

# Creating a More Flexible Employee Mobility Experience



In a transitioning world, gain competitive advantages through outstanding global mobility



DECEMBER 2021

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# Executive Summary

A growing, vibrant business must be nimble and able to respond to changes in the marketplace. An essential element for success is the ability to find and place talent where an organization needs it. To support this, HR professionals must create effective mobility policies and processes, even during a global pandemic.

Once the Covid-19 pandemic began, large portions of employees moved out of the office to support social distancing. One side effect was that many employees moved to new locations. In fact, permanent moves increased in areas with expensive housing markets, such as San Francisco.<sup>1</sup>

Today, vaccinations have started to change the global landscape again. Air travel is increasing within the US,<sup>2</sup> and various nations are wrestling with when and how to open their borders to greater international mobility.

Amid these and other changes, the HR Research Institute partnered with employee mobility company CapRelo to investigate a range of employee relocation topics, including:

- The state of global employee mobility today.
- Trends in mobility.
- Drivers of mobility and relocation policies.
- The future of global mobility policies.
- How organizations that are mobility leaders differ from those that are novices.

## About the Survey

The “Creating a More Flexible Employee Mobility Experience” survey was conducted from April to July 2021 in partnership with CapRelo.

We gathered 188 responses from HR professionals mainly from the United States. The participants represent a broad cross section of employers by number of employees, ranging from small businesses with fewer than 50 employees to enterprises with 20,000+ employees.

<sup>1</sup> Holder, S., Kessler, A., & Patino, M. (2021, April 26). More Americans Are Leaving Cities, But Don't Call It an Urban Exodus. *Bloomberg*. Retrieved from <https://www.bloomberg.com/graphics/2021-citylab-how-americans-moved/>

<sup>2</sup> The New York Times. (2021, September 7). *Covid-19 News: U.S. Air Travel Is Rising Fast, Despite C.D.C Warnings*. Retrieved from <https://www.nytimes.com/live/2021/03/13/world/covid-19-coronavirus>

## Below is an overview of the top findings from the study:

### Major Finding 1

#### Most organizations are struggling with aspects of relocation processes and policies.

- Based on a 10-point scale reflecting the quality of relocation policies and processes, we found that:
  - ▶ Only about half give their organizations high marks (that is, a 10, 9, or 8) in the areas of overall employee satisfaction (52%) or level of support (54%).
  - ▶ Even fewer give high marks in the areas of flexibility (46%) or equity (48%).
- On a brighter note, nearly two-thirds (62%) agree or strongly agree that their organization has a “comprehensive talent mobility/relocation policy.” Of course, this also suggests that over one-third of organizations *do not* have a comprehensive policy.

### Major Finding 2

#### Increases in remote working arrangements are expected in the future, but not all organizations are onboard.

- Nearly half (48%) expect virtual assignments to increase a little or a lot over the next two years when compared to pre-pandemic.
- More than half say employees are asking to work remotely to a high or very high degree (54%) and a further 27% say to a moderate degree.
- Nearly one-fifth (17%) say that they expect all employees to be back on location once the pandemic subsides.
- However, 19% say that all employees who want to will be partly remote, and 21% say that select employees will be fully remote once the pandemic subsides.

## Major Finding 3

### Organizations are keeping flexibility in mind when making updates to their relocation policies.

- Two-fifths (43%) agree or strongly agree that relocation policies have been updated to accommodate flexible working arrangements.
- Further, more than a third (35%) agree or strongly agree that their organizations are offering employees more personalized and tailored relocation benefits, and 33% say their relocation policies have been updated to accommodate employee well-being/mental health.
- One-third have updated relocation initiatives to facilitate greater diversity, equity and inclusion through greater flexibility. However, the plurality (37%) says that there has been no change in this area in the past 12 months.

## Major Finding 4

### A quarter of organizations are not measuring what makes a relocation successful.

- The most effective ways to assess the success of global mobility are:
  - ▶ Face-to-face interviews directly after relocation.
  - ▶ Retention/turnover rates.
  - ▶ Survey directly after completion of relocation.
- However, 25% say they don't assess the success of global mobility in their relocation at all.

## Major Finding 5

### The need for specialized skills is the top driver of relocation.

- Relocation is more likely to be initiated by the employer rather than the employee. Nearly three-quarters (73%) agree or strongly agree that employers initiate relocation, while just 47% say that *employees* initiate it.
- The top driver of both short-and long-term relocations is to fill positions with specialized skills.
- The second-most common driver of short-term relocation is for learning and development opportunities, while the second-most common driver of long-term relocation is to fill necessary leadership positions.

## Major Finding 6

**The top pain points organizations face when relocating employees are:**

- Cost concerns (56%).
- Cost of living differences (40%).
- Family reluctance to relocate (38%).
- Housing issues (30%).

## Major Finding 7

**When compared with global mobility novices, global mobility leaders are:**

- More likely to agree or strongly agree that their organization has a comprehensive talent mobility/relocation policy.
- Nearly twice as likely to say relocation policies have been updated to accommodate employee well-being/mental health.
- More likely to update a variety of relocation initiatives to facilitate greater diversity, equity, inclusion and belonging.
- Nearly twice as likely to say ROI is an effective way to assess the success of global mobility.
- More likely to say that mobility is seen as a positive opportunity.

# The State of Global Employee Mobility Today

## What do companies that use an RMC do differently?

Throughout this report we look at what organizations that outsource some or all relocation responsibilities to a relocation management company (RMC) do differently when compared with organizations that do not work with an RMC.

Companies that use an RMC are more likely to agree or strongly agree that their organization has a comprehensive talent mobility/relocation policy (80% vs. 59%).

In the survey on which this report is based, we started by asking a qualifying question: “Does your organization engage in corporate-sponsored employee mobility (i.e., employee relocation)?” We found that only 47% of respondents said yes to this question. The 53% who answered in the negative were subsequently excluded from the rest of the survey. Therefore, as readers view these report findings, they should recognize that these organizations are a subset of all business organizations that have employee mobility initiatives.

## Finding: Fewer than two-thirds (62%) of respondents report their organizations have a comprehensive mobility policy

Among the subset of organizations with corporate-sponsored employee mobility, only 62% say their policy is comprehensive.

Of course, mobility encompasses a wide variety of situations, from international to domestic, to long-term and short-term assignments to virtual assignments and hybrid working arrangements. Having a structured program and strong policies in place can ensure that mobility happens smoothly and stress-free for everyone involved. So, although it is somewhat encouraging that more than half of respondents agree or strongly agree that their companies have a comprehensive mobility policy, this leaves 38% who disagree, strongly disagree, or neither agree nor disagree. This clearly leaves much room for improvement.

For the purposes of this report, we've defined smaller organizations as having less than 1,000 employees and larger organizations as having 1,000 or more employees.

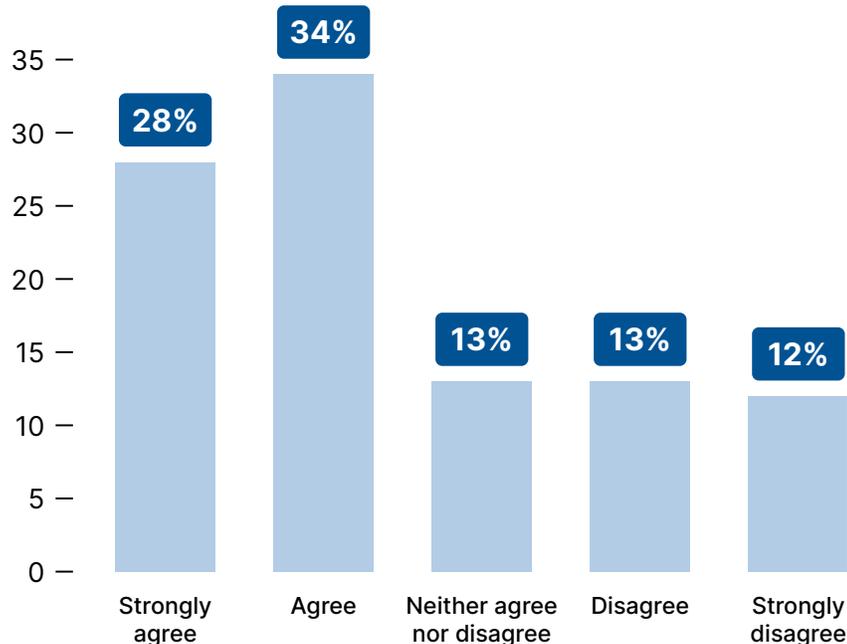
## Larger versus smaller organizations

Respondents at larger organizations are twice as likely as respondents from small companies to strongly agree that they have a comprehensive talent mobility and/or relocation policy (45% vs. 22%). It may be that larger companies are more likely to have multiple offices—both nationally and internationally—and have talent move between these offices.



A quarter of all respondents actively disagree with the idea that their policy is comprehensive

**Survey Statement:** Your organization has a comprehensive talent mobility/relocation policy (this can be in regard to domestic mobility, global mobility or both).



Note: this data excludes those who responded, "don't know."



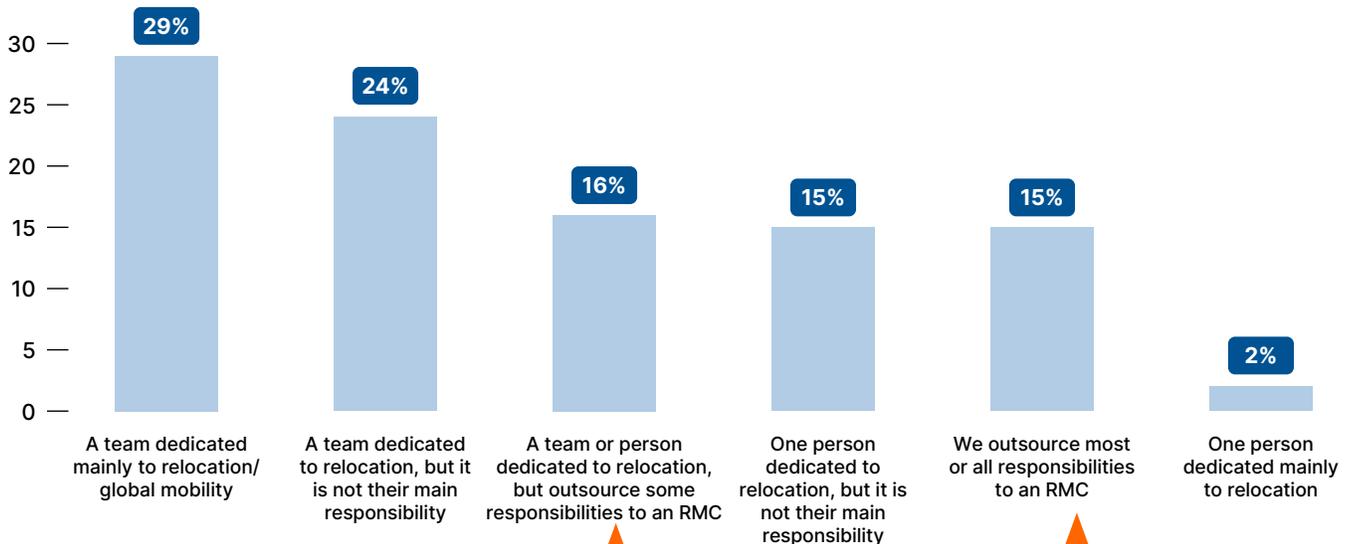
## Finding: Organizations use a variety of arrangements to manage global mobility

There is no consensus on who should be responsible for employee mobility and relocation, and the arrangements vary widely by size of organization. When looking at organizations of all sizes, we found that about a quarter (26%) report that they have one person dedicated to relocation, though it is not their main responsibility, while 19% have a team that is dedicated to global mobility.

But things look considerably different if we confine the data to organizations with 1,000 or more employees (see graph). In those organizations, the responsibility is most likely to be either team-based (53%) or at least partially associated with an RMC (31%). Larger organizations are more than twice as likely to use RMCs than their smaller counterparts.

### Survey Question: Who is most responsible for employee mobility and relocation in your organization?

[Organizations with 1,000 or more employees]



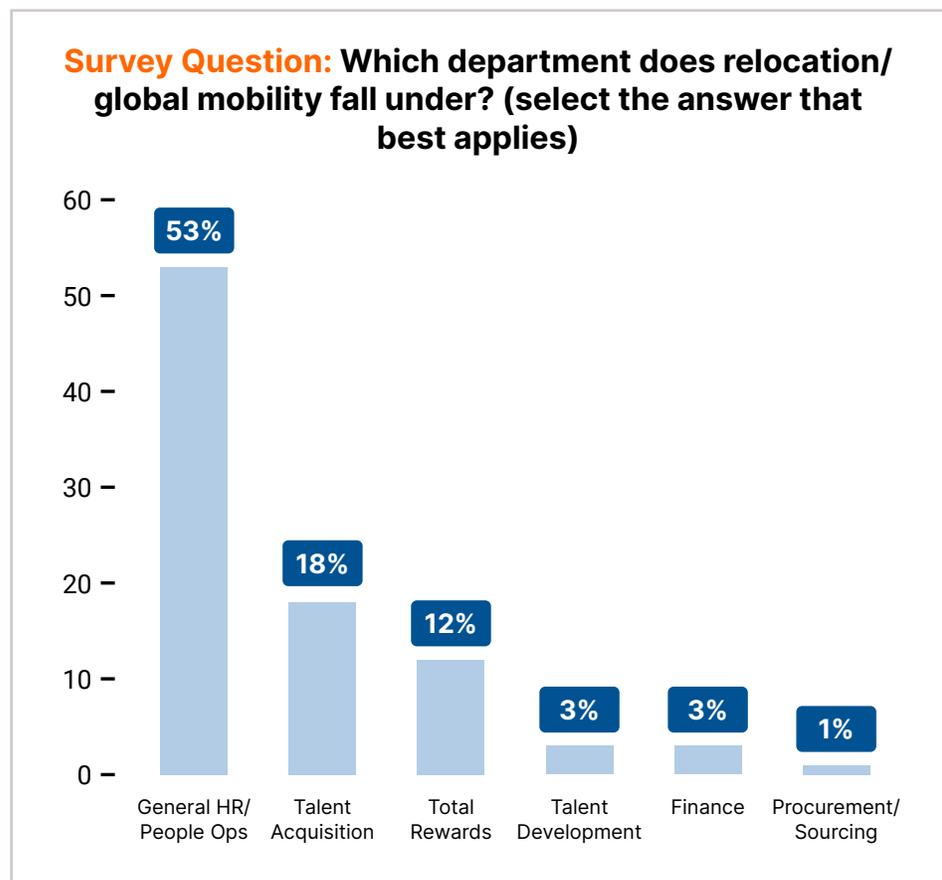
Nearly a third of large organizations outsource at least a portion of employee mobility to RMCs

Note: This is for organizations with 1,000 or more employees. It does not include those who responded "other" to the question.



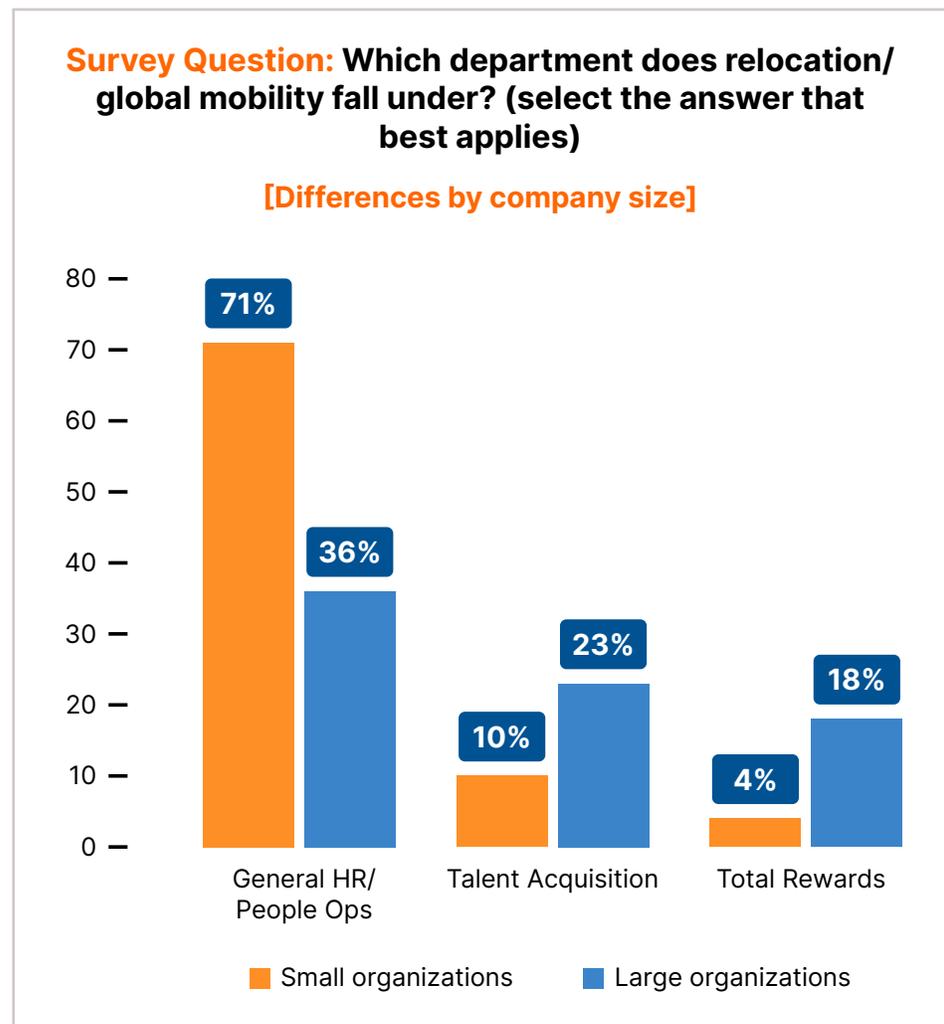
## Finding: About half of respondents say HR manages relocation and mobility, but the proportion varies by size of organization

Among all respondents, 53% say employee mobility tends to fall under the purview of “general HR/People ops.” Who else is managing global mobility? A significant portion of respondents point to talent acquisition (18%), total rewards (12%) and talent development (3%). Therefore, a third of surveyed organizations have relocation aligned with acquiring, developing or retaining talent.



## Larger versus smaller organizations

When we confine ourselves to large organizations, relocation becomes less likely to be focused within general HR (36%) and more likely to fall under the purview of talent acquisition (23%) and total rewards (18%). In contrast, when we look only at smaller organizations, fully 71% say general HR controls mobility and relocation.





## Finding: Two-thirds have a dedicated global mobility budget

Just over a third (35%) of survey respondents reported that their corporate HR department oversees the global mobility budget, and 19% say individual business units do. However, 34% say they do not have a dedicated mobility budget at all.

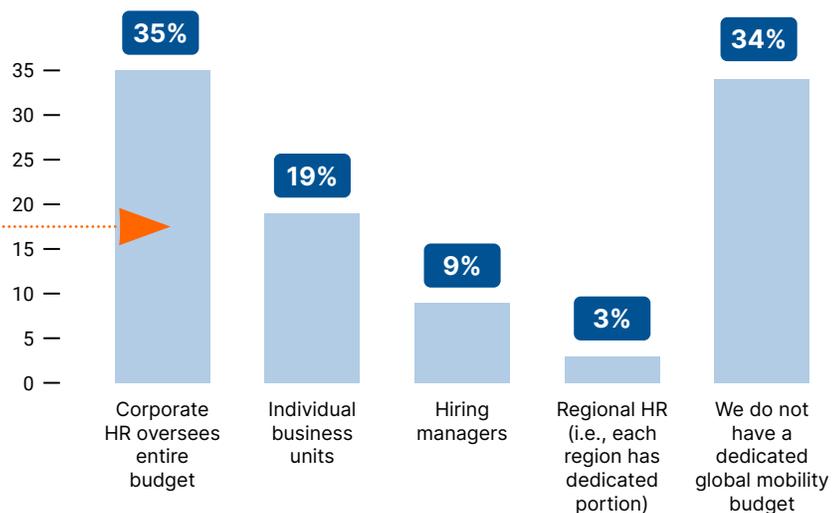
### Larger versus smaller organizations

Nearly two-fifths (39%) of respondents in smaller organizations report that corporate HR oversees the relocation budget, while 35% of those in larger organizations say the same. Perhaps due to added complexity corresponding with size, those in large organizations are more than twice as likely as those in smaller organizations to say that individual business units control the budget (27% vs. 11%).

Further, respondents in smaller organizations (43%) are far more likely to say that they do not have a dedicated global mobility budget at all when compared with those in larger companies (20%).



**Survey Question: Who in your organization controls and/or owns the global mobility budget to the greatest extent?(select the one that best applies)**



Note: The data in this graph does not include those who said, "don't know" or "other."

Corporate HR is most likely to manage global mobility budgets



## Finding: There is much room for the improvement of policies and processes, especially in the areas of equity and flexibility

We asked respondents to rate how employees would score their company's relocation policies and processes on a scale of 1 to 10 (with 10 being the highest quality and 1 being lowest quality or nonexistent). We focused on four factors:

### What do companies that use an RMC do differently?

Organizations that use an RMC are more likely to rate their organizations positively in all four areas.

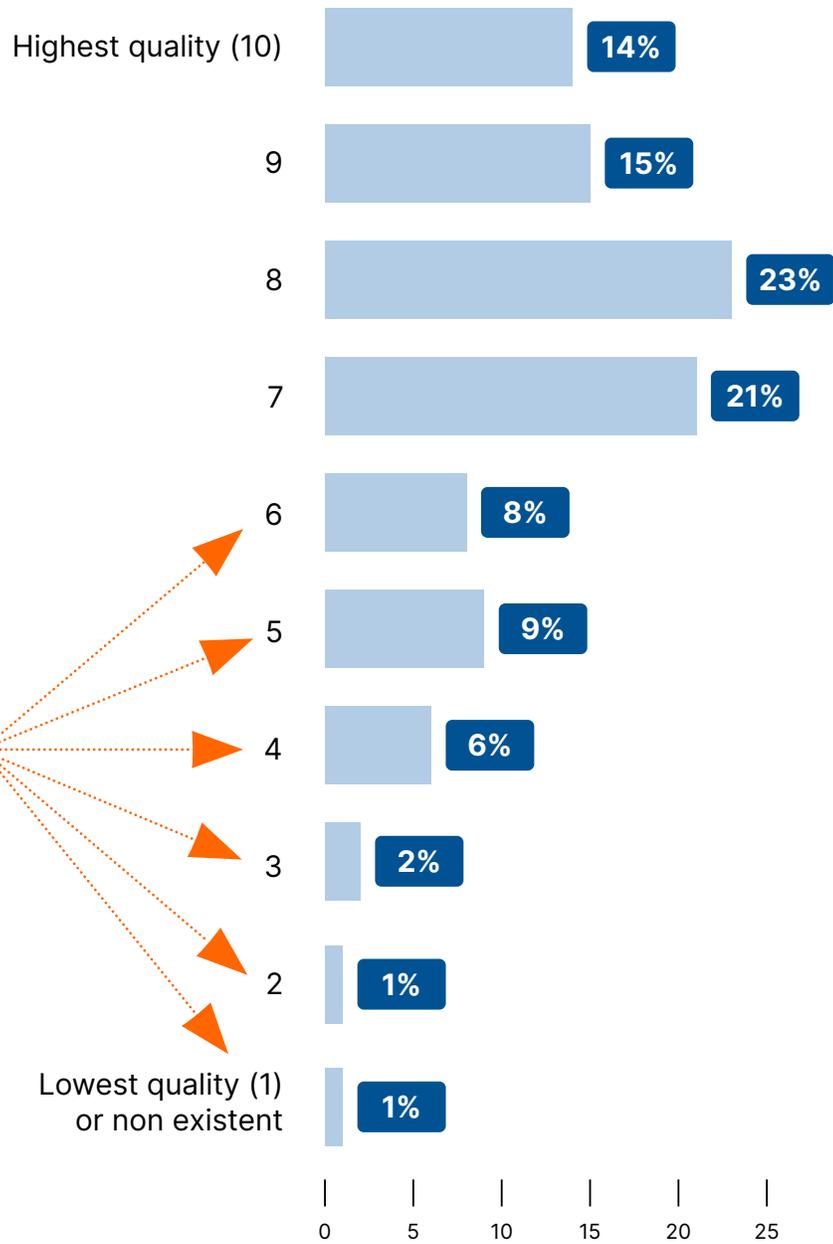
- Flexibility.
- Equity.
- Level of support.
- Overall satisfaction.

When asked to evaluate overall satisfaction with relocation policies and processes, only about half (52%) give their organizations relatively high marks (that is, an 8, 9 or 10 on the 10-point scale), and 54% give high marks in terms of level of support.

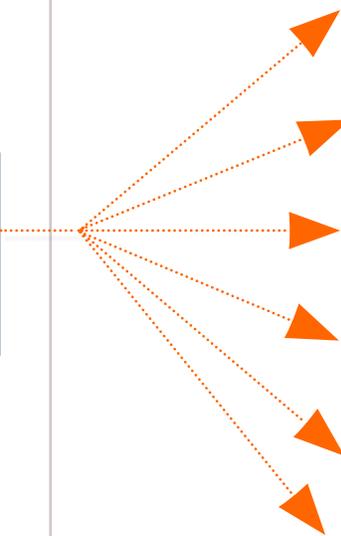
Although the news is mixed in terms of overall satisfaction (see graph below) and level of support, only 46% give their organizations high marks regarding flexibility, and just 48% score equity highly.



**Survey Question:** How would relocated employees rate your organization's relocation policies and processes in terms of overall satisfaction?

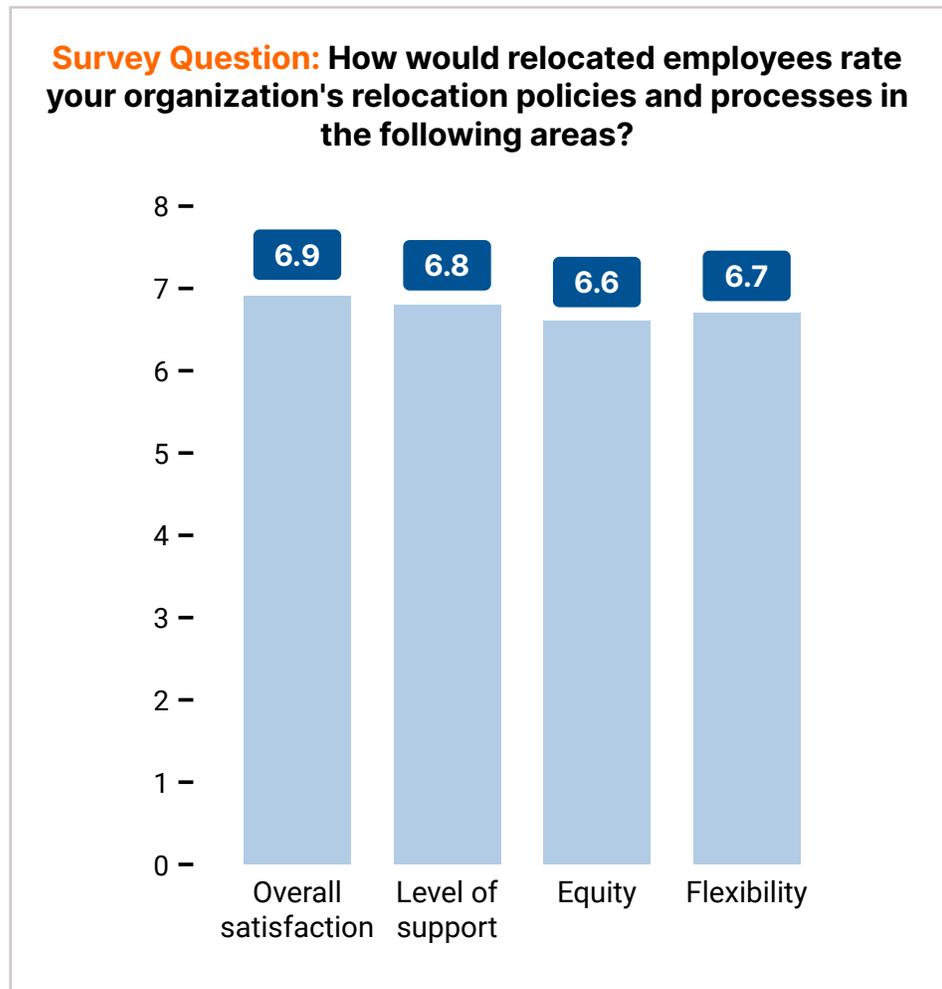


More than a quarter give their policies and processes a score of 6 or less



Another way of looking at the data is in terms of overall averages. Using this metric, the average score never exceeds 7 on any factor. That said, the highest average score goes to overall satisfaction and the lowest goes to equity.

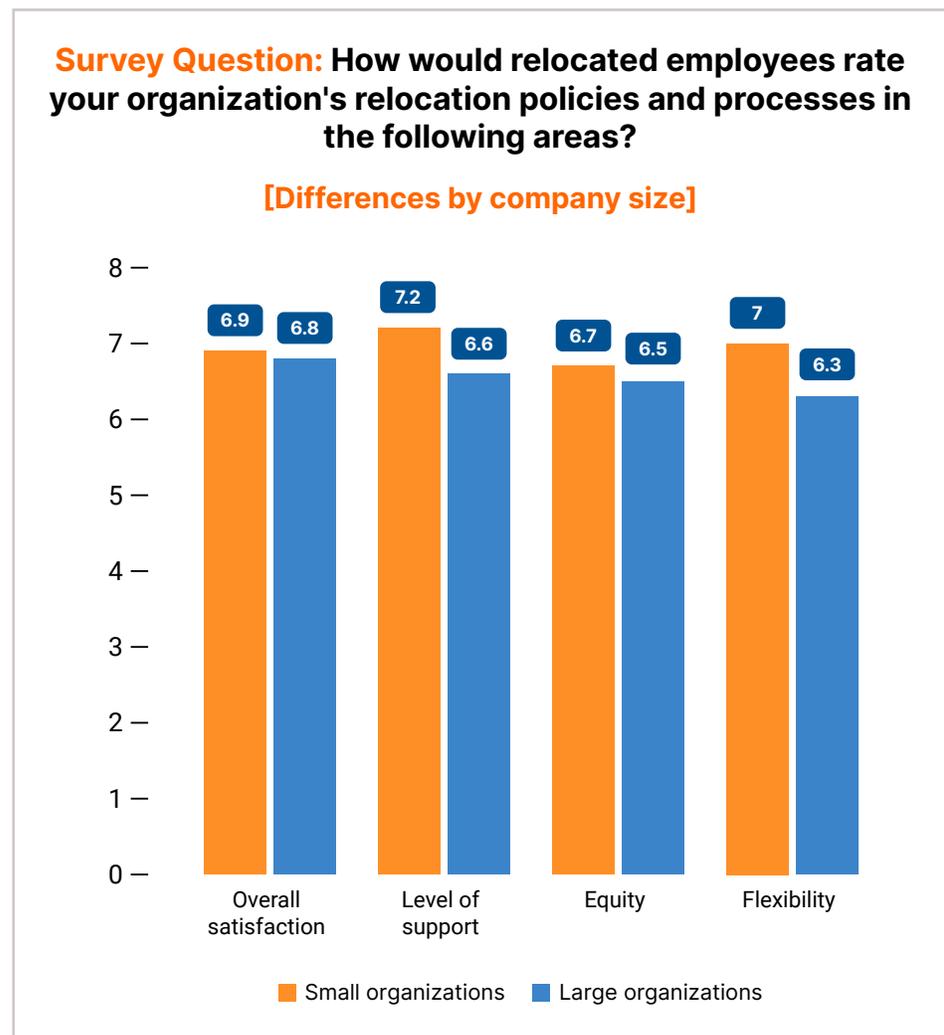
The bottom line is that, taken as a whole, there is much room for improvement regarding overall relocation policies and practices. The most room for improvement, however, is in the areas of equity and flexibility.



Note: this graph looks at the average response out of 10.

## Larger versus smaller organizations

When compared with respondents at larger organizations, those at smaller organizations say their relocated employees would report more satisfaction in all aspects of relocation, particularly in the areas of support and flexibility. We do not know why these differences exist, though they might be due to a closer relationship with the relocating employee, allowing for greater flexibility and personalization.



Note: this graph looks at the average response out of 10.



## Finding: Long-term and short-term assignments are the most common mobility options

For many, domestic or international moves are the first that come to mind when they hear the term “relocation.” But, in fact, organizations have a wide variety of categories when it comes to mobility policies and for different reasons. The most common are still long-term assignments (46%) and short-term assignments (41%). But there are more angles to relocation. For example, 27% have policies for commuter employees (i.e., work a few days in one location, travel home for a few days) and a third of respondents say they also have policies for business travelers (i.e., longer than commuter assignment, shorter than short-term assignment).

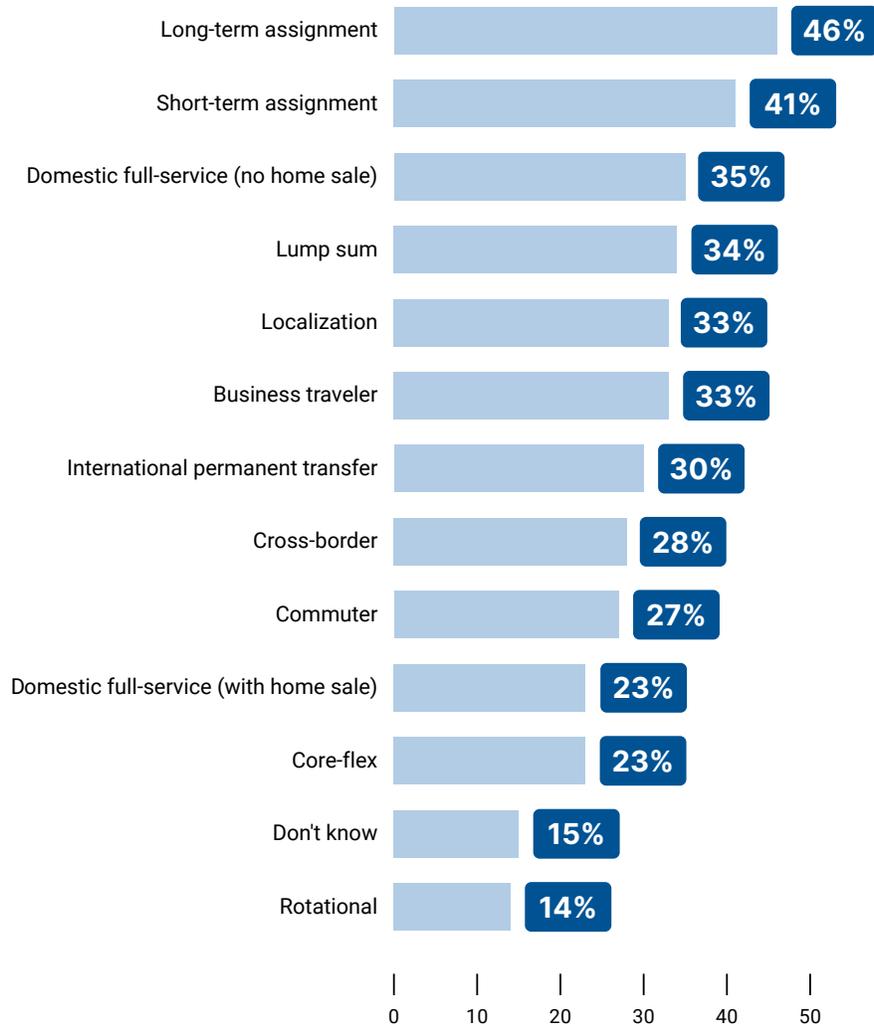
Global events—such as the Covid-19 pandemic—have sometimes added more complexity and uncertainty to business travel. These situations can change rapidly, however, requiring organizations to stay abreast of the latest trends so they can update relocation policies or even implement new ones.

### What do companies that use an RMC do differently?

Companies that use an RMC are more likely to include a variety of categories in their talent mobility/global relocation policies:

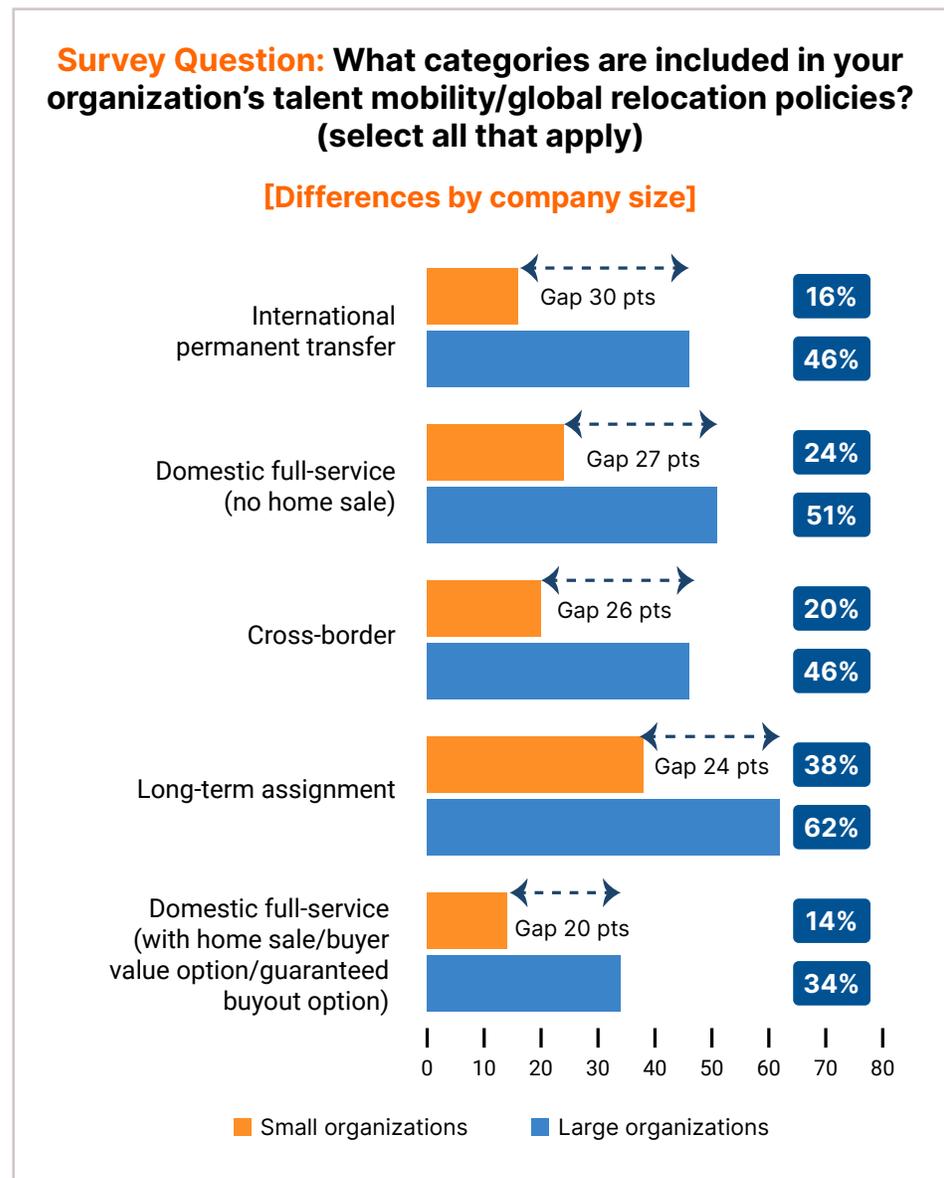
- Domestic full-service (no home sale): 58% vs. 33%
- Domestic full-service (with home sale): 50% vs. 17%
- Lump sum: 45% vs. 31%
- Cross-border: 40% vs. 27%

**Survey Question: What categories are included in your organization's talent mobility/global relocation policies? (select all that apply)**



## Larger versus smaller organizations

Overall, the data indicates that larger organizations are more likely to have various relocation policies when compared to smaller companies. The biggest differences are related to international mobility, such as permanent transfers and cross-border assignments. Moreover, larger organizations are more than twice as likely to say they have policies related to domestic full-service relocations (both with home sale and without home sale).





## Finding: Most respondents say relocation policies have been updated over the past 12 months to facilitate greater DEI&B

Most (63%) respondents say updates have been made to their relocation initiatives to improve diversity, equity, inclusion and belonging (DEI&B). The most common updates, cited by a third of respondents, is that they have added greater flexibility in their relocation initiatives.

However, this is far from the only adaptation. The next three most common updates include:

- Structuring of policies that can better accommodate DEI&B.
- Ensuring greater diversity and inclusion in global high-potential pool.
- Leveraging more DEI&B-friendly benefits used to support assignees.

We are especially glad to see greater diversity in the global high-potential pool. As we found in a previous HR.com HR Research Institute report, women and ethnic/racial minorities are significantly underrepresented in today's leadership ranks.<sup>3</sup>

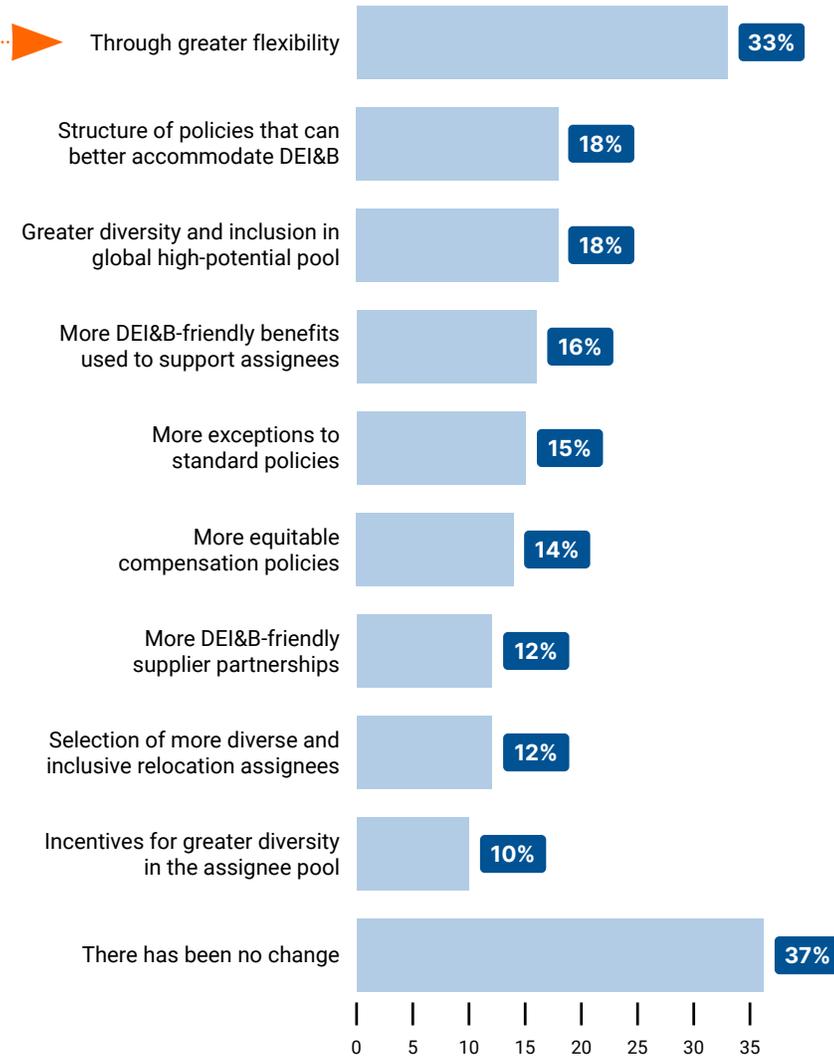
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<sup>3</sup> HR.com's HR Research Institute. (2021, February). *The Future of Diversity, Equity and Inclusion 2021*. Retrieved from [https://www.hr.com/en/resources/free\\_research\\_white\\_papers/the-future-of-diversity-equity-and-inclusion-2021-\\_kkxkvsxu.html](https://www.hr.com/en/resources/free_research_white_papers/the-future-of-diversity-equity-and-inclusion-2021-_kkxkvsxu.html)



The most widely cited updates to facilitate greater DEI&B are via greater flexibility

**Survey Question: Within the past 12 months, how have your organization's relocation initiatives been updated to facilitate greater diversity, equity, inclusion and belonging (DEI&B)? (select all that apply)**



# The Rise in Remote Working Arrangements



## Finding: Changes in employee expectations regarding remote working and lifestyle are impacting mobility policies

2020 was proof that remote working arrangements can be successful for many organizations. One of the results of this is that employees who previously had to be close to a physical office are now relocating to other locations for reasons such as lower cost of living or to be closer to family. In fact, half of respondents agree or strongly agree that lifestyle relocations have increased.

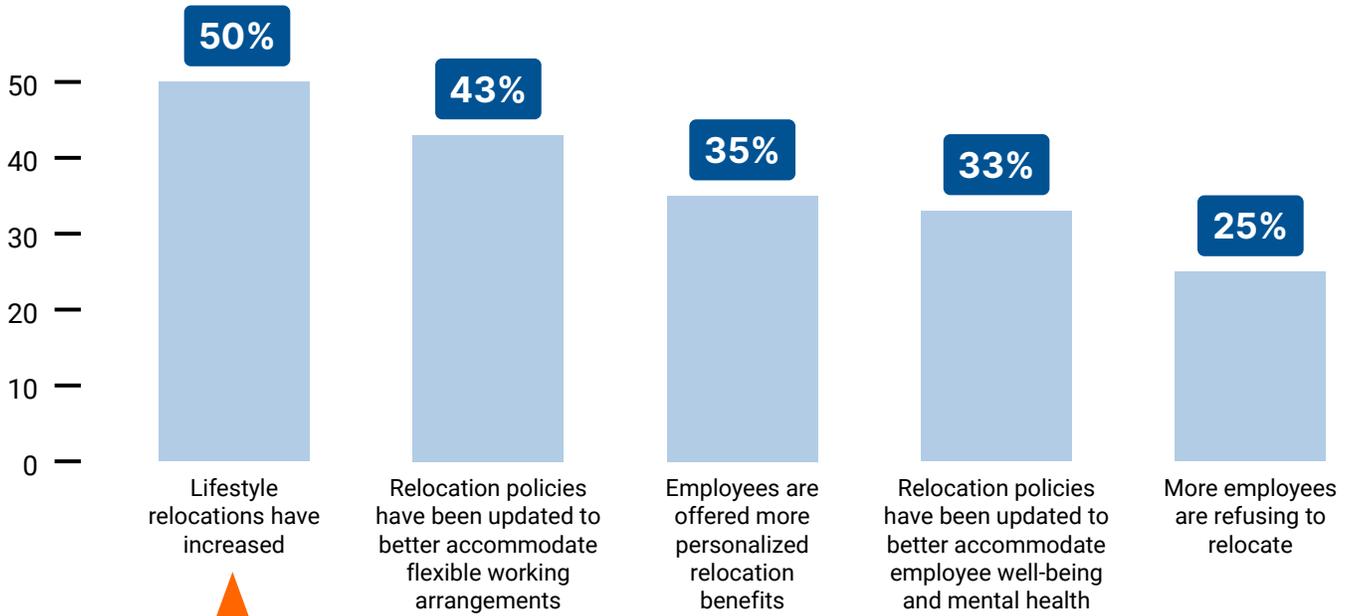
Moreover, 43% agree or strongly agree that relocation policies have been updated to better accommodate flexible working arrangements. However, just 33% agree or strongly agree that these policies are better at accommodating employee well-being and mental health and 35% say that employees are being offered more personalized and tailored relocation benefits. While it is encouraging that policies are being updated, this data indicates that organizations do have more work to do when it comes to relocation flexibility and employee well-being.

## Larger versus smaller organizations

Smaller organizations report that they are doing more to respond to these trends. More than half (56%) say they're updating relocation policies to accommodate flexible working arrangements compared to only a third (36%) of large organizations. Two-fifths of smaller companies are also updating relocation policies to accommodate employee well-being and mental health, whereas just 27% of respondents at large companies say the same. And 47% of smaller businesses are offering more personalized relocation benefits, compared to only a quarter of large companies.

**Survey Question: To what extent do you agree with these statements?**

[Percent responding agree or strongly agree]



Note: The survey did not specify a timeframe for these response items



**Half say lifestyle relocations have increased**



## Finding: Many employees are asking to work remotely

Remote working and whether it's here to stay is one of the most discussed topics of the past year. Nearly 58% of respondents in a recent study by CapRelo said they prefer remote work to in-person work and feel they are more productive working remotely. Further, the ability to work remotely will likely play an important part for candidates when considering future employment opportunities.<sup>4 5</sup>

Respondents in this survey echo these trends. More than half of respondents say employees are asking to work remotely to a high or very high degree (54%). However, there are also equity issues at play. Not every employee has the perfect set-up to productively work remotely. Perhaps the solution is flexibility—employers can help workers find a working arrangement that works for them, all while maintaining productivity and reducing stress.

Remote work is also opening new opportunities for both workers and employers. Positions that were strictly in-person before may now seek remote-only candidates, allowing for greater DEI&B in the candidate pool. Employers may now also have access to talent beyond their geographical location.

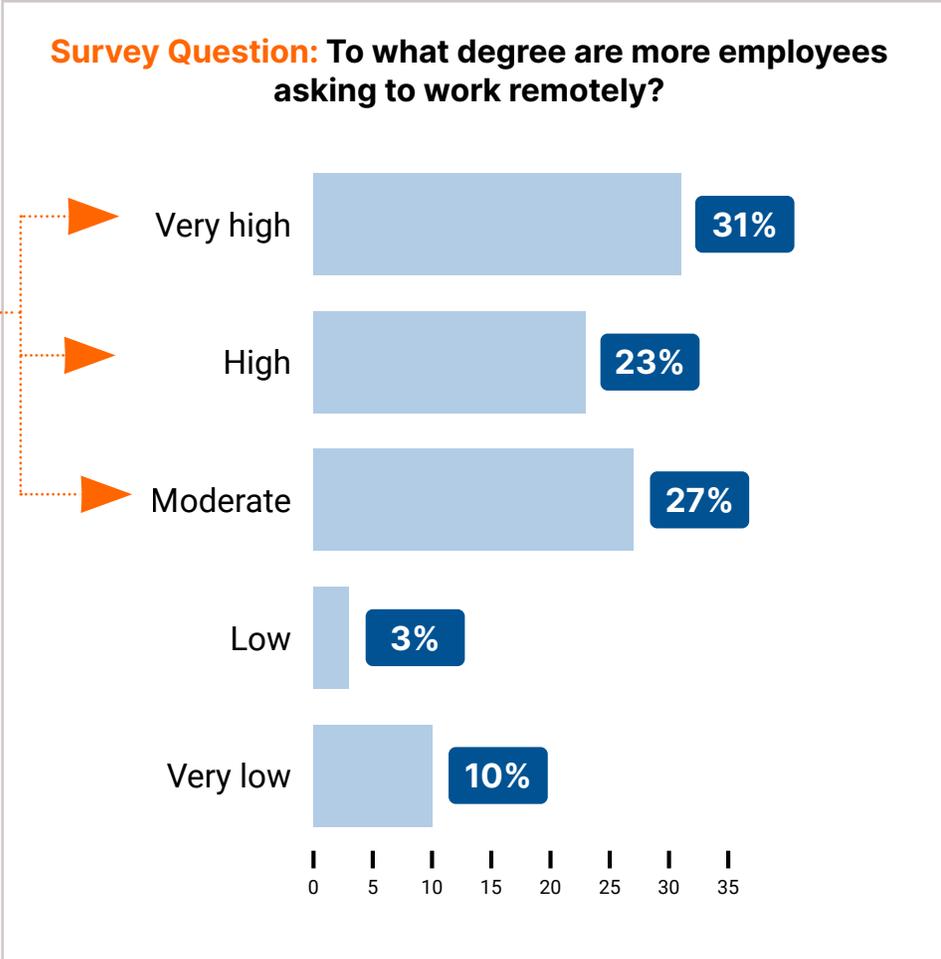
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<sup>4</sup> CapRelo. (2021, June 6). *The Post-Pandemic Work From Home Survey*. Retrieved from <https://info.caprelo.com/blog/work-from-home-statistics>.

<sup>5</sup> Woolf, M. (2021, January 4). *Is Remote Work Here to Stay?* *LiveCareer*. Retrieved from <https://www.livecareer.com/resources/careers/planning/is-remote-work-here-to-stay>



An overwhelming majority say more employees are asking to work remotely





## Finding: After the pandemic subsides, most organizations will continue to allow remote work arrangements to some degree

Although no one can be sure of when the Covid-19 pandemic will finally subside worldwide, most respondents believe that remote work arrangements will continue afterwards to some degree. In fact, only 17% say they will require all employees to be back on location after the pandemic ends.

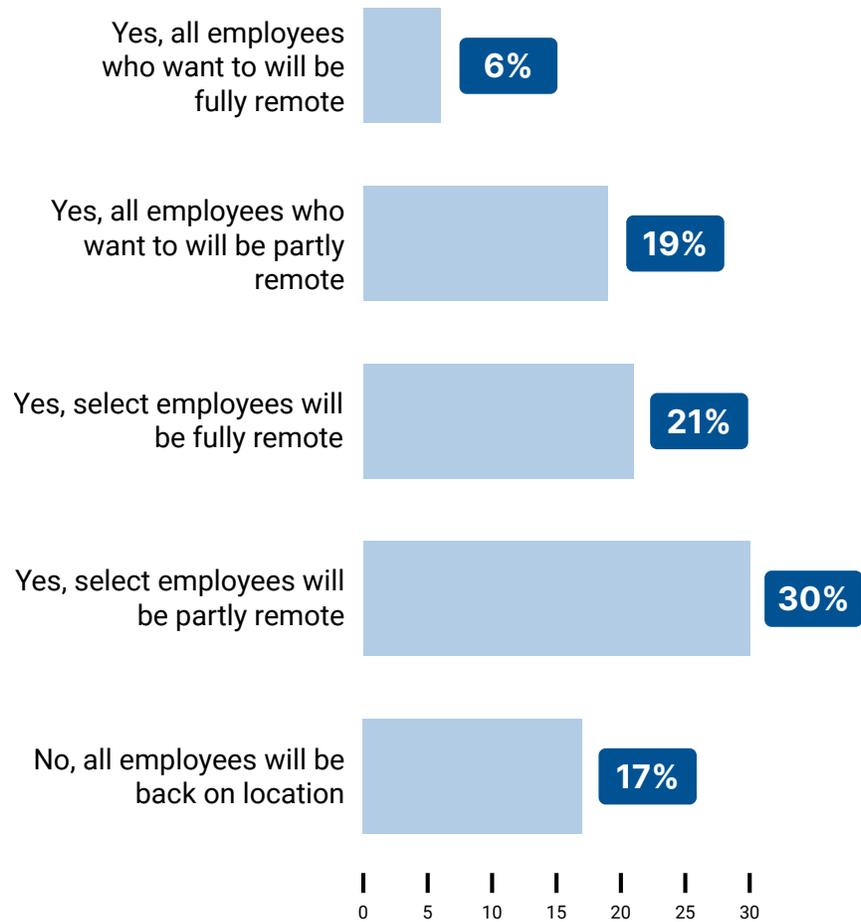
While more employees desire remote working arrangements, it appears that not all employers can or will accommodate this. Just 6% of respondents say that all employees who want to will be fully remote. More than half of respondents say they'll offer full- or part-time remote work to only select employees. Only a quarter say they'll offer these options to all employees. Further, a quarter of smaller organizations say they expect all employees to be back on location as the pandemic subsides versus only 13% of larger organizations.

Without some flexibility in positions that can be remote at least part of the time, some employers may encounter retention issues down the road. Offering remote or hybrid work options is important for talent retention. In a recent survey of 1,000 US workers, 39% said they would consider quitting if their employers didn't offer remote working at least part-time. And the number increases among younger employees; almost half of millennials and Gen Z say they might quit without these choices.<sup>6</sup>

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<sup>6</sup> Duffy, K. (2021, June 2). Nearly 40% of workers would consider quitting if their bosses made them return to the office full time, a new survey shows. *Business Insider*. Retrieved from <https://www.businessinsider.com/quit-job-flexible-remote-working-from-home-return-to-office-2021-6>

**Survey Question: Will your organization allow employees to remain working remotely once the pandemic subsides? (select the one that best applies)**



# Drivers of Mobility and Relocation

## What do companies that use an RMC do differently?

Organizations that use an RMC appear to view relocation more positively than those that do not use an RMC. They are more likely to agree or strongly agree that global and/or domestic mobility is:

- encouraged (60% vs. 42%)
- initiated by employees (48% vs. 42%)
- initiated by the employer (84% vs. 74%)
- seen as a positive opportunity (68% vs. 65%)
- standard for qualified employees (44% vs. 34%)

## Finding: Almost half of respondents agree that global and/or domestic mobility is encouraged in their organization

There are many perceived benefits to global mobility. Just under half of respondents agree or strongly agree that mobility is encouraged in their companies (46%), and another 62% say that it is seen as a positive opportunity.

Mobility is more often initiated by the employer than by the employee, but employee-initiated relocations are not uncommon. In fact, nearly half (47%) agree that relocations are often initiated by the employee, though even more (73%) say they are often initiated by the employer.

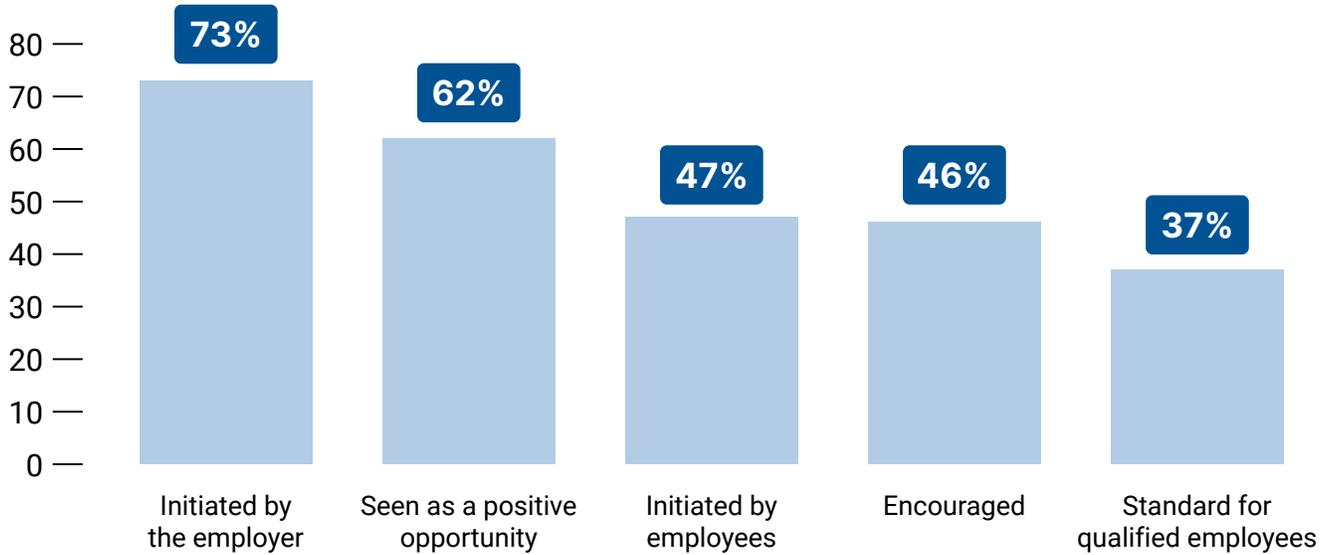
Roughly half report that lifestyle relocations have increased, and, as we will see later in this report, roughly a third expect employee-requested relocations to increase.

## Larger versus smaller organizations

This pattern holds for the most part regardless of organization size with a couple of exceptions. More than three-quarters (77%) of smaller organizations agree or strongly agree that relocation is initiated by the employer versus 67% of larger businesses. Further, 41% of respondents in smaller companies agree or strongly agree that these opportunities are standard for qualified employees compared to only 33% of larger companies.

**Survey Question: In your organization, global and/or domestic mobility tends to be:**

[Percent responding agree or strongly agree]



Global and/or domestic mobility is more often initiated by the employer than by the employee



## Finding: Most organizations use long-term relocations to fill specialized skills and leadership positions

Survey respondents say that long-term or permanent relocations are most often used to fill positions that have a specialized skill set (61%) or a necessary leadership role (54%). More than half (52%) also say they use long-term assignments when they have difficulty finding local candidates with the needed expertise and experience. Only 31% say they use relocations to support employee circumstances. But because more employees are desiring relocation for lifestyle reasons, organizations may need to increase their flexibility surrounding relocation and work arrangements if they wish to attract and keep the best talent.

Further, focus on executive and key talent policies and programs is growing even more important because these employee groups are most likely to continue relocating.

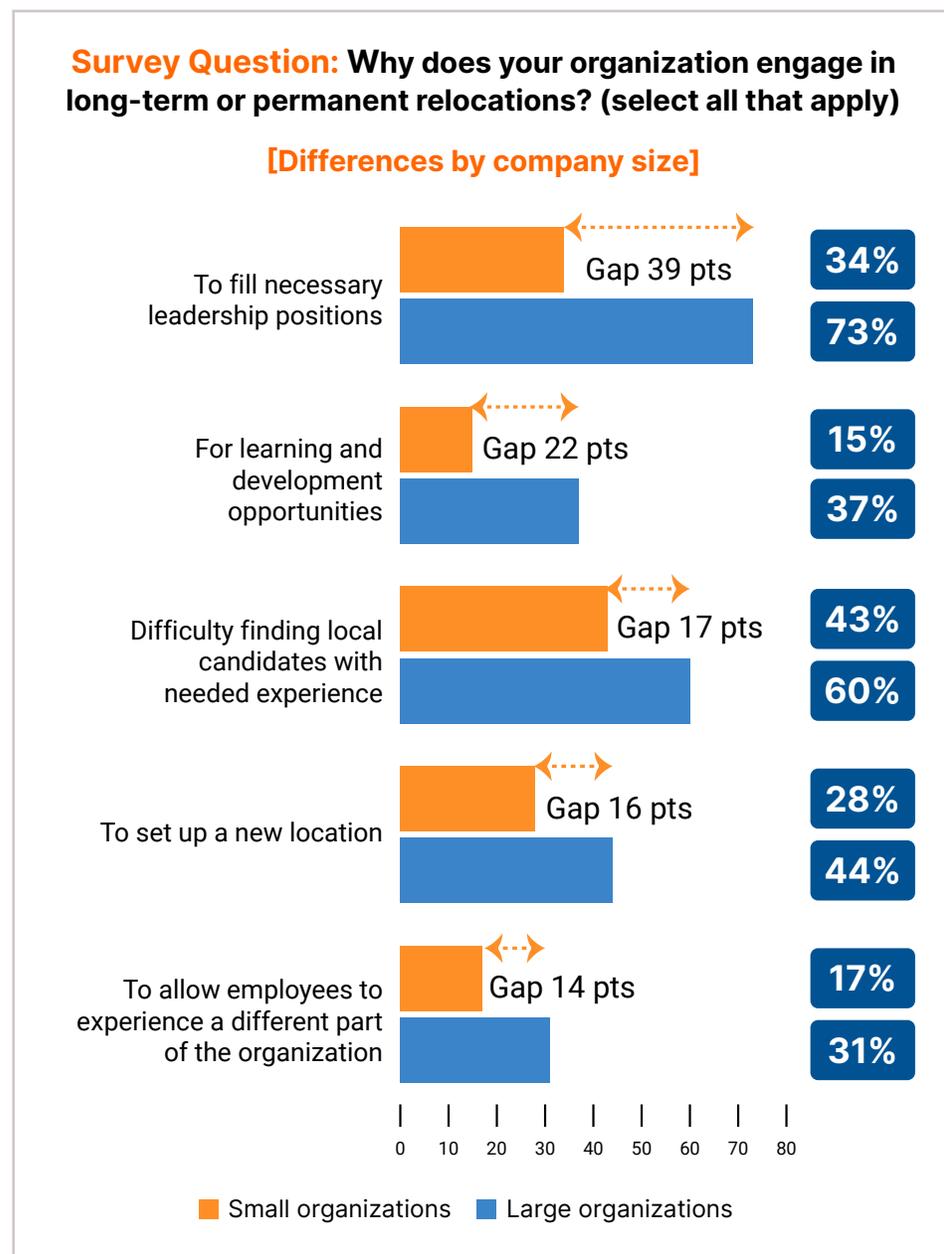
### Survey Question: Why does your organization engage in long-term or permanent relocations? (select all that apply)



A quarter say they use long-term relocations to allow employees to experience a different part of the organization

## Larger versus smaller organizations

When we examine the data by organizational size, the numbers and priorities differ dramatically, most likely because larger organizations have a greater need for staff mobility and the resources to accomplish it. For example, larger companies are twice as likely to use long-term or permanent relocation to fill necessary leadership positions, for learning and development opportunities, and to allow employees to experience a different part of the organization.





## Finding: Roughly two-fifths of organizations use short-term assignments for training and development

Like long-term assignments, survey respondents report using short-term assignments to also fill positions with specialized skills (52%). However, learning and development opportunities is the second most cited reason for short-term relocations (41%). With the lingering effects of the pandemic (e.g., new variants) putting a damper on relocations, many organizations may shift to virtual assignments to achieve these same training and development goals. As we will see later in the report, almost half of survey respondents say they expect virtual assignments to increase over the next two years.

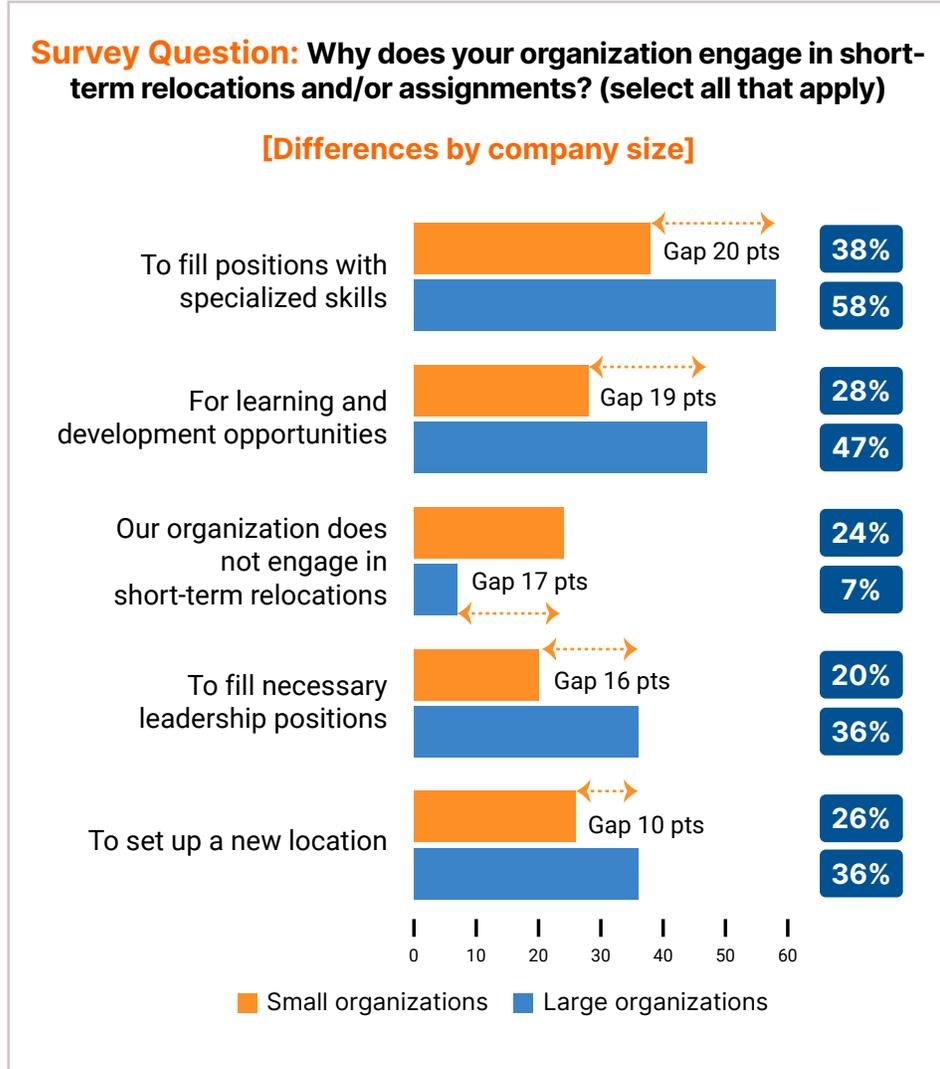
### Survey Question: Why does your organization engage in short-term relocations and/or assignments? (select all that apply)



A quarter use short-term assignments to support personal employee circumstances

## Larger versus smaller organizations

Larger organizations use short-term assignments for learning and development more often than smaller companies do (47% vs. 28%). They are also more likely than smaller organizations to use short-term relocations to fill positions with specialized skills (58% vs. 38%) and to fill necessary leadership positions (36% vs. 20%). Again, this points to the greater personnel mobility needs and resources at the disposal of larger organizations. Nearly a quarter of smaller companies report they don't use short-term relocations at all compared to only 7% of large organizations.



## What do companies that use an RMC do differently?

Organizations that use an RMC are more likely to say ROI and focus groups are the most effective means to gauge the success of global mobility.

## Finding: A quarter of respondents don't measure the success of relocations at all

We asked respondents to indicate what they believe is the most effective way to gauge the success of global mobility. Most report using either face-to-face interviews (in-person or video) or a survey soon after relocation to determine how smoothly the relocation went for the employee. A third also say that they review retention and turnover numbers, and a quarter examine the return on investment (ROI).

Worryingly, 25% say that their organization doesn't measure the success of relocations at all. Considering the cost and importance of mobility in today's global economy, this is a troubling number. Organizations that don't track or measure the success of global mobility may have a difficult time improving their processes if they aren't aware of where they fall short.

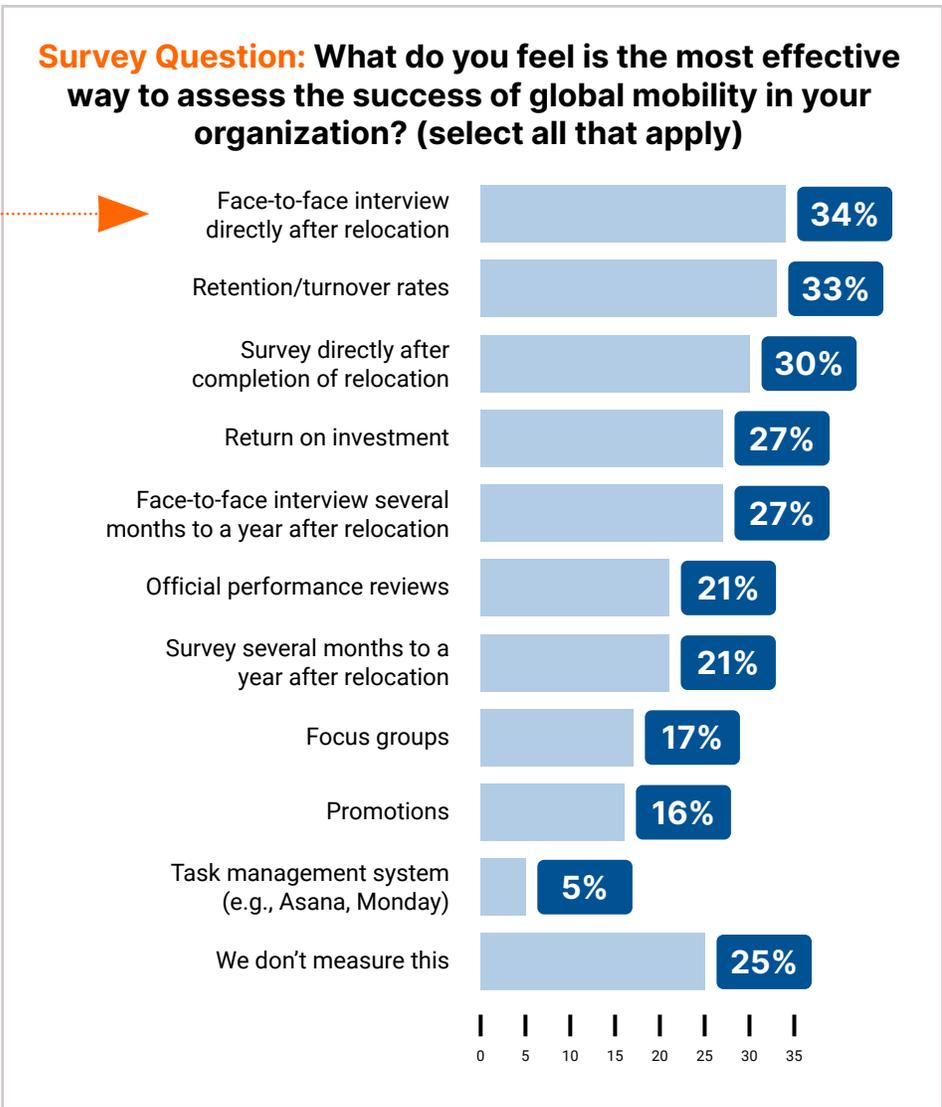
### Larger versus smaller organizations

While more than a third of both large and small organizations use face-to-face interviews directly after relocation, large companies are twice as likely as small ones to administer a survey directly after (39% vs. 18%). They are also far more likely to facilitate focus groups (27% vs. 8%) and look at promotions data (24% vs. 10%).

Further, more than a third (34%) of smaller organizations say they don't measure mobility success at all, whereas just 14% of respondents at larger companies say the same.



Face-to-face interview directly after a relocation is the most effective way to assess the success of global mobility



## What do companies that use an RMC do differently?

Only 8% of organizations that use an RMC say their processes are difficult to manage or that they have no consistent internal process.

## Finding: More than half of respondents cite cost concerns as the biggest pain point

Relocations—even short-term ones—can be expensive. While 56% of survey respondents say cost concerns are the biggest pain point with relocations, 40% also cite cost of living differences. This may also shift as more employees push to work remotely. Reduced commuting costs and/or living in areas with a lower cost of living means employees can save time and money. Recently some employers have started to adjust employees' pay based upon their geographic location versus the geographic location of the headquarters, but no one is sure whether this will become a long-term or widespread trend.<sup>7</sup>

Housing issues are also a major concern, noted by 30% as a pain point. Worldwide, housing shortages are making relocation even more expensive and difficult. Home prices have increased in many countries and relocated employees often face a seller's market.

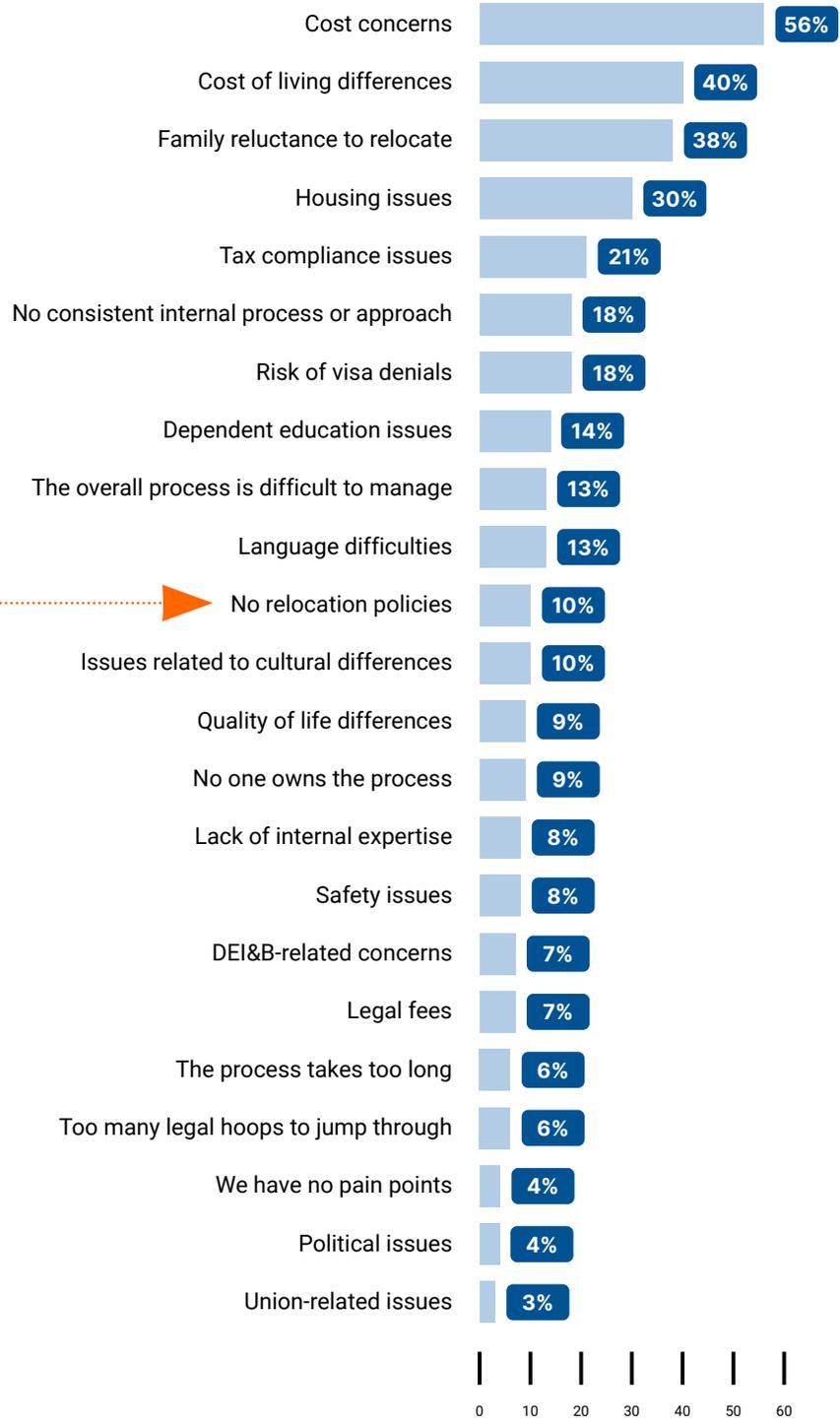
Respondents also cite poor policies and processes as major pain points. Respondents complain that their internal processes lack consistency (18%), that the overall process is difficult to manage (13%), that no one owns the process (9%) and that they don't have relocation policies at all (10%).

## Larger versus smaller organizations

One out of five smaller organizations say they have no relocation policies which would also explain why 25% also say they have no consistent internal process or approach for mobility. However, just 3% of respondents at larger organizations cite no relocation policies and only 15% complain of no consistent internal processes.

<sup>7</sup> Kaye, D. (2021, August 10). Pay cut: Google employees who work from home could lose money. *Reuters*. Retrieved from <https://www.reuters.com/world/the-great-reboot/pay-cut-google-employees-who-work-home-could-lose-money-2021-08-10/>

**Survey Question: What are the top five pain points your organization faces when relocating employees? (select up to five)**



**One-tenth say they don't have relocation policies at all**





## Finding: High quality of service is most important in choosing a global mobility service

With all the complexity and costs involved in relocating employees both domestically and internationally, it's no surprise that almost half (48%) of survey respondents say their most important criteria in choosing an RMC partner is high quality of service. This could also explain why more than a quarter indicate ROI is the most effective method to gauge mobility success.

In line with this, almost a third say they want to see a record of high customer satisfaction, the ability to be a good partner, and one-stop shopping. Organizations are also looking for industry expertise (32%) and immigration and visa expertise (31%).

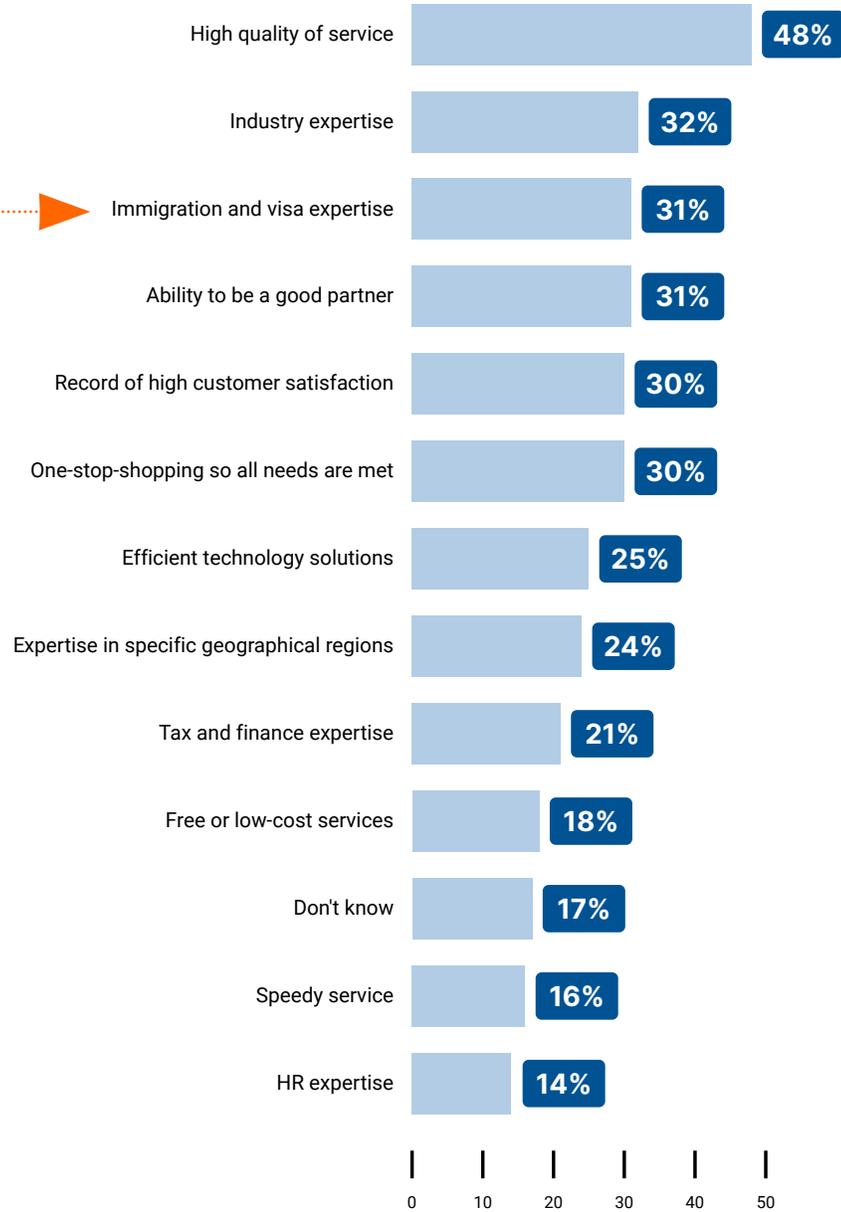
### Larger versus smaller organizations

Larger organizations are more focused than smaller companies on immigration and visa expertise when choosing an RMC (36% vs. 26%). This is likely because larger companies are more likely to encounter these issues. For example, 46% of larger organizations include international permanent transfer and cross-border transfers as part of their global mobility programs compared to only about one-fifth of smaller organizations. For smaller businesses, the desire for free or low-cost services is higher (26%) than reported by larger companies (12%).



**Survey Question:** What are the top five factors that are most important to your organization when seeking a global mobility service? (select up to five)

Nearly a third want immigration and visa expertise when seeking a global mobility service



# The Future of Global Mobility Policies



## **Finding: Nearly a third predict some increase in the number of corporate-paid global relocations within the next two years**

Covid-19 altered global relocation in 2020, with many organizations only relocating the most essential personnel. Going forward, most survey respondents (45%) expect corporate-paid global relocations to remain the same over the next two years as compared to pre-pandemic. Though 27% expect it to increase a little and just 4% expect it to increase a lot.

However, opinions on the frequency of future relocations appear split. With the immediate adoption of broad remote work, some employers may choose to relocate fewer employees and adopt virtual assignments for growth or to fill skill gaps instead (this is explored in a later finding). In addition, as stated earlier, there is an increased (25%) reluctance to relocate. In a recent study by the Boston Consulting Group, about half of respondents said they are willing to move abroad for work, a decrease from two-thirds in a 2014 study. But 57% said they are willing to work remotely for a foreign employer.<sup>8</sup>

## **Larger versus smaller organizations**

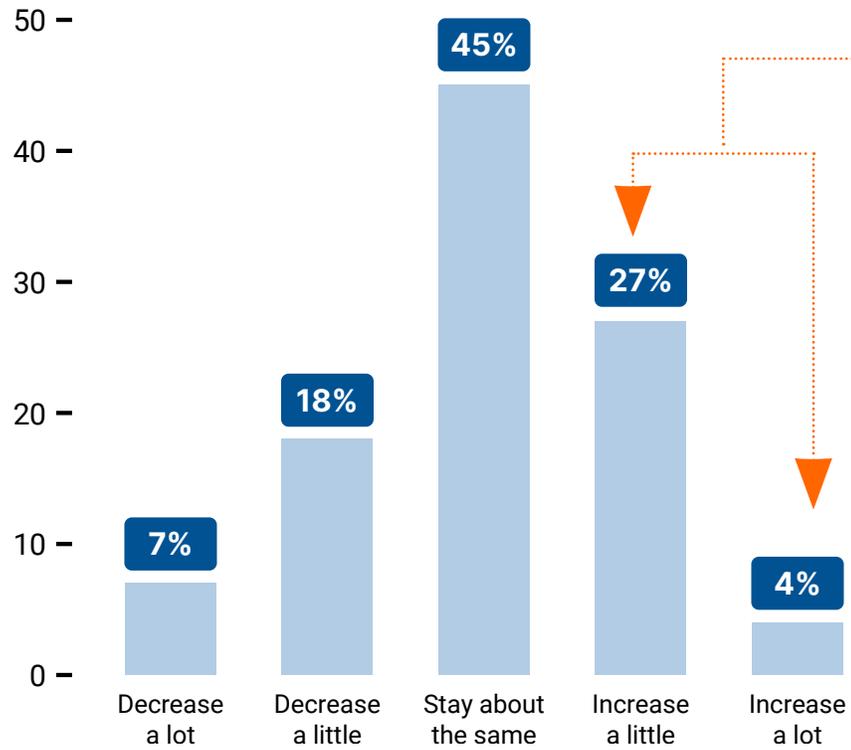
Smaller organizations are more optimistic than large companies in this respect. One out of three smaller companies expect a slight increase compared to only one out of five of larger companies.

<sup>8</sup> Antebi, P., Baier, J., Kavanagh, K., Kovács-Ondrejko, O., López Gobernado, A. & Strack, R. (2021, March 4). Decoding Global Talent, Onsite and Virtual. *Boston Consulting Group*. Retrieved from <https://www.bcg.com/publications/2021/virtual-mobility-in-the-global-workforce>



Nearly a third (31%) expect corporate-paid global relocations to increase a little or a lot over the next two years

**Survey Question:** How do you believe your organization's number of corporate-paid global relocations will change over the next two years as compared to pre-pandemic?



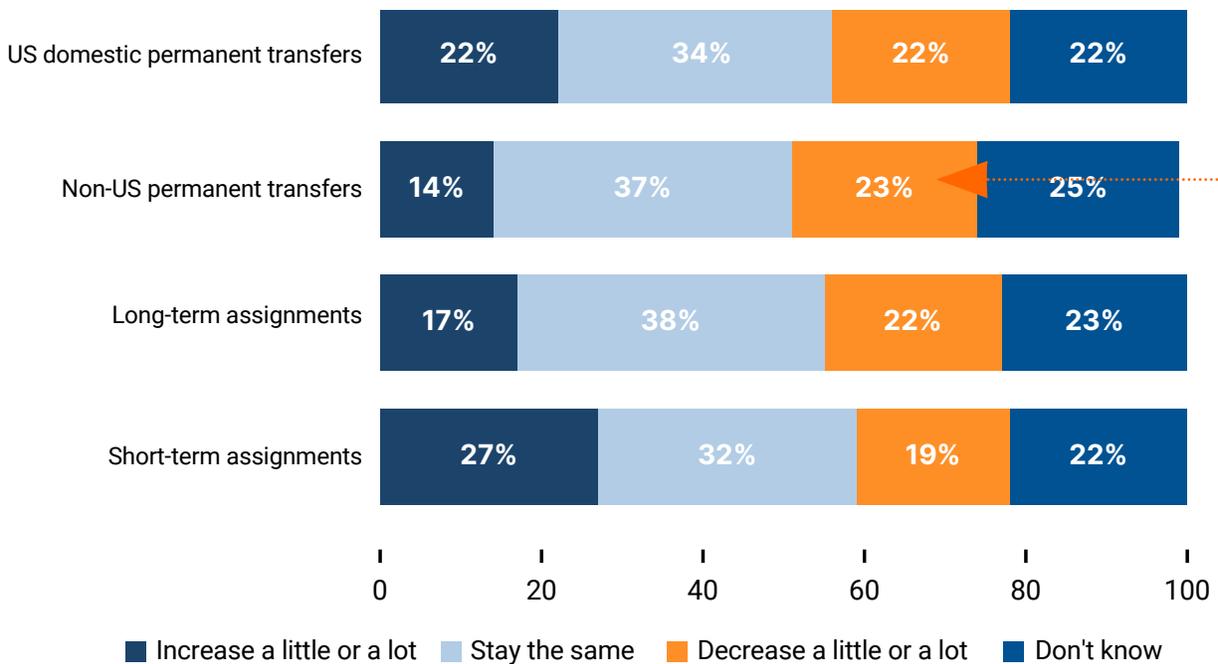


## Finding: More than a quarter of respondents expect short-term assignments to increase

More than a quarter (27%) say they expect short-term assignments to increase a little or a lot. As we found previously, these organizations are likely filling short-term assignments because of needed specialized skills or for learning and development opportunities.

Respondents expect non-US permanent transfers to decrease a little or a lot (23%), followed by US domestic permanent transfers (22%) and long-term assignments (22%). With Covid-19 restrictions still fluctuating, some organizations may be playing catch up with relocations over the next two years or they may need to get creative to retain and develop their talent.

**Survey Question:** How do you expect the numbers of the following types of assignments to change over the next two years as compared to pre-pandemic? (please provide your best estimate)



Almost a quarter say non-US permanent transfers will decrease a little or a lot

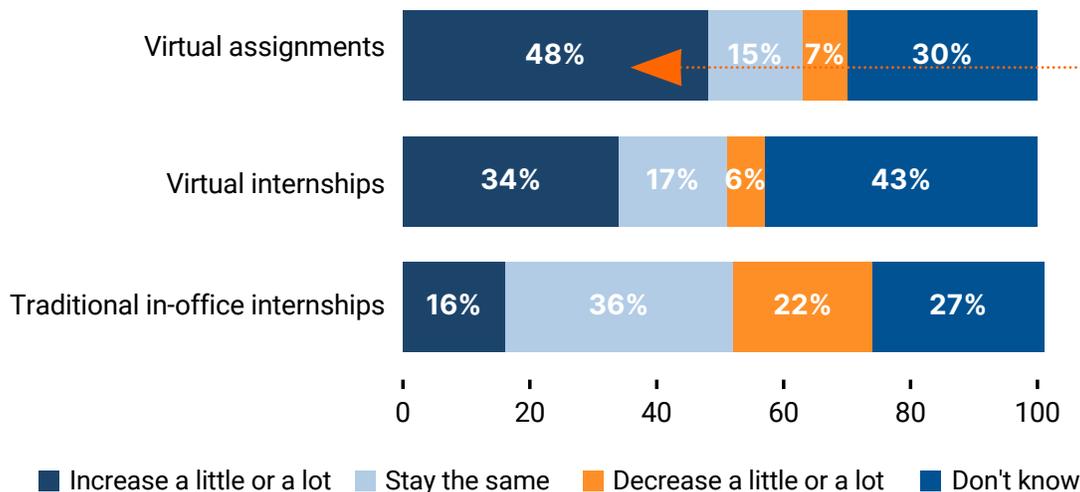


## Finding: About a third expect virtual internships to increase

Considering the impact of the pandemic and subsequent office closures and/or the lack of mobility across borders, an increase in virtual assignments makes sense. Roughly half (48%) expect virtual assignments to increase a little or a lot.

This same trend is impacting virtual internships. More than a third (34%) expect virtual internships to increase, but only 16% say the same about traditional in-office internships. These results mirror a poll by the National Association of Colleges and Employers conducted in April 2021. When asked how they plan to manage internships, employers said 38% will be exclusively virtual, 13% said internships will be in-person and 43% plan a hybrid solution.<sup>9</sup> However, a large number (43%) say they don't know whether virtual internships will increase or decrease over the next two years.

**Survey Question:** How do you expect the numbers of the following types of assignments to change over the next two years as compared to pre-pandemic? (please provide your best estimate)



Nearly half expect virtual assignments to increase over the next two years

<sup>9</sup> National Association of Colleges and Employers. (2021). *Spring 2021 quick poll on internships and fall recruiting*. Retrieved from <https://www.naceweb.org/talent-acquisition/trends-and-predictions/spring-2021-quick-poll-on-internships-and-fall-recruiting/>

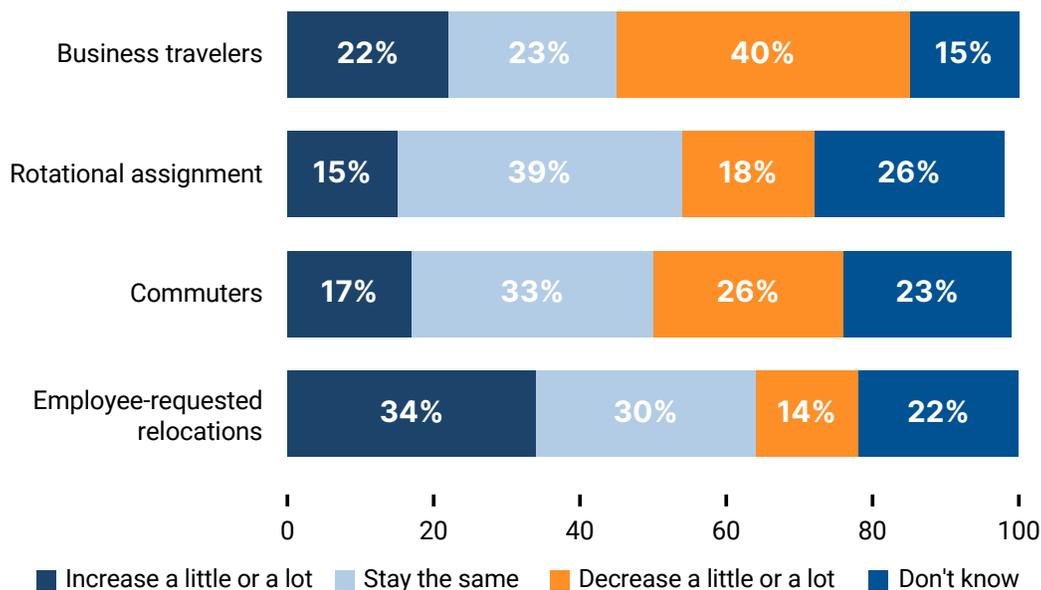


## Finding: Business traveler and commuter assignments are expected to decrease the most

About a quarter (26%) say commuter work arrangements—defined in the survey as arrangements for those who work a few days in one location and then travel home for a few days—are expected to decrease. Further, 40% say business travelers—defined as those on assignment longer than a commuter but shorter than a short-term assignment—are also expected to decrease.

Almost a third (30%) say employee-requested relocations will remain the same, with 34% expecting them to increase a little or a lot. This aligns with the earlier finding that employees requesting relocations for lifestyle reasons has increased. Employers most likely expect employees to continue to request these types of relocations over the next two years. Earlier in the pandemic and after remote working fell into place, many workers moved out of cities and into the suburbs or another state. However, whether these moves will be permanent remains to be seen.

**Survey Question: How do you expect the numbers of the following types of assignments to change over the next two years as compared to pre-pandemic? (please provide your best estimate)**



# What Are Global Mobility Leaders are Doing Differently?

We wanted to take a closer look at what differentiates organizations that successfully manage global mobility from those that are less successful. To do this, we separated our sample into two cohorts:

**Global mobility leader organizations:** Employers of respondents who answered 9 or 10 in “overall satisfaction” to the survey question, “How would relocated employees rate your organization’s relocation policies and processes?”

**Global mobility novice organizations:** Employers of respondents who answered 1 to 6 in “overall satisfaction” to the survey question, “How would relocated employees rate your organization’s relocation policies and processes?”

Correlation does not necessarily indicate causation, of course, but these relationships can provide clues about possible best practices related to global mobility policies and processes.

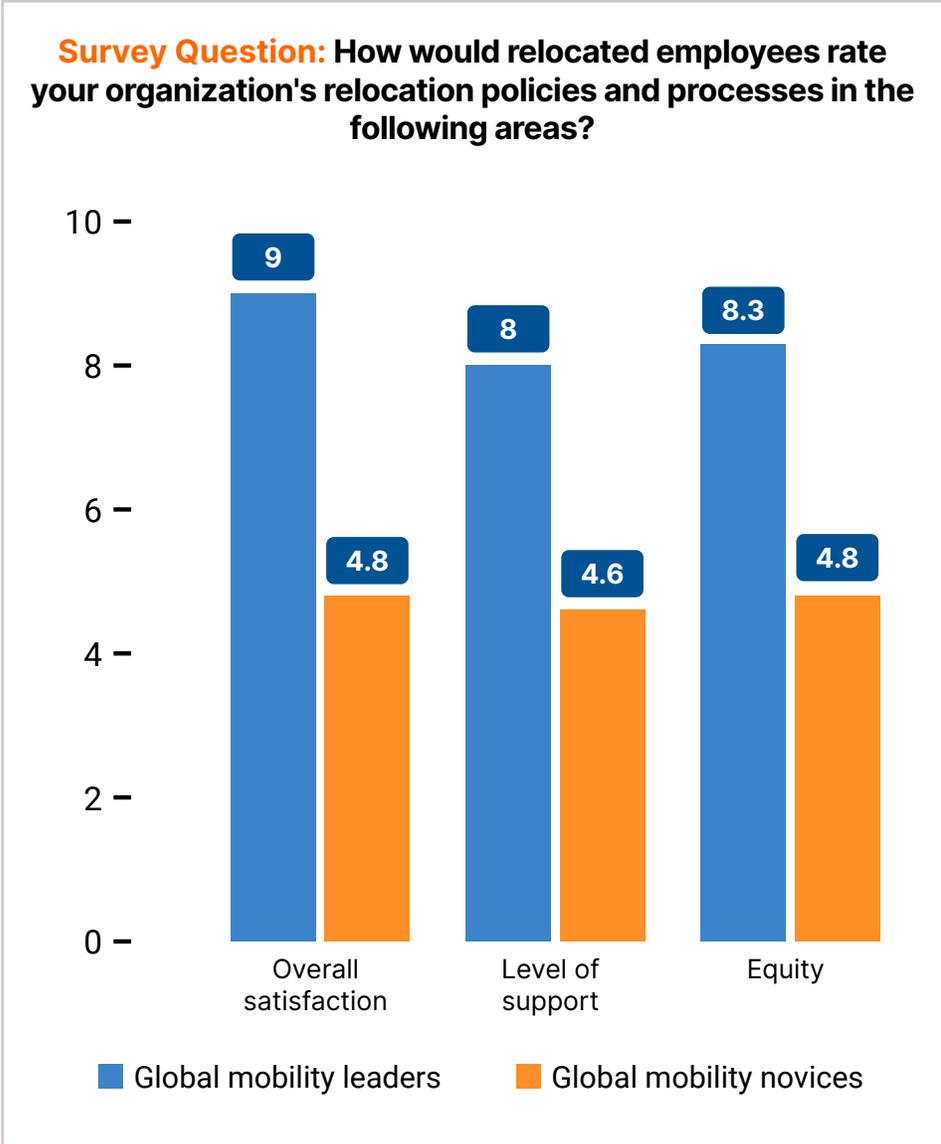


## **Finding: Respondents from global mobility leader organizations say relocated employees give their organization’s global mobility policies and processes high ratings**

On average, global mobility leaders are more likely than novices to be rated positively in the areas of equity, flexibility and level of support. In fact, flexibility is rated the highest, indicating that global mobility leaders are less likely to have a one size fits all approach to relocation.



Global mobility leader organizations offer more flexibility, more support and more equitable relocation policies and processes



Note: this graph looks at the average response out of 10.

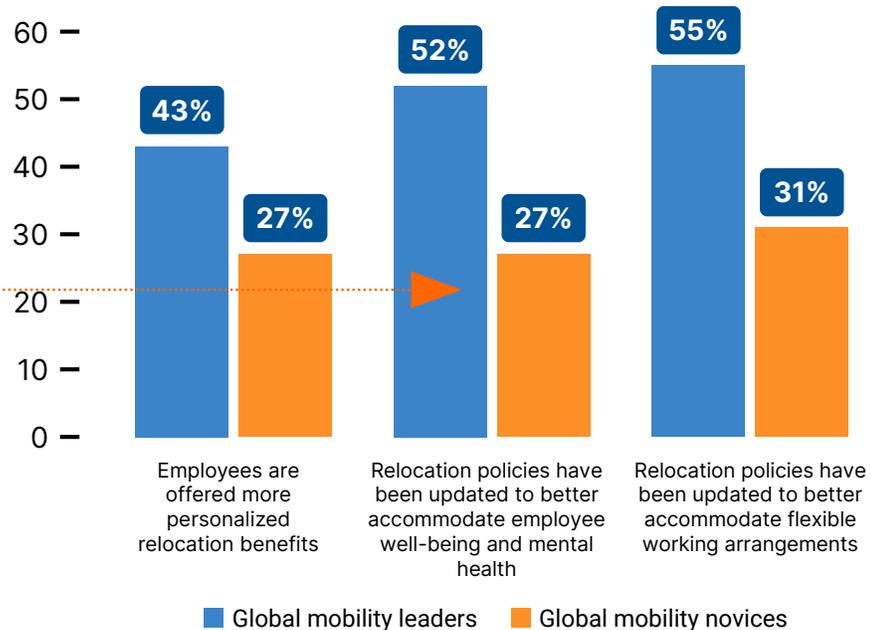


## Finding: Global mobility leader organizations are updating policies to accommodate changes in workplace trends

Many businesses made a shift from a physical office to remote work due to the pandemic and as we found previously, many employees are interested in continuing to work remotely for various reasons. Respondents in global mobility leader organizations are more likely to agree or strongly agree that their organizations updated their mobility policies to reflect these changes and need for flexibility.

**Survey Question: To what extent do you agree with these statements?**

[Percent responding agree or strongly agree]



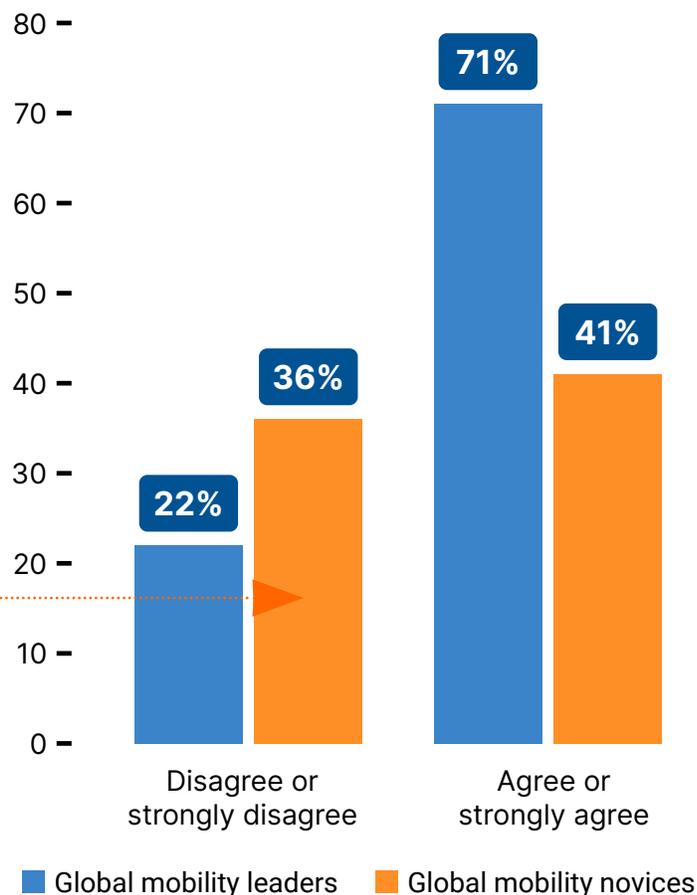
More than half of leader organizations updated relocation policies to reflect flexible working arrangements



## Finding: Respondents from global mobility leader organizations are more likely to strongly agree that their organization has a comprehensive talent mobility/relocation policy

Almost three-quarters (71%) of respondents from leader organizations agree or strongly agree that they have a comprehensive talent mobility/relocation policy compared to only 41% of those from novice organizations. Moreover, those from global mobility novice organizations are more likely to disagree with this statement.

**Survey Statement:** Your organization has a comprehensive talent mobility/relocation policy (this can be in regard to domestic mobility, global mobility or both).



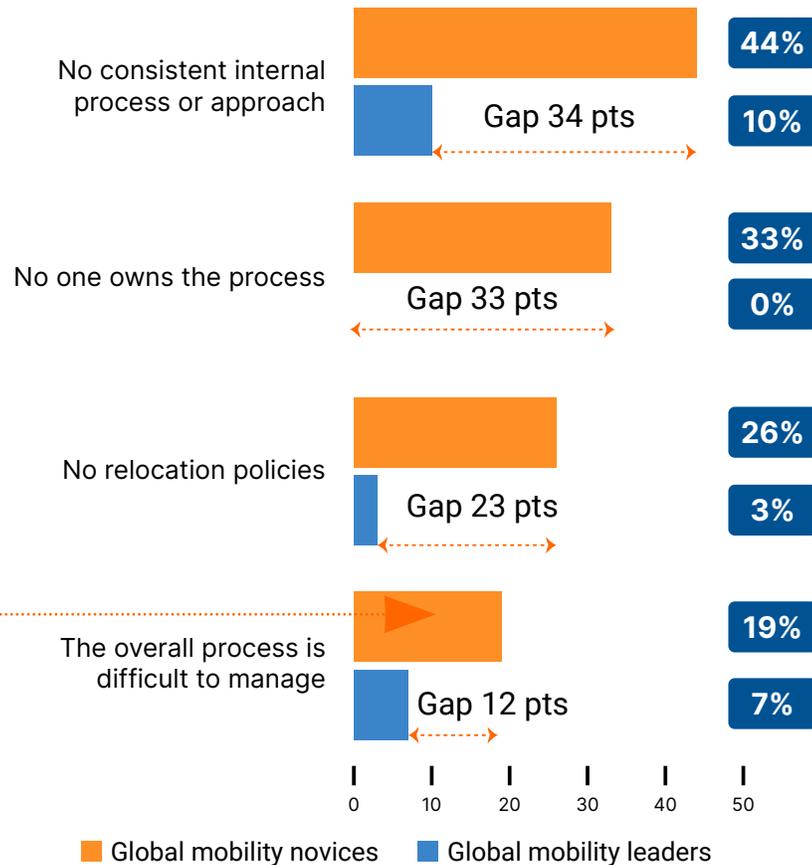
A third of respondents from global mobility novice organizations say they don't have a comprehensive mobility policy



## Finding: Global mobility novice organizations lack clear policies and processes for mobility

A dramatic difference between global mobility leader organizations and novice organizations is the presence of structure and organization when managing relocations. Respondents from novice organizations are more likely than those from leader organizations to report that their business has no consistent internal process or approach (44% vs. 10%) and that no one owns the process (33% vs. 0%). Not surprisingly, one out of five at novice organizations say the overall process is difficult to manage.

### Survey Question: What are the top five pain point your organization faces when relocating employees?

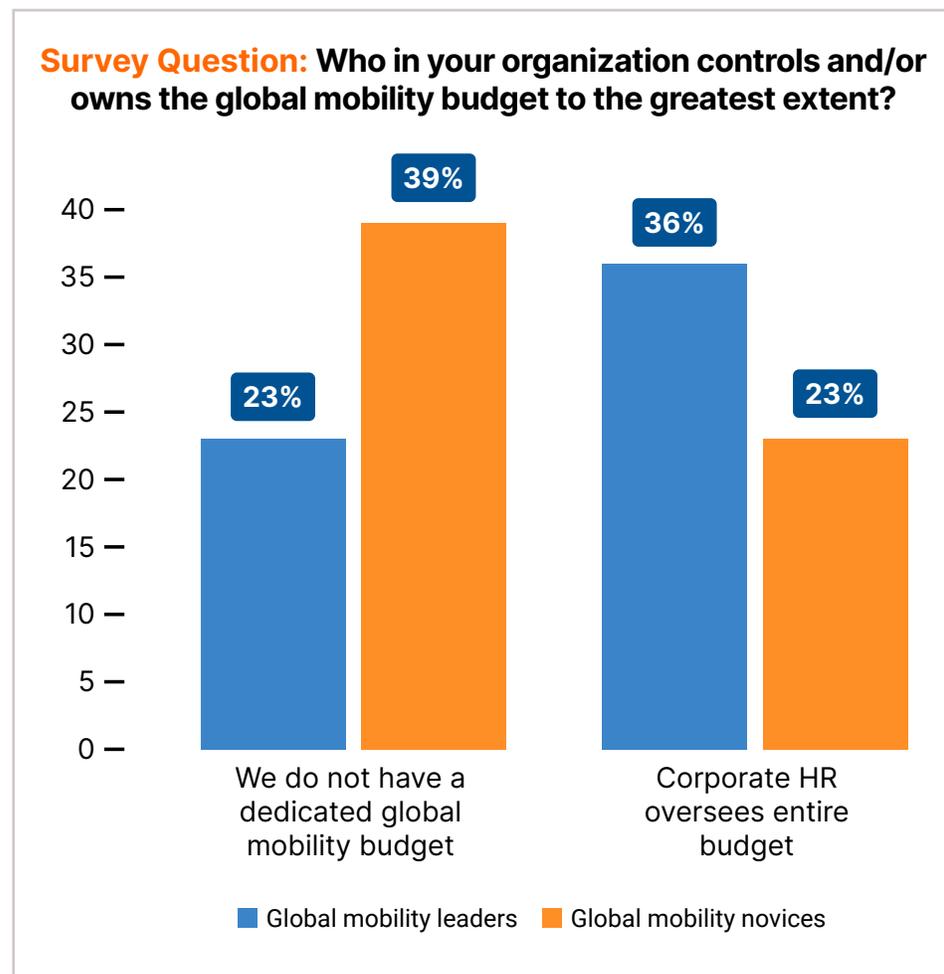


One out of five respondents from novice organizations say the overall process is difficult to manage



## Finding: Global mobility leader organizations have firmer and clearer control of mobility budgets

Part of efficiently managing the relocation process is having clarity over who controls the money and the overall policy. Nearly two-fifths (39%) of respondents in novice organizations report that they have no dedicated global mobility budget at all compared to just 23% of those in leader organizations. Further, more than one-third (36%) of respondents from leader organizations say corporate HR oversees the budget but only 23% of those from novice organizations report this. Overall, this points to a lack of control and consistency in novice organizations to managing global mobility programs.





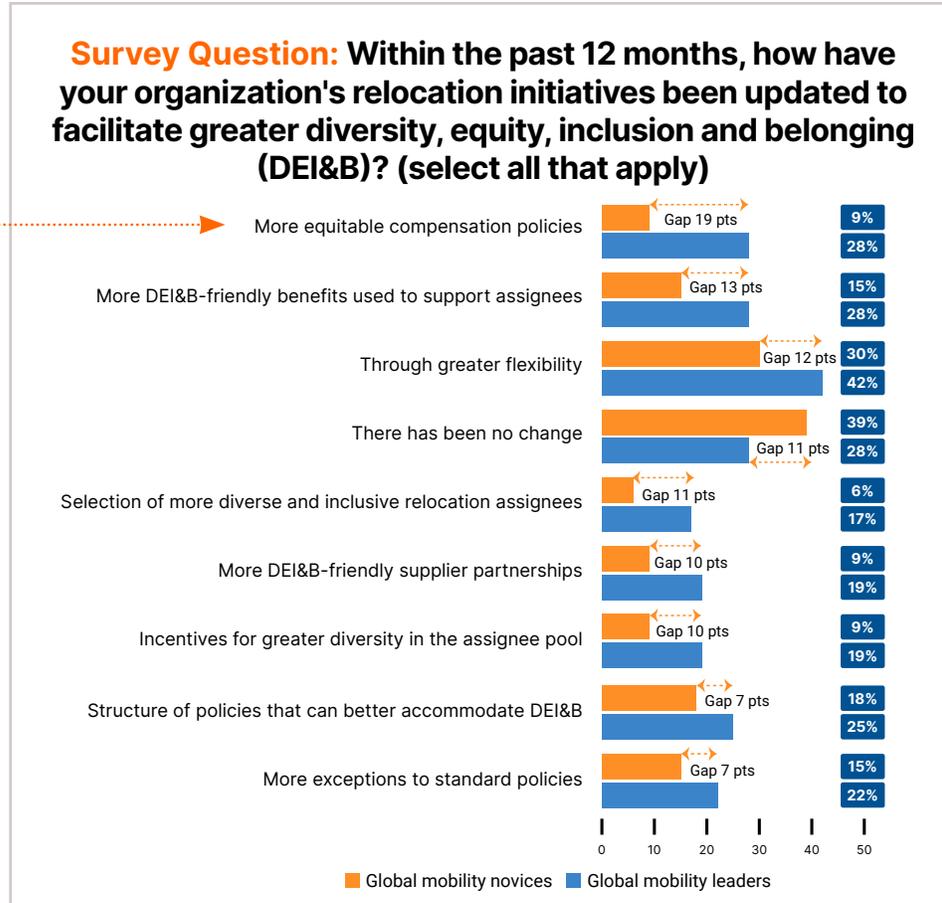
## Finding: Global mobility leader organizations have updated their relocation initiatives in the last year to improve DEI&B

Encouragingly, global mobility leader organizations have kept diversity, equity, inclusion and belonging (DEI&B) initiatives in mind when updating relocation policies. These organizations have accomplished this through greater flexibility (42%) and structuring policies to support DEI&B (25%). More than a quarter have also created more DEI&B-friendly benefits to support assignees (28%) and more equitable compensation policies (28%).

While 39% of respondents in global mobility novice organizations report there has been no change at all, more than a quarter (28%) of respondents in leader organizations also say the same. Although better, this still leaves much room for improvement.



More than a quarter of global mobility leader organizations have made changes to their relocation initiatives to improve DEI&B through more equitable compensation policies



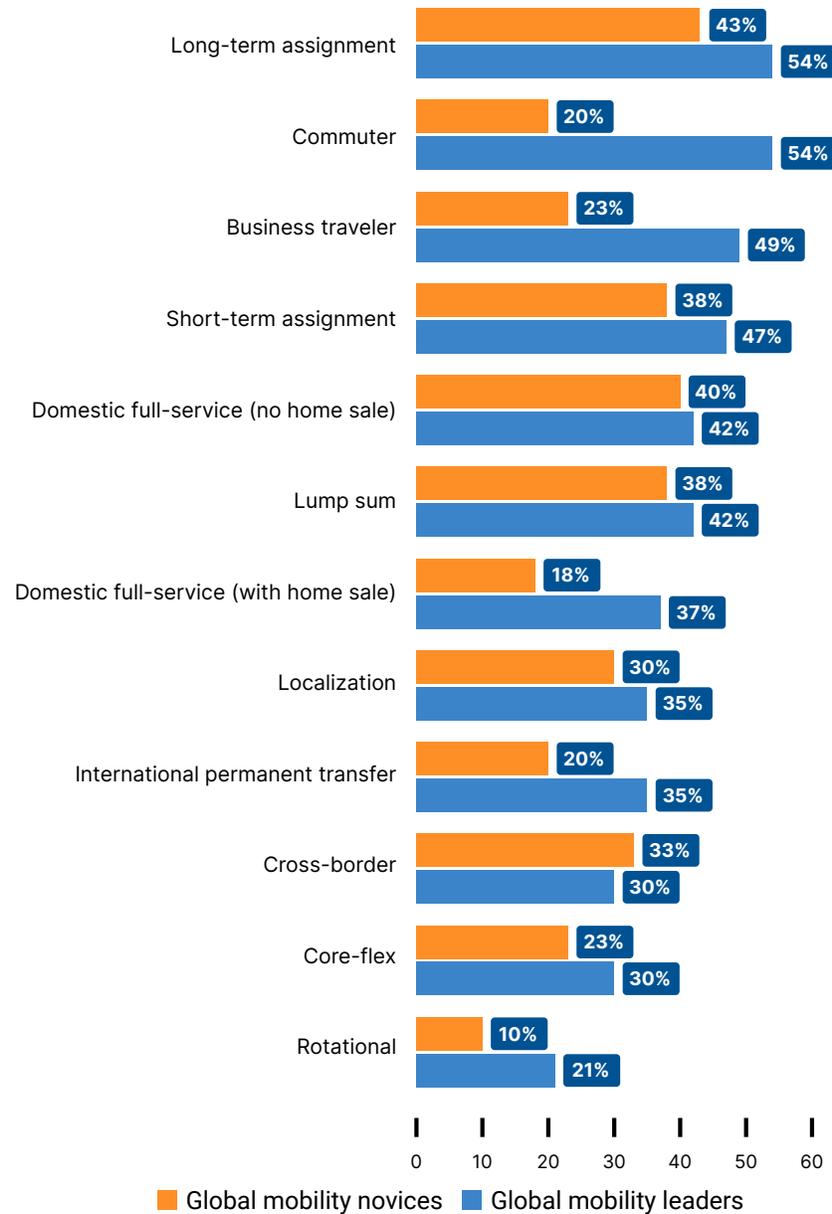


## Finding: Global mobility leader organizations offer employees more options for growth and compensation in their global mobility policies and processes

Leader organizations are more likely to include all categories of transfers and assignments in their organization's talent mobility/global relocation policies. Both leader and novice organizations provide the most common relocation opportunities like long-term and short-term assignments, domestic full-service (no home sale), lump sum payments and localization adjustments. But global mobility leader organizations go the extra mile—literally. Almost half (49%) support business travelers (i.e., longer than commuter assignment, shorter than short-term assignment) versus just 23% of novices. More than half (54%) of leader organizations say they have commuter policies (i.e., work a few days in one location, travel home for a few days) compared to just 20% of novices. What is most interesting is that these numbers reflect the shifting physical workplace, supporting hybrid solutions and employees who wish to relocate.



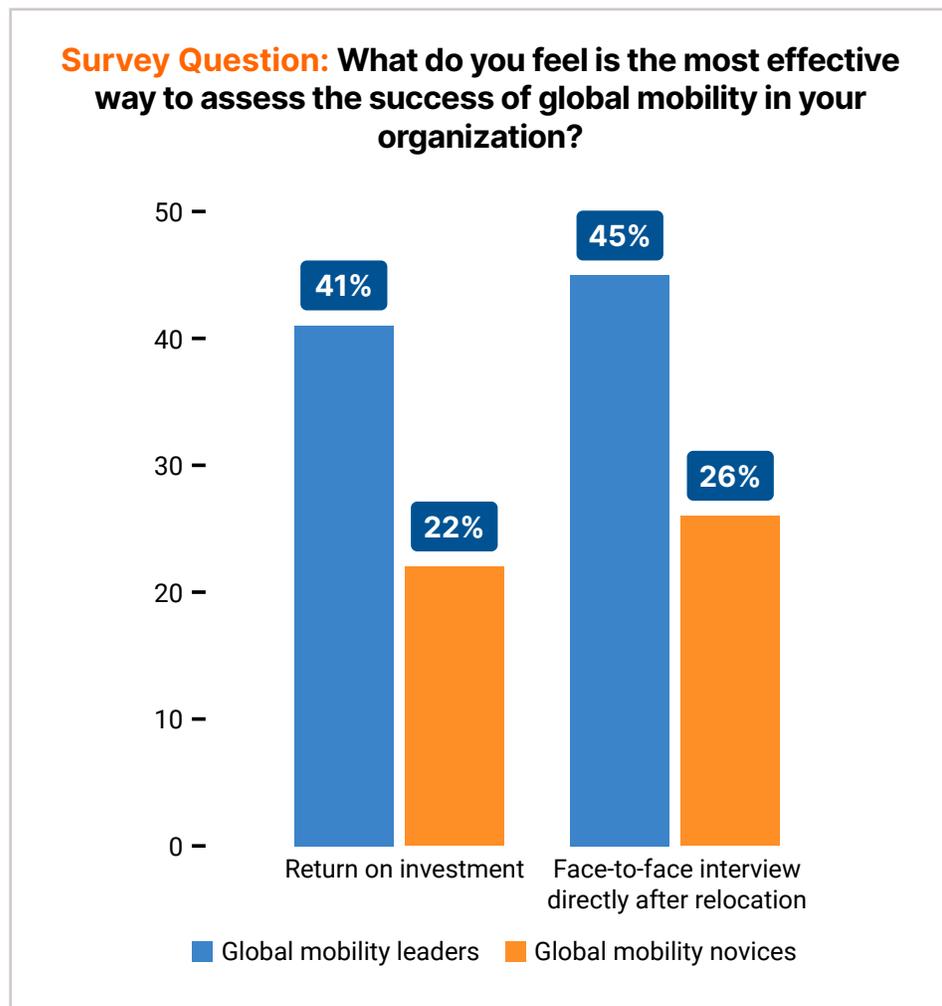
**Survey Question: What categories are included in your organization's talent mobility/global relocation policies? (select all that apply)**





## Finding: Global mobility leader organizations are twice as likely to say ROI is an effective way to measure global mobility success

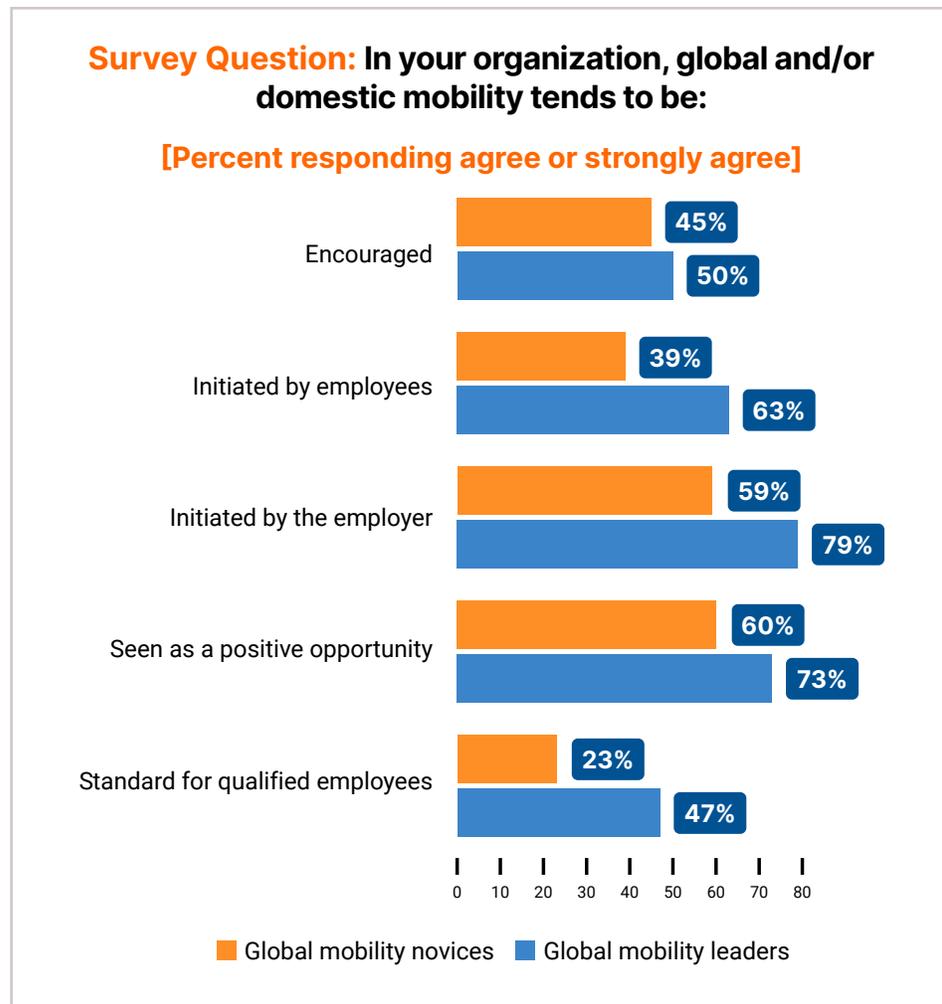
Determining if an employee was relocated successfully is crucial to both the employer and employee as relocation can be an expensive and time-consuming process. One way is to measure the employee’s performance immediately before the relocation and then after to see if they met the business objectives that drove the relocation. Leader organizations are about twice as likely to say ROI is an effective way to measure the success of a relocation (41% vs. 22%). Global mobility leader organizations are also more likely to conduct face-to-face interviews directly after relocation (45%) compared to only 26% of novice organizations.





## Finding: Global mobility leader organizations are twice as likely to offer relocation opportunities as standard for qualified employees

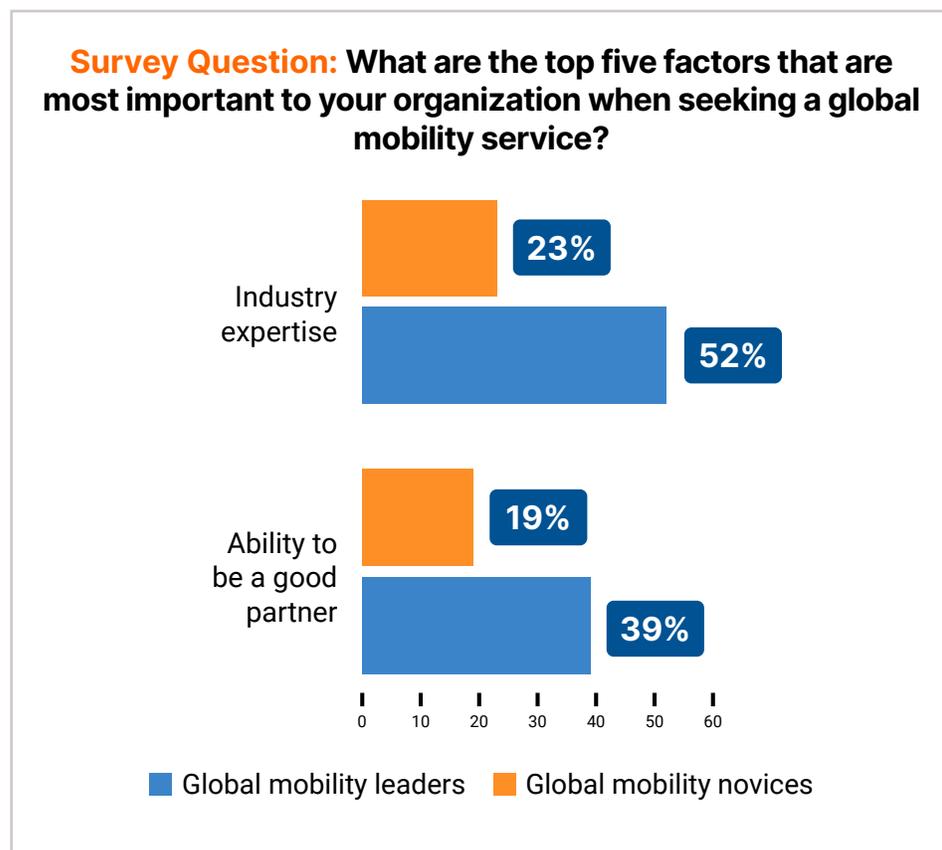
Leader organizations understand the developmental value of mobility. Almost half (47%) make relocation standard for qualified employees compared to less than a quarter of novice organizations (23%). In leader organizations, almost three-quarters (73%) report that relocation is viewed as a positive opportunity as opposed to only 60% in novice organizations. In a corporate-supported environment, it also makes sense that employees in leader organizations are also much more likely to initiate mobility (63% vs. 39%).





## Finding: Global mobility leader organizations value industry expertise

More than half of respondents in global mobility leader organizations (52%) say industry expertise is one of the most important factors when choosing a global mobility service. However, less than a quarter (23%) of those from novice organizations say the same. Leader organizations are also more likely than novices to value the ability to be a good partner (39% vs. 19%).





# Key Takeaways

## Key Takeaway 1

**Update your mobility policies with flexibility in mind.** With all the changes to the workplace brought on by the pandemic, it may be time to review and update your relocation policies and priorities. Employee expectations and wants are changing. Many workers are interested in more remote working solutions, such as hybrid arrangements (a mix of in-office and remote work) or fully virtual assignments. Customizing relocation and working arrangements may be necessary for retention rates as well as ensuring employees are happy and engaged.

## Key Takeaway 2

**Survey your employees.** To get a better understanding of what your employees want in this new landscape, consider conducting a survey and/or focus groups to dig deeper. Get a pulse on what employees expect to be available now and in the future. What factors did they struggle with in the relocation process? What factors made the process successful? Also consider surveying employees about the working arrangements they'd prefer: hybrid, in-office or fully remote?

## Key Takeaway 3

**Ensure working arrangements are equitable for remote work.** If your organization is moving toward remote or hybrid working arrangements, keep in mind that not every employee has the ability or resources for successful remote work. Some may lack space for a dedicated work areas and some may feel more distracted at home. Consider flexibility when changing work arrangements for employees and allow for some customization: a remote solution may work perfectly for one employee, but a relocation may be the better answer for another.

## Key Takeaway 4

**Gather relocation process metrics.** To improve the process, one first needs to identify what needs improving. Gather metrics during all aspects of the relocation process. If using a relocation management company, also consider measuring ROI to ensure they are indeed the right partner for your company.

## Key Takeaway 5

**Dedicate resources and budget to global mobility.** The survey results demonstrate that many organizations don't have a dedicated mobility budget or even personnel to manage mobility. Those that have dedicated budgets and personnel, however, also tend to have a more comprehensive talent mobility/relocation policy, clearer processes, and smoother relocations. Therefore, consider assigning a point person for employee relocation matters. Even if relocation isn't that person's main responsibility, having a go-to person for all things mobility could smooth out some wrinkles in the relocation process and ensure some consistency.

## Key Takeaway 6

**Use mobility for learning and development.** Too often, relocations occur because there is a pressing need to fill a hole. Maybe the company is growing so quickly that local expertise is unavailable. Or a sudden departure leaves a leadership vacuum. With some forethought, mobility options can be used to develop bench strength so that you're ready when that need arises. Further, consider using mobility to keep workers engaged, offering them flexible work arrangements and the opportunity to grow their skills.

## Key Takeaway 7

**Build relocation into the corporate culture.** Global mobility leaders are more likely to say that mobility is encouraged and seen as a positive opportunity. Ensure your organization provides smooth relocations so the overall process doesn't feel like a punishment rather than a perk. Identify areas for improvement and communicate with employees what your organization will do to fix issues. Consider sharing success stories of relocated employees and highlight new internal roles where possible.

## Key Takeaway 8

**Don't overlook DEI&B.** Too often DEI&B objectives get left by the wayside and considered as a separate matter when they should be integrated into every aspect of the organization's HR management processes. Greater diversity and inclusion strengthen an organization, especially when it involves placing the right talent in the right place. DEI&B doesn't just impact international mobility, either. The US is a complex multicultural country. Using your internal talent to meet the needs of both the domestic and global marketplace can be essential to business success. Consider examining your mobility metrics through a DEI&B lens and pinpointing where your organization can do better.

## Key Takeaway 9

**Consider using the services of a professional relocation management company.** If your organization is spread out geographically—whether nationally or internationally—relocation and mobility often become more complex. Taxes, visas, laws, housing and all the costs associated with these issues can be overwhelming (and that's not even taking pandemic-related issues into account). Consider hiring an industry-specific relocation partner to help you navigate the complexities of global mobility. When choosing a partner, keep in mind what areas of the relocation process your organization most needs help with and ensure you match your needs with the best partner.



## About CapRelo

CapRelo is a full-service global relocation management company that manages more than 10,000 worldwide relocations and assignments annually for all sizes of companies – small to major multinationals alike. With 24 years of mobility expertise, we have established an extensive global footprint with presence in the Americas, EMEA and APAC. Your purpose drives our focus and allows us to be uniquely positioned to help you both acquire and retain the best talent. Our vision is lived by our staff, our daily interactions with clients and industry colleagues and our commitment to the communities we serve. We are proud to support the relocation needs for living, working, thriving anywhere across a lifetime.



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