



MOBILISING TALENT: The Global Mobility Challenge

 **CERC**
Leadership for Workforce Mobility







BACKGROUND, METHODOLOGY AND RESPONDENT CRITERIA

This report captures the findings of the first comprehensive, international study into employee mobility of its kind that focuses on the employee's — not the employer's — point of view.

Given the war for talent that is taking place globally, our intention is to make this information available so that employers can understand the thoughts and feelings of current and potential employees. By focusing on what people are looking for, we believe that organizations will be able to make better decisions regarding their international and expatriate policies.

This report was written by Ipsos on the findings from the 2012 Employee Mobility study, conducted by Ipsos on behalf of the Canadian Employee Relocation Council. Ipsos is an independent global market research company that has been in the business for nearly 40 years.

Global @dvisor is Ipsos' regular online survey that fields in 24 countries around the world with approximately 18,500 respondents every month. The CERC poll on employee mobility ran in 24 countries via the Ipsos Online Panel system. It fielded online between August 7th and August 21st, 2012 in the following countries: Argentina, Australia, Belgium, Brazil, Canada, China, France, Germany, Great Britain, Hungary, India, Indonesia, Italy, Japan, Mexico, Poland, Russia, Saudi Arabia, South Africa, South Korea, Spain, Sweden, Turkey and the United States of America.

An international sample of 12,827 employees out of 18,872 adults aged 18 – 64 in the US and Canada, and age 16-64 in all other countries, were interviewed. Approximately 1,000+ individuals participated on a country by country basis with the exception of Argentina, Indonesia, Mexico, Poland, Saudi Arabia, South Africa, South Korea, Sweden, Russia and Turkey, where each have a sample 500+. Weighting was then employed to balance demographics and ensure that the sample's composition reflects that of the adult population according to the most recent country Census data and to provide results intended to approximate the sample universe.

BDO is an international network of public accounting firms, the BDO Member Firms, which perform professional services under the name of BDO. The global network provides advisory services in 138 countries, with 54,933 people working out of 1,204 offices worldwide.

BDO was delighted to sponsor this global poll into employee mobility, together with TheMIGroup, HSBC Bank Canada, Atlas Canada, Brookfield Global Relocation Services, Crown World Mobility, ERCO Worldwide, NEI Global Relocation and Weichert Relocation Resources Inc.

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25%

of employees in 24 countries are 'very likely' to take an international job.



Setting the stage

Given the highly competitive nature of today's global marketplace, the demands for an internationally-mobile workforce have never been greater. A successful mobility program can help employers keep talent acquisition costs to a minimum while maximizing the professional growth of their top leadership staff and strengthening their bottom line.

Employee mobility is often studied from the perspective of employers. They are regularly targeted to learn about their actions and intentions regarding their workforce. However, what suits an employer does not necessarily suit their employees. Getting that balance right at the outset is crucial, yet the attitudes and intentions of employees are less well known and researched. There is a significant gap in the business literature about the expectations held by the employees themselves. The purpose of this research is to begin filling this gap.

BDO has put together this white paper to provide employers with the results and observations of this research.

Relocation is an investment in the employee and employers want them to succeed and hit the ground running. If the employee has the appropriate supports and compensation, employers will get the best return on their investment. However, employers risk losing valuable talent if they poorly execute the decision to relocate them. What policy and incentives can employers offer to ensure acceptance of relocation offers?

Most people will move if they are offered enough money, but the current global economic environment makes that approach less realistic than ever before. More importantly, enticing talent to consider a move abroad requires more than pay. Employers can minimize costs and maximize pay to the individual through an appealing incentive programme that takes into consideration what employees themselves are hoping for and fearing. Above all, employers must understand the incentives they need to offer, and the hesitations held by their staff, to make the move happen.

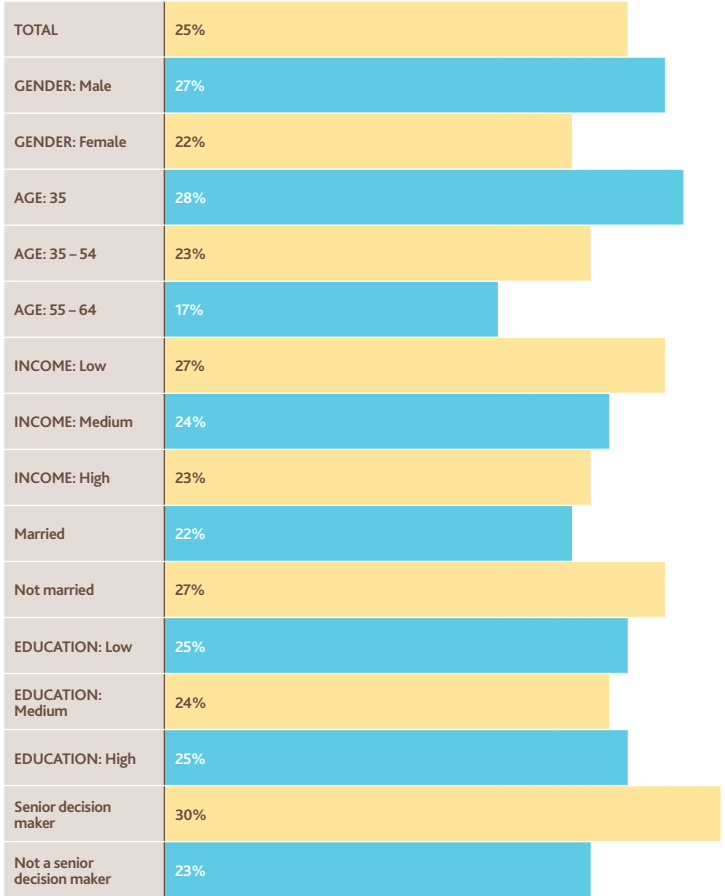
The eager minority

There is a core group of global employees who would be very likely to move abroad for an assignment. They would be easiest to convince if employers wish to move them. These individuals, 25% of the overall sample of employees from around the world, are the most motivated to take an international opportunity.

They were asked to:

Imagine there was a full-time job available in another country at least three to five hours away by plane for anywhere between two or three years with a minimum 10% increase in your pay and all your moving expenses covered. How likely would you be to consider moving to this new job?

Likelihood to move to another country — % 'Very likely' (by demographic)





ONE IN THREE

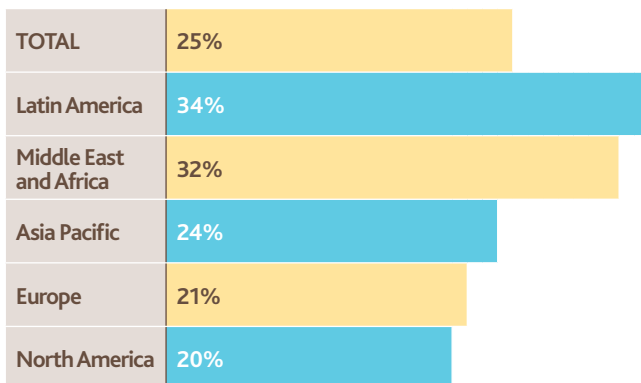
employees want to move to the United States for a foreign job opportunity. The United Kingdom, Australia and Canada follow, but at a distance.

One quarter say they would be 'very likely' to take the assignment. Considering that an additional 32% are 'somewhat likely', an appetite appears to exist for going abroad for work.

Demographically, and considering the entire sample on a global basis, several cohorts were most likely to display eagerness. These groups, who lean towards a foreign assignment statistically significantly more than the global employee average, include: a senior executive/decision maker at their work (30%); those most likely under the age of 35 (28%); men (27%); those with a low income (27%); and those who are not married (27%).

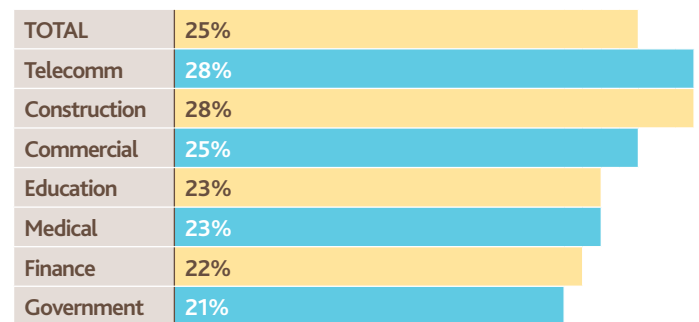
Regionally, employees from Latin America (34%) and the Middle East and Africa (32%) are the most likely to say they would be very likely to take the assignment, while only two in ten of those from Asia Pacific (24%), Europe (21%) and North America (20%) say so.

Likelihood to move to another country — % 'Very likely' (by region)



Some variability exists among the industries surveyed in the 2012 poll. The data show that those working in the fields of telecommunications and information technology (28%) and construction (28%) are most inclined to say they are 'very likely' to consider the move, followed by those working in the commercial/retail (25%), education (23%) and medical (23%) sectors.

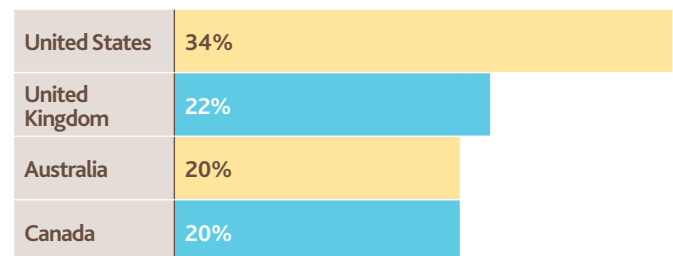
Likelihood to move to another country — % 'Very likely' (by industry)



Desired destinations

Participants in the survey were invited to consider which destinations they would most desire to move to for work. They were offered a randomised list of 51 countries, plus the option of 'other', and asked to select their top three picks. Employees select the United States (34%) as their combined top choice by a wide margin, followed by the UK (22%), Canada (20%), Australia (20%) and Switzerland (16%).

Top 4 countries to relocate: ALL





Of course, an employee's desire and an employer's need do not always correlate positively. According to the CERC 2011 Employee Relocation Policy Survey, conducted across 500 Canadian companies, the top international destinations that employers are sending staff to are (in order of popularity): the United States, the European Union, China, Australia and South America. Some of these regions are represented well among the top-of-mind ideas for employees. However, only a slim minority of respondents — 3%, to be exact — select China as their first, second or third choice. Brazil, the highest-ranking South American country on this question, only received such support from 5% of respondents. Although this data is specific to Canadian companies, the observations will most likely have relevance regardless of where the employer's principal place of business is located. Essentially, employees appear ready and willing to travel to traditionally industrialized, wealthy nations but are less ready to name the emerging markets as their top pick and would likely need more convincing for these destinations.

The responses are somewhat homogenous across the groups studied. Respondents from every geographic region we measured select the United States as number one (except North America, which chose Australia). This is also true among all the industries measured on this survey. That said, there is some limited geographic variability on this measure. On the aggregate level, North Americans would most prefer to move to Australia (33%) or the UK (28%). Those from Latin America would most prefer to go to the United States (42%), Canada (25%) or Spain (24%). Employees from the Middle East and Africa would most likely choose the United States (43%), the United Kingdom (29%) or the United Arab Emirates (23%). Europeans would most prefer the United States (29%), the UK (20%), Australia (20%) or Switzerland (20%) and those from Asia-Pacific would most prefer to move for work to the US (37%), the UK (24%) or Singapore (22%).

Top 5 countries to relocate: employees from North America

Australia	33%
United Kingdom	28%
United States	19%
France	18%
Canada	16%
Italy	16%

Top 5 countries to relocate: employees from Latin America

United States	42%
Canada	25%
Spain	24%
Italy	23%
France	20%

Top 5 countries to relocate: employees from Europe

United States	29%
Switzerland	20%
Australia	20%
United Kingdom	20%
Canada	18%

Top 5 countries to relocate: employees from Asia-Pacific

United States	37%
United Kingdom	24%
Singapore	22%
Australia	21%
Canada	21%

Top 5 countries to relocate: employees from Middle East and Africa

United States	43%
United Kingdom	29%
United Arab Emirates	23%
Australia	20%
Canada	19%

45%

of global employees say repatriation assistance would make them most likely to take the international job.



Right incentive for the right employee

In a world of scarce resources, pressures to keep budgets low and fear of rejection from candidates for relocation, having the right policies for the right employees are essential. Flexibility is crucial to this exercise and while some incentives matter to everyone, some stand out for particular groups.

Participants in the survey were invited to assess 18 possible incentives to determine which might elicit the most motivation — among the entire sample and among the subgroups studied — to accept the international job offer.

The data shows that job security is the single biggest determinant of an employee's decision to accept an international assignment. Nearly half (45%) of all international employees surveyed select repatriation assistance as the number one incentive their employer could offer them; 'a guarantee that you could move back to your current role after two years with further relocation assistance' would make them 'much more likely' to take the job.

This 'safety net' is followed closely by incentives that directly address two themes: (1) family concerns and (2) comfort or fear of the unknown. Tied for second place are the options of round trip airfare to return home for family visits (43%) and a paid trip to visit the country before agreeing to move there (43%).

The case of dual income families makes relocating employees more complicated. The relocation of an employee in many cases must be viewed as the relocation of the family unit as 43% indicate they would want their employer to provide immigration assistance for their spouse's career development in the new country. The topic of 'family issues' includes the connection of a family member back home that would make relocation difficult or impossible. One in six respondents (16%) say they strongly agree that they "can't move abroad for any period of time because family in my home country rely on me."

Those who are senior executives or decision makers at their work also favour the guarantee to come back to a similar role after two years (45%), but they are also very keen to take a trip to the country before the assignment to see what the country is like (44%), to have immigration assistance for their spouse to find employment (44%) and education courses to upgrade skills (44%).



Some could be convinced...

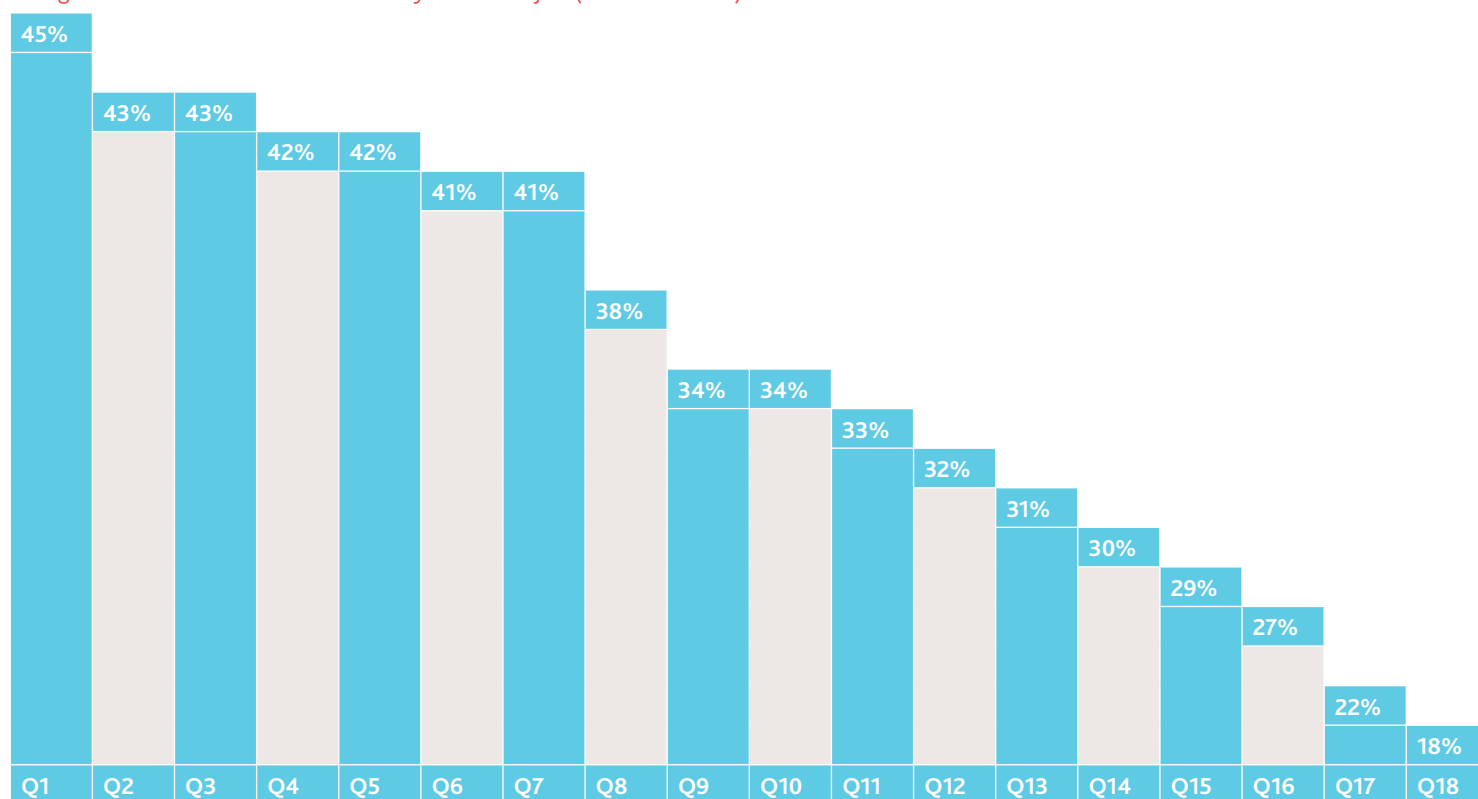
The Ipsos survey found an interesting subgroup to study in the BDO white paper: employees around the world that began the survey indicating a lack of interest in relocation but ended admitting they could be convinced to move if the incentives were right. The question is: what are those incentives?

Their ratings of the incentives further entrench the importance of repatriation assistance, family support and the need for comfort or less fear of the unknown. Much like the entire sample, and nearly all subgroups studied, these employees might be further convinced to take the offer if they were given the guarantee to take their old job after two years (44%), immigration assistance for their spouse to obtain employment (38%), a chance to see the country first (37%), return airfare for them or their family members while in the new country (36%) and paid language training (35%).

It will be important for employers relocating this sort of employee to note that destination is key: 45% of these mind changers strongly agree that the country the foreign assignment would have them move to is a major factor in their decision to relocate or not — another 44% somewhat agree. The crucial characteristic of this group is a strong belief that an international move would be wise professionally; three quarters (75%) agree — strongly and somewhat — that taking an international contract would be beneficial for their long-term career.



Ratings of incentives: — % 'much more likely to take the job' (ALL EMPLOYEES)

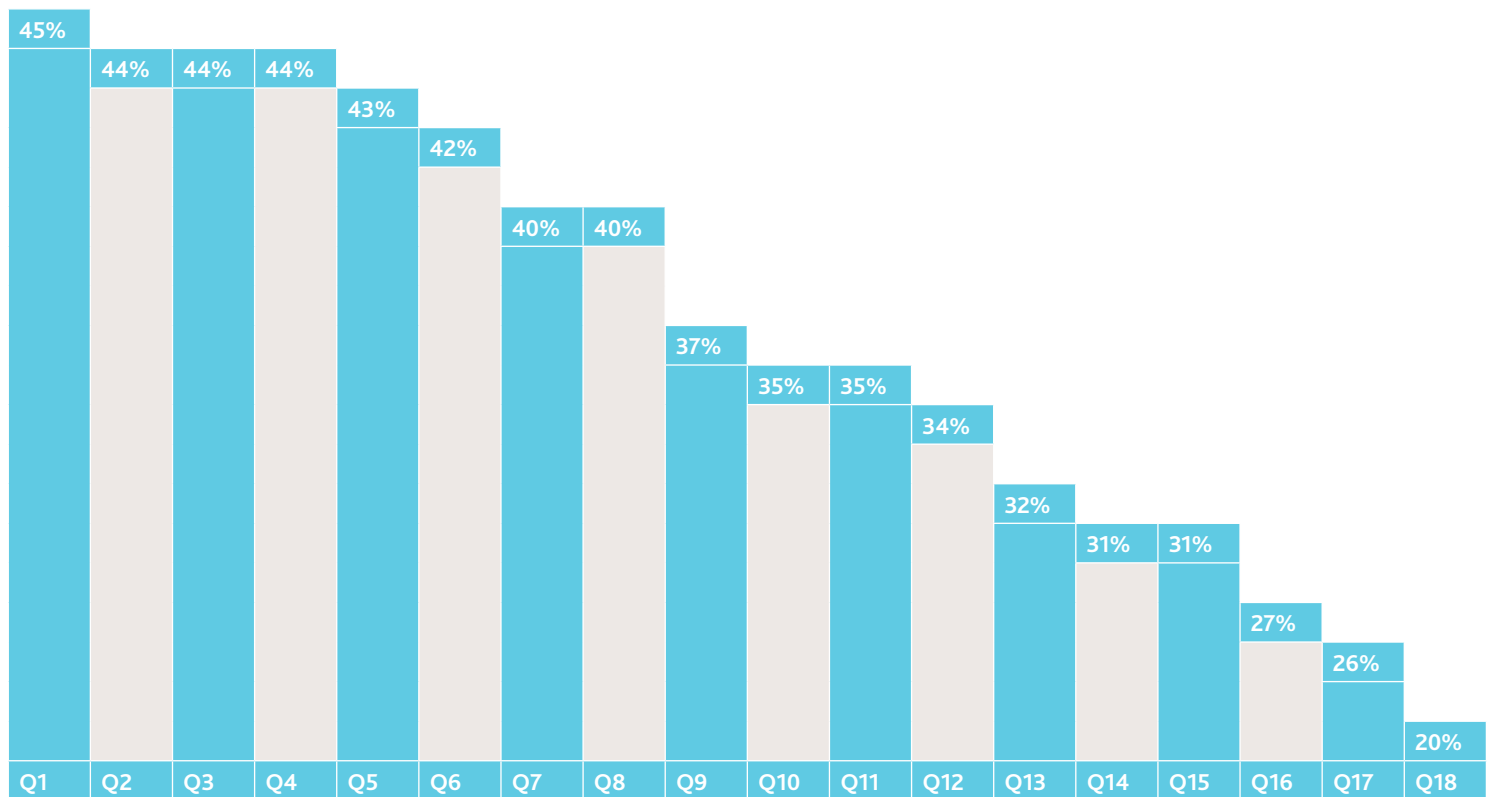


- Q1 A guarantee that you could move back to your current role after 2 years with further relocation assistance
- Q2 You /members of your immediate family would each get one round trip airfare per person to either travel back home; or have two round trip tickets for people to come and visit you once a year; or, use the equivalent value tickets for a destination of your choice
- Q3 A trip to the country before the assignment so I see what the country is like, paid for by my employer
- Q4 Paid language training if necessary
- Q5 Provide immigration assistance for your spouse in order that they could obtain employment
- Q6 Provide you with education courses to upgrade your skills
- Q7 A 10% pay raise
- Q8 Provide paid school tuition for your children
- Q9 A monthly car allowance

- Q10 Give you another week's worth of vacation to use however you wish
- Q11 The country chosen has the same language as my own
- Q12 Provide relocation consultant for home and school search
- Q13 A onetime relocation allowance equivalent to 5% of your gross salary to cover incidental household expenses
- Q14 Provide temporary housing for up to four (4) weeks
- Q15 If you own a house/condo, would provide a sale or lease agent and would pay the difference in market value if sold at a loss
- Q16 The country chosen is similar in culture to my own
- Q17 Would cover for loss on sale of auto's (up to a maximum two auto's)
- Q18 Would pay for pet(s) to be shipped to new address

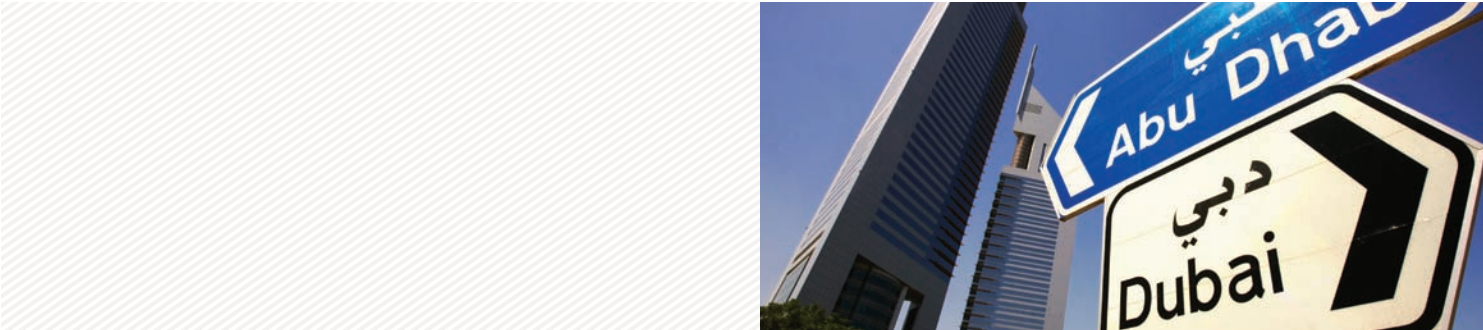


Ratings of incentives: — % 'much more likely to take the job' (KEY DECISION MAKERS)

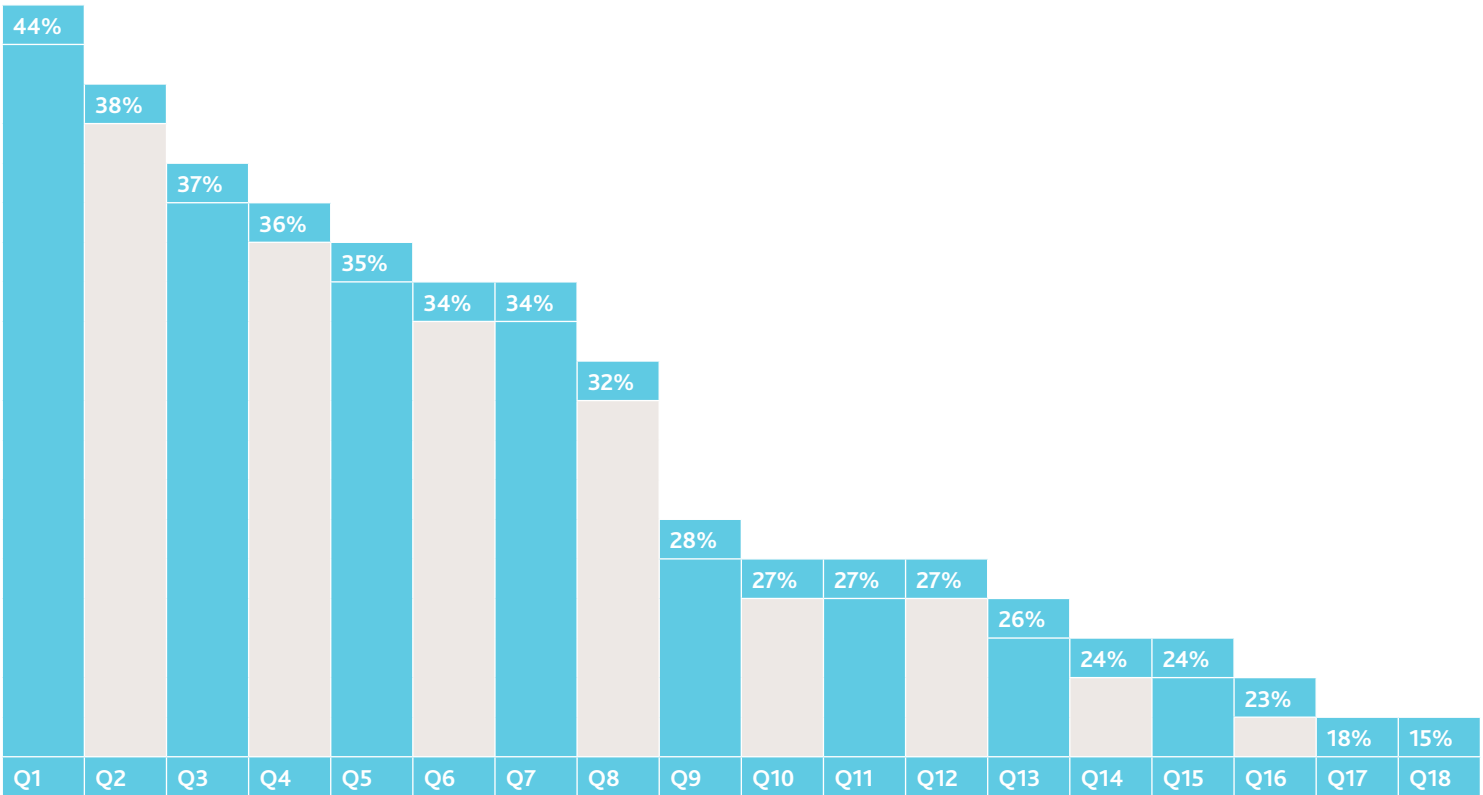


- Q1 A guarantee that you could move back to your current role after 2 years with further relocation assistance
- Q2 You /members of your immediate family would each get one round trip airfare per person to either travel back home; or have two round trip tickets for people to come and visit you once a year; or, use the equivalent value tickets for a destination of your choice
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- Q17 Would cover for loss on sale of auto's (up to a maximum two auto's)
- Q18 Would pay for pet(s) to be shipped to new address



Ratings of incentives: — % 'of those who could be convinced to relocate'



- Q1 A guarantee that you could move back to your current role after 2 years with further relocation assistance

Q2 Provide immigration assistance for your spouse in order that they could obtain employment

Q3 A trip to the country before the assignment so I see what the country is like, paid for by my employer

Q4 You /members of your immediate family would each get one round trip airfare per person to either travel back home; or have two round trip tickets for people to come and visit you once a year; or, use the equivalent value tickets for a destination of your choice

Q5 Paid language training if necessary

Q6 Provide paid school tuition for your children

Q7 The country chosen has the same language as my own

Q8 Provide you with education courses to upgrade your skills

Q9 Give you another week worth of vacation to use however you wish
- Q10 A 10% pay raise

Q11 The country chosen is similar in culture to my own

Q12 A monthly car allowance

Q13 Provide relocation consultant for home and school search

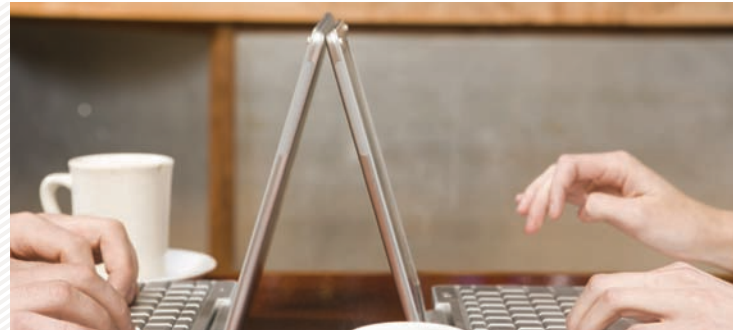
Q14 If you own a house/condo, would provide a sale or lease agent and would pay the difference in market value if sold at a loss

Q15 Provide temporary housing for up to four (4) weeks

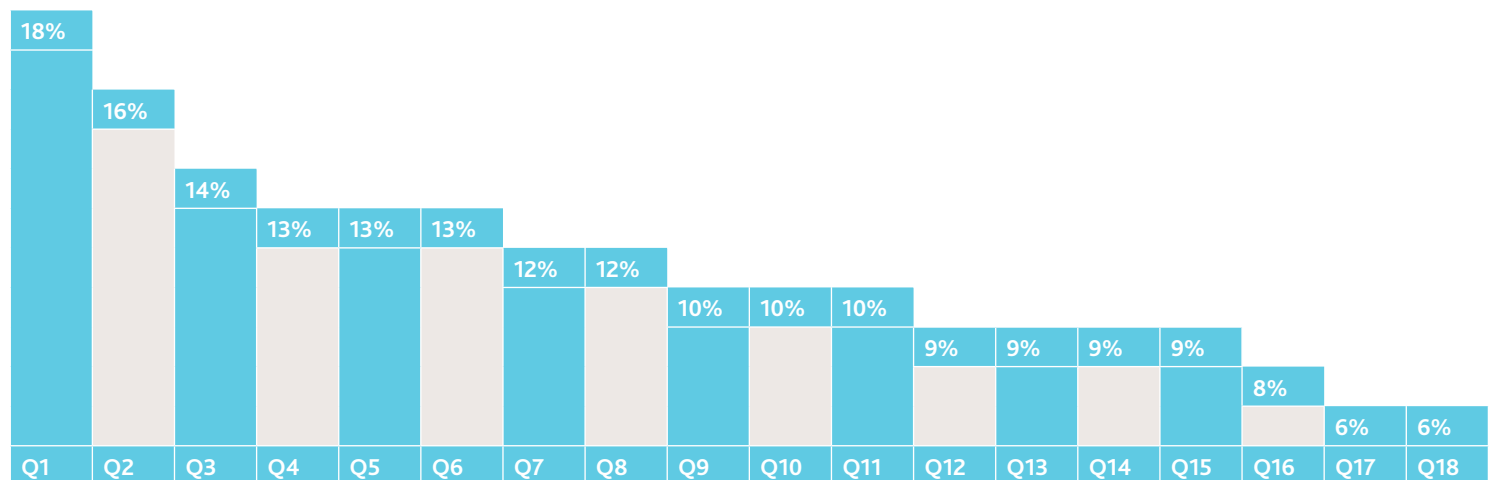
Q16 A onetime relocation allowance equivalent to 5% of your gross salary to cover incidental household expenses

Q17 Would cover for loss on sale of auto's (up to a maximum two auto's)

Q18 Would pay for pet(s) to be shipped to new address



Ratings of incentives: — % 'of those who appear untouchable'



- Q1 A guarantee that you could move back to your current role after 2 years with further relocation assistance
- Q2 Provide immigration assistance for your spouse in order that they could obtain employment
- Q3 A trip to the country before the assignment so I see what the country is like, paid for by my employer
- Q4 You /members of your immediate family would each get one round trip airfare per person to either travel back home; or have two round trip tickets for people to come and visit you once a year; or, use the equivalent value tickets for a destination of your choice
- Q5 Paid language training if necessary
- Q6 Provide paid school tuition for your children
- Q7 The country chosen has the same language as my own
- Q8 Provide you with education courses to upgrade your skills
- Q9 Give you another week worth of vacation to use however you wish

- Q10 A 10% pay raise
- Q11 The country chosen is similar in culture to my own
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- Q16 A onetime relocation allowance equivalent to 5% of your gross salary to cover incidental household expenses
- Q17 Would cover for loss on sale of auto's (up to a maximum two auto's)
- Q18 Would pay for pet(s) to be shipped to new address



...and others appear 'untouchable'

The Ipsos survey also found a proportion of people who appear 'untouchable': those who began the survey indicating they were not very or not at all likely to relocate for a job and finished the survey disagreeing, strongly or somewhat, that they could be convinced to move for the job if the incentive package from their employer was right.

This group seems set in their views: 60% agree (strongly, somewhat) that there is nothing their employer could do to convince them to take an international assignment. But the talent employers need to relocate are often



found in this category, so understanding their motivations and barriers will be critical for the negotiation process.

Investigating their ratings of the incentive packages sheds light on some of the reasons behind their disinterest, and it may have something to do with culture. This group is unique in the strength (52%) by which they agree with the following statement: "I would only want to relocate to a country where I could work in a language I already know." Corresponding with the challenge of family that was mentioned earlier, for many, it's about family: 57% agree they can't move abroad for any period of time because family at home relies on them.

If this group had to be moved abroad, the incentives that might move them relate to safety nets and family supports. While support numbers are low, they too favour repatriation assistance (18%) as the top incentive, followed next by the country being of a language similar to their own (16%) and round-trip airfares for them and their family once in the host country (14%).

They seem particularly less likely to think it would be worth their while: only 5% strongly agree it would be beneficial to their long-term career. Conversations with these employees should revolve around how the experience will further their advancement within the company.

Workforce desires must be considered

As stated up front, changing demographics are affecting the balance of power between individuals with skills to provide and the employers who need them. This shifted nature of the supply of labour demands policy makers to take into account what current and potential employees are hoping for and fearing. In order to be effective, the following must be considered:

- 'Safety nets', including repatriation and guaranteed employment on return, are the most important incentives for talent to consider international assignments. They are followed closely by incentives that directly address family concerns and comfort or fear of the unknown; and
- Enticing talent to consider a move abroad requires more than pay;
- The destinations where talent is required and those locations that are most desired do not align on a macro level;
- There is an eager minority who are keenly interested in working abroad. They are most likely to be senior executive/decision makers at their work and under the age of 35;
- For those that are not interested in international assignments, family is the most notable issue. Finding incentives that will support their family needs, including trailing spouses and children, and their discomfort with the unknown are the most effective ways to entice them.

In conclusion, the data shows that, overall, different groups in various countries have unique needs, wants and desires when it comes to international assignments. There is no "one size fits all" so policy makers must be flexible as the talent shortage becomes even more acute.



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This report was written by Ipsos on the findings from the 2012 Employee Mobility study, conducted by Ipsos on behalf of the Canadian Employee Relocation Council. Ipsos is an independent market research company controlled and managed by research professionals. Founded in France in 1975, Ipsos has grown into a worldwide research group with a strong presence in all key markets. In October 2011 Ipsos completed the acquisition of Synovate. The combination forms the world's third largest market research company.

With offices in 84 countries, Ipsos delivers insightful expertise across six research specializations: advertising, customer loyalty, marketing, media, public affairs research, and survey management.



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