

The New Normal of Global Mobility - Flexibility, Diversity & Data Mastery

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Undeniably, the last year has been shaped by many dramatic socio-political developments that have had, and will continue to have, strong impacts on the Global Mobility field. Companies continue to evolve and shape policies and processes to enable them to cope with the ever increasing degrees of volatility, uncertainty, complexity and ambiguity (VUCA). Each year, the RES Forum carries out extensive research into the trends in Global Mobility and International HR, but its approach is somewhat unique. As a networking group of almost 1400 Global Mobility and International HR professionals in 40 countries around the world, at the RES Forum, we research into the issues that our members are facing and the subjects that they need to know more about to create our Annual Report. The research, insight and practices of our members, all assembled by Professor Michael Dickmann of Cranfield University, School of Management create the RES Forum Annual Report.

So what are the key themes that have shaped the RES Forum Annual Report in recent years? A key theme from 2016 was **Gender Diversity in Global Mobility**, focussing on the central point that women are severely underrepresented among international assignees. The evidence from many studies indicates that there are many women who would want to work abroad and that companies would be well advised to encourage a better gender balance in Global Mobility (GM). To increase gender diversity amongst assignees, multinational corporations (MNCs) need to establish a host of flexible HR policies and practices, including GM approaches that take the special situation of women and families into account. Professor Dickmann concluded that-

- Finding suitable female expatriation candidates and motivating them to accept working abroad is more difficult than finding and motivating male assignees. This is the case even though female and male assignees tend to be treated equally.
- The short and long-term effects of working abroad for women are highly positive. They are promoted faster, achieve higher performance ratings and better reward developments compared to non-expatriated peers. However, male repatriates benefit substantially more from their work abroad.
- Early repatriation, be it driven by poor performance or at personal request, is less pronounced in female than in male assignees.
- Many Multinational Corporations and their leaders could implement a broader range of flexible working policies and practices. This may alleviate some of the female expatriation resourcing issues and aid in redressing the gender balance in the future in global organizations. A key way to implant diversity into the DNA of GM and the wider organization is to integrate these topics into Talent Management activities and into the fabric of thinking and decision-making of individuals in all areas of the company.

Taking the Diversity agenda one step further, in a sneak preview of the yet to be published RES Forum Annual Report 2017, Professor Dickmann researched the previously almost untouched field of **Age Diversity in Global Mobility**. He demonstrates, among other findings, that-

- Older expatriates are more likely to be in senior positions and therefore more likely to be sent on a strategic (control and coordination) business needs assignment. Younger expatriates are more likely to be sent on a developmental assignment.
- Different sets of drivers motivate the different age groups, with personal drivers being the most important factor for early-mid careerists (Generation Y, Millennials), whilst the expatriation package remains the most important factor for mid-peak careerists (Generation X) when deciding whether or not to accept an international assignment. Unsurprisingly, career impact was more important to

early-mid as well as mid-peak careerists when compared to their older counterparts. Younger expatriates perceive a stronger need to expand their social capital even though it is probably older assignees who utilize their social networks more for work purposes. Partner and dual career considerations as well as family and educational concerns are more pertinent for mid-peak careerists (Generation X) than for other age groups, whilst security concerns are more important to mid-peak and late careerists (Generation X and Baby Boomers). Early-mid careerists (Generation Y, Millennials) are more concerned about the attractiveness of specific host locations.

- Mid-peak careerists (Generation X) fit more successfully into their host teams and are seen to facilitate knowledge transfer more than their younger peers (Generation Y, Millennials).
- Business learning is more extensive for mid-peak (Generation X) than late stage careerists (Baby Boomers). However, there is no strong indication that the performance of late stage careerists is inferior to that of younger generations when on assignment. Overall, this confirms the GM approach of many MNCs who offer more developmental assignments to younger expatriates and more business need/strategic assignments to older assignees.

Reward Package Design has always been a key theme in the RES Forum Annual Reports, and last year's report defined the underlying drivers that have shaped the design of the increasingly complex and varied GM policies and practices that have come into play in recent years, such as effectiveness, business needs and individualization considerations. Last year we saw that a number MNCs decrease their reward packages in response to such factors as individuals initiating moves, or assignments being developmental. MNCs seem to be most generous for business-needs/strategic assignments. With respect to benefits such as cash allowances, companies are most generous to their Long Term International Assignees (LTIAAs). However, even for Short Term International Assignees (STIAAs) three quarters of the organizations surveyed pay housing costs and a majority pay home leave allowance. Interestingly, less than a quarter of MNCs link assignment compensation to performance. Many of the MNCs surveyed provide support for family members when they accompany a long-term assignee, but three quarters do reduce allowances when the family does not accompany the expatriate for the full period abroad, though some benefits tend to be increased such as home leave and flight allowances.

In a further preview of the 2017 report, we discover that whilst we see a certain status quo in global reward package design approaches in many of these areas, 87% of organizations continue to use a home-based balance sheet approach to determine the reward package of long term expatriates, but only 10% use it for local plus assignees. Long term assignees are better shielded from currency fluctuations than other international workers, a facet that is likely to have been particularly useful for UK outbound expatriates during the strong currency fluctuations in the wake of the Brexit vote. Additionally, whilst assignment packages continue to become increasingly varied and complex depending on a range of factors, on average, short term assignees continue to have a less generous deal than long term expatriates, whilst business-driven and strategic needs based assignments are more generously rewarded than developmental assignments.

The RES Forum Annual Report 2017, '**The New Normal of Global Mobility - Flexibility, Diversity & Data Mastery**', covers a range of other highly relevant and up to date research topics, such as an in depth exploration into the field of **Data Analytics**, the **GM reactions and planning in relation to the Brexit vote**, as well as up to date information on **Organizational Development and Talent Management**.

To request a copy of the RES Forum Annual Report 2017, 'The New Normal of Global Mobility - Flexibility, Diversity & Data Mastery' (released in June), as well as a copy of the 2016 report entitled, 'Beyond Unity, A world of Opportunity, please contact us on-
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