collects income tax from a French employee who works two days a week from his French home office and spends the remaining days with his German employer? In which country do social security contributions have to be paid when an Austrian sales employee travels across Europe for a German employer. And what does this mean for future pensions or to which country the employee pays their personal taxes?

HR can be questioned by the potential candidate, and it is highly recommended to be well-prepared upfront. It is also highly recommended to set internal guidelines of what can be offered to candidates, in certain countries, without creating any risks for the company or the employee.

RES Forum
International Remote Work Readiness Check

We have explored the opportunities and practical issues of international remote work. It is now time to apply this knowledge in your organization.

Every organization is different and what seems to be a practical issue for one has been turned into an opportunity by another. To acknowledge these differences and to not pretend we could deliver a one-size-fits-all approach, we believe the first and most important step before exploring practical issues and opportunities is to understand the status quo.

The RES Forum International Remote Work Readiness Check consists of 15 questions relating to the five core dimensions of international remote work.

Step 1, answer all questions to the best of your knowledge. There are no right or wrong answers, they are simply a guidance for you to calibrate your organization before investigating your efforts.

Step 2, follow the instructions provided at the end of the tool to calculate values for each dimension.

Step 3, add your values in the radar chart template (Figure 1) by marking your individual value on the respective dimension. Connect all the dots and, if you like, colour in the area for a straightforward visual overview of your international remote work readiness.

The larger the area, the more prepared your organization is to exploit the opportunities and overcome practical issues with international remote work. However, beyond this, you can easily and quickly identify the dimensions in which you are doing well already.

If you feel like undertaking your own gap analysis, fill out the tool a second time responding in an 'ideal' (aspirational) mindset.

Charting the status quo and aspiration will highlight opportunities for improvement. Comparing diverse areas (functions, units) within your organization can help you create a benchmarking approach for intra-organizational international remote work.

Step one

Answer each of the following 15 statements by adding a number between 1 and 7. 1 being strongly disagree, 7 being strongly agree.

(Full scale: 1 – strongly disagree, 2 – disagree, 3 – rather disagree, 4 – undecided, 5 – rather agree, 6 – agree, 7 – strongly agree).

Number	Statement	Your value
1	Digital technologies simplify the communication in and between our teams	
2	Our organization uses highly efficient digital technology	
3	Our leaders believe that teamwork is possible without being personally present	
4	Due to digitalization, employees worldwide have greater possibilities to intensively communicate with each other	
5	Our top management team fully supports working from anywhere	
6	Our employees are generally highly energetic and positive – whether they work virtually or non-virtually	
7	Digital initiatives are actively promoted and implemented by top management	
8	Communication in our organization normally is effective and efficient – irrespective of the means used	
9	Routine tasks that don't require creativity are taken over by robots/machines	
10	Staff in my organization is often immersed in their work	
11	Leaders in my organization support the use of digital media to increase promptness and flexibility	
12	Employees in my organization are very enthusiastic about their work	
13	Necessary information is shared transparently between leaders and followers	
14	Digital applications are generally seen as an advantage for the work of our organization	
15	Top and middle management are in total agreement about policies regarding remote work	

Step two

Communication

Add up your values for statement 1, 4, and 8 and divide this by 3.

Your result: _____

Digital Maturity

Add up your values for statement 2, 9, and 14 and divide this by 3.

Your result: _____

Digital Leadership Skills

Add up your values for statement 3, 11, and 13 and divide this by 3.

Your result: _____

Top Management Support

Add up your values for statement 5, 7, and 15 and divide this by 3.

Your result: _____

Employee Engagement

Add up your values for statement 6, 10, and 12 and divide this by 3.

Your result: _____

Figure 1, mark your results along each axis and connect the dots
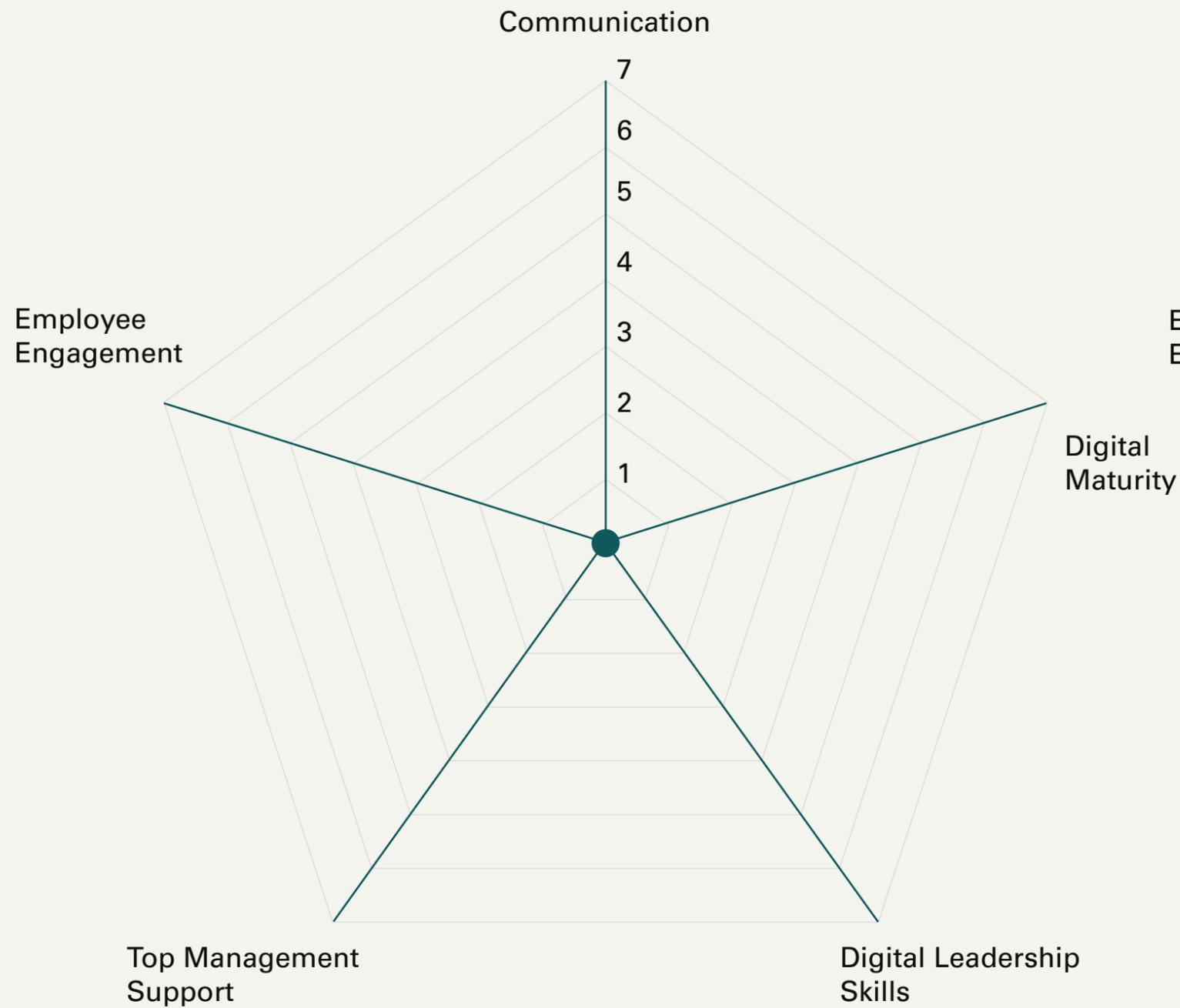
Figure 2 illustrates an example and shows how you can use this tool as a benchmark.
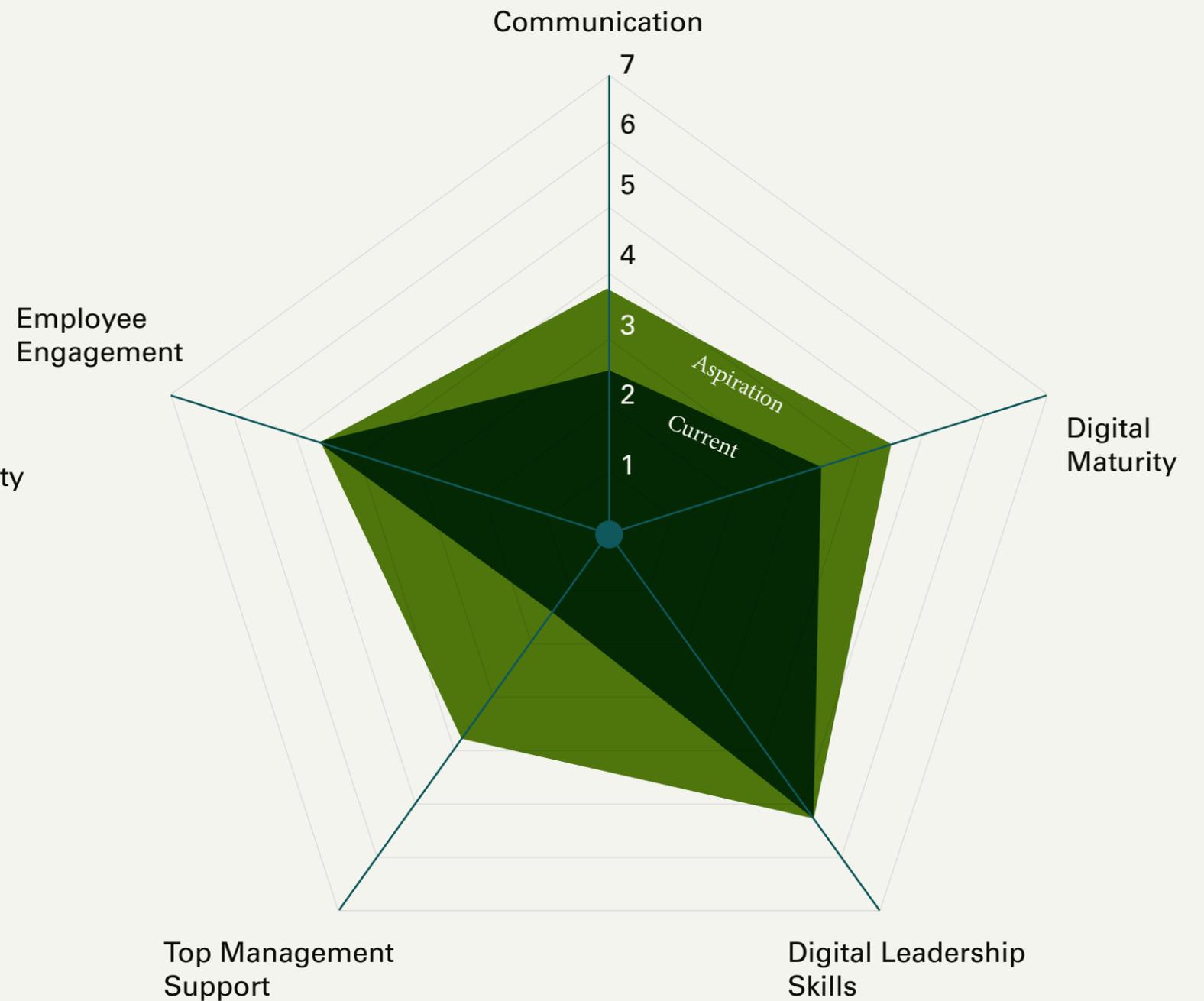
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With representation in over 100 countries, WTS Global has already grown to a leadership position as a global tax practice offering the full range of tax services and aspires to become the preeminent non-audit tax practice worldwide. Clients of WTS Global include multinational companies, international mid-size companies as well as private clients and family offices.

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The RES Forum

The **RES Forum** has the **tools**, **knowledge** and **community** to help mobility professionals keep pace with changes in the industry, and help the industry keep pace with the needs of mobility professionals

Through research, analytics, eLearning, events, and policy templates & consultancy, we provide support and guidance to help mobility professionals navigate the ever-changing GM landscape.

We enjoy the exhaustive knowledge of our consultants, academics, Strategic Advisory Board and Technical Partners, as well as our international community of senior in-house HR and GM professionals, which includes 1,000 members in over 45 countries.

In conversation with leaders and experts from across the industry, our academics study the most pressing topics within the world of GM and cross-border working. Then we share their collective insight to provide clarity, tools and advice to help our members through the many challenges they face.

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