



Blog: The Changing Face of Global Mobility: Where do business travel and relocation converge?

The global mobility landscape continues to experience a period of growth and evolution – in population volumes, global expansion and inclusion of non-traditional assignment types, all in support of ever-changing business and talent priorities. Global assignments have traditionally been formulaic in nature with an employee accepting a role, packing up their household goods and moving their family to a new location for a fixed period of time. In recent years, however, there has been a shift in both business and employee perspectives and the approach to global deployments, resulting in alternate assignment types and support packages.

Rise of Relocation Alternatives

Companies have increasingly discovered the advantages of the agility and relative [cost-effectiveness](#) of shorter-term assignments to meet business objectives. This has led to the development of innovative alternatives to traditional assignments that do not abide by the parameters of historical global long- and short-term assignments, which are typically defined as three to five years and three to five months respectively. These alternatives include:

- **Commuter assignments**, where employees work in a foreign country but return home with some frequency;
- **Localisation**, which involves cross-border moves where the employee is either immediately or gradually transitioned to permanent local status;
- **Local “plus,”** whereby employees work under a local package with some limited expatriate benefits; and
- **Intra-regional assignments**, where depending on the regions involved; compensation may be situational and mobility benefits are more limited compared to a traditional long-term assignment.

What Does This Mean for Companies?

Gaining more attention – and more scrutiny – is the extended business traveler (EBT) population. This population does not relocate, but travels outside of their home country to conduct business for extended periods of time (typically under 3 months). Extended business travelers may present an individual and/or corporate compliance risk based on the cumulative duration of travel into one or more locations; the cumulative travel may require immigration and/or tax compliance actions, however due to the “stealth” nature of these individuals, they are often not identified and rarely tracked by their employers.

The implementation of improved mobility technology has also afforded more flexibility in the modern workplace with more opportunities for employees to work in split locations as well as from home. With visual communications, smartphones, and many other tools available, workers now have more flexibility to work outside the corporate office. This can work in favour of both employees and employers as it redresses the work life balance arguably resulting in a happier, more productive workforce.

The Worldwide ERC's [2015 Intra-European Mobility survey](#) anticipated that, looking at average volumes, mobility in Europe would increase, especially for short-term assignments, commuter arrangements and extended business travel. Bear in mind that the shifting political and regulatory climate, such as Britain's decision to exit from the EU, has given rise to a 'wait and see' attitude for some organisations in terms of new assignments, although it is of course business as usual for the time being.

The survey also asked organisations about their top three challenges and when referencing commuter assignments, they cited tracking assignees, taxation compliance and immigration compliance as their biggest concerns. However, many respondents reported having existing effective HR strategies and policies in place to manage this. These include identifying high risk groups of travelers and placing them on monthly travel tracking and educating managers on the importance of this.

How Are Mobility Teams Being Affected?

So how do mobility leaders adapt to the changing face of the global mobility landscape while minimising cost and risks to their business? Roles and responsibilities across departments must be identified, especially when it comes to managing key challenges including:

- **Tax and compensation:** Ensuring that the company and their employees remain compliant with local laws when working outside their home country
- **Employee travel costs:** Keeping formal track of employees' business travel expenses, and determining if they fall under mobility costs or traditional T&E
- **Establishing EBT/FBT policies:** Many companies don't have formal policies in place for monitoring and managing extended or frequent business travelers
- **Employee Involvement:** Employees need to be proactive and able to carefully manage extended business travel and the associated implications.
- **Tracking:** Utilising systems and processes to ensure the company knows who is where and when

Because global mobility is constantly changing, and is impacted on an ongoing basis by new or shifting regulations and requirements, protection and location-specific issues; it's important to remain up to date and align with best practice. Ultimately, to mitigate the risks and challenges associated with EBTs, seeking out and following the recommendations of an experienced relocation management company is the best way to secure not only the

wellbeing of business travelers but also to protect the company long term from potential compliance, tax and immigration issues.