

Flexible Policy in Practice



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EXECUTIVE SUMMARY

Just a few short years ago, the topic of this paper might have been “how to incorporate flexibility into your international assignment policy” or to ask the question “does my policy need to be more flexible?” Fast forward to today and the interest in this topic has shifted to “show me a flexible international assignment policy that works.”

This is not meant to imply that flexible international assignment policies do not work; by and large, companies who have them are very pleased with them. It is just that many companies are now beyond the strategy stage in the development of flexible approaches. Now they are in the show me stage; specifically, show me how it works for you. The interest is to see a flexible policy that is in place, is successful and is taking the international mobility program to the next level.

Mobility leaders want to know: What can we learn from such a policy? How do factors such as industry, assignment types, demographics, geographic reach and administrative approach influence a policy’s structure? What structure works best and why?

During the first quarter of 2011, Brookfield Global Relocation Services (Brookfield GRS) conducted in-depth interviews with four companies that have instituted flexible international assignment policies. Three of the participating companies are US headquartered – one in telecommunications, one in technology and one in manufacturing industries. The fourth is a financial services company headquartered in Europe. The information provided in these interviews was used to develop a series of case studies that might provide insight into what is possible rather than into what is not possible. One policy is brand new, still in implementation; others have been in place for up to ten years. Some are considered great successes; one company is considering eliminating the flexible option. All interviewees have good stories to tell about how their programs are working and what they have learned from them.



THE HISTORY OF FLEXIBLE INTERNATIONAL ASSIGNMENT POLICY

Many companies managed for years with just one international assignment policy, largely because there was basically only one type of assignment (long-term) and only one type of assignee (high level, from headquarters). As global business evolved, so did the need for more international employee mobility programs. Different types of policies followed: short-term assignments, permanent cross-border relocation, extended business trips, international commuters... all of these, and more, represent the first foray into flexible international mobility policy. Different policies were developed to meet different business needs.

There are other long-time examples of flexible policy. Even within any one given category – for example, long-term temporary assignments – policies were developed to differentiate between different services required based on employee position or level. Executive and professional levels were the first tiers, followed by developmental, employee-requested move, and others, which vary based on industry or company needs. And so a new type of flexibility was born to recognize that businesses needed, or did not need, to offer certain benefits to attract and support different categories of employees.

As Brookfield GRS' 2009 Industry Spotlight Report *International Mobility: Introducing Flexibility into Policy Structures* pointed out, innovation in how international assignments are structured and managed is typically in response to explicit requests from the business. For example, business managers wanted to differentiate between employees on long-term assignments – who need one kind of support – and those on short-term engagements, who may need something different. Further, employees requesting an assignment did not need the same types of services and incentives as employees leaving their home location more reluctantly or at the company's request.

FLEXIBLE INTERNATIONAL ASSIGNMENT POLICY TODAY

The reasons stated above still form the basis for introducing flexibility into policy for many companies. But another starting point for considering a flexible policy approach stems, ironically, from a need to establish one global policy or suite of policies. As is seen in some of the case studies that follow, the development of a flexible policy may be brought on by the decision to utilize a single outsourced global service provider. To realize the benefits of a single outsourced global service provider, companies need to change from a regional or individual business-driven policy to one that works well across the globe and across all business units. A core global policy with flexible elements to recognize regional and/or business differences can accomplish this goal.



Evolving business drivers continue to fuel innovations in policy flexibility. Today's drivers are much broader and more diverse than in the past. Consider the following from Worldwide ERC's October 2010 presentation *Let's Make a Deal: Developing Flexible Policies*. Three reasons panelists gave for implementing flexible policies include:

- employees' needs are up but budgets are down
- standard package resulting in everyone unhappy and services unused or wasted
- flexibility allows employees' individual (highest priority) needs to be met within a budget management can support

How flexibility is incorporated into policy has broadened considerably. Rather than the two approaches seen in the past and noted above (variation based on assignment duration and position level), companies today exhibit many more flexible policy options including:

- **Core/Optional** – policy with a set of core provisions which are provided to all employees with a consistent application and a set of optional provisions which are provided based on defined criteria (e.g. employee need, management discretion, etc.).
- **Cafeteria/Menu-Driven** – policy with a set of provisions which the company, employee or both will choose from to determine the provisions the employee will receive.
- **Regional/Geographic** – policy or set of provisions within a policy that is applied to a specific geographic area.
- **TieredBased on Business Reason** – suite of policies which are based on a number of specific business reasons (e.g. long-term, short-term, commuter, training, rotational, developmental, etc.).
- **TieredBased on Level** – suite of policies which are based on job function or grade level (e.g. executive, management, technical, etc.).

Companies that have incorporated flexible policy approaches are of great interest to those who are considering or developing such an approach. Specific questions mobility leaders of companies considering a flexible policy approach may pose to those who have already undertaken this initiative include:

- What was your mobility policy approach prior to incorporating flexibility?
- What was the impetus for change?
- How did you approach policy development within the company?
- Who within the organization was involved and how was decision-making managed?
- How was the type of flexibility to be utilized determined?
- What was it like to implement the new approach?
- What has been the impact on assignee satisfaction?
- Do you have any financial or other criteria to measure the impact of the flexible policy?
- What were the most significant obstacles or challenges that you faced?
- What would you say are the main “lessons learned” from this initiative?

The case studies that follow look at these questions in different ways and to different degrees. As a result, the case studies provide an opportunity to identify with others’ circumstances and approaches and to evaluate how their experience might apply in other organizations.

CASE STUDIES

Case Study 1 – Tiered Policy with Core-Discretionary-Flex Elements

Background

This US headquartered telecommunications company identified three objectives for its policy redesign initiative addressing high visibility issues related to service delivery challenges and policies that did not align with business needs:

1. Relocation and assignment assistance should be appropriate, flexible and market-competitive.
2. The new policy approach should seek consistency and compliance in policy and efficiency in administration.
3. Cost reduction should be achieved in policy assistance and administrative costs where practical.

Policy Development Milestones

One of the first steps was to gain a deeper understanding of how the current policy did and did not meet the needs of stakeholders. Stakeholders included assignees and transferees, business managers, senior leaders and representatives from HR, Benefits, Compensation, Talent Management, Recruiting and Global Mobility.

Key issues emerged from **voice of customer survey** results and **one-on-one interviews**, providing a deeper understanding of the current situation and expectations of what would constitute a good policy. Among these issues were key attributes that would impact policy design:

- Need for a global policy, accommodating regional interests and needs which is consistent company-wide; business units cannot compete for talent based on the assignment package they can afford.
- Existing approach provided too much leeway for managers to make choices on what assistance to provide, even though the current policies do not specify choices are permitted.
- Cost efficiency needs to be balanced with adequate employee support.
- Existing policy was too costly to be applied company-wide (geared to senior executives).
- Policy content should be focused on services as well as financial assistance.
- Assignment process should be easy to follow and clearly communicated, including the roles of Global Mobility, HR and the Business Unit (sending and receiving managers).

The value of the voice of customer survey results and one-on-one interviews went beyond the critical role in the design of the policy and other program elements that were redesigned simultaneously. Gathering, acknowledging and incorporating stakeholder feedback was key to ensuring that recommendations, as long as they aligned with the survey and interview findings, would be accepted.

Regular communication with stakeholders during the policy development process also played an important role in the success of policy development. Formal communication was in the form of three presentations for each regional HR team: following the voice of customer survey and one-on-one interviews and policy review; following straw man policy development; and following senior management review.

This approach helped gain stakeholders' support because they could see how their ideas and feedback were an integral part of the process and a cornerstone of the solution. Ultimately, it helped the process of final approval and implementation as well.

Another key element that supported success for the initiative was **executive sponsorship**. With the chief HR officer as the executive sponsor, the process was assured visibility and cross-regional cooperation.

Outcome

The policy, currently in implementation, incorporates two elements of flexibility.

The first element is the use of policy tiers. The new policy has **three tiers** (executive, professional, college graduate), retaining the underlying structure of the original policy, which had two tiers.

A second element of flexibility added to the policy was a **new core/discretionary/flex approach** where the various policy elements are designated as core, discretionary or flex. Core means the element is provided to all assignees or transferees. Discretionary components may be provided based on circumstances as stated. Managers make the decision following review and recommendations from HR and/or Global Mobility. Flex elements provide choice within the provision for the employee.

Example

Home automobile assistance is a core provision offered to all long-term international assignees. The specific assistance provided is flexible, it allows the employee to choose how to apply the assistance; in this case, employees have the choice to apply funds to loss-on-sale, lease cancellation, storage or to defray auto sale expenses.

One of the challenges associated with the new approach is that it is generally more costly than the previous policy. This was an anticipated outcome. By implementing core elements that managers cannot eliminate, higher quality support is provided to the assignees, but there is a cost associated with that support. The shift to required core elements is evidence of the company's commitment to its internationally mobile employees and represents a culture shift in the organization.

In theory, the core/discretionary/flex approach has been received well by business managers. They see the rationale behind it and appreciate why compliance is important to the company. In practice, the increase in cost brought on by the presence of core provisions has resulted in some managers finding ways around the policy. The most prevalent of these is to assign their employee to a lower tier, choosing the college graduate program for what is really a professional-level move.

Another surprising outcome is that while many discretionary and flexible elements were considered, the number actually included in the policy is rather limited (see figure 1).



Figure 1: Professional Long-term International Assignments: Selected Elements

Elements	Core	Flexible	Discretionary
Candidate Assessment			✓ ¹
Policy/Tax Orientation	✓		
Medical Examinations	✓		
Preview Trip	✓		
Immigration	✓		
Homefinding Trip			✓ ²
Cultural Training	✓		
Language Training	✓		
Home Housing	✓		
Household Goods Shipment	✓		
Household Goods Insurance/Storage	✓		
Home Automobile	✓	✓	
Relocation Travel	✓		
Temporary Living	✓	✓	
Relocation Allowance	✓		
Settling In Services	✓		
Payment of Compensation	✓		
Benefits	✓		
Goods & Services Allowance	✓	✓	
Host Housing	✓	✓	
Host Transportation	✓	✓	
Education Assistance	✓		
Spouse/Partner Assistance			✓ ³
Home Leave	✓		
Tax Assistance	✓		

Core elements: included for all assignees.

Discretionary elements: May be provided based on circumstances as stated. Manager makes decision following review/recommendation from HR and/or Global Mobility.

Flexible elements: Options are stated in plan for employee to choose.

1 May be provided if manager, candidate or HR advises, primarily based on external or internal nature of assignment position

2 If preview trip not taken

3 May be provided in applicable situations (accompanying spouse seeks to work in host location)

Lessons Learned by Mobility Management

As is true for most reengineering initiatives and rollouts, there were some surprises along the way and some opportunities to reflect on what could be done differently:

- The start of the rollout was delayed by almost six months. It took more time to accomplish this initiative than expected. Reviewing policies, meeting every week for 2-3 hours, reaching out to business partners, reviewing again, waiting for others to review documents.
- Working with a global team was both challenging and rewarding. Because the expectation had already been set by senior leadership that there would be one program globally, regional representatives were onboard with the project and focused on ensuring their circumstances and needs were understood. As a result, the Global Mobility team was able to incorporate them effectively into the new policies.
- Although it was clear early on that the change to requiring core policy elements would increase assignment costs – and that this was approved by management and shared with business units – once the new policy was rolled out the increased cost of the new policy met with pushback by managers used to being able to choose what to include or exclude in an assignee’s package. Mandatory core elements such as tax orientation added cost. It required a lot of discussion to make people comfortable with the fact that elements such as this are standard and required in most policies. This shift from full manager discretion as to what to offer to a core set of services that must be offered to all assignees has been a cultural shift as well as cost factor.
- One of the challenges of the new approach is that instead of reducing cost by taking things out of the policy the assignee “belongs” in, managers apply an inappropriate lower tier. So a professional (tier 2) may be offered a college graduate (tier 1) program. There is a need to continue the education of the managers who do this so they understand better why the level of service designated as core is essential. Global Mobility staff are now considering the best approach to take to ensure that employees receive the policy appropriate to their assignment type.

Without a doubt, the inclusion of global HR representatives and the support of senior leadership positively influenced the development of the flexible policy approach and the process itself. It was critical to its success that there was buy-in from those whose responsibility it is to champion the program. As the interviewee stated, *“Our goal is to provide a good experience for the assignee and the company, and it helps to be able to say to managers that this approach is supported by the Chief HR Officer.”* Certainly, some aspects remain to be ironed out, but overall the company believes that the structure and content of the new policy is far better than what they had before.

Case Study 2 – Menu-Driven Policy with Core/Optional Elements

Background

Prior to the implementation of the current mobility program ten years ago, the structure of this US headquartered technology company’s program was decentralized, with each region or country having its own policy. When the company decided to outsource mobility support services globally in 2001, a global approach to policy was needed.

Policy Development Milestones

Because the “new” program has been in place for ten years and the current leader was not in her current role at the time the policy was developed, it is not possible to provide policy development milestones.

Outcome

The policy is based on a **three-tier approach**. The basic structure of the program is that it is **menu-driven**. Initially, the menu was choice-based at the provision level, meaning that a manager could choose to include or exclude an entire provision. This degree of choice led to widely different packages for assignees and the policy was redesigned, with the current approach having elements of **core-optional**: the provision is required but managers can choose how much of it to offer.

Example

Temporary living is offered. The set period under the original plan was 30 days. The choice was to offer it or not. Now, temporary living is always included and the manager can choose a time period of between 1 and 30 days.

Each international policy – permanent relocation, temporary assignment – has defined move types (see figure 2).

Figure 2: International Move Types

Permanent Relocation	Temporary Assignment
Permanent international transfer for existing employee	Long-term assignment, 1-3 years
International new hire relocation	Short-term assignment, 60 days – 1 year
Employee-initiated transfer	Contract-based assignments
	Cross-border traveler

There is one policy for each move type. The flexible elements of each policy replace the need for separate policy tiers because managers can use the optional and discretionary provisions described in figure 3 below to address executive versus professional assignment circumstances. The elements of each menu-driven policy, then, fall into one of three categories (see figure 3).

Figure 3: Menu-Driven Move Provisions

Basic Provisions	The minimal requirements that must be provided in all cases. Primarily based on legal compliance and health and safety.
Optional Provisions	Additional provisions which may be included in a typical mobility package and may be added to the basic provisions with management approval. Managers may select one or more optional provisions from the menu offered depending on an assignee's personal need or company business need.
Business Discretion Provisions	Items that should only be approved in exceptional circumstances when there is a compelling business reason as determined by management.

Managers access a decision-support tool available to them on the company's intranet to provide additional information to help them make their choices (see sample provisions - figure 4). The manager then works with a consultant from their outsourced global service provider to finalize the program elements for any given assignee. Feedback from managers has shown that once they have gone through the process once or twice, they are able to navigate it easily.

Figure 4: Sample Provisions (elements in parentheses are flexible benefits)

Basic Provisions	<ul style="list-style-type: none"> ▪ Emergency evacuation ▪ Health insurance ▪ Holidays and work schedule ▪ Immigration and travel documents
Optional Provisions	<ul style="list-style-type: none"> ▪ Appliances and furniture ▪ Cross cultural training ▪ Children's education ▪ Home leave (can specify number of trips) ▪ Household good storage (range of container sizes)
Business Discretion Provisions	<ul style="list-style-type: none"> ▪ Driver's license for spouse ▪ Home finding prior to repatriation ▪ Additional household goods shipment ▪ Spouse/partner assistance (USD 500 - USD 3,000) ▪ Children accompaniment on preview trip

Lessons Learned by Mobility Management

This company's program has been in place long enough to be tested and refined. As a result, there are many aspects that fit the company's culture, business objectives and administrative approach very well.

- The close working relationship fostered by the core/optional model has turned out to be one of the program's greatest strengths, as feedback from managers helps the Global Mobility team ensure the policy is working effectively. After the program was in place, managers asked for more choices, which was seen as a confirmation that the new approach was well-received.
- The low number of requests for exceptions and a low exception rate are seen as validation that the flexible approach is working.
- At one point, executives asked for an upgraded move program applicable to executives only. A study was done and it was decided that this change should not be made, as the business discretion provisions address executive needs. Non-mobility related needs are addressed outside the mobility program.

An effective working relationship with the managers who must work closely with the policy has been a core element of the policy's success. This has provided guidance to the Global Mobility team whose key responsibility is to ensure that mobility policies support business needs, without necessarily adding new policies. As this company's Global Mobility Director noted, *"Even when we get a really distinct business request, we are going to try to solve it with our current core program - with a twist."*

Case Study 3 – Tiered Policy with Core/Optional Elements

Background

This US headquartered manufacturer established HR centers of expertise globally in 2001, replacing a decentralized service delivery model that was based around a global policy but was in fact interpreted and serviced differently around the world. Regional service centers were established to maintain support close to the users and coordinate strategic issues with Global Mobility. Since the culture of this long-time global company is one of treating employees the same under similar circumstances while recognizing that different business requirements may necessitate targeted approaches, the result was that this approach did not work. This prompted a transition to a shared services center business model for international assignment services. The strategic framework included:

- Global Mobility retained policy strategy and internal consulting role.
- Administrative functions were outsourced to a single global service provider.
- Regional shared service center structure was instituted to provide local support.
- Common global policies and processes.
- Policies that support families in transition, are competitive and, optimally, save the company money.

Policy Development Milestones

Administratively, Global Mobility established **regional teams** that oversaw operations delivered by the external service provider and provided policy interpretation, exception management and the establishment of local policies, where needed.



Standardization of policy was an essential element of the transition to the global platform. In order to deliver services worldwide through regional teams reporting into a global function, one common approach was necessary. To recognize that there would be different business requirements necessitating different assignment parameters, policies were developed to align with each different assignment type. This **tiered approach** aligned with business reason for the assignment or relocation. Once a manager determined the assignment or relocation type appropriate to the business need, the appropriate policy for that move was applied.

Another key element is the separation of policy elements into those that have local impact only and those that have global impact. Global Mobility retains control over the latter group to ensure equitability globally, but local service centers are responsible for local elements specific to their geography.

Example

Assignment transportation support is determined locally, because the appropriate type of transportation needed is based only on local practices.

Another key element of the policy development process was the platform established for **ongoing maintenance**. The global and regional mobility teams are able to identify and discuss emerging business requirements, monitor recurring policy exceptions and regularly benchmark policies. As a result, new policy types can be developed quickly within a standardized framework.

Outcome

The key output was clear and consistent policy information to the service centers and to the global outsourced service provider. This objective also produced secondary benefits:

- Standardization of documents.
- Ability to audit compliance to policy.
- Local mobility issues, addressed locally, global mobility issues addressed globally.
- Variety of policies (assignment types) developed over time, based on business needs (see figure 5).

Figure 5: Policy Tiers

Long-term global assignment <ul style="list-style-type: none"> ▪ 18 months or longer 	Short-term global assignment <ul style="list-style-type: none"> ▪ 6 months to 18 months
Temporary assignment <ul style="list-style-type: none"> ▪ 3-6 months, unaccompanied 	Developmental, inter-regional <ul style="list-style-type: none"> ▪ Short-term ▪ Long-term
Local employment home basis <ul style="list-style-type: none"> ▪ Short-term ▪ Long-term ▪ Employee ▪ Spouse 	Localization <ul style="list-style-type: none"> ▪ Host location based ▪ Non-host location based ▪ Direct transfer ▪ Commuter
Intra-regional – Europe <ul style="list-style-type: none"> ▪ Short-term ▪ Long-term 	US-Canada <ul style="list-style-type: none"> ▪ Short-term ▪ Long-term
Latin America <ul style="list-style-type: none"> ▪ Short-term 	Permanent

Since the tiers are designed to align with specific circumstances, there may not be significant differences between policy types, but this approach eliminated the possibility of managers picking and choosing elements and creating an environment of selectivity that is not in line with the company's culture.

Global Mobility may be asked to assist with choosing between two tiers, for example, whether the business requirement suggests a short-term or the even shorter, temporary assignment. Or, if the spouse is also an employee, what are the available options?

Among the benefits of the global strategy and local implementation with tiered policies approach is that it does not require a large staff to implement. The outsourced global service provider knows how to proceed based on the type of assignment or transfer. The simplicity of the approach also makes it easy to do spot checks and audit.

Lessons Learned by Mobility Management

Implementing flexible policy in a corporate culture that values equitability was a key challenge faced by the company, but having such a strong cultural influencer provided a sturdy ballast during policy development and on an ongoing basis.

- Countries with few assignees need more support given that they do not build up the same level of expertise as countries with more mobility experience. This has influenced how Global Mobility functions.
- Countries with a lot of assignees want to have a larger role in the policy approval process rather than only the service delivery process. It became one of Global Mobility's responsibilities to see that their needs are addressed without changing the equitability of the overall policy.
- Ongoing communication is critical, although it is an informal process. It is important for Global Mobility to stay in close contact with HR leadership to be sure they understand Global Mobility's advisory role. This provides support for Global Mobility when managers try to approve something outside their purview and Mobility needs to communicate why they cannot do this and who can.

Balancing competing objectives is a typical challenge in developing a flexible policy. This may be in part because goals are mutually exclusive. Cost savings, for example, is often an unmet goal. As this program's director points out, *"Cost savings is an outcome, not an objective. We want to have a competitive program, we want to enable families to move, safely and comfortably. We are not looking to have the cheapest program. It is acknowledged that the only meaningful opportunity to reduce costs is to reduce the number of assignments."*

Case Study 4 – Two Tiers: Full and Core/Optional

Background

This European headquartered financial organization has long had a cadre of international managers who were recruited specifically for the purpose of working outside their home country for extended periods of time. The company's international mobility policies were developed for this group of assignees. As the company began to have more traditional international assignees – employees who were to be repatriated to their home location – managers found that the original policies were not working well enough.

The international assignment policies were originally designed without regional input, were very prescriptive and took a "one size fits all" approach. Feedback from the businesses that required international assignments led to the request for policies that would offer more flexibility.

Policy Development Milestones

The global mobility team was involved in reviewing every element of the policy. An internal **voice of customer** survey targeted the needs of the businesses and an external **benchmark study** was also part of the research process. Overall, the process took 18 months.

Outcome

Two types of flexible policy emerged. The overall structure included **two tiers**: a full, **standard policy approach** for international managers and a **core/optional structure** for international assignees (see figure 6). This allowed regions to have policies that would enable them to design an assignment package more suited to their needs. This approach made sense financially, helped reduce barriers to international mobility and supported local variation.

Figure 6: Two Tier Options

Full	All benefits and allowances applied. Typically for businesses in growth mode, need required skills, or find it difficult to attract talent.
Optional	Core plus optional benefits which are flexed, giving scope to offset. Typically for businesses where talent is easy to attract, skills are readily available, or assignment is a personal development opportunity.

Core provisions included:

- medical coverage
- pension
- immigration/visa support
- tax advice/tax equalization
- education assistance
- home leave
- COLA and similar elements



Optional components may address:

- Choices within a provision – for example, duration of temporary accommodation or travel class.
- Inclusion of assistance based on employee need, such as spouse/partner assistance.

Optional elements are determined by the manager. For some elements, such as travel class, determination may be provided as a choice of options (e.g. coach or business class) or with a dollar limit (e.g. USD 10,000) that can be allocated as the employee chooses. Experience has shown that optional elements tend to align with local practices and/or are linked to employment grade.

The core/optional approach has not been as successful as the full policy for each mobility type. All the negotiating related to the use of core/optional has lengthened the pre-assignment process and the absence of criteria as to how to apply flexibility has created a process that is viewed as more complicated than valuable.

At this point, Mobility leadership is looking to retain the full policy but eliminate the core/optional approach that relies on manager's choice.

Lessons Learned by Mobility Management

The development of a core/optional approach for specific move types has provided more challenges than expected:

- Reluctance to put criteria around optional elements made this approach more difficult to manage.
- The selected approach to core/optional led to extensive negotiations which makes the process take too long. This leads to dissatisfaction with this approach. As a result, it is not used.
- Having decisions on optional elements made by the manager has created challenges – for example, in locations with large assignee populations, packages can be inconsistent.

Adding a new tier that is flexible in a mobility environment where some assignees receive all services is fraught with challenges. Design, rollout, buy-in and ongoing support all have to be focused on the realization that some employees are staying on the old full plan and some are migrating to the new choice plan and that this is bound to cause difficulties. Sometimes the biggest challenge in instituting flexibility in policy is not the development of the policy but the management of the ongoing process. Capturing the experience and using it to evaluate and improve the policy once it was rolled out turned out to be one of the most valuable aspects. As the interviewee noted, *“Our goal to improve the international assignment experience so that people are willing to go on assignments was done to support the goals of the business, and if our approach is not working, we need to go about it differently.”*

CONCLUSION

The companies studied utilized several types of flexibility and, in fact, most used more than one type of flexible approach in their international mobility policies: core and optional, tiered based on business reason, tiered based on job level, cafeteria/menu-driven and regional/geographic.

Other key findings resulted from these case studies include:

- It may take longer than expected to develop a flexible policy, due to the global nature of the initiative. Company culture, regional input and the pace of decision-making within the company may turn an eight month project into an eighteen month project.
- When the flexible policy includes a core/optional approach, the optional elements are typically decided by managers rather than assignees. Some companies do incorporate options for assignees to meet their personal needs, but in general it appears that the bulk of flexible policies are geared to company business needs, not employee personal needs.
- The shift to greater utilization of an external global service provider was a driver that influenced more than one of the transitions to a flexible policy in this study. Policy needed to be globally consistent to ease administration but sensitive to business level or geographic needs without becoming unacceptably different from the mainstream policy. The solution these companies chose was to use flexible elements within a core global policy structure.
- Another outcome of outsourcing administration was the shift of corporate Global Mobility teams to a more consultative role within the organization. In these examples, the value of Global Mobility is to advise the business and to set the course, such as establishing new policies, for example.



Common qualities that resulted in successful policies as indicated by two of the four companies studied who have had their programs in place for some time include:

- Input from all relevant parts of the global organization during the policy development stage, be it from Global Mobility, regional representatives and/or business managers.
- Managers tend to try to find ways around mandates. Policies with core elements or parameters around choices necessitate enforcement so that core elements are always included and managers stay within the guidelines. This role will likely fall to Global Mobility.
- A key role for Global Mobility is communication – ensuring that new and existing managers know how to use the program. New policy rollout, written guidelines and ongoing one-on-one communications with managers are approaches that companies use and have been successful with.

One of the companies is expecting to eliminate the core/optional elements from its flexible approach and rely exclusively on tiers, with an eye to further differentiating tiers based on business reasons for assignments. Their assessment of why the core/optional program has not been successful for them offers some valuable insights:

- Core/optional policy is not being used to a great degree. Using the core/optional approach is more costly. This may be a result of insufficient guidelines to help managers make consistent, logical choices. For this company, choice becomes negotiation, which is both costly and time-consuming.
- Global Mobility should focus on establishing a relationship with the assignee and providing support.
- Rather than moving to a flexible policy as a solution, the policy itself needed to be stronger before flexibility was incorporated. Things that should have been addressed:
 - Does it contain state-of-the-art programs that are cost effective and aligned with the business objectives?
 - Are external service provider services leveraged?
 - Does the assistance offered match assignee needs?
 - Have all elements been reviewed to ensure they are not just continuing to offer what has been offered for years?
- A global team needed to be involved in policy design to provide representation regionally and from different businesses so that the policy would be more clearly designed to their needs.

Lastly the company, still in the implementation stage and therefore not able to evaluate program success as thoroughly as the others, has a lot in common with the companies studied who are satisfied with their flexible approaches:

- Regional and country-based needs are integrated into a global program.
- Options exist for managers, but they are limited and come with parameters or other guidance.
- Assignment costs are aligned with business reasons for assignments.

- Services are incorporated into the policy rather than focusing extensively on financial assistance.
- The policy is intended to be applied consistently company-wide. Business units cannot compete for talent based on the assignment package they can afford.
- Assignment processes are easy to follow and clearly communicated to the managers who make the flexible element decisions.

Clearly, flexibility means different things in different organizations, and the objectives, format and implementation are very different. The idea that flexible policy is or should be a cost savings measure is not necessarily true. No one is turning down cost savings, but cost savings should be an outcome, not a goal. The fact that money is spent more effectively following an implementation of a flexible policy was the more typical result.

Many organizations thinking about adding flexibility to their international mobility policies may be surprised to find that they already have flex elements in their current policies. If they have tiered policies, they have a flexible approach. It may be valuable, then, to first assess what type of flexibility already exists and determine how it is meeting needs before considering adding new elements of flexibility to the policy.

Lastly, the experience of these companies serves as a myth-buster of sorts, demonstrating that incorporating flexibility does not have to be a giant step in a different direction, but can in fact be a small step. Even in cases where companies set out to evaluate their programs in totality and look at multiple aspects of their policies to address in more flexible ways, the outcome was often that only small changes were needed to take the policy in a new direction. Albeit, these were small changes that made a big difference, but the overall impact is that flexible approaches to policy are within everyone's reach and even minor changes can take a policy that is not working effectively and turn it into a success.



ABOUT THE AUTHORS

Gill Aldred

Gill Aldred is the Sr. Director, Consulting Services, based in the Brookfield GRS London office. Gill has more than 20 years experience in international HR management and assignment administration in both corporate and consulting environments. Gill's experience includes operational and policy responsibility for a corporate global mobility program implementation project management; policy development; compensation and benefits management; recruitment and cross-cultural training.

She has lived and worked in the United States, the United Kingdom and the United Arab Emirates and spent over four years living in Nigeria. In addition, Gill has been involved in implementing and managing international HR projects in North and South America; South East Asia; Africa; Australia and the Middle East.

Jacqueline Hauser

A recognized expert in global employee mobility policy and program design, Jacqui has worked with hundreds of multinational organizations over her 26 years in the field. Prior to her position as Principal, Global HR Strategies Group, she held the position of Vice President, Consulting Services and leader of the consulting practice at two global mobility management services companies.

In addition to her work with organizations on issues ranging from mobility program design to talent management integration to group moves, Jacqui's work has been widely published and she is a frequent speaker at international and national conferences. She has received several awards for her work, as well as designations including GPHR from the Society for Human Resources Management, CCP from WorldatWork, and CRP from Worldwide ERC.

ABOUT BROOKFIELD GRS CONSULTING SERVICES

The Consulting Services Group at Brookfield GRS draws its expertise from serving a diverse cross-section of global companies as well as individual practical industry experience. Our seasoned Consulting Services Group works with clients to identify improvement opportunities within their policies and programs and constantly seeks creative ways to help our clients provide cost-effective international employee mobility programs that achieve high levels of employee satisfaction and retention.

The Group is able to address a wide variety of issues in a practical and proactive manner, bringing an impressive combination of outsourced management and corporate experience to bear on each project.

Relocation and Assignment Management Program Consultancy

Analysis of a company's mobility activity, program structure, process and service feedback from transferring employees and assignees, benchmark studies and data from industry resources are utilized to provide contemporary program review and recommendations.

Global Policy Consultancy

Utilizing the latest industry survey and trends data, as well as engaging the Brookfield GRS client base, benchmark studies and policy analyses provide valuable information ranging from individual policy components to entire global mobility policy structures.

Group Move Program Consultancy

Every group move is complex but the additional dimensions involved in cross-border group moves require careful assessment and management. The Consulting Services Group is able to draw on direct experience and resources to provide focused and business aligned support in the project planning, policy development and execution of any group move.

Thought Leadership

The Consulting Services Group is dedicated to bringing the latest mobility industry information to the forefront. Whether through articles, white papers and survey reports, facilitating webinars or roundtable sessions, Consulting Services works directly at the source to bring latest insights and tips to the international employee mobility leaders.

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