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The Global Recession Forced a Record Number of Companies to Cut Back on Overseas Assignments of Employees in 2009; Outlook for 2010 Shows Significant Optimism for a Rebound, New Survey from Brookfield Global Relocation Services Finds

- *46 percent of multinational companies reported a decrease in the number of international assignments over last year - the highest rate in the 15-year history of the survey. However, 44 percent of multinational firms expected the number of international assignments to increase in 2010*
- *Just 17 percent of international assignees were women, the lowest percentage in nearly a decade*
- *Only 47 percent of international assignees had families with children – an all-time low*
- *China & India continue to be the most challenging locations for international assignments*

Woodridge, Ill. (April 7, 2010) – The deep global recession drove broad reductions in the number of corporate international assignments during 2009. This decrease (46 percent) was nearly double what was forecasted by the respondents in last year's survey. The good news is that despite last year's deep cuts, almost half of the companies (44 percent) in this year's survey expect their expatriate populations to expand. Meanwhile, 44 percent of respondents expect their overseas assignments to remain the same, while 12 percent forecast a decrease.

This renewed optimism indicates confidence from the private sector that the economy is expanding again, according to the just-released 2010 Global Relocation Trends Survey Report, published by Brookfield Global Relocation Services (<http://www.brookfieldgrs.com>).

In efforts to ensure successful overseas assignments, companies that are transferring employees for both short- and long-term assignments are turning to older, more experienced employees. Expatriates ages 40 to 49 increased from 37 percent to 40 percent, while those 50 to 59 years old increased from 14 percent to 16 percent. Not coincidentally, these age groups typically have fewer children at home or in school – and this year's survey revealed that families with children on assignment are lower (47 percent) than ever before.

Further reinforcing the challenging economic times, the survey recorded two all-time lows: A mere 8 percent of expatriates were new hires (which reflects the general slowdown in hiring), the lowest in the survey's 15-year history, and the population of female expatriates also fell to its lowest point since 2001 (17 percent).

In all, 120 multinational firms participated in the worldwide survey; combined, these firms manage a total worldwide employee population of 5.8 million. Brookfield Global Relocation Services will present

key findings of its 2010 survey on Tuesday, April 20, during a complimentary webinar designed to provide a comparative analysis of the key global mobility issues facing today's business world. To register, go to: http://www.brookfieldgrs.com/2010GRTS_Webinar.html

Since its inception 15 years ago, the annual Global Relocation Trends Survey has been regarded as the definitive study of companies' employee-relocation practices, policies and projections. As it does each year, the newly released survey paints a comprehensive picture of evolving trends and emerging issues facing companies of all sizes that rely on an internationally mobile workforce. To receive the full Global Relocation Trends Survey report, go to: <http://www.brookfieldgrs.com/2010GRTS.html>

"Last year, caution seemed to be the overriding sentiment as the then-bleak economic outlook held in check many multinational companies' overseas assignment activities," said Rick Schwartz, president of Brookfield Global Relocation Services. "While the economy clearly remains a factor in 2010, a growing sense of optimism appears to have taken root, as more companies report plans to increase their expatriate activity for the remainder of this year."

Some of the survey's other key findings include:

Work For Expatriate Partners: A Tough Row to Hoe – it is becoming increasingly difficult for previously employed partners to find jobs during assignments. Hitting an all-time low, only 9 percent were employed both before *and* during assignments, compared to a historical average of 14 percent. The difficulties in finding partner employment were related to economic conditions or to the locations where assignees were posted. Language and cultural difficulties can inhibit employment and the challenges of immigration discourage potential employers from considering expatriate partners for employment.

Family Concerns – The most commonly cited reasons for candidates turning down assignments were family concerns, partner's career, and employee career aspirations. Family concerns also topped the list of reasons for early return from an assignment.

Scott T. Sullivan, executive vice president of Brookfield Global Relocation Services said, "a key way for companies to maximize their return on investment while minimizing assignment failure is by providing mandatory cross-cultural training to assignees and their family. Although 80 percent of companies surveyed said they provide formal cross-cultural preparation only 17 percent (down from 22 percent last year) mandated it."

As alternatives to face-to-face cross-cultural training, 35 percent of companies said they provide media-based or Web-based training – an all-time high.

China and India: Still the Greatest Challenge for International Assignments

- China, India, and Russia ranked first, second and third, respectively, as the countries that expatriates found the most challenging.

- This year, India took the top position as the most challenging destination for corporate international assignment policy and program managers – replacing China -- which had occupied the top position since the 2003-2004 report.
- As was the case in last year's report, China and India topped the list of locations with the highest rates of assignment failure, and the United States ranked third (replacing the United Kingdom).
- The United States and China were the top two international assignment destinations, with the United Kingdom rounding out the top three destinations.
- The results for emerging assignment locations, however, were surprising. While China remained in the top position, Singapore moved from fourth to second place. While India fell from second to fourth place; the United States rose to third place – climbing all the way from the 19th spot in last year's report. In another unexpected change, Russia fell from third position in the previous report to 21st, most likely as a result of that country's struggling economy.

“Led by strong economic activity from emerging and developing economies in Asia, international assignments in the region are increasing but challenges – mainly due to the difficulty in finding suitable housing, schooling, health care, and immigration red tape – remain,” said Schwartz. “Helping our clients overcome these issues is why we established an office in China and why we are opening an office this year in India as well.”

Other Key Trends

When asked about the career impact of international assignments, respondents reported that expatriates received promotions more quickly (33 percent), which has been the first choice historically. But 28 percent also indicated that expatriates changed employers more often.

There appears to be increasing agreement that successful repatriation is an integral part of the international assignment cycle. While 95 percent of companies helped repatriating employees to assume new positions within the company, mandatory assistance was offered by transferring departments at only 32 percent of companies. Otherwise, employees had to rely on informal networking (25 percent) or formal job postings (25 percent).

Increasingly, expatriates are leaving companies during the first year after repatriation – 38 percent this year compared to 35 percent in 2009 (the 15-year historical average is 22 percent). This is due to the fact that employees were unable to find jobs at these companies upon their return due to the weak economy and some cases were laid-off.

During assignments, less than two-thirds (64 percent) of companies tracked costs – compared to 68 percent in the 2009 report and the historical average of 70 percent. This decline reflects two trends: First, the number of destination countries and the complexities of managing and collecting data contribute to a decline in cost tracking. And second, there were fewer resources for tracking costs as companies have reduced the size of the internal mobility function in order to cut costs.

About the Global Relocation Trends Survey

The 2010 Global Relocation Trends Survey Report is the 15th report issued by Brookfield Global Relocation Services. Released annually, the reports are considered one of the most reliable and respected sources of global mobility data and trends information. The longevity of this survey enables the company to compare each year's results with historical averages, which help gauge the relative importance of annual variations. This year's survey contained 120 questions answered by 120 respondents representing small, medium, and large organizations with offices located throughout the world. For additional information on how to receive the 2010 Global Relocation Trends Survey, go to <http://www.brookfieldgrs.com/2010GRTS.html>

About Brookfield Global Relocation Services

Brookfield Global Relocation Services (<http://www.brookfieldgrs.com>) is a leading, full-service outsourcing partner of end-to-end employee relocation, assignment management and mobility consulting services, for multinational organizations. The company serves corporations throughout the world and funds more than \$3 billion in relocation-related expenses annually.

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