YOUR REGULAR
EXPAT ACADEMY
ROUND-UP

The EAR

Issue 39: April 2022

Member anecdotes

7 day benchmarking

Ear for yourself

Welcome

Hope you're liking our new-look Expat Academy Round-Up ("EAR"). For any newcomers, this is a handy summary of all that we've heard from our Networks this week.

Round-Up

A short working week that has not been short on challenges.

We've had a number of member conversations and highlights to share. Whether they ring bells or are not on your radar (yet), it's always good to have your finger on the pulse and understand what the market is doing.

The benchmarking service remains busy and this week we are able to summarise the key learnings from several newly published questions.

Intro

This update gives you real-time intel on what's occurring this week in super-charged Global Mobility circles. It's purpose is to help inform your decision making on technical issues. Read it now or risk being left behind!

Anecdotes

We've heard a number of anecdotes directly from members this week. Highlights are:

-Movement picking up and ease of travel restrictions proving positive for many.

-Others continue to experience a lull in assignments, possibly a delay in response to covid as assignments are ending but also not as many new ones starting.

-Some destination countries are looking to recruit locally rather than put people on assignment. This has consequences for business strategy and individual career goals.

-With Global Mobility specifically, there is a recruitment challenge as the market is currently flooded with the need for Manager Level GM specialists – as everyone is so busy companies need people to hit the ground running rather than requiring training.

-Expat Academy are becoming increasingly contacted by their members looking to hire junior to mid manager level Global Mobility professionals. Some are looking for specialist tax experience and others are looking for particular language skills. We have never seen such a demand for talent in the Global Mobility industry with a lack of forthcoming candidates. Those that we know are looking for their next opportunity are more established in their careers so not appropriate.

-Some are busy with digital transformation work which sees the implementation of Workday and Assignment Pro.

-Members are experiencing a need to demonstrate value of GM to the business and do some cost analysis around it to fully appreciate additional costs to assignment.

-The time it is taking to get assignments moving is a continual challenge, specifically with tax and immigration processing times. As we saw in the last edition of EAR, it is important to allow additional lead times for assignments due to more complex and varied immigration compliance rules post-Brexit. It is also necessary to increase comms to stakeholders in order to manage expectations.

7 Day Benchmarking

This week has seen seven new questions be published and added to the benchmarking library. Key learnings are:

-The majority of organisations do not pay for covid testing costs during home leave.

-The market practice and preference for managing STAs is home based and tax equalised. They are seen as fixed term roles with employment in the home location remaining continuous. Deviations to this model include employees being switched to a host country contract after 183 days. Others treat the STA as a leave of absence from the home location to take up a temporary local assignment and are paid in local currency for the duration.

-There is a varied approach to the payment of per diems whilst on STA and we have had a question around approach to host countries with lower costs of living. Where a per diem is deemed too high, some turn to the Mercer Efficient and Convenient option.

It is broadly felt that some secondment related payment should be paid regardless - to cover expenses such as FX charges and international phone calls.

-A question arose around long term assignment policy wording and practices towards a home vs host based approach. The default for many is a home based methodology + COLA. Some take a host based approach if the cost of living in the host demands it. Others apply negative COLA in theory if cost of living is lower in the host. Many speak of additional payments such as location allowance, housing differential or subsidy, salary supplements and a mobility premium.

-There is an interest in right to work check technology with not many using it but many at the demo stage. PwC and Deloitte tools were referenced. Some are hopeful that this check is becoming part of the background checking process, with vendors applying to use the Certified Digital Identity Service (IDSP).

Open Questions

-Car and driver benefits in India and China

-Intern housing support

-Repatriation rejection: Managing host country based international assignments

-Lockdown aid for foreign nationals based in Shanghai

For the full questions and to share your knowledge, click HERE

Remember to switch on email and push notifications for benchmarking so that you can see real time what is being asked. Go to: https://members.expat-academy.com/my-account/settings

EAR for Yourself

Come and boost your technical knowledge through one of our Network Huddles and put forward questions of your own. Sign up here:

Aberdeen Network Huddle – 26 April

US Network Virtual Huddle – 11 May

European Super Huddle – 23 May

Contributor

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