For a full copy of the TRENDS IN GLOBAL RELOCATION: 2014 GLOBAL MOBILITY POLICY & PRACTICES SURVEY please contact your Cartus representative or send an email to trustedguidance@cartus.com.
INTRODUCTION & OBJECTIVES

The Cartus 2014 Trends in Global Relocation: Global Mobility Policy and Practices survey—the sixth in Cartus’ series of policy and practices surveys that began in 2002—elicited responses from 172 mobility managers around the world. This study is a continuation of our investigation into trends related to how and where companies are sending their transferring employees, the challenges they are facing, and the solutions they are employing. All major industry groups are included, and the respondents are multinational companies with an average global relocation volume of 581 annual moves, representing more than eight million employees.

Respondent Demographics

The following charts and information cover the survey’s complete areas of content and are designed to reflect the actual findings of the survey in detail.

Where comments were requested, we have included representative examples.

Definitions

The policy types we studied include the following traditional and emerging forms:

- **Long-Term Assignment**: Relocation from one country to another for the length of assignment—typically one year or more.
- **Short-Term Assignment**: Relocation from one country to another for the length of assignment—typically up to one year.
- **Developmental**: An assignment—generally short term—with the major objective of broadening the experience of an employee and providing a career-development opportunity.
- **Localization**: Integration of an employee into the compensation and benefits system of the host country, typically following a long-term assignment and continuing for an indefinite period of time.
- **Intra-Regional**: Policies designed specifically for assignments between countries within a designated region (for example, within EMEA), often with a reduced benefit objective.
- **International Commuter**: An employee who works in the country/countries of assignment and commutes frequently to his/her home country.
- **Extended Business Travel**: An employee who does not relocate, but travels regularly to an international location for an extended period of time.
- **Permanent International Transfer**: A one-way relocation from one country to another for an indefinite period of time.
Survey respondents represent organizations across all industry sectors, geographic regions, and ranges of relocation volume.

### Respondents by Industry Sector

![Industry Sector Pie Chart]

### Respondent Locations

![Location Pie Chart]

### Assignee Profile

The assignee profile appears to be a continuation of the shift away from the younger, single makeup that we saw moving into prominence in 2010 and toward an older population—a profile that was more prevalent in 2007. Likewise, the percentage of assignees married/with partner and accompanied, while slightly down from 2012, is still up sharply from 2010. The percentage of female assignees (24%) remained the same as in the 2012 survey.

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<thead>
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<th>Gender</th>
<th>2007</th>
<th>2010</th>
<th>2012</th>
<th>2014</th>
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<tbody>
<tr>
<td>Male</td>
<td>79%</td>
<td>81%</td>
<td>76%</td>
<td>76%</td>
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<tr>
<td>Female</td>
<td>21%</td>
<td>19%</td>
<td>24%</td>
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<thead>
<tr>
<th>Age</th>
<th>2007</th>
<th>2010</th>
<th>2012</th>
<th>2014</th>
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<tbody>
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<td>31%</td>
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<td>40-49</td>
<td>31%</td>
<td>24%</td>
<td>33%</td>
<td>38%</td>
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<tr>
<td>50+</td>
<td>13%</td>
<td>11%</td>
<td>15%</td>
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</thead>
<tbody>
<tr>
<td>Single</td>
<td>29%</td>
<td>42%</td>
<td>31%</td>
<td>30%</td>
</tr>
<tr>
<td>Married/with partner, not accompanied by dependent family</td>
<td>18%</td>
<td>20%</td>
<td>20%</td>
<td>24%</td>
</tr>
<tr>
<td>Married/with partner, accompanied by dependent family</td>
<td>53%</td>
<td>38%</td>
<td>49%</td>
<td>46%</td>
</tr>
</tbody>
</table>
The key findings of the 2014 Global Mobility Policy & Practices survey show there have been some shifts in key indicators and trends identified in our 2012 survey, while other areas have primarily remained stable. The top five findings have been identified, as they point to some of the more macro trends of importance to global mobility practitioners and their companies.

1. **Half of Companies Expect Mobility Volume to Increase**
   While the majority of respondents indicated that their mobility activity was “status quo” over the past two years, 50% of companies expect to see mobility volume increase overall for the upcoming two-year period. The assignment type expected to make the biggest jump is developmental, at 54%. Next in line are short-term assignments (52%) and permanent transfers (52%), followed by extended business travel (50%).

2. **Family Members May be Less Likely to Accompany Employees on Assignment**
   The number of respondents who said family members were always allowed to accompany the assignee on long-term assignments was down by 14 percentage points (from 90% to 76%). This could reflect growing concerns related to emerging markets, which can be unsuitable for families, or even traditional locations where costs can be high. This finding is tied to a growing use of “split family” situations in which the employee and family live in separate locations during the assignment, usually with the employee traveling back and forth. Related is the fact that companies indicate that Extended Business Travel and Commuter policies are getting more attention.

3. **Expat Exodus: Nearly Two-Thirds of Companies Do Not Track the Number of Employees Who Leave Their Organizations**
   When asked about tracking expat turnover, 61% of organizations said they don’t track the percentage of assignees that leave the organization within two years of concluding their assignment. Despite the admittedly high cost of assignments, and the risk of lowering assignment return on investment (ROI) when assignees leave the company, it is interesting to note that 75% do not address post-assignment career tracking.

4. **Family Adjustment is a Leading Reason Assignments Fail**
   Survey respondents listed inability of the family to adjust (61%) as the number-two reason assignments fail. It is eclipsed only by changing business conditions (63%) as a reason for assignment failure. The importance of family is reinforced by the fact that 76% of respondents rated family or personal circumstances as the number-one reason why employees turn down assignments.
Cost Control and Compliance Continue to Lead the List of Organizational Challenges

Cost control was named by 75% of respondents (percent ranked 4 or 5 on a 5-point scale) as the top global mobility challenge in terms of future impact on their organization. Overall compliance (at 62% and up 12 percentage points) and immigration (at 57% and up 13 percentage points over 2012) rounded out the top three. In the area of compliance, companies indicate that early involvement of tax and immigration providers (70%), more clearly defined policies and processes (49%), and better tracking of assignees’ days in country (47%) are the three areas in which they are planning increased focus.

Increasing Importance of Talent Management

Companies are increasingly aware of the importance of grooming—and keeping—top talent, as well as the need to make sure the right people are identified and prepared for the job.

• Global Mobility Increasingly Seen as Important to Other Company Strategies
  Several of the indicators of how closely companies are linking their global mobility and talent/HR functions are showing upticks.
  – 31% of respondents said there was a close relationship between the global mobility function and their organization’s other HR and talent functions (up 10 percentage points from 2012).
  – 38% of respondents said their global mobility program was critically important to achieving short-term business goals (up 13 percentage points from 2012), and 63% said global mobility was critically important to strategic global expansion (up 12 percentage points from 2012).

• Developmental Assignments Predicted to Rise
  The assignment type predicted to be the fastest growing over the next two years—developmental—is also typically used as a key tool for talent development: 79% of respondents consider the main purpose of these assignments to be leadership and management skill development.

• Areas Companies Are Most Interested in Improving
  The top three areas organizations said they were most interested in improving were upfront assignment planning (55%), cost containment (46%), and candidate assessment and selection (44%). These were followed closely by repatriation and career management and return on investment, both mentioned by 39% of respondents.

• Assignments Are Still Important
  In 2012, 31% of respondents said the availability of local talent was a factor in decreasing their assignments. In this year’s survey, the ability to find talent locally is no longer a big factor (only 14% of respondents named it) in allowing companies’ to be able to decrease assignments. This could reflect an awareness of the importance of the right training and background for many assignments, or the difficulties of finding skilled talent in emerging markets, or both.

• Language and Cross-Cultural Training Are Important to Assignment Success
  – Family or personal circumstances (76%) are the number-one issue why employees turn down assignments, and the family being unable to adapt to the host location (61%, up 17 percentage points from 2012) is among the top three reasons why assignments fail. Given that, it’s not surprising that companies appear to be acknowledging the importance of support to enhance the chances of successful adaptation to the new location. Among these, language and cross-cultural training are key.
– The vast majority of respondents (79%) said both the family and assignee should receive cross-cultural training, and a close second (72%) said it was key to assignment success. Respondents voting on language training said that their desired outcomes were adjustment to the host location (79%) and survival skills for daily life (67%), reflecting their awareness of the critical importance of those factors in assignee adjustment.

Additional Findings

• Assignee Profile Continues its Trend to Older Population
  The majority of the population is in the 40+ age group (54%), a move that began in 2012, diverging from a younger population that was prominent in 2010.

• Respondents Named 72 Countries as New Destination Locations for Their Companies
  New destination countries included Brazil, China, India, UAE, Singapore, and Australia. Of these, China, India, and Brazil were named among the most challenging for companies and assignees alike.

• The U.S., China, and the UK: Highest Volume Over the Past Two Years, and Predicted to be the Leading Destinations For the Next Two Years
  Malaysia was predicted to be a top upcoming destination for the first time, ranked seventh. Somewhat surprisingly, India, which respondents back in 2012 had predicted to be the number-three destination, was only in sixth place for actual activity.

• Demands for Flexibility Continue
  Three-quarters of companies continue to see demands for greater flexibility in their mobility program. While budget constraints remained the number-one driver for more flexibility (67%), the areas that increased the most from our 2012 survey include regional need (up 15 percentage points to 36%), changing employee needs (up eight percentage points to 44%), and changing employee expectations (up seven percentage points to 29%).

  The top way that companies are meeting the need for more flexibility is through ad hoc solutions (41%), but tiered programs (up 16 percentage points to 39%) and lump sum options (up 11 percentage points to 38%) were both prominent.

• Companies Focusing on Global Consistency
  The number of companies using a global approach to administering their mobility programs has risen 10 percentage points from 2012. Seventy-three percent of respondents use this approach today, reflecting an increasing interest in global control and consistency. The drop-off after that is dramatic: 30% of respondents use a regional approach (up 8 percentage points over 2012).

• Growth Strategy Continues to Conflict with Budget Concerns
  Overall company growth strategy was listed by 74% of respondents as playing a significant role in any increases in mobility activity over the past two years, followed by expansion into emerging markets (50%). Budget constraints was named by 70% of respondents as the top reason mobility activity decreased over the past two years, followed by corporate restructuring (38%), and change in business strategy (24%).

2014 Top Destinations

1. United States
2. China
3. United Kingdom
4. Singapore
5. Hong Kong
Following are some of Cartus’ past surveys that we used as a reference point. For more information on relocation and international assignment trends and additional Cartus surveys, visit our Relocation Resource website (http://guidance.cartusrelocation.com/research-and-trends).

### 2012 Trends in Global Relocation Survey
In this survey, 122 global relocation managers provided insights into the trends and challenges their companies and assignees are facing, and how their global relocation policies and programs are responding.

Download the report:

### 2013 Biggest Challenges Survey
In this survey, 157 respondents evaluate the challenges their companies are facing in each of 11 global regions around the world, and the policy strategies being used to address their challenges.

Download the report:

### 2013 Talent Management and the Changing Assignee Profile Survey
In this survey, 142 respondents provide insight into the talent management aspects of their mobility programs and how these aspects are influenced by the profile of today’s assignees.

Download the report:
This study was conducted in association with our sponsoring partners:

**National Foreign Trade Council (NFTC)**

**Re:locate**

**Singapore Human Resources Institute**