



The future of global talent mobility

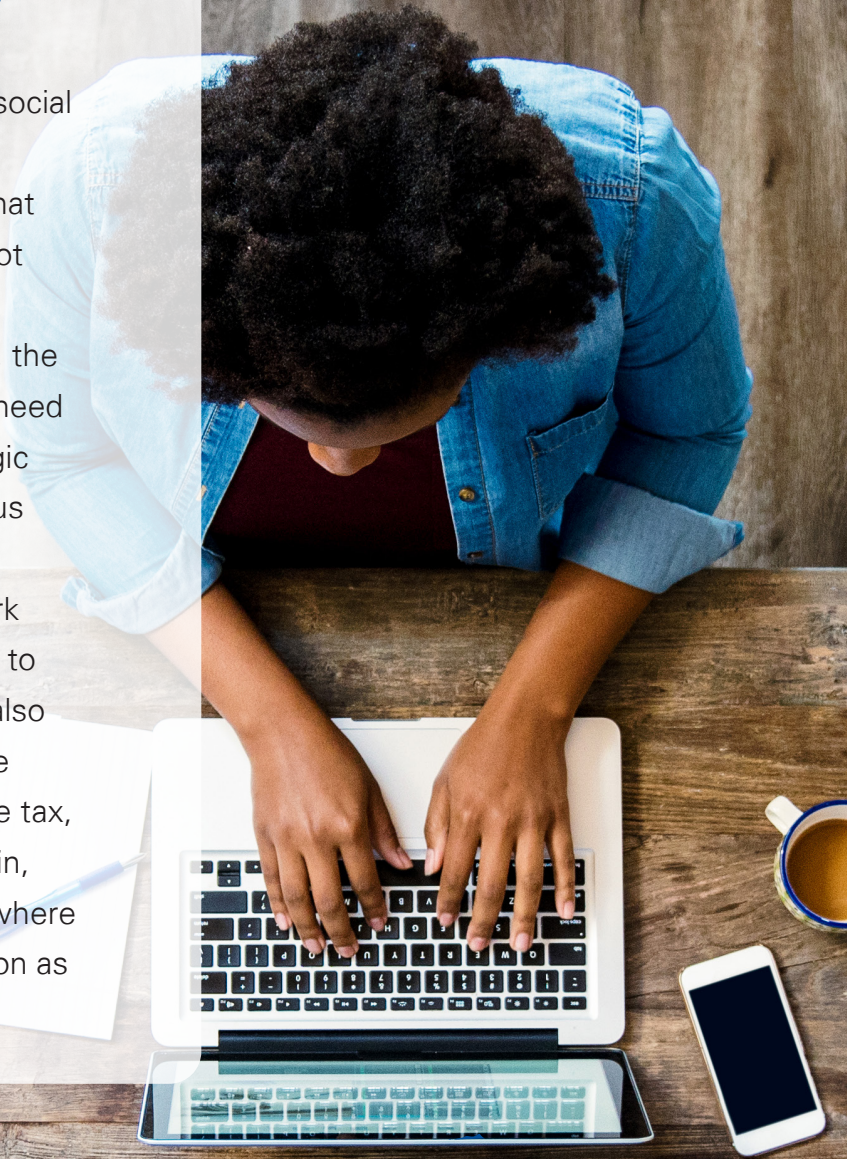
Spot survey results
Global Mobility Services

January 2021

[kpmg.com](https://www.kpmg.com)

Executive summary

Having to respond to what could be the fastest social change in modern times, companies worldwide enabled remote workforces nearly overnight. What started as an extraordinary “work anywhere” pilot is now being considered as a permanent work arrangement for many organizations. As a result, the new reality is a world where organizations now need to consider turning work anywhere into a strategic opportunity to support business growth and focus on **how** the work gets done, rather than **where**. KPMG suggests that as companies begin to work through their crucial workforce alignment issues to evaluate and support a remote workforce, they also need to focus on the operational and governance considerations, including areas such as corporate tax, payroll, immigration, and rewards to attract, retain, and compensate their employees in a work anywhere environment. KPMG describes this transformation as “Work anywhere, together.”

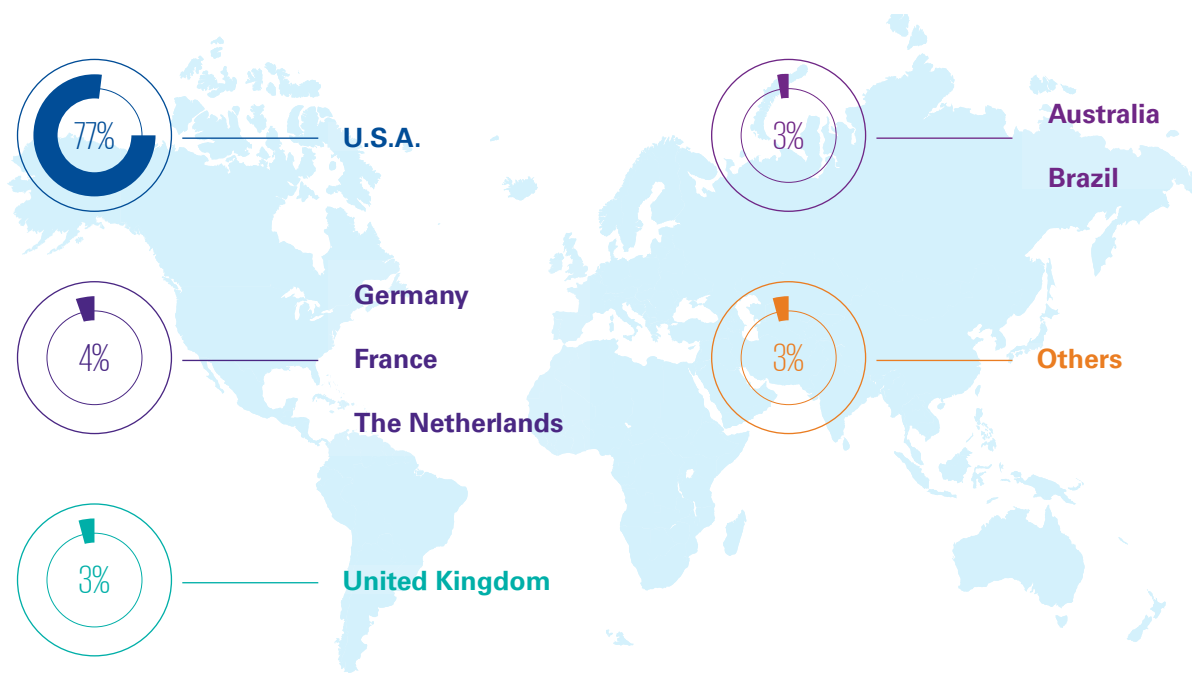


Spot survey participants

KPMG recently polled 75 global professionals in human resources, total rewards (compensation and benefits), global mobility, tax, and finance. Their responses to our five-minute spot survey provided a snapshot of how global organizations are planning for the reality of employees working anywhere and the potential impacts on their policies, business operating models and risk management frameworks, and the future of global talent mobility.

Key survey demographics

Leading countries by headquarters location:



Top five industries (by number of organizations):



Key findings

COVID-19 impacts

In response to the impacts of COVID-19 in 2020, an overwhelming 99 percent reported that their organizations are currently supporting employees working from home or remotely.



Safety is our key concern for our employees.

When polled whether their organizations had a transition plan and timeline for returning workers to their offices, **39** organizations reported having already begun to transition employees back to working from offices in select locations; **25** have a transition plan, but implementation will start at a future date; and **8** confirmed that they were in process or hadn't yet developed a plan.



The top key factors for allowing employees to return to work include the status of COVID-19 impacts in country, state/provincial, and city locations (**25 percent**); advisement from external international and country government health organizations; office physical layout and environmental restructuring to support recommended social distancing (**19 percent**), and feedback from employee sentiment surveys (**17 percent**).



If a vaccine for COVID-19 is developed over the next 12 months, a majority of organizations (61 percent) confirmed that talent mobility will continue to be based primarily on business demand.

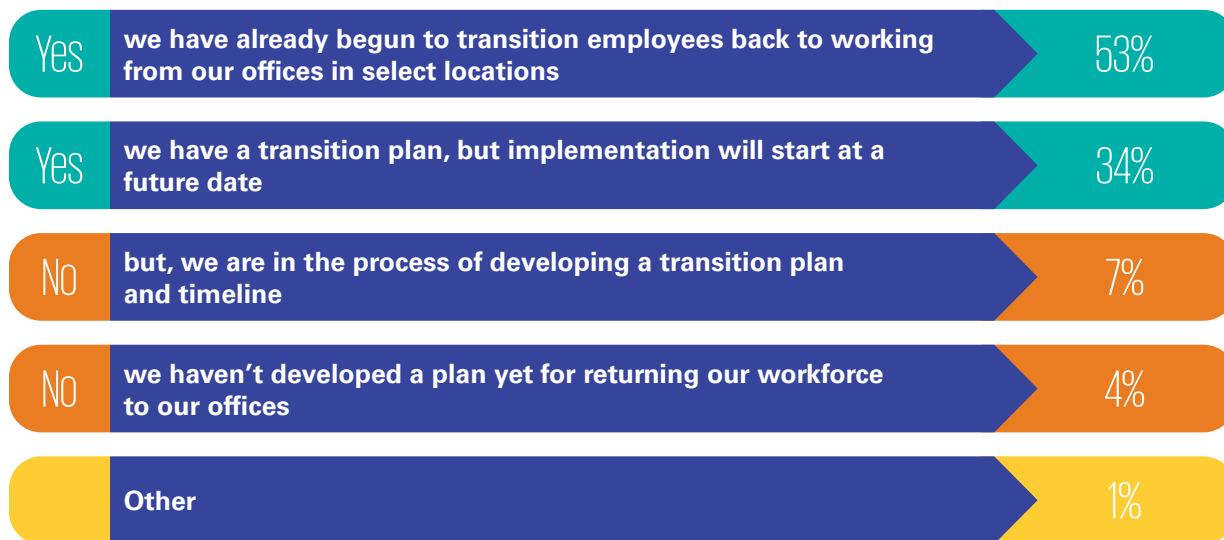


As a result of the impacts of COVID-19, is your organization currently supporting employees working from home or remotely?



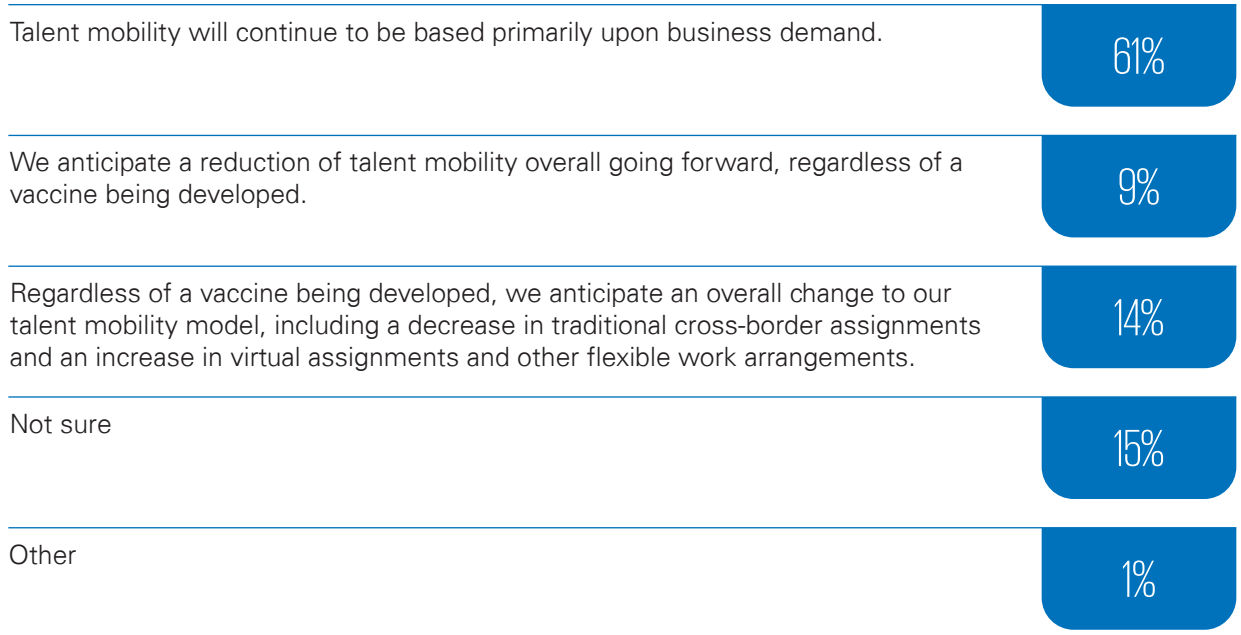
Note: May not total 100 percent due to rounding.

Does your organization have a transition plan and timeline for returning workers to your offices?



Note: May not total 100 percent due to rounding.

If a vaccine for COVID-19 is developed over the next 12 months, what do you anticipate will be the overall effect on global talent mobility for your organization?



Work-from-anywhere arrangements

The majority of organizations stated that they are not or are still not sure about considering formally redefining their current job models to include work-from-anywhere arrangements as a **permanent** work option for all or a portion of their domestic and international workforce.

- For those 25 organizations that **are** redefining their current job models for all or a portion of their international workforce, 20 organizations confirmed that employees will be permitted to work in a country where their organizations had an existing entity only, followed by 11 confirming that regardless of their business presence employees will only be permitted to work in a country up to a specified period of time.
- Nearly a third of organizations stated that they would consider providing additional tax compliance and compensation reporting support if the employee's work-from-anywhere arrangement would change the employee's tax burden. The majority were evenly split between not providing additional support (22 percent), not at this time (22 percent), and not sure (22 percent).
- At this time, 75 percent of participants are not considering developing a formal "virtual assignment" policy, which is defined as an employee who lives and is employed in one country—home or other—and performing their job remotely for another country.

Is your organization considering formally redefining its current job models to include work-from-anywhere arrangements as a permanent work option for all or a portion of your workforce?

Domestic workforce



Note: May not total 100 percent due to rounding.

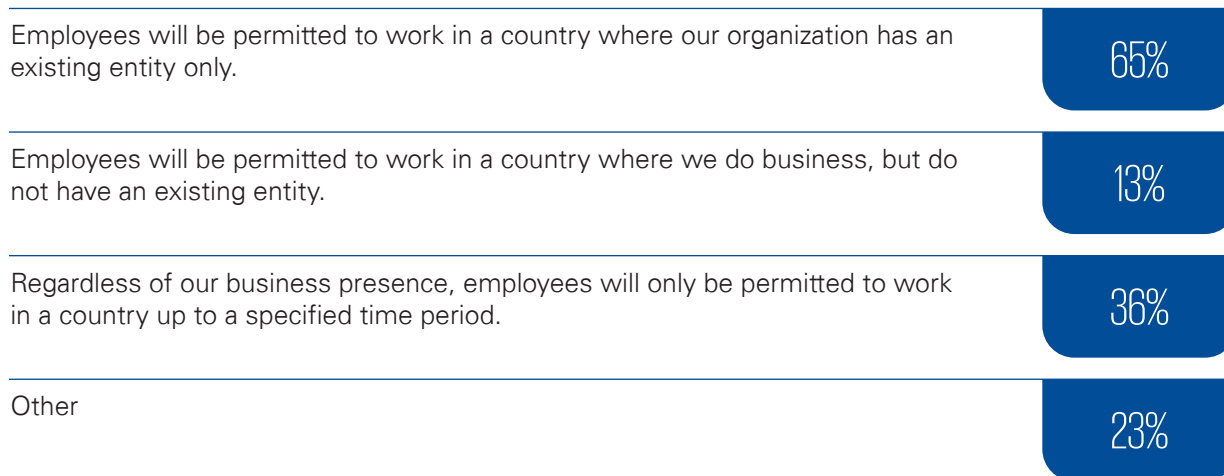
Is your organization considering formally redefining its current job models to include work-from-anywhere arrangements as a permanent work option for all or a portion of your workforce?

International workforce



Note: May not total 100 percent due to rounding.

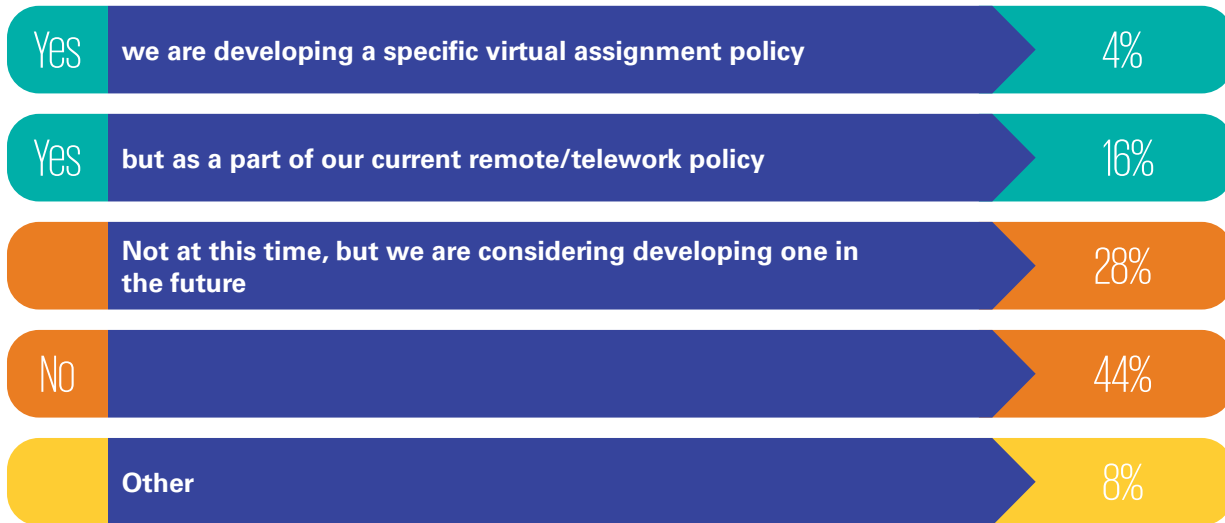
How flexible will your organization be in terms of location (select all guardrails that apply)?



If the work-from-anywhere arrangement changes the employee’s tax burden, do you plan to provide them with additional support (additional compensation, tax services, etc.)?



Is your organization considering developing a formal virtual assignment policy (e.g., an employee who lives and is employed in one country—home or other—and performs their job remotely for another country entity)?



Future disruptors - Risk management and operations

- To promptly respond to sudden, future disruptors and ensure business continuity and resilience, a quarter of participants confirmed that their organizations are considering developing a more integrated cross-functional team (for example, comprising members from HR, global mobility, risk management and compliance, and health and security functions) to support talent mobility needs, with another quarter confirming that they did not have any plans to develop such a team at this time followed by half not being sure.
- Regarding timing for developing their integrated teams, a third confirmed that they are currently developing a new team, with another third planning to develop their teams within the next 6 months, followed by a quarter planning to develop teams within 12 months.
- For those organizations that were developing an integrated operating model team, HR/global mobility, legal and corporate tax were cited as the top three functional participants.

Looking forward, to promptly respond to sudden global disruptors (such as economic instability, political factors, natural disasters, and pandemics) and to ensure business continuity and resilience, are you considering developing a more integrated team of traditionally separate functional groups, such as HR, global mobility, risk management and compliance, health and security functions in your organization to support talent mobility needs?



Note: May not total 100 percent due to rounding.

Which stakeholder groups are included in the operating model (select all that apply):



What is the timing for developing the new integrated risk management operating model?

We are currently developing a new integrated risk management operating model.

29%

We are planning to develop a better integrated risk management operating model within the next six months.

29%

We are planning to develop a better integrated risk management operating model within the next 12 months.

24%

Other

18%



Future of global mobility

In addition to the traditional responsibilities of global mobility (GM) teams, participants anticipated additional areas of responsibility as core GM functional roles, with the top areas being:



Increased focus on regulatory compliance when supporting diverse mobility and work-from-anywhere arrangements (56 organizations)



Tracking employee travel and assignment locations globally (50 organizations)



Developing and maintaining work-from-anywhere policies (36 organizations)



Increased monitoring of mobile employee health and safety (25 organizations)

When looking forward over the next 12 months in managing global talent mobility, many of the mobility trends and change predictions are also consistent with responses KPMG has received from our broader annual Global Assignment Policies and Practices (GAPP) Survey. These include:



Half of participants expect a decrease in long-term international (LTA) assignments (traditionally defined as between one to three years) with a third of respondents expecting the use of LTAs remaining the same. Similarly, a continued decrease in overall business travel and employee mobility generally until infection rates associated with COVID-19 are visibly reduced under vaccine rollouts globally. KPMG anticipates that future global talent mobility will revert to pre-pandemic levels to support business demand.



Further, 90 percent reported the continued use of videoconferencing as a substitute for business travel, both domestically and internationally.



Close to half also expect an increase in the use of virtual assignments (i.e., an employee performing work remotely the same as they would have had they relocated temporarily to the host country location).



Nearly half expect an increase in local recruitment of talent versus moving talent temporarily on domestic and international assignments, while just over a third of respondents stated that global mobility will remain the same.



Not surprisingly, nearly three-quarters of participants predict an increase in personal moves and work-from-anywhere requests over the next 12 months.



In addition to traditional, legacy responsibilities of global mobility teams, which, if any, of the following areas do you anticipate becoming a part of global mobility professionals' core roles and responsibilities in the future? (Check all that apply).

Tracking employee travel and assignment locations globally	70%
Increased monitoring of mobile employee health and safety	34%
Increased focus on regulatory compliance when supporting diverse mobility and work-from-anywhere arrangements	78%
Developing and maintaining work-from-anywhere policies	49%
None of the above	10%

Are you anticipating changes to any the following approaches to managing global talent mobility within the next 12 months as a result of recent global challenges (select all that apply):

Question	Increase	Decrease	Remain the same	Not sure
Long-term international assignments (e.g., traditionally defined as between one to three years)	1%	49%	33%	16%
Business travel (as permissible) and shorter-term assignments (e.g., less than one year and, typically, unaccompanied)	19%	53%	15%	12%
Videoconferencing as a substitute for business travel both domestically and internationally	90%	0%	4%	5%
Virtual domestic and international assignments (i.e., an employee performing work remotely the same as they would have had they relocated temporarily to the host country location)	45%	0%	12%	42%
Local recruitment of talent versus moving talent temporarily on domestic and international assignments	42%	1%	34%	22%
Personal move/work-from-anywhere requests	65%	1%	18%	15%

When ranking the order of importance regarding the future of global talent mobility in their organizations, the prioritization was as follows:

1

Business continuity and resilience



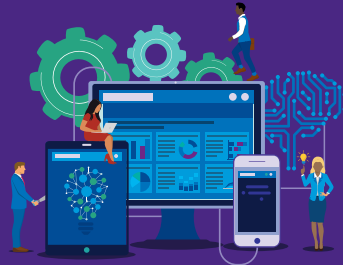
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Risk management and global compliance



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Digitization and automation



4

Employee experience



5

Cost management



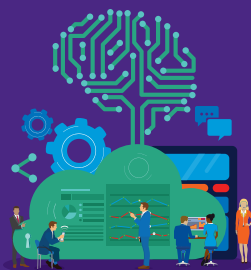
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Flexible work arrangements



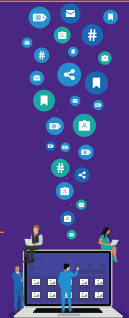
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Integrated collaborative technology solutions



8

Virtual assignments



Current actions for consideration

When addressing remote work arrangements, there are several connections into a number of areas within an organization. This year, in reaction to COVID-19, organizations have generally started by focusing on an employee's well-being followed by **how** the work is going to get done while staying connected to teams, company culture, and clients. Now that the basic HR duty of care needs have been met, KPMG is seeing a shift of focus to other operational and governance considerations, such as corporate tax, payroll, compensation and benefits, etc. As a result, what we are finding is organizations have quickly pulled together task forces or working focus groups that can represent each of these functions.

Some of the functional stakeholders we see as key to these discussions include:



HR/global mobility



Compensation and benefits



Corporate tax



Legal



Finance



Payroll

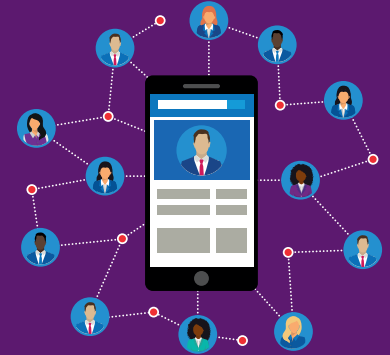


Business leaders

Rounding this all off, other critical stakeholder not to be missed are the employees themselves. A key objective of these working groups has been an attempt to align on enterprise-wide priorities and focus on the need for potential investments. From here, companies can build out a roadmap to execution.

Looking ahead

In addition to considering key regulatory risks and establishing a cross-functional framework for managing compliance, there is a talent and human capital perspective that organizations should consider. Identifying what job roles can be successful in a remote environment is a significant factor, which leads to reviewing the job competencies needed for a specific function and perhaps redefining roles to best support individual performance.



In our survey, we asked organizations if they are considering formally redefining their current job models to include work-from-anywhere arrangements as a permanent work option for all or a portion of their workforce. As noted in our survey report, responses by organizations formally redefining their current job models to include work-from-anywhere arrangements as a permanent work option, for all or a portion of their workforce, were spread across the board. About a third of organizations are redefining their job models for certain jobs and employee levels to include work-from-anywhere arrangements. The rest of the responses were largely split between no changes or not sure, with more uncertainty around the international versus domestic workforce.

As organizations determine how to manage their global talent mobility and business success, it's important to remember that there isn't one standard or singular approach that will address all these matters. So far, KPMG has found that a thoughtful evaluation process that brings several cross-functional teams to the virtual table to look at policy and operations and support ongoing risk management is a good place to start. And, as confirmed in our survey results, many organizations are already addressing several factors influencing the future of global talent mobility.



For additional guidance, please consult the KPMG **COVID-19: Preparing for the Future** series. The series of articles is designed to help organizations emerge stronger from the COVID-19 crisis by evaluating and revolutionizing their mobility and total rewards program to adapt to the changing business world. To learn more about the future of work go to <http://read.kpmg.us/WorkAnywhereTogether>.



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January 2021