The impact of HR trends on Mobility, Talent and Reward

September 2016
## Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>The key trends</td>
<td>2</td>
</tr>
<tr>
<td>Strategy</td>
<td>4</td>
</tr>
<tr>
<td>Business partnering</td>
<td>5</td>
</tr>
<tr>
<td>Agility</td>
<td>6</td>
</tr>
<tr>
<td>About the Global Mobility Transformation (GMT) team</td>
<td>7</td>
</tr>
<tr>
<td>Contacts</td>
<td>8</td>
</tr>
</tbody>
</table>
Introduction

Deloitte’s Human Capital Trends annual survey is one of the largest HR studies. The report identified several potential workforce changes, which will have a fundamental impact on global deployments, international reward structures, and talent development programs now and in the future.

For further information, please follow this link: https://www2.deloitte.com/content/dam/Deloitte/global/Documents/HumanCapital/gx-dup-global-human-capital-trends-2016.pdf

In this report, we have considered the trends identified and have evaluated the impact in a Mobility, Talent and Reward context. We believe the trends and their impact can be categorized into three areas, as shown below.

**Strategy**
- **Culture**
  - Shape culture and drive strategy
- **People analytics**
  - Gaining speed
- **Design thinking**
  - Crafting the employee experience
- **The gig economy**
  - Distraction or disruption?

**Business partnering**
- **Leadership awakened**
  - Generations, teams, and science
- **HR capabilities**
  - Growing momentum toward a new mandate
- **Engagement**
  - Always on

**Agility**
- **Organizational design**
  - The rise of teams
- **Digital HR**
  - Revolution, not evolution
- **Learning**
  - Employees take charge

While we have analyzed all of the top 10 HR trends in the report, we believe three of these could have a significant impact on Mobility, Talent and Reward. The key trends are highlighted above and further analysis is provided herein.
The key trends

**Trend 1: The complex workforce (The gig economy)**

There is a lack of understanding among leaders as to who and what their workforce comprises and how to manage today’s diverse combination of worker types.

**Impacts**

Talent now need to understand a new cadre of individuals—those within the organization with a range of backgrounds, generations, aspirations, but also those outside the organization. Alongside this, Mobility may need to expand the range of assignments (e.g., swap schemes, project workers, and commuters) to encourage international moves.

Talent will face the initial task of attracting, managing, engaging, and retaining a diverse set of individuals with a range of contractual relationships with the organization. An increasing use of sources, such as LinkedIn and Topcoder, are likely to become commonplace.

Traditional Reward approaches may no longer be suitable. Challenges, such as compliance implications, associated with cross-border remuneration come to the surface, as well as the question of fairness in Reward for employees versus contingent workers.

**Trend 2: The lack of HR skills and capabilities (HR capabilities)**

HR need to have skills, which facilitate the understanding of business strategy and allow HR to leverage future technology. There is a gap in the understanding of wider business strategies, preventing HR from effectively embedding and aligning themselves with the business.

**Impacts**

Talent need to focus on recruiting and training individuals across Mobility, Talent, and Reward with the future skills required. The brand of the organization will play an important role and so, the culture and strategy need to be clearly defined and communicated.

With the need to focus on strategic activities, it will be necessary for administrative processes and tasks to either be outsourced or offshored. Mobility will need to determine the right tasks to transition, depending on volume and level of standardization.

The Reward approach needs to be agile to support exponential changes to business strategy. As a first point, though, the wider business strategy needs to be understood by the Reward professionals to ensure the Reward strategy supports this.

---

**42%** of respondents expect to increase the use of contingent workers in the next three to five years.

**33%** stated HR in their organization were ‘somewhat’ skilled in addressing global HR and talent issues, with **13%** stating not at all skilled.

**19%** of Mobility professionals consider their role as purely strategic.

Source: 2016 Deloitte Global Mobility Insights
Trend 3: The rise of teams (Organizational design)

There is a movement toward a network of teams, whereby small teams deliver results faster, engage people better, and stay closer to their mission. The digital revolution helps teams stay aligned.

Impacts

Traditional performance management will need to evolve to accommodate this shift in the organizational structure—global and more project-based objectives will become more important.

As we move toward a culture with less restriction on where talent comes from, organizations are starting to look at the global supply and demand matching. In particular, we have seen a rise in supply/demand technology tools taking a global approach.

This may mean a rise of employees (and contractors) in different locations, working together. This is likely to increase the volume of short-term, project-focused assignments and business travel.

As we move toward a culture with less restriction on where talent comes from, organizations are starting to look at the global supply and demand matching. In particular, we have seen a rise in supply/demand technology tools taking a global approach.
The impact of HR trends on Mobility, Talent and Reward

Strategy

Key: High impact ✗ Medium impact ✗ Low impact ✗

Culture
Culture can determine success or failure during times of change. However, leaders struggle to understand their culture and it is often poorly documented.

- The impact of this is that Mobility, Talent, and Reward may find it challenging to articulate a strategy which is successful and aligned to the organization’s culture.
- Mobility can be utilized to help develop a global mind-set of their workforce and embed a global culture.

People analytics
There is a rapid adoption of integrated cloud-based systems and the recruitment of people with analytics backgrounds coming into HR, to be able to use people data to inform decisions.

- Mobility should ensure that the data they hold can be integrated with domestic people data to help inform decisions related to predicting factors for successful assignments, understand issues on repatriation, and start to be able to articulate the return on investment. Insightful data will also enable Mobility to engage with key business stakeholders and contribute to strategic partnering.

Design thinking
Organizations need to focus on the employee experience; however, processes are not designed with the user experience in mind.

- Mobility, Talent and Reward need to partner with HR to update processes that complement technology while confirming that the user experience is at the forefront.
- Mobility also need to determine if employee experience is a priority for the organization balanced with the need for consistency and cost control.

The gig economy
There is a lack of understanding among leaders as to who and what their workforce comprises. Corporate cultures are also unreceptive to part-time and contingent staff.

- Mobility should be able to provide a more globalized view of the workforce and enable getting the right talent to the right place, at the right time.
- Talent will face the task of attracting, engaging, and retaining a diverse set of individuals with a range of contractual relationships with the organization.
- Reward packages should be designed to meet the requirements of this diverse population (e.g., flexible options, lump sums, commuter packages).
Business partnering

Key:  
- High impact  
- Medium impact  
- Low impact

Leadership awakened
There are leadership gaps due to an aging population and a focus on positional leadership. Millennials need to develop their experience before they are ready to lead and there is a need for a more team-centric workforce.

- Investment can be made into Mobility to develop leadership pipelines earlier in careers by providing leadership and developmental assignments.
- In addition, Mobility can support in providing global mentoring and learning programs by facilitating assignments that focus on closing current and future leadership gaps.

HR capabilities
HR needs to have skills which facilitate the understanding of business strategy and allow HR to leverage future technology. They will need to be a valued talent, design, and employee-experience consultant.

- Mobility, Talent and Reward are experiencing the same capability gaps. There is a need to provide strategic, value-added support rather than a purely administrative function.
- Talent needs to focus on recruiting and training those individuals with the future skills required and utilizing the tools they have available to begin strategic business partnering.
- Mobility service delivery needs to be structured in order optimize operations and facilitate strategic business partnering.

Engagement
The needs of the workforce are changing where job changes happen rapidly and development is needed quicker. Employees want more flexibility, creativity, and purpose.

- Mobility touches every HR process, which provides the Mobility team with a privileged position of close interactions with the assignee.
- Mobility should adopt the "always on" approach to keep up with changing objectives of the assignee and coworker and be willing to adjust the level of support, as appropriate.
- Metrics are required in order to constantly measure engagement both within the Mobility life cycle of an assignment, as well as post-assignment.
Organizational design
There is a movement towards a network of teams, whereby small teams deliver results faster, engage people better, and stay closer to their mission.

- This will mean a rise of employees (and contractors) in different locations working together. This is likely to increase the volume of short-term, project-focused Mobility assignments and business travel.
- Mobility also needs to ensure that they are considered one of the small teams that solves business problems by working closely with Talent, Reward, Tax, Finance, and the business.

Digital HR
With the emergence of digital HR solutions, HR has to rethink the way people work and understand the channel of preference for workers.

- The key challenge for Mobility is ensuring that the solutions adopted by the organization can track and store Mobility data due to the complex nature of assignments.
- Self-service platforms are now developing and Mobility should consider the best channel for interaction with their assignees depending on their Mobility drivers.

Learning
Organizations need to move toward providing innovative platforms that enable people to develop themselves. Skills are not being developed fast enough.

- Individuals want self-learning opportunities and self-select-type Mobility assignments will become more in demand as Gen Y and Gen Z enter the workplace.
- Skills gained via Mobility assignments contributing to the development of global leadership should be tracked and shared.
- Talent need to consider ways in which employees are trained and developed whilst on assignment (e.g., coaching, online courses).
About the Global Mobility Transformation (GMT) team

Our market-leading GMT team works with companies to enhance or set up their Mobility program.

We sit within Global Employer Services (GES) and provide consulting services for mature and emerging Mobility program in businesses of all sizes and from all industries.

We provide advice on a range of subjects, including policy and process benchmarking and design, enhancing Mobility team structure, cost reduction, program effectiveness measurement, and global talent strategy planning.

Focus Areas

- Global Mobility
- Global Mobility analytics
- Global Mobility innovation lab
- Global Mobility branding and communications
- Employment models and GECs
- Vendor selection and measurement
- Offshoring and shared services centres
- Diversity and Inclusion in Global Mobility
- Process and policy review and design
- Benchmarking
- Governance and organization structure
- Service delivery model
- Project workers and rotators
- Assignee selection
- Global workforce management
- Global Mobility business partner training
Contacts

Nicole Patterson
Managing Director
Deloitte Tax LLP
nipatterson@deloitte.com
+1 408 704 2089

Jonathan Pearce
Principal
Deloitte Tax LLP
jrpearce@deloitte.com
+1 212 436 3268
Regional contacts

EMEA

**Netherlands**  
Wouter Van den Berg  
wovandenBerg@deloitte.nl  
+31 882881833

**Belgium**  
Jan Brown Helgeson  
jbrownhelgeson@deloitte.com  
+32 2 600 68 84

**Denmark**  
Sanne Hoejris  
shoejris@deloitte.dk  
+45 30 93 62 39

**Finland**  
Veera Campbell  
veera.campbell@deloitte.fi  
+35 8207555392

**Germany**  
Michael Weiss  
micweiss@deloitte.de  
+49 89290367614

**South Africa**  
Delia Ndlovu  
delndlovu@deloitte.co.za  
+27 828293872

**Norway**  
Stig Sperre  
sperre@deloitte.no  
+47 23 27 96 07

**Sweden**  
Torbjorn Hagenius  
thagenius@deloitte.se  
+46 75 246 31 68

**Switzerland**  
Per Melberg  
pmelberg@deloitte.ch  
+41 58 279 9018

**United Kingdom**  
Andrew Robb  
anrobb@deloitte.co.uk  
+44 20 7303 3237

**Rumi Das**  
rudas@deloitte.co.uk  
+44 20 7007 0433

**The Americas**

**Nicole Patterson**  
nipatterson@deloitte.com  
+1 408 704 2089

**Jonathan Pearce**  
jrpearce@deloitte.com  
+1 212 436 3268

**APAC**

**Hong Kong**  
Tony Jasper  
tojasper@deloitte.com.hk  
+852 22387499

**Japan**  
Russell Bird  
russell.bird@tohmatsu.co.jp  
+813 62133979

**Australia**  
Stephen Coakley  
scoakley@deloitte.com.au  
+61 (2) 9322 7814

**Andrea Au**  
anau@deloitte.com.au  
+61 (2) 9322 3747

---

The impact of HR trends on Mobility, Talent and Reward