

Collective Insights to Workforce Mobility Challenges

Navigating COVID-19's Impact
Through Shared Experiences



Propelling **Mobility**



Weichert Workforce Mobility recently hosted a series of virtual roundtables with corporate relocation managers and HR professionals around the globe, providing a forum for peer-to-peer review of methods for managing mobility in these unprecedented times. We are grateful to the more than **150 global mobility managers** who participated from such companies as Walmart, Toyota, Micron, Regeneron, BP, Transocean, Cargill, UHG, TD, RBC, GE, PTC, Moderna, Takeda and many more.

While most companies are busier than ever managing mobility on a case-by-case basis, some common themes emerged through these crowdsourcing exercises. The captured data offers a compelling state of the industry which we are pleased to share in this report.

Despite all the obstacles, employees still seem eager to move.

LIMBO ISN'T A STRATEGY

For companies outside the Pharmaceutical and Retail sectors (and excluding essential personnel), the immediate reaction to the COVID crisis was to put mobility “on hold,” pausing planned intern programs, significant hiring and global expansion. Although there are fewer assignments, the ones that move forward are more critical and accommodated with greater flexibility. Many companies report that these moves must be approved at the senior levels; most often by the CEO.

With talent more widely dispersed than ever before, the definition of “mobile employee” is expanding to encompass any employees working away from the office, including business travelers, short term assignments, permanent relocations and the remote workforce. As you might imagine, this also brings a new level of complexity and compliance obligations. Many are delaying start dates, pursuing third country entry points to overcome immigration and quarantine requirements or driving instead of flying.

Few have formally revised their relocation policies—for now.

CREATIVE SOLUTIONS TO IMMIGRATION CHALLENGES

Immigration challenges are the number one concern among participating companies. Despite lower activity overall, managing “essential” mobility has been exhausting and a real challenge.

Companies are customizing their approach to deploying expats based on their locations and many reported having the most difficulty moving employees into the United States. One example shared by a corporate manager resonated with attendees at several sessions: “We had an employee in Mexico who we wanted to bring to the US but couldn’t due to immigration issues. She’s starting work from Mexico now and will remain on our Mexican entity’s payroll until we can reevaluate her situation in the new year.”

Generally, participants have had to become more creative to overcome such obstacles as office closures, visa issues and travel restrictions. One company was trying to move a Russian employee into France on a training visa, but France was not allowing training visas, so the company could only get the employee into France on a local contract, which brought significant labor law and business implications.

Many participants reported learning about “virtual assignees” by accident, like the company with employees who were working in Australia on valid visas, but were out of the country on vacation or leave when the borders were closed. Now they have shadow payroll and individual tax issues.

RELUCTANCE? NOT SO MUCH

Despite all the obstacles, employees still seem eager to move. There was surprising optimism that reluctance will not increase post-COVID or when some of the immigration challenges subside. Employees with dependents and extended families are the ones that may require deal “enhancements” or accommodations to overcome reluctance.

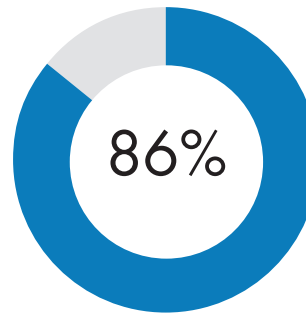
REMOTE WORK/VIRTUAL ASSIGNMENTS

For the most part, participants indicated that their employees were still working remotely or had been back in the office for a while only to return to a virtual setting as a result of the uptick in COVID cases. They quickly acknowledged that remote work has some advantages, but it is not possible or ideal for many positions and/or industries. As Jamie Dimon, chairman and CEO of JPMorgan Chase said, his company has noticed a decline in productivity, creative combustion and slower learning and development since going remote.

Several companies have developed guidelines to deal with unique requests, but aren't actively promoting these alternatives. As one participant explained, "We have multiple global locations so we need to get some clarification on how the company is addressing these requests in a broad and consistent manner. Saying 'no' will not fly in many cases so we need to reach a compromise that works for our business and the employee. We are manually tracking each request and if we decide to accommodate, we make it clear that it is temporary."



Although most companies reported at least "exploring" virtual assignments, only one out of 150+ is enthusiastically embracing them as a talent strategy. The remaining participants were quick to agree that they need to examine the long-term impact of virtual or hybrid assignments on their mobile employees and better understand the tax, immigration and compliance issues before broadly adopting this new mobility type.



Companies that expect an increase in remote work requests.

For more insight to the pros and cons of virtual assignments as identified through these roundtables, please reference the [checklist](#) we created to guide further evaluation.

COST CONTROL

No doubt there are some industry sectors (O&G) that have been hit harder than others and for these organizations, mobility activity is still on pause. These sectors also tend to be pursuing more outsourcing as global mobility staffs shrink.

Among industries that are growing or returning to operations (i.e., retail, pharmaceutical, technology, construction, manufacturing), industry participants acknowledged the need to control relocation program costs—perhaps with even greater vigilance than in the past.

The majority of participants agreed that in the short-term, costs associated with quarantine, longer storage of household goods and other accommodations may increase spend, but these costs are offset by lower volume/activity and much lower travel expenses. There were lots of suggestions around halting allowances, banking home leave and adjusting compensation, but, as mentioned earlier, very few attendees are making wholesale changes to policies currently.

There was a unanimous indication that exceptions are "off the charts" and that most are tracking COVID-related exceptions for reporting purposes. In addition, many shared that they have enhanced their exception management process to ensure leadership is more aware of the expected increase in costs.

HOME LEAVE

Home leave was a hot topic among attendees, with practices varying widely, depending on travel restrictions. As one participant noted, "Our approach is 'use it or lose it' but allowing more flexibility during COVID."

Some are banking home leave for next year (with a defined time period) while others are allowing a cash out option.

The most common options that participants are offering include:

1. Cash out: Providing the assignee with a cash allowance in the amount of the estimated cost of airfare.
2. Bank Home Leave: Allowing the assignee to delay the trip and add it to next year's benefit (e.g. 2 trips or 1 trip combined days).
3. Providing an R&R trip within the host region (if travel is permitted).
4. Allowing the employee to choose from 1, 2 or 3.

The primary concern is with travel; if the employee wants to go home or to another location, the company needs to have clarity on additional quarantine costs, higher airfares stemming from fewer flights, and any travel-related challenges that could be encountered en-route to the home/host location.

We also surveyed our client teams and among 20 clients, only two have issued guidelines on travel for home leave, indicating that they will not cover additional costs related to travel issues. Like many other pandemic-era mobility situations, companies are still managing on a case-by-case basis.

NEW MOBILITY TYPES

Although still not widespread, many companies are looking at new mobility types to accommodate employee-initiated moves, especially in industry sectors with talent shortages or retention challenges. Consistent with the approach on requests for remote work arrangements, there seems to be consensus that "volunteer" moves and remote move requests need to be evaluated holistically to avoid inadvertently setting precedents.



DIVERSITY AND INCLUSION

There is a lot of evidence that women and minorities have been hardest hit by the pandemic. To ensure retention of critical employees and continue progress toward a more inclusive and diverse mobile workforce, it is imperative that mobility be involved in overall talent management planning.

Best practice suggestions include being consulted early in the process and consulting with talent management to ensure more diverse candidate sourcing. Success in this endeavor starts at the very highest level of leadership, so it represents another opportunity for mobility to be more strategic.

CONCLUSION

We asked roundtable participants what they are expecting going forward, as many of the trends we've been tracking are accelerating and new solutions are evolving. Here's what they said:

- **Flexibility will continue.** It was noted that one benefit of flexible policies would be a reduced need for exceptions, which have become so prevalent in the current environment.
- **No going backwards.** The swift adoption of virtual/digital solutions will continue with a focus on cost control and enhancing the employee experience (think fewer homefinding trips thanks to virtually accompanied homesearch)
- **Controlling costs without hamstringing the business.** Moves that proceed will be more deliberate, more purposeful and will require an exceptional (or, in Weichert terms, "Legendary") employee experience.
- **Duty of care** will finally motivate companies to track the whereabouts of employees on assignment to minimize compliance and safety issues.
- **Embracing new mobility types** and monitoring business travel combined with virtual assignments.

We expect to continue these roundtables and encourage you to bring your challenges and solutions to share with peers as we explore **"What's Next in Mobility."**

Have questions? Interested in learning more? Please contact solutions@weichertwm.com.



Centers of Excellence
United States | Canada | Latin America | EMEA | Asia Pacific

weichertworkforcemobility.com