The Future of Global Mobility
Rodrigo Mello, Vesa Suutari, Inés Escobar-Borruel, Tania Biswas and Michael Dickmann

Abstract: This article presents different kinds of international work featured in the literature, and a number of new strategic trends following the COVID-19 pandemic, identified in recent interviews with the heads of global mobility units in 22 European companies. Given our findings, which describe the extensive impacts of the crisis on global mobility, we make two main recommendations for MNCs: (1) they need to reconsider global mobility policies in a new situation after the COVID pandemic; and (2) invest in overcoming operational and legal challenges, to reduce uncertainties among globally mobile employees surrounding the use of flexible and remote working arrangements.

Keywords: Global mobility policy, COVID-19, expatriate, long-term assignment, short-term assignment, international business traveler, virtual assignment

Due to the globalization of business life and the opening of job markets, countless people are now working abroad. An increasing number of companies have international activities, and therefore, they typically need expatriate managers and experts to oversee their operations in different countries. As a result, new kinds of globally mobile professionals have emerged and been featured in literature (Collings et al., 2007). Among these, short and long-term expatriates are mainly deployed to improve management, coordination, and knowledge transfers, as well as their own personal development (Bonache, Brewster & Froese, 2021).

In addition, international business travelers and virtual assignments might be used to accomplish unusual tasks in different international environments (Reiche and Harzing, 2011), or to share technical information when face-to-face communication is not important (Baruch, Dickmann, Altman, and Bournois, 2013; Hertel, Geister, and Konradt, 2005). However, these two types of mobility are not usually recognized as international assignments by HR professionals, since they do not involve relocation or compliance issues (Jücker, Poutsma, Schouteten and Nies, 2020).

Many developed countries are facing a growing shortage of qualified professionals, due to rapid economic and technological developments, and changes in the age structure of the working population, as baby-boomers retire. This phenomenon is commonly known as the ‘War for Talent’ (Chambers et al., 1998). When organizations cannot find the right skills or
talents at home, there is a need to recruit internationally – both internally, from other countries in which the company operates, and from external job markets. In this sense, the development of online technologies related to recruitment and communication, as well as key improvements in the transport of goods and people, have made it easier to open positions at an international scale, to attract a greater number of applications worldwide compared to what was possible only half a century ago.

From the employee side, international working has become more natural and normalized. Thus, it is becoming an increasingly common and realistic option for many professionals to have jobs that involve international responsibilities and global mobility. In particular, younger generations are likely to have more experiences with international travel and studies abroad than earlier generations.

As an outcome of such developments, international work has been evolving, giving way to new kinds of global mobility. In this article, we discuss the future trends of global work, based on long-term evidence reported in the literature. In addition, the COVID-19 pandemic has drastically changed the global mobility of employees. As a result, it is expected that even when this acute situation is over, global work will not be the same as it was before the pandemic. Therefore, we illuminate the latest developments in global mobility during COVID-times, on the basis of interviews made with global mobility managers in leading European multinational corporations (MNCs). These interviews were done within the EU-funded GLOMO project, which analyses global mobility impacts at the individual, organizational and societal levels. The GLOMO consortium involves universities in five countries and international companies as partners (for more details, please refer to www.glomo.eu).

**Different forms of global mobility – long-term development trends**

When discussing the future of global mobility and work, it is important to differentiate between the different types of international work that exist, as the trends may differ across these different forms (Dickmann, Suutari & Wurtz, 2018). Here, we will refer to long-term trends as they appear in the literature, and to observations made during our own research projects about global mobility in Finland.

**Long-term expatriate assignments (LTAs)**

The most attention in the literature has been given to *long-term expatriate assignments (LTAs)*, in which employees are sent abroad by their employer for a period of over one year, with the
expectation of repatriation after that (Dickmann, Suutari & Wurtz, 2018). The studies we have carried out in co-operation with Finnish unions, such as Suomen Ekonomit, indicate that the number of members who are expatriates had been slowly rising before the COVID pandemic. Thus, it seems like more Finnish expatriates have been pursuing international work opportunities in recent years.

While the numbers have continued to grow at the national level, due to more companies operating internationally, there has also been a trend of numbers going down within single companies, as long-term assignments are replaced by other means of international work. The main reasons for this development include the high costs of expatriation and challenges related to global mobility, such as a lack of willingness to move abroad (e.g., dual-career situations), adjustment challenges among expatriates and their families when moving abroad, repatriation challenges, and retention problems after the IAs (Bonache et al., 2021). As an outcome, expatriates are being gradually replaced by local professionals, especially when operations are in a more mature stage of development, and when there has been more time to recruit and develop locals to key positions in foreign locations. Furthermore, companies are filling posts without employing traditional expatriate contracts. Instead, they just open international positions and staff these with professionals who are ready to move abroad with permanent local contracts, or with expatriates who can be localized after spending a certain period abroad.

**Self-initiated expatriates (SIEs)**

While the focus of the literature on expatriates has traditionally been on these assigned expatriates, there has been a rapid increase in research on so-called *self-initiated expatriates* (SIEs) who are not sent abroad by their employers but seek a job abroad on their own (Suutari et al., 2018). In our union samples, the amount of SIEs and AEs has been pretty equal (e.g., Jokinen, Brewster & Suutari, 2008), but the proportion of SIEs seems to be progressively increasing. The groups of SIEs are very diverse, including young people heading abroad after graduation, and stretching up to top managers in MNCs. The SIE group also includes professionals who work in public sector organizations like the EU or the UN. These SIEs typically stay longer abroad, move more actively across companies and are also more interested in staying abroad even permanently compared to AEs (Mello, Dickmann, Brewster & Suutari, 2020). Such mobile international professionals offer an ever-expanding recruitment pool for international companies looking for internationally experienced talent, but also wanting to
lower the costs typically associated with traditional expatriation (Dickmann, Suutari & Wurtz, 2018).

**Short-term assignments (STAs)**

Far less research attention has been given to *short-term assignments* (STAs), which last less than a year (Collings et al., 2015; Brewster, Dickmann & Suutari, 2021). Sometimes these STAs are also defined in companies as assignments lasting less than six months, since assignments longer than half a year may involve tax and social security changes (Suutari et al., 2013). The main reasons for the use of STAs involve knowledge transfers, integration of strategies, policies and practices, filling a skills/knowledge gap, completion of project work, and building of networks.

Compared to LTAs, the arrangements become much easier, as the assignee’s family typically stays at home. This results in much lower costs. In addition, the decision of leaving to live abroad is much easier for individuals and the repatriation process is facilitated due to the shorter period in the host country, though it is not always without problems (Starr, 2009). Due to a short time scale, replacements for assignees may not be needed and the assignees may thus be able to return to their old jobs. Among project assignees, the STA is sometimes followed by another assignment due to the project-oriented nature of the work (Dickmann et al., 2018).

Though the evidence is more limited with regard to STAs, all the existing information supports the view that STAs are becoming more common (Collings et al., 2015). For example, a report by ECA International (2016) found that the use of STAs amongst their members was rising, and constituted 22% of all assignments (an increase over the 14% they found in 2008). Also, in our 2019 sample of MNCs in the UK, 46% of respondents reported that the number of STAs had increased during the last three years; in addition, 70% estimated that STAs would become more common during the next three years (Suutari, Dickmann, Brewster & Battista, 2018).

**International business travelers (IBTs)**

In international organizations operating in global markets, many kinds of international jobs typically involve additional and frequent international travel. For some employees, international travel becomes such an essential component of their work that they are called *international business travelers* (IBTs). This ‘frequent flying’ for work can be short trips of a few days up to a few weeks, and thus, they do not truly relocate as STAs and LTAs (Welch & Worm, 2006). IBTs are deployed to accomplish a short-term job (Mayerhofer et al., 2004), to
take care of sporadic specialized tasks in different international environments (Reiche & Harzing, 2011), or to develop networks and share knowledge (Collings et al., 2007).

Extended business traveling has thus become quite popular, but it also carries its own risks (The RES Forum, 2018). For example, the high frequency of travelling and long duration of trips have been connected to health issues, such as sleeping problems, stress, burnout, and overall challenges in getting the work done due to travel and work overload (Mäkelä, Kinnunen & Suutari, 2015). Naturally, the absence from daily family life can also impact family situations. Due to the challenges resulting from this kind of international travelling, reliable high-quality travel management support is needed, to avoid problems caused by extensive travelling.

A KPMG survey (2018) recently reported the relative distribution of assignees amongst the different types of global workers. According to this survey, the largest group were traditional LTAs with 46% while STAs were 19%. This study divided global workers also to other subgroups such as permanent transfers/indefinite length, 19% and extended travel, 16%. In this study, carried out before the pandemic, it was also predicted that there will be a strong increase in the next 5 years for STAs and extended travels. With regard to global mobility policies, Air Inc. (2019) reported that 90% of the companies have already developed separate policies for STAs beside having LTA-policies on the basis of a survey done among North-American multinationals and European multinationals. However, only 44% had separate policies in place for IBT. In turn, in research there is a strong emphasis on studying the management of LTAs, while far less research evidence is available on the management STAs or IBTs (Dickmann et al., 2018).

**Virtual assignments (VAs)**

Even before the pandemic, virtual assignments (VAs) were used as a staffing alternative in addition to physical mobility. In VAs, the assignee does not physically go abroad but is assigned to international responsibilities and communicates with foreigners remotely. VAs are useful when they are specifically defined, when the tasks are precise, needed, and required for organizational networking (Holtbrügge and Schillo, 2008), and when face-to-face communication is not essential (Hertel Geister & Konradt, 2005). In turn, face-to-face interaction seems still relevant to strategic needs, such as when organizations need to transfer implicit and non-codified knowledge (Bucker et al., 2020). In fact, it has been highlighted that particularly tacit knowledge is difficult to grasp through virtual means, affecting knowledge
transfer between headquarters and subsidiaries (Mabey & Zhao, 2017). Therefore, it was expected that, in the long-run, virtual and physical work would complement rather than substitute one another (Jones, Faulconbridge, Marsden & Anable, 2018, p. 257).

The impacts of COVID on global mobility: the GLOMO project

While the above chapter describes some major trends in global mobility in the longer run, the COVID-pandemic has had extensive impacts in the short run and may also affect what occurs with global mobility policies and practices in companies in the longer run. As part of the GLOMO project, we have conducted surveys and interviews with expatriates and HR professionals. In this article, we mainly base our observations on data from interviews involving 22 companies, done in co-operation with the British RES FORUM. The interviewees were the global mobility managers of major MNCs, and interviews were carried out during the summer of 2021. In these interviews, the focus was on finding out whether the pandemic will lead to a major retrenchment of international mobility, or whether it will gradually be re-established.

General impacts of the COVID-19 crisis

Overnight, COVID-19 fundamentally challenged the previous status quo, resulting in a range of important changes for people, organizations, and countries. Managers had to make several agile decisions, which have radically affected people's lives, including who should stay at the office and who should work from home, how employees could work virtually, and from where, or when international assignees should repatriate back to their home countries. These transformations have accelerated organizational digitalization and the utilization of flexible work arrangements, such as virtual assignments relying on remote work.

As the pandemic began to ease, many companies planned a combination of remote and on-site working, a hybrid model in which some employees are on-premises while others work from home. On the one hand, such a model was seen to promise greater access to talent, increased productivity for individuals and small teams, lower costs, more individual flexibility, and improved employee experiences. On the other hand, history shows that mixing virtual and on-site working might be a lot harder than it looks — despite the acceleration of flexible working arrangements during the pandemic. Working virtually in the home country is also to some extent a different situation in comparison to working virtually abroad. The difference lays in how external social networks may be smaller abroad. As a result, it is typically more challenging for foreigners to get integrated into local society without being able to really meet
people. Furthermore, given that adjustment is always a challenging process for expatriates and their families, combining this with the challenges related to the pandemic adds more to cope with. Thus, companies needed to figure out how to support and manage their expatriates in a new situation that they were not prepared for.

**Impacts across the different types of international mobility**

With regard to the different types of global mobility, the impacts also differed. The most immediate impacts were related to international travel, which almost stopped, forcing companies to change their policies for business trips. Most of the global mobility leaders interviewed said that business trips would only be allowed for strategic reasons, and that they did not expect that business traveling would recover to the levels seen before the pandemic. Flexible work arrangements, such as remote work, have been widely used during the pandemic, replacing physical travel.

*International business travelers (IBTs)*

GM leaders reported utilizing IBTs only when social interaction was strategically important, such as when local markets or units did not have the required skills to act effectively, when building new virtual teams, or when there was an important customer need for a meeting. Before the pandemic, IBTs were not typically under the management of the GM department. However, it was noted that at least some of GM departments had to manage issues related to IBTs in a centralized manner during the pandemic, due to an increase in legal and health complexities.

*Short-term assignments (STAs)*

With regard to assignments, new STAs were often cancelled, and decisions were made separately with regard to existing STAs. While the findings indicate that there was a general trend toward the growing use of STAs compared to LTAs before the pandemic, the situation flipped in COVID times: the number of STAs dropped gradually, while long term assignees typically moved to distant work, in tune with the rest of society. In a few cases, LTAs were terminated due to host-country health risks or extended in a few cases due to the high level of home-country risks. New assignments were initiated only when really needed. With regard to the future, GM managers predicted that the use of STAs would recover to previous levels after the pandemic. However, they thought STAs would be used in particular when social interaction
is strategically essential; for instance, when needing to transfer non-codified knowledge and experience. For some other types of STAs, their use may not be as high as estimated before.

**Long-term assignments (LTAs)**

With regard to LTAs, GM leaders do not expect a full recovery. Before the pandemic, the different business and management needs were the primary reasons for the use of expatriates. MNCs have now observed from COVID-19 learning experiences that the use of LTAs can be diminished in the longer run, as companies can solve these needs through flexible work arrangements such as virtual remote work. In turn, it was emphasized that the need for expatriation would not disappear when it relates to personal development of talent. Thus, assignments for talent management purposes are expected to remain as common as they were before the pandemic.

**Overall implications for the future management of global mobility**

Interestingly, the future envisaged by global mobility managers differed across diverse industries. On the one hand, GM leaders in knowledge intensive industries expect a reduction of LTAs, while the use of STAs and IBTs would recover. In parallel, remote work continues to expand, and is likely to partly replace the use of global mobility. On the other hand, GM leaders in the consumer goods sector argue that remote working came to stay for group functions (e.g. HR, IT, marketing). At the same time, business lines would tend to recover their typical degree of mobility from before the pandemic. Group functions also deal with intensive knowledge management. However, the manufacturing facilities of business lines seem to demand more face-to-face interaction.

It was also discussed in the interviews that there has been a trend to replace expatriate assignments with ‘international permanent transfers’, i.e., by one-way relocation from one country to another. These employees typically have a host country-based salary and fewer additional benefits and allowances than traditional assigned expatriates. Thus, the cost reduction appears to be the main motivation for the change. The pandemic has not impacted this group of professionals in the same way, as they work remotely in the host country, similarly to the locals of that country. While short-term decisions on the application of international permanent transfers where affected depending of the COVID-situation in different locations, it was expected that there would be no significant long-term impacts.
The majority of the GM managers reported that they already had the technology necessary for remote working, but that COVID-19 has accelerated its development. All leaders expect that the new tools will increase the amount remote work in international jobs. Overall, the pandemic triggered a higher demand for flexible forms of global work. All GM leaders reported a higher number of requests for changing countries, as assignees realized they could work remotely from any country. Thus, the pandemic triggered more flexibility in the GM policies.

Nevertheless, this policy flexibility is leaning more into a hybrid system, where employees can work partly at home and partly at the office. The majority of the leaders addressed the costs and complexities of letting people work from any country they choose. Challenges related to such flexibility are manifold. They include remuneration, performance assessment, corporate and individual taxes, appropriate (health) insurances, etc. For example, little is known about the performance appraisal of virtual assignees. Teams that communicate mostly virtually often need more time to establish reliable work processes compared to conventional teams (Hertel et al., 2005). This may have implications for the performance evaluation of virtual teams where one or more individuals are based in one subsidiary (or the headquarters), while the other team members are scattered across other subsidiaries. In addition, in which country would the salary and social benefits be established? Answering such a question and developing related policies will demand time and intense international collaboration among different departments.

Conclusion

In essence, companies are at the stage where they want to pursue the maxim ‘never waste a good crisis’ and are actively seeking to identify the benefits arising from the pandemic challenges and how to manage them in relation to global mobility. Many of the MNCs we talked to considered departing from the ‘old’ model of ‘moving people to work’ (i.e., where the staff comes to the office in the country where they reside). Instead, they discussed ‘moving work to people’, both in the domestic and international contexts.

The operational challenges and legal difficulties that this would entail have been outlined above. However, if the legal and operational challenges can be overcome, the companies were very willing to enable people to work from their chosen locations (either completely or using a hybrid work model). GM leaders hope that they will not only benefit from lower costs, but also from higher engagement and satisfaction levels among their globally mobile staff. In addition, cutting down on international business travel and permanent moves would give MNCs an opportunity to improve their green credentials and to foster in-company fairness, by
investing more in local talent. The world of global mobility is going through dramatic changes, and senior GM leaders will benefit from wisely steering the choppy waters.

References


**Kirjoittajakuvaukset**

*Rodrigo Mello* is a project researcher at the University of Vaasa and a PhD candidate holding one of the 15 PhD positions funded by GLOMO, a Marie Skłodowska-Curie Action and research project (Horizon 2020). He possesses significant international experience in cross-cultural interactions. Rodrigo earned his MBA in 2007 at the Fundacão Getúlio Vargas (Rio de Janeiro) and an MA in 2014 at CBS International Business School (Cologne). Rodrigo also has ample professional experience in well-known MNCs, such as Anheuser-Busch InBev (Brazil) and Lanxess (Germany). His research currently focuses on career success and the long-term career impacts of different types of international work experiences.

*Dr Vesa Suutari* is a Professor at the University of Vaasa. A prolific author with over 80 publications, he has studied international HRM topics for over 30 years, focusing on issues related to global mobility and global careers. Vesa is one of the permanent organizers of the EIASM Workshop on Expatriation and the EURAM track on Global Mobility, as well as an Associate Editor of the *International Journal of HRM*. He has also edited several books on topics such as expatriation and international careers, including Management of Global Careers (Palgrave, 2018) and Self-Initiated Expatriates in Context: Recognizing Space, Time, and Institutions (Routledge 2021).

*Inés Escobar-Borruel* is a GLOMO project researcher and a PhD candidate at the University of Vaasa, majoring in Management and Organizations (Human Resource Management research group, School of Management). Inés holds a bachelor’s degree in Translation and Interpreting (2017) from the Autonomous University of Madrid, and a Master of Science degree with a distinction in International Development (2019) from The University of Edinburgh. Inés is currently researching how social networks spanning host and home countries may relate to the career success of Finnish repatriates and re-expatriates; and how organizations can improve their management of such social resources (social capital).

*Tania Biswas* is a PhD candidate at University of Vaasa, Finland in the School of Management, and a project researcher for Marie Skłodowska-Curie Action “Global mobility of employees” (GLOMO), an international research project part of the Horizon 2020 research and innovation
program. Tania has a Bachelor's of Technology degree (2013) from India and a Masters of Business Administration degree (2017) from United States of America. Her research interests encompass multidisciplinary topics like employee well-being, work-life interferences, work engagement, burnout and performance management among international workers.

Dr Michael Dickmann is a Professor of International Human Resource Management at Cranfield University, School of Management, UK. Michael's research focuses on human resource strategies, structures and processes of multinational organisations, cross-cultural management, international mobility and global careers. He is the Senior Editor-in-Chief of The International Journal of Human Resource Management and the lead author/editor of several books on international HRM and global careers.