

understanding
employee-initiated mobility
survey report



November 2015

plus relocation®

we call them “Hand Raisers”

Hand Raisers are those self-initiating, relocation-wanting, experience-desiring, career-building, maybe-you-are-going-to-lose-’em existing employees within an organization.

As talent migration increases at its rapid pace and workforce demographics continue to change, new trends are emerging within talent mobility. While the old-school, long-term expatriate who was tapped on the shoulder by the company to head out on assignment for a few years continues to be a much smaller percentage within most global mobility programs, we have seen an ever-increasing batch of Hand Raisers who:

- have a strong appetite for working abroad
- are seeking out developmental opportunities to expand their careers
- want a stimulating atmosphere that blends work and life
- are requesting relocations and assignments to meet these goals
- are open to a greater variety of approaches for structuring and supporting their desire to be mobile

For this study, we surveyed our corporate mobility contacts to see if they were noticing any emerging trends within their programs and to discover how they were managing these employee-initiated mobility requests. Additionally, we wanted to learn whether they were looking at these self-initiated relocations through their “talent management lens.” The results are in, so let’s take a look.



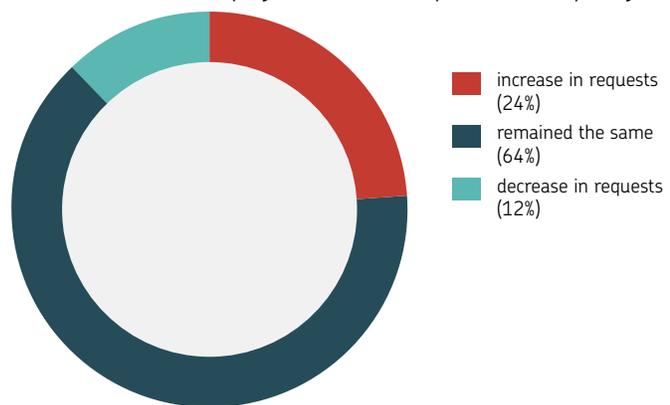
Hand Raisers by the numbers

When asked what they have seen in the past year with respect to self-initiated relocation requests from employees, **88% of respondents indicated that they have seen the number increase or remain the same.** Twice as many indicated that they have witnessed an increase in Hand Raisers as opposed to a decrease.

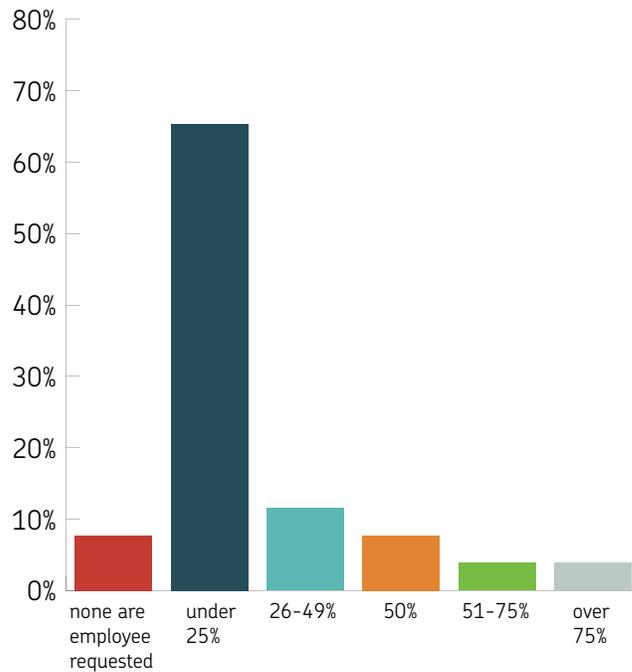
We also asked about the frequency of employee-initiated relocation requests, and while they appear to be on the rise, they still generally make up a small portion of all relocation activity within most mobility programs.

While a few programs (16%) indicated half or more of their overall relocation activity is related to employee-requested moves, the majority (73%) estimated that less than a quarter of their overall mobility population on an annual basis is related to employee-initiated relocation.

number of employee-initiated requests in the past year



percentage of relocation activity that is employee-initiated



Hand Raisers – more Gen Xers than you’d think

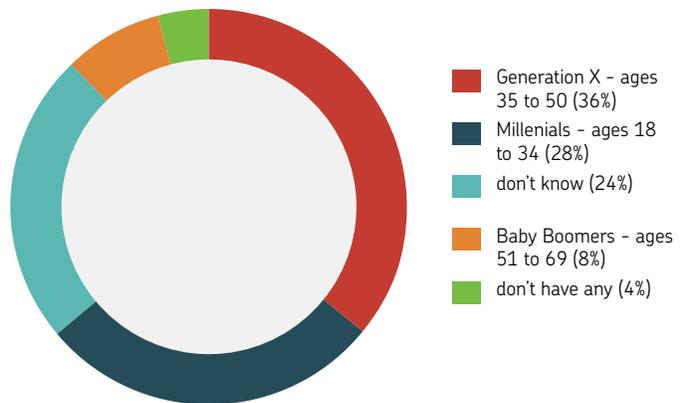
Our hypothesis was that this trend of increasing Hand Raisers was the direct impact of the Millennial generation, so we were slightly surprised when the survey results indicated that **Gen Xers (between the ages of 35-50) are the largest group of self-initiators**, with Millennials (ages 18-34) coming in a close second.

As we considered possible reasons for this surprise, we wondered if a portion of Millennials are being selected – before they ever have to raise their hands – in corporate-structured developmental programs. Jill Buzzelli, director of global mobility consulting at PwC, tells us that, “Many companies are tailoring their international assignment strategy to Millennials by making overseas assignments available earlier, before they have family ties, and for shorter periods.

“We see that happening in three distinct ways – through structured rotational assignments, talent swap programs and self-nominated programs. These programs are all highly selective and competitive, and are becoming common among all industry sectors.

“Generally, these programs fall under a corporate program and policy, and they can be

Hand Raisers by generation



“Many companies are tailoring their international assignment strategy to Millennials.”

- Jill Buzzelli, director of global mobility consulting, PwC

either domestic or international rotations.”

Less than 10% of respondents said Baby Boomers make up the largest percentage of Hand Raisers, while only 4% said they do not have any Hand Raisers.

defining and managing Hand Raisers

Companies were scattered as to exactly how to define an employee-initiated relocation. **About 35% said candidly that they have not formalized a definition for this term or situation.** Definitions for employee-initiated mobility were nuanced by the concept of “business need.” Those that did provide their definition did so in one of three ways:

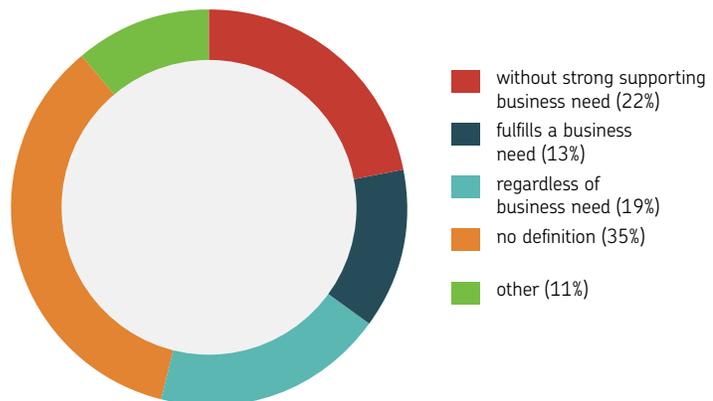
- when an existing employee requests a relocation or assignment that has **NO** strong supporting business need (22%)
- when an existing employee requests a relocation or assignment that **DOES** have a strong business need supporting it (13%)
- when an existing employee requests a relocation or assignment **WHETHER OR NOT** there is a strong business need to support it (19%)

When it came to how the company dealt with these employee requests, **81% said they allow for employee-initiated mobility when it also fulfills a business need**, 26% allow it even when there is no business need and only 3% said they flat-out never allow it. Many of the comments centered around the fact that when we say “allow,” it is meant that an employee-initiated relocation request would be “considered” (i.e. not immediately rejected) by the business, manager and/or other stakeholders involved in the process within each company.

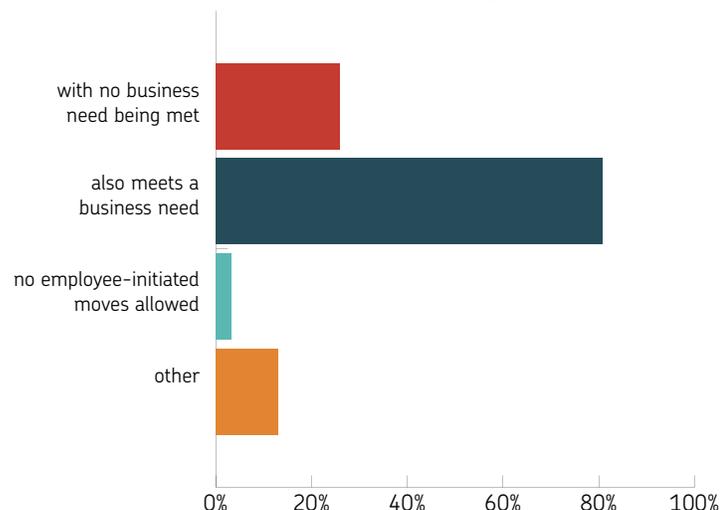
Because each employee-initiated relocation request is so unique, with each one having a different talent situation, different level of company impact, different organization structure in home and host locations, and of course different cost and compliancy issues, there ultimately is a different level of energy, attention and willingness to work through each of these requests within a company.

When asked what level of approvals are required on employee-requested relocations, most companies indicated that the process is very similar to any other relocation of an existing employee within their organization. If a particular request warranted further inquiry or consideration, then the appropriate evaluation process occurred. Once thoroughly vetted to ensure that the company was not exposing itself to any risks, and once mobility/

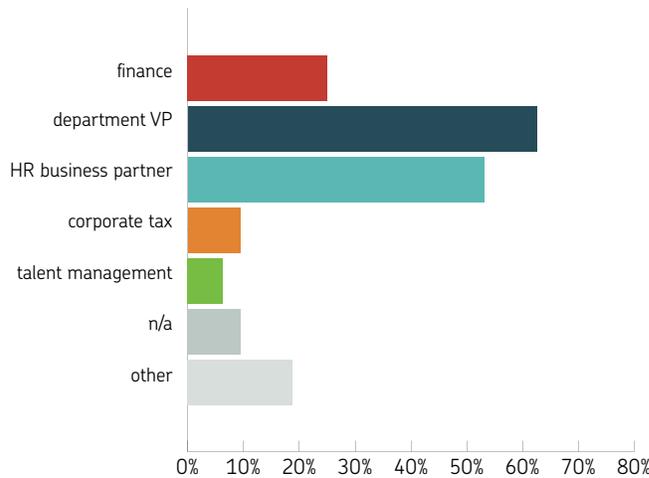
defining Hand Raisers



when companies allow employee-initiated relocation



who approves employee-requested relocation



HR understood what was needed to be done to properly structure the employment (localization) or assignment (primarily from a tax/immigration and permanent establishment risk perspective), then final approvals would be sought. Participants indicated that most frequently it is the department VP, HR business partner and finance groups that provide final approvals.

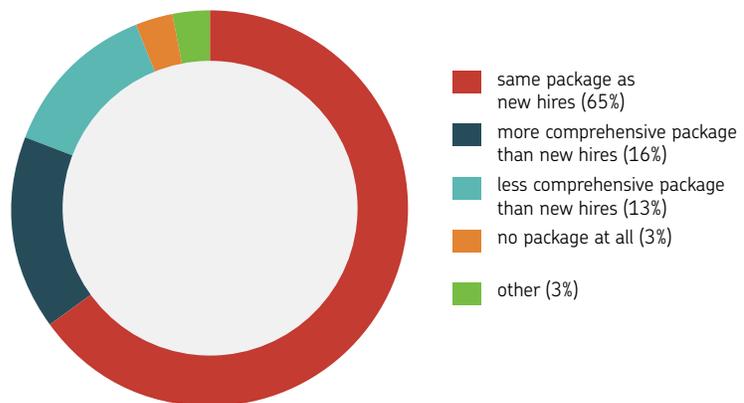
applying policy and benefits to Hand Raisers

We wanted to gain insight on how companies are prepared to move forward once requests are approved. Is there a unique or applicable policy for Hand Raisers? What benefits are typically provided and do these differ from the benefits in their regular relocation policy? Does the level of the employee matter with regard to what is provided for relocation support? Do the relocation benefits offered to a Hand Raiser (an existing employee) differ from what is offered to a new hire taking that same position?

We found that nearly half of companies (44%) have an established formal applicable policy in place for handling employee-initiated relocations and another 6% indicated that they are developing one within the next year. Since only 13% stated that they either do not have any employee-initiated relocations or do not provide any relocation benefits in this situation, **this means that 37% are customizing their support on a case-by-case basis.**

Most companies (65%) indicated that they

benefits given to Hand Raisers



relocation/assignment benefits

more often provided:

- tax preparation
- immigration
- final move trip
- household goods shipment
- miscellaneous (cash) allowance

less often provided:

- home-finding trip
- home search/rental assistance
- settling-in services
- temporary accommodations
- real estate reimbursements

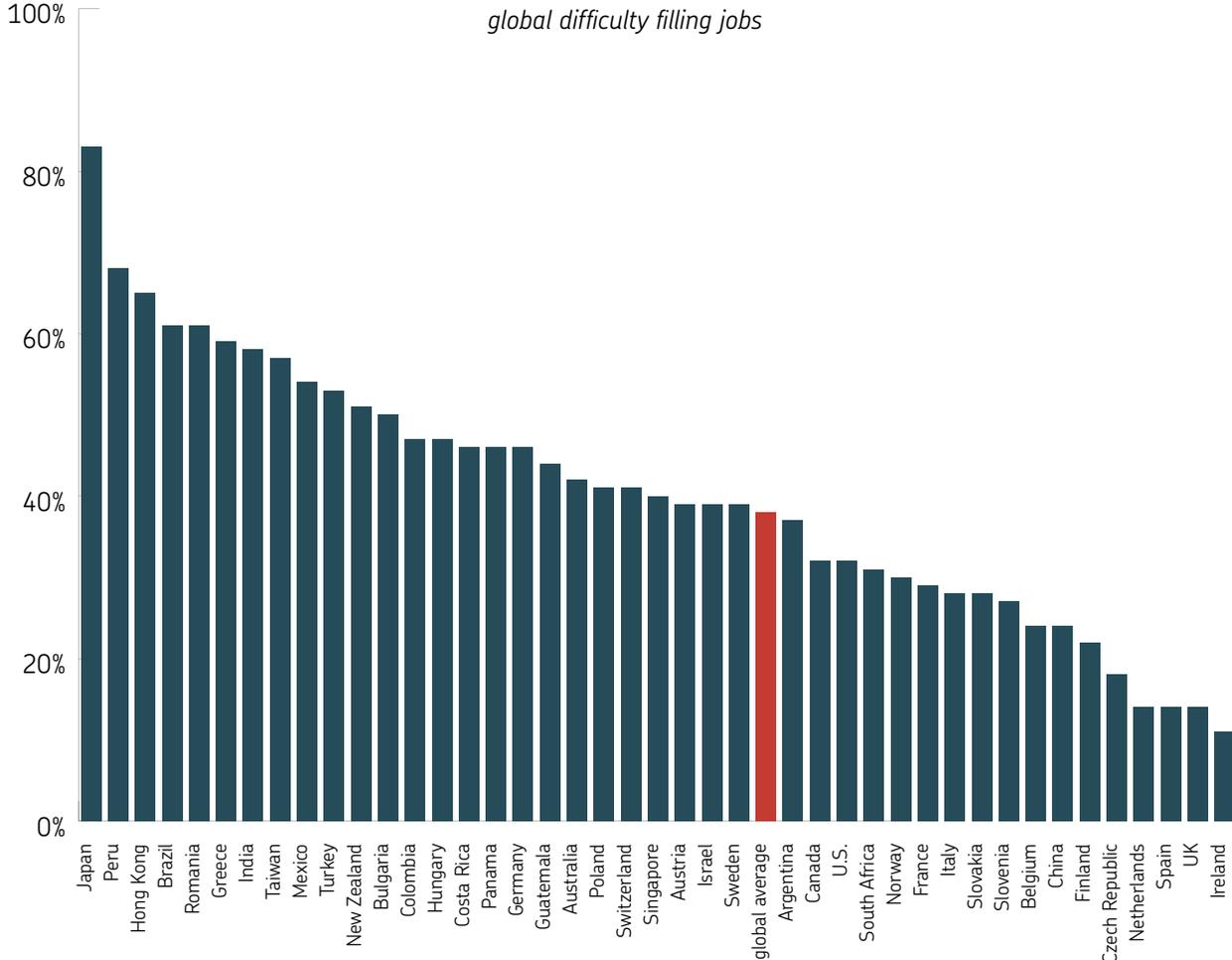
offer the same relocation package to an employee that self-initiates their relocation as they do to a new hire. Only 13% indicated that they offer less support (relocation benefits) to existing employees, while 16% said they offer more support (relocation benefits) to existing employees.

Interestingly (and also surprisingly), no one indicated that they provide only a lump sum for these relocations. **Most companies (56%) said that they offer a limited package with basic (core) support** that typically includes tax preparation, immigration, final move, household goods shipment and some level of a cash allowance, with adjustments made for employee levels (simply meaning that lower-level employees get fewer benefits than higher-level or executive-level employees).

Benefits less frequently provided or provided as a part of the “flex” portion of a core-flex approach include: home-finding trips, destination services support, temporary living, costs for household goods storage and real estate expenses.

why should you care about Hand Raisers?

We probably do not need to remind you that great (or even good) talent is hard to attract, hard to keep and costly to replace. So once you have a quality talent in your organization, developing and retaining him or her will keep business goals moving forward without setbacks, delays and extra cost.



source: ManpowerGroup 2015 Talent Shortage Survey

From the ManpowerGroup's recent 2015 Talent Shortage Survey, we see that nearly 50% of companies acknowledge that talent shortages have a medium to high (negative) impact on their business in the following ways:

- reduced competitiveness and productivity
- increased turnover
- higher compensation costs
- reduced employee engagement/morale

Filling jobs is difficult for most companies and in most locations, but particularly when it comes to Japan, Peru, Hong Kong, Brazil and Romania. Consider your locations with the chart on the previous page.

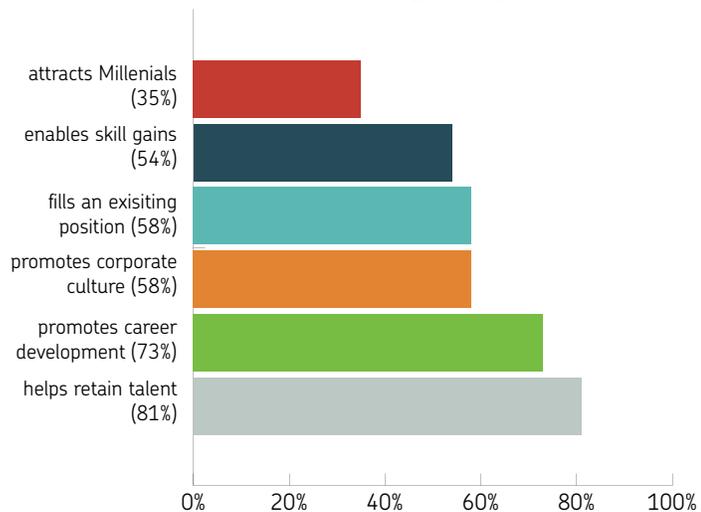
To further support the point that there is a “war” for talent out there, Worldwide ERC's 2015 New Hire Survey reveals that employers are struggling to acquire talent for many jobs. **On the international scene, 60% reported difficulty hiring the “right talent,” and another 27% called it an all-out talent war for certain positions.**

Some companies have mentioned that supporting an employee who initiates their own relocation (by allowing the relocation or providing actual benefits to facilitate it) creates the challenge of finding a replacement within. But if you are able to keep that employee in their position, or fill a different position within the company, then how is that not a win for talent management in your organization? Also, when these requests are ignored or denied, the reality is that these people are often soon out the door and off to find a position with a different company that leverages their work experience and appeals to their career or life aspirations.

From a talent-management perspective, when considering the most important benefits to the company for supporting employee-initiated mobility, most respondents see this as a talent strategy for aiding in the retention of key talent, providing opportunities for career development, promoting company culture, filling an existing business need or for enabling employees to gain critical skills. In many cases, all of these benefits could combine to create a win-win situation for both the employee and the company.

Intriguingly, and maybe surprisingly for companies, Mercer just published a survey that discovered that, “Nearly two in five U.S. workers are seriously considering leaving their jobs at the present time, and this includes many who are satisfied with their jobs, organizations, pay, benefits and other aspects of work.” Their new Inside Employees' Minds Survey labeled this paradox as the “happy but leaving” trend. We mention it here because it is a trend, like employee-initiated mobility requests, that is forcing companies to re-evaluate their employee value proposition and consider moving to a more flexible stance that will result in enhanced retention, increased engagement and greater loyalty in a world where talent has the biggest impact on business success.

most important benefits of supporting employee-initiated relocation



“Given the endless war for talent ... it is critical organizations develop a policy to address the Hand Raisers.”

- William Taylor, head of global mobility, Adobe

William Taylor, head of global Mobility at Adobe, sums things up well:

“Given the endless war for talent, and an increased desire among both the Millennials and Gen-Xers for global assignment experience, it is critical organizations develop a policy to address the Hand Raisers, and that such a policy is aligned with corporate values on relocation. Compliance, flexibility and a basic set of support benefits will be key to keeping this group engaged and set-up for continued success.”

about the survey

While there were 18 different industries represented in our survey data, much of what we have experienced with regard to employee-initiated mobility over the last few years has come from our technology clients, and the tech industry was the largest segment (33%) in this survey.

After that, retail/consumer goods (13%) and professional services (13%) were the next largest industry participants. We also asked companies about the size of their mobility programs, and our survey results are summarized in the graph at right.

The survey had a total of 32 respondents.

