

# Man Went To The Moon In 1969. 46 Years Later What Technological Advances Have Driven The Global Mobility Industry Forward?

**Man went to the Moon in 1969. 46 years later, the global mobility industry is firmly focused on technology as the game-changer. Big data is the word used *de rigueur* at HR and Global mobility conferences.**

In this article, we consider the role of technology in modern international mobility from the employer's and employee's perspective.

"What reports can it do?" This was the first question asked by a prospective client at a recent presentation when the slide on the topic of technology popped up on the screen. In the eyes of some, the ability to deliver the full range of services in an effective and competent way is now a given. Now the differentiator is technology. We now live in an era where if its recorded it can be reported, in a myriad of formats with the potential to support a multitude of decisions and give the comfort that for those that need to know, they are but a few clicks away from the answer.

Experience shows a rather different reality when it comes to customers using cutting edge systems, often customised for their specific needs and bespoke training provided to excited but sometimes bewildered HR departments across the globe. That said, the technology industry have taken advantage of global mobility systems and use them to drive a strong competitive advantage, for example creating global talent heat maps to source cost optimal candidates, attract and then relocate to another part of the world to high cost economies, where the ability to lure away the competition's talent becomes greater than the predicted payback from the investment.

There is no doubt about it, there are some really neat global mobility specific systems to deliver holistic technology solutions that will deliver compensation, compliance, work-flow tools, dashboard widgets and systems integration with other HR systems used for performance

and talent management and so on.

From a service provider perspective, there are clients who are superb at leveraging technology that they focus on pre-engagement with their prospect service partners. Their organisations have a clear digital agenda and it underpins the way that the global mobility team and their assignees wish to interact. At the other end of the continuum, whilst the intention and desire is there to use technology, culture, old habits and the rate of change adoption is often slower than expected and the all-important 'on-line assignment initiation portal', is replaced by emails lacking the core information; reports that seemed mission critical, such as a minute by minute account of expenditure remain un-accessed; detailed file notes on trials and tribulations of an overly demanding assignee ignored.

## C: Drive Management – Managing The Global Mobility Programme Without A Dedicated System

Indeed, managing a small global mobility function may seem much easier to do using MS Excel than investing capital and people resources in licensing a software system. The Santa Fe commissioned 2015 Global Mobility Survey<sup>1</sup> reveals some surprising insights given the appetite for demanding technology's input to the relocation and assignment management process; of those that know the number and location of their assignment population, globally c. 31% use excel spreadsheets as the main platform for their expatriate data (higher percentage in some regions). Another recent Survey from RES Forum<sup>2</sup> 'The Next Frontier of HR Excellence: Talent Mobility for the 21st Century Organisation' highlights ' Even though 25% of respondents said talent mobility was the most time consuming and complex HR functions, our survey shows that just 28% of respondents use cloud technology to manage their global

mobility programme.' Having created the platforms that give transparency, data, information and analysis that are largely under-utilised yet at everyone's fingertips, how can these be optimised for the greatest benefit; reduce administration and increase the strategic input, support the decision making process and help assignees make the right choices? How can technology optimise its contribution to the relocation and assignment process to be more efficient, rather than record how it was conducted?

So what's holding global mobility teams back from marching forward? If we put a man on the Moon in 1969, why is there an almost Luddite approach to embracing technology in some organisations?

Promoting the use of technology needs to account for the enthusiasm or suspicion the end user has for embracing the benefits.

The view that automation can take the grind out of even the most senior professional roles is supported in a recent McKinsey publication November 2015 'Four fundamentals of workplace automation'<sup>3</sup> [www.mckinsey.com/insights/business\\_technology/four\\_fundamentals\\_of\\_workplace\\_automation](http://www.mckinsey.com/insights/business_technology/four_fundamentals_of_workplace_automation) An extract from their article;

'Our work to date suggests that a significant percentage of the activities performed by even those in the highest-paid occupations (for example, financial planners, physicians, and senior executives) can be automated by adapting current technology.'

## Addressing The "Squeeze" Within Global Mobility

The pressures on the Global Mobility (GM) function today are a perennial discussion topic, and the recurrent themes and findings – often referred to as the Global Mobility "Squeeze" - reported in the leading annual industry surveys.

For instance, the 2015 Global Mobility Survey Report shows that the GM function is tasked with:

- The need to be a strategic partner to the business
- Demonstrate and improve the ROI of the mobility programme
- The elevation of the duty of care to the relocating assignee.

With all industry indices suggesting a net increase in assignment activity in 2016, especially in the Engineering, Consulting and Technology Sectors, it's no surprise it's called the 'Global Mobility Squeeze'.

The increased use of technology is increasingly seen as one of the solutions to these challenges. For instance, improved systems will enable better tracking of costs against the assignment cost estimate (today, this exercise is not completed by the majority of respondents according to recent industry surveys), as well as linking Global Mobility to business performance KPIs. (This is cited as either difficult, or not taking place today because of a lack of connectivity between systems by a majority of respondents to the 2015 Global Mobility Survey.

## Make Or Buy Decisions

Deciding whether or not to buy, licence and implement a software system or have it delivered via an out-sourced/co-sourced global mobility specialist partner is a circular decision that has been debated since the early 1990s when predominantly the Big Four professional service firms decided to broaden their tax services practices to include assignment management services, underpinned by their own proprietary software. The market has radically changed over the past twenty years with new players, new software providers and a burgeoning market of 'disruptors' challenging the status quo of service delivery in the traditional global mobility industry.

In our experience, the biggest hurdle for many global mobility teams is the ability to demonstrate sufficient commerciality to their business leaders to garner sufficient Executive support to invest in either funding a technology solution (which based on the size of the Programme can be a six figure investment) or make the case to out-source/co-source some or all of the elements of the Programme, releasing the Global Mobility team to focus on business partnering in a different, more strategic way.

## Case Study: A Crisis Situation Accelerates The Need For Robust Systems

This is also critical if there is a decision to proceed based on either a planned or

reactive way. Consider this: a client shared that during a natural disaster where there was limited data on who was in Country during a tsunami. The CEO called the Head of Mobility late on a Friday night 'Who do we have in country and what family members are there too?' The Head of Mobility was unable to provide such data but even with the telecommunications down, they were eventually able to establish a roll call. This focused the mind of the Executive team and stimulated the funding to invest in a global mobility system.

## Case Study: Leveraging Technology To Include Global Mobility In The Talent Agenda

Technology can also provide vital data to understand the demographics of the assignee population, as part of the employer's total talent pool. Another client in the financial services sector shared that they have used their global mobility systems to undertake a three year profiling;

- Diversity/demographics
- Assignment types
- Total cost profile against assignment types
- Assignment duration.

Interrogating their data, they were able to demonstrate that positive diversity had seen the female assignment population from c.15% to a current level of 23% and an overall reduction in assignee numbers from 2,000 to a current level around 1,700 based on greater focus on the purpose of the assignments and local talent solutions. They have also identified greater diversity in the deployment of non HQ country nationals as their business activity shifts to address market conditions.

The head of mobility is now invited to the monthly HR executive leadership meetings as a recognition of the increasing value delivered by the global mobility team.

## Disrupt Or Complement?

New market entrants - regarded as "disruptors" - have introduced their own industry-specific technology platforms over the last couple of years with increasing success, as an alternative to the traditional relocation management company.

While their technology offers support to the in-house mobility user, it also offers a single platform for assignees to interact with all the vendors and stakeholders involved in the move process under the lump-sum / self-service model; it provides the relocating employee with the ability to manage their move and gain information and support in their new destination

while providing control of costs and visibility from a mobility perspective.

These platforms tick all the boxes when considered against the continual focus on cost cutting and improving ROI within Global Mobility, which was again one of the key trends arising from the 2015 Global Mobility Survey commissioned by Santa Fe, with increased reliance on technology seen as one of the solutions. They also seem to be targeted at the 'millennial' employee who requires minimal hand-holding as is able to make informed decisions about their move with the support of on-demand technology.

## Employees – All Technologically Savvy?

Typically the 'Millennial' generation are more likely to put their faith in the on-line approach, sometimes to the exclusion of human input. This presents a great opportunity to develop interactive 'apps' that can utilise the experience of other assignees, steer people toward approved vendors and provide real time data of expenditure against a set budget. A current example is the growing interest in offering lump sums as the employer's contribution to a relocation, increasingly used for less complicated short term or permanent moves.

The attraction for the employer is clear; a fixed budget, limited administration and minimal involvement.

To the assignee, they are empowered to spend the budget as they see fit, use the services and suppliers they choose and prioritise according to their needs. Of course, when devolving the ability to spend the budget to the assignee will lead to inappropriate purchases and no guarantee the relocation will be completed, which in turn leads to increased management time from the employer.

Access to 'apps' can help exert some degree of control by limiting the scope of potential suppliers, allocating portions of the budget to specific types of spend and using triggers to release stage payments rather than delivering the budget all at once. In addition, transferees can benefit from destination specific health advice and security alerts, and online cultural training assessments to help families understand some of the cultural differences they will encounter when moving to a new destination (and how their home country behavioral norms will differ).

In our experience, a proportion of assignees have always been prepared to

conduct their move with minimal support from a relocation management company – typically these are younger, single assignees with an “explorer” nature – but more often than not on shorter-term assignments where accommodation is usually provided. In these situations, social media and local networks help the assignee to get settled into life in the new destination with informal lifestyle advice and support.

While some of these informal networks are equally useful when relocating permanently or on a longer-term basis, the level of support required also increases: a permanent home needs to be identified and a rental agreement reviewed and signed; for a family, identifying suitable school places will always be the key priority in planning a move, as well as a myriad of other legal and administrative tasks that need to be completed wherever in the world the assignee is moving to.

### Can The Lump-Sum/Self-Service Model Support These Type Of Moves Effectively?

All of these products are designed to complement the services of a relocation management company or destination service provider; they are not intended to be standalone alternatives to the full service programme of orientation, home search, education consulting and settling-in usually provided to a relocating family to help them transition smoothly to life in the new location.

### Full Service vs. Self-Service

One of the unknowns in our sector today, as raised at the recent Worldwide ERC event in Boston, is how millennials needs will change as they get older. While they may favour the self-service approach today, will they be looking for the full service from a traditional relocation management company when they have a family and need help finding a school?

In our view both the new technology-driven model, and the traditional relocation management company approach supported by increasingly useful and intuitive technology, have a role to play in our vibrant sector (which continues to expand year on year according to indices such as the Global Mobility Survey, with 25% of respondents expecting growth in their assignee activity in 2016).

The new market entrants’ technology offerings are undoubtedly matching a specific need in the sector, with the increasing use of lump-sum policies. However, one

size rarely fits all; for every millennial who is happy to navigate the myriad of cultural and compliance challenges presented by relocating to another country using only their smart phone, there is another who relies on the friendly support and expert advice offered by a Relocation Consultant acting as their advocate, offering local knowledge (for instance when negotiating a lease, or opening a bank account) and providing creative solutions when problems are encountered.

Our view is that relocation management companies, however they have developed, will need to be able to offer effective support for assignees of all types, whether full service or self-service, to successfully meet the changing needs of our industry, and the new products introduced by the disruptors will lead to the existing relocation management companies revisiting and reinvesting in improved technology offerings for all assignees.

Ironically, this lack of connectivity as a barrier to tracking ROI within the GM function is almost certainly a contributor to the continual focus on cost-cutting. If GM teams were able to make the investment in systems or people to track these measures effectively, it would be far easier to demonstrate to the business their value rather than being viewed simply as a cost centre.

### 2050 – Assignments On Mars?

11 December 2015 marked the 43rd anniversary of the last man on the Moon. Looking forward as companies seek to expand their markets, we might be talking about inter-stellar relocation management! I for one, hope to remain on Earth to see this occur.

We have taken an overview of the use of technology in global mobility and seen that whilst the tools and smart technology are available, the full advantage of these resources remain an opportunity for many organisations.

Global Mobility remains a vibrant sector with a fast pace of change, with a variety of technology solutions targeted at the customer end-users: assignees and in-house Global Mobility teams – to streamline process, improve connectivity between departments and deliver cost or efficiency savings.

The challenge is for these solutions to be easy to navigate, scalable for use globally, address the requirements of both Global Mobility and the assignee, and to be able to connect with other technology platforms (i.e. to track ROI and risk). Not

an easy brief to satisfy, particularly when the brief changes regularly as our industry continues to evolve.

Enhancements in technology are welcome, and the influence of the disruptors will raise the bar across the board with traditional relocation management companies revisiting their approach to, and investment in, technology. Ultimately this can only benefit the customer.

From the business perspective, there has to be greater commerciality around the need for investing in and applying technology to leverage meaningful data that drives competitive advantage. This comes from taking a more holistic approach to how global mobility positions itself within their organisations and identify the analytics in a business language that will secure engagement with executive management.

From the employee perspective, technology will continue to play a key role in educating and engaging an increasingly diverse global talent pool. It is highly unlikely to be a complete substitute for human support in interventions.

As we said at the beginning technology and systems are available now for use by corporates or through partnering with their global mobility service providers. Many companies, we know, have already invested and continue to do so, in driving meaningful information, automation to better manage their risk, compliance and reporting to create valuable stakeholder/shareholder value.

For others who are still on this journey, will 2016 be the year when you reach for the stars?

- 1 *The Santa Fe commissioned 2015 Global Mobility Survey*
- 2 *RES Forum ‘The Next Frontier of HR Excellence: Talent Mobility for the 21st Century Organisation.’*
- 3 *McKinsey November 2015 ‘Four fundamentals of workplace automation’*



**Mark Rising**, Commercial Director,  
Santa Fe Relocation Services  
Telephone: +44 (0) 208 961 4141  
Email: [Mark.Rising@SantaFeRelo.com](mailto:Mark.Rising@SantaFeRelo.com)  
Website: [www.santaferelo.com](http://www.santaferelo.com)