



Global healthcare



# Keeping up with global mobility

World of Work 2020:  
A focus on changes since 2017

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## Methodology

In spring 2020 AXA commissioned Savanta, an independent market research agency, to explore the world of international working. The initial phase was to create and activate two online surveys, one among a sample of globally mobile workers and the other among multi-national companies.

For the globally mobile workers survey, Savanta developed a sample of 568 globally mobile workers who were surveyed in April 2020. These employees were questioned in seven territories (USA, UK, Germany, France, Hong Kong, Singapore and China). They were all working on assignment in the relevant country, were non-native to the country they were working in and worked in a range of industries, for organisations of various sizes and covered the most senior to the most junior staff in their respective businesses.

For the multi-national company survey, Savanta developed a sample of 543 HR Decision Makers working for multinational companies (defined as those with more than 250 employees operating in at least 3 countries). The survey was conducted in April 2020 with a sample of companies based in the USA, UK, Germany, France, Hong Kong, Singapore, and China.

Following the surveys, 10 in-depth qualitative interviews were conducted: 5 with employees currently on an international work placement, and 5 with senior decision makers working in global mobility. Those interviewed were based in the USA, UK, Germany, France, Hong Kong, Singapore and China and covered varying industries and organisation sizes.

# Foreword

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In 2017 we commissioned research and published our [World of Work Report](#) that explored international working and global mobility. Three years on, we wanted to understand what, if anything, has changed, and how businesses can best adapt to new opportunities and the challenges ahead. So in 2020, we conducted similar research to discover what international working looks like now. This report is the second in our 2020 series and focuses on comparing findings from 2017 to 2020.

In this report, we explore the developments of the past three years and consider how businesses and international workers will move forward to navigate the ever-changing world beyond 2020.

The organisational challenges most prevalent in 2017 have shifted, particularly regarding how an assignment reaches its conclusion.

Other areas of particular change include the way international assignments are managed, and the reasons for sending employees on international placements – both perhaps now more in the favour of the employee themselves.

But of course, the main challenges faced by organisations in 2020 are a direct consequence of the Covid-19 pandemic. Traditional ways of living and working have been completely and, in many ways, irreversibly, transformed. International working is no exception, the pandemic has certainly created additional complexities for those managing and undertaking assignments – on both a contractual and personal level.

Despite this, there is still a very real need for international working. International assignments allow businesses to share knowledge and ideas globally, enabling the creation of unique and powerful solutions to combat even the most complex challenges. As we will explain in this report, international assignments will play a key role in rebuilding businesses in this “new normal”, with increasing focus on the employee and individual development.

We will focus this report on three key areas which reveal the most interesting changes and developments since 2017...

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## **1 A new approach to managing assignments in 2020**

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## **2 The changing challenges of international assignments**

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## **3 The future of international working**

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### **Note on Covid-19**

This research was conducted in Spring 2020, a year that for many was considerably marked by the Covid-19 pandemic. The outbreak began in December 2019, and at the time of writing this report, its impacts are ongoing. When we surveyed international workers and the senior HR decision makers managing them, many of those we spoke to were in lockdown, or just coming out of lockdown. Although we discussed international working outside the frame of the pandemic, and referred to ‘normal times’, much of this research has consequently been shaped by the impacts of Covid-19 and the findings are closely linked with an immediate reaction to the crisis.

# A new approach to managing assignments in 2020

Since 2017, there has been an unexpected shift in how international work placements are managed – we now see much more focus on the wishes of the employee.

The key motivations for sending employees on international work placements have changed. Now, there is more focus on the individual themselves and the benefits they can gain from working in a different country. Alongside this change, those working in global mobility are now more focused on creating benefit packages that support a wide range of employee needs rather than focusing heavily on the cost of the benefits provided.

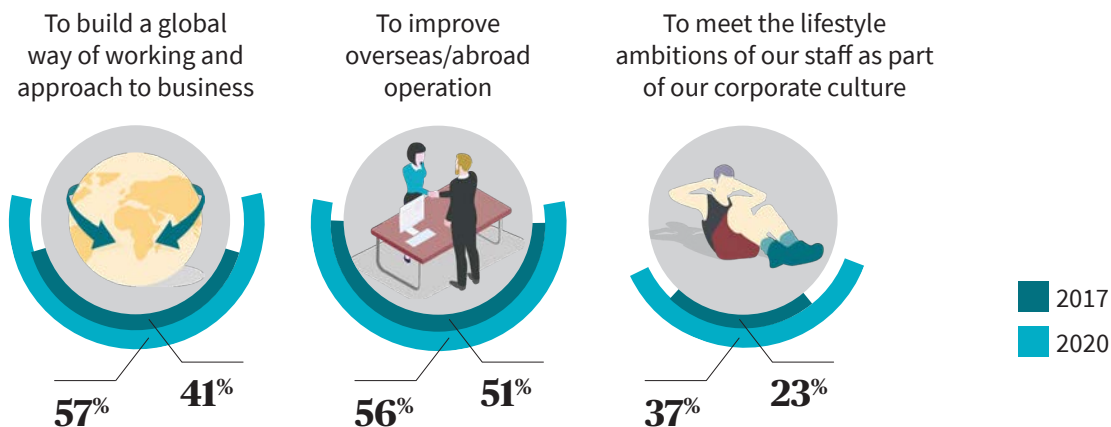
Since 2017, there has been a shift in why organisations send their employees on international assignment. Back then, the main motivation for sending employees on assignment was to help improve the performance of overseas operations. Although this is still important in 2020, we have seen more and more organisations understanding the key role that assignments play in creating a global way of working and approach to business. Placements ensure everyone is pulling in the same direction across global businesses so that an organisation can work more harmoniously. Multinationals then become more collaborative and connected.

One Head of Global Mobility at an international law firm explained that assignments are employee led and highlighted how important they are for an individual's development:

**It's about increasing people's international mindset, giving them those experiences, understanding other parts of the firm and the practices. Obviously, it's mutually beneficial for the firm and for the individual, but it's less about doing the job.**

In 2020, the employee's own development, both professionally and personally, is a more important factor in creating international work placements. Organisations want to create global ways of working and improve the performance of their business internationally, but they also want to nurture their employees. Organisations are therefore increasingly finding the value in mentoring and developing those that work for them, creating a more caring working culture.

We asked respondents to tell us the most common business requirements that prompt their organisation to send employees on international assignments



## When it comes to healthcare packages, the biggest challenges for those working in Global Mobility are providing consistency for employees and meeting demands rather than managing costs

In 2017, managing costs created the biggest challenge for HR decision makers when developing healthcare packages for those on international assignment. Over half of those in charge of overseeing assignments saw cost as a hurdle but in 2020 we have seen a significant decrease in organisations seeing this is a problem. Now, the key challenge is creating a package that is consistent but that also meets a wide range of requirements. Therefore, we see that in 2020 making sure that employee needs are met is what HR decision makers are focusing on.

Later in this report, we explore how not focusing on employee wellbeing enough can lead to failed assignments. Although it's a challenge for organisations, wellbeing is a true priority for them and shows a change to a more employee-led way of managing assignments.

Now that costs are less likely to drive decisions about the benefits offered to international workers, it's understandable that some organisations are putting more focus on flexibility. For those developing healthcare packages, meeting demands for a wider range of healthcare and wellbeing services, is the fastest growing challenge.

One Global Mobility Director working in an aerospace company explained that recently their organisation has worked to become more flexible for employees:

**What we wanted to put in place earlier this year is a flexibility offer. Just giving people a bit more autonomy and a bit more freedom. I don't think we're ready to move to a full menu-based approach which some organisations do, where you can just have a pot of cash and you pick your benefits, but we're definitely starting to put some more energy into it.**

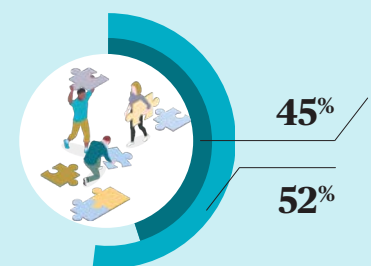
We see, that for those managing placements, there's more of a partnership with their employees who are working abroad. We know that employees want tailored, ready-made solutions to fit their own individual challenges and needs in a "special snowflake" effect. Those living and working abroad know that they can find a wide range of advice by a simple internet search, but they value feeling like there are special and individual processes in place to support them.

Perhaps a reason for this increasing focus on the employee and this move towards partnership is because 9 in 10 HR decision makers overseeing international assignments now have personal experience of international working. This has increased from 8 in 10 in 2017. Therefore, more of those managing international workers now have a direct understanding of their experiences and the challenges they face, making them better placed to offer support and guidance.

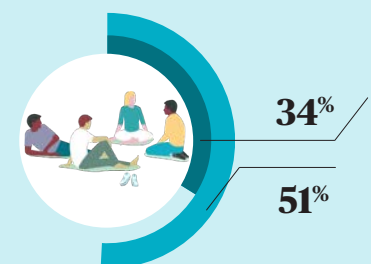
The wellbeing and comfort of the employee is now more central to assignments. However, this can create some tension as those managing placements are trying to overcome the challenge of offering consistent benefits packages to their workforce, at the same time they are having to adapt to employees' individual and varying requirements. Ultimately, employers are taking a step towards putting the employee first, recognising this is how best to meet the needs of the organisation.

We asked respondents to rank the following challenges their organisation faces in developing healthcare packages for staff going on international assignments (% who placed the following in top 3 challenges)

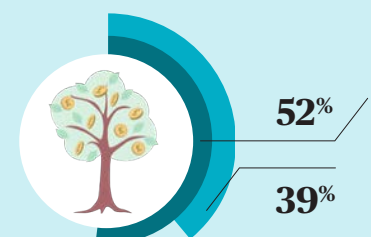
Developing packages that are consistent across employee types and geographies



Meeting demands for a wider range of healthcare and wellbeing services



Managing the cost of providing comprehensive packages



■ 2017 ■ 2020

# The changing challenges of international assignments

For those working in a new country, the greatest challenge they face is being able to adapt to the culture of their working country. This was ranked the number one reason for placements failing in 2020, whereas in 2017 this ranked only third.

## 3 in 10 of those managing placements say that difficulty adapting to the culture has been a reason for placements terminating early

Since 2017, we have seen a shift in the reasons why placements terminate early. Family concerns was the number one reason for failed placements in 2017 but this has been overtaken by assignees having difficulty in adapting to the culture in their working country. Particularly when employees have moved to a different continent, where language and cultural differences can take several months to adjust to.

A Global Mobility Manager at an engineering consultancy firm who is currently on placement in Singapore sees how the adaptation period can be a struggle for expats:

**I think the feeling of being far away from home, picking up and starting again when you've been used to living in a place with all of your friends and family close by and having to start all over again, that was quite a big emotional thing, I guess. I think all the ex-pats go through that when they move, whether you're with a family or whether you're on your own.**

This suggests that whether the employee is on placement with their family, or their family is back at home, there is still the need to adjust to a way of life that they may not be used to. Our [mind health report](#) further demonstrates the impact of assignments on family life and states that 2 in 5 (42%) agree that living and working in a new country has put a strain on family life.

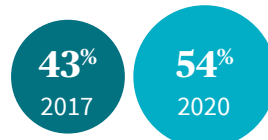
## Between 2017 and 2020, there has also been a shift in how employees are supported following their assignment

There has been an increase in organisations offering full repatriation packages for staff since 2017. This might include career counselling or a new role where relevant. We have also seen an increase in decision makers agreeing that international placements are a route to career progression, meaning that staff are usually promoted at the end of their placement.

This demonstrates the way in which, for many organisations, international placements are truly employee driven and a placement is a positive step for career development. However, we have also seen over 2 in 10 decision makers admitting they do not have a support package in place for staff at the end of the assignment. Instead it's left to the employee to navigate for themselves how they move forward.

## We asked respondents which of the following best describes how their organisation supports its staff at the end of their international assignments

We provide a full repatriation package for staff including career counselling, a new role, where relevant, on their return



We see international assignments as a route to career progression so staff are usually promoted at the end of assignment





## On average, international assignments have become considerably more expensive since 2017, costing organisations over a third more to place an employee on assignment (over and above their salary)

As we saw earlier in this report, HR decision makers said managing costs was least likely to drive decisions on global mobility packages. This increase in the cost of assignments shows that investing in their international assignees really is the priority.

Notably, for those managing placements in Germany, the average cost of an assignment has nearly doubled since 2017 and for those in Singapore the cost has increased by over 60%. However, as in the case of 2017, it's still in the USA where international assignments are most expensive for organisations.

Costs have gone up in the last 3 years and undoubtedly the legacy of Covid-19 will mean different things to different organisations.

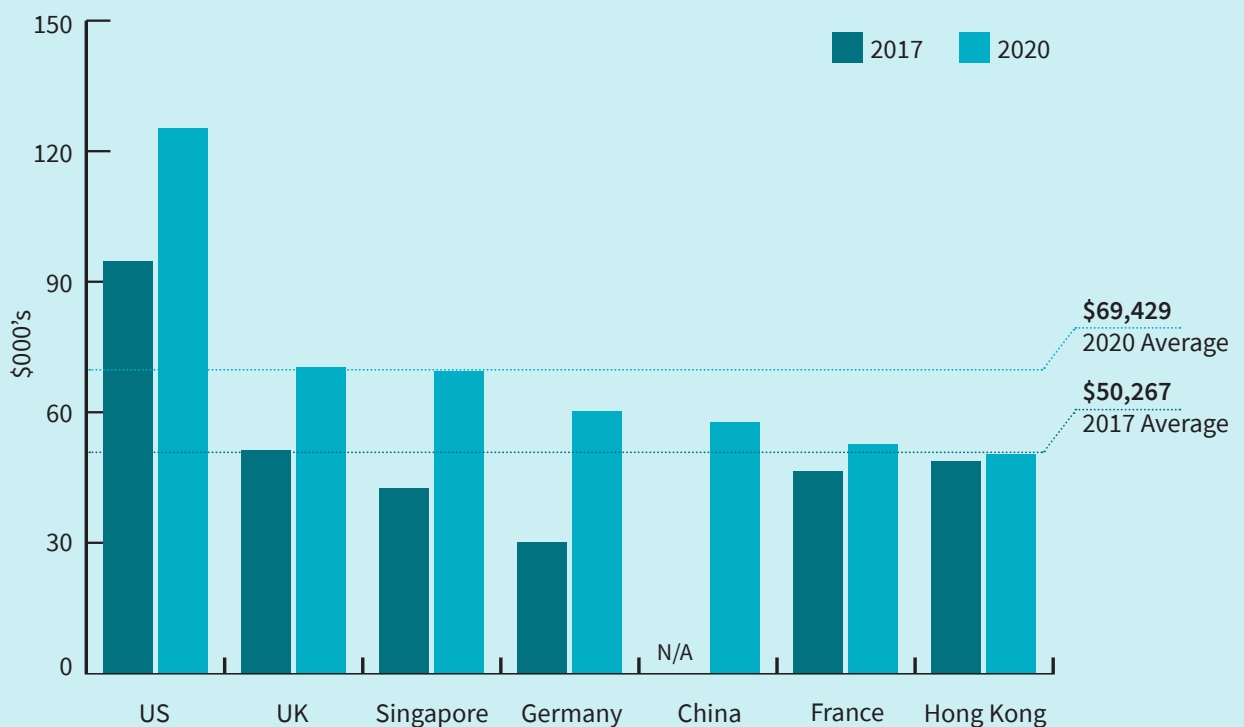
One Global Mobility Director within an aviation company highlights cost containment of assignments in the future will be crucial for their organisation:

**I think it's cost containment, I think is the most pressing thing. It's even more pressing now. It always was quite a big factor because global assignments are so expensive. We're an aviation industry, so we've obviously been hit really hard by the pandemic. We still need people in sites, but it's just how we manage that in a cost-effective way and are we actually getting return on investment for the people that we're deploying.**

International working has undeniably been hit hard by the pandemic. For many working in global mobility and on international assignments, it has created uncertainty and real strain. With uncertainty of what the 'new normal' might look like for organisations, using budgets on sending the appropriate individuals abroad, when the cost is going up yearly, may be under more scrutiny than ever before. This will also help to ensure organisations are minimising failed assignments if they carefully consider who is sent to work on an international placement and provide them with appropriate support.

## We asked respondents approximately what it costs their organisation, on average, to place an employee on international assignment

Shown by region in USD



# The future of international working

It seems obvious to say that the Covid-19 pandemic has hugely impacted international working. When we conducted this research, many we spoke to were in the midst of the initial impacts of the virus outbreak- some were in lockdown, others were emerging into the ‘new normal’ with an understandable concern about the future.

However, international workers and those working in global mobility that we spoke to were, on the whole, hopeful and of the opinion that international working will be important to the rebuilding of business models and ways of working in future.

## Those working in global mobility predict that the number of international workers will increase over the next five years

HR decision makers were asked how they expect the number of people their company employs for international assignments and local work to change over the next five years. Across every employee type, the majority predicted an increase.

However, when asked about Covid-19 specifically, 74% thought it would lead to a reduction in the number of international assignments. These differing responses highlight the difficulty organisations have in predicting how things will change after the

pandemic, and that there will be a different impact on different industries.

When we spoke with those already on international assignments, they explained that although the Covid-19 pandemic has had a significant impact on the working world, there is still a need for international work placements. An international worker on a short-term placement in the US summed this up:

**I can see international secondments happening. I don't know what the banking industry does, or whatever that is, I've only ever seen people parachuted in, like me, to fix the problem, not because in two years' time, we want you to be the boss here so you need to experience over there. I've never seen that. In my head it's always been, I've got a problem, I haven't got anybody to fix it, will you go and fix it?**

Some international workers are “parachuted in” to resolve issues and find new solutions to problems. If 2020 has delivered anything, it has created some truly unprecedented challenges.

## We asked respondents how they expect the amount of people their company employs in the following types of roles to change over the next five years

Showing % who expect roles to increase or significantly increase







New ideas and ways of thinking are undoubtedly needed to keep businesses moving forward. International work placements can offer truly varied and unique perspectives, so for many businesses it will likely be a cornerstone of recovery over the coming years.

We know the impact of the Covid-19 pandemic led to the nature of many assignments significantly changing. There was for many a period of repatriation of employees during the spring of 2020, as one Global Mobility and Immigration Senior Manager explained to us:

**Our assignees are pretty much just working from home on assignment. Right, but some of them have had to try and get back from assignment to where family is, to try and lock down with family. We've had situations, for example, of people expecting, they're pregnant, trying to get back together with family so they're not isolated at birth. We've got some of those that have parents ill who have had to, want to get to where the parents are and lock down in that vicinity. So, we've had a range of issues.**

Therefore, although the number of assignments failing or being cancelled mid-placement has remained relatively steady since 2017, 2020 has brought a completely new set of complexities for those working in global mobility to manage. From making sure that expectant mothers can be with their families, to ensuring that those that are unwell can be cared for by those they love.

**67%**  
of HR decision makers  
expect the number of  
international assignees  
on short term contracts  
to increase over the  
next five years

## **In 2020, sending the right people on international assignment is more important than ever before**

As everyone will have experienced, the impact of the Covid-19 pandemic changed the way we work both locally and globally and it's likely that these changes will shape business culture for years to come.

Those we spoke to working in global mobility explained that given the challenges and complexities caused by the Covid-19 pandemic in 2020, moving forward it's key to carefully consider the purpose of assignments and the assignees themselves. One Global Reward Specialist summed this up:

**I think we'll still see assignments, but they'll be much more targeted to the roles we really, really need people to be there and also the people we really, really want to be on assignment. So, I think assignee selection is going to be something you'll see a lot more companies becoming more focused on, who is the right person to send on assignment and why are we sending them?**

Therefore, for some organisations the set-up process of international assignments will look to become more rigorous over the coming years. The roles will be more carefully considered, and international assignees more closely recruited.

This should have a positive impact on both assignees and their placements overall: the more planning and care that goes into an assignment, the more prepared an assignee is likely to feel when arriving into the new work country. As we've seen, the number one reason assignments fail in 2020 is because the assignee had difficulty adapting to the culture in the work country. Anything that employers can do to ease concerns and support assignees during their settling in period will undoubtedly be a huge help to those on placement.

# Looking ahead

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There have been some incredibly positive changes to international working since 2017. Perhaps most notably is the increased focus on the international assignee themselves.

37% of assignments now have the primary goal of meeting the lifestyle ambitions of the assignee compared to only 23% in 2017. This could be because more of those managing employees on international assignments have personal experience of living and working abroad and understand first-hand, what's valued. Whatever the cause, there's certainly a more people-driven approach to managing international assignments than in 2017.

The next challenge for those working in global mobility will be rebuilding ways of working. For many, this will mean an even greater focus on the individual needs of the international assignee, as well as a more rigorous preparation for the assignment itself. The drivers for this are the need to manage the costs of international working, which have increased since 2017 and remain high, and also a growing need to ensure that those assignments which go ahead, are most likely to succeed. HR decision makers will think more carefully about who they are sending on international assignments, they will consider their wellbeing, ambitions, and attributes to make sure that assignments can be as straightforward as possible for both the assignee and their organisation.

This has the potential to be a positive legacy of the Covid-19 pandemic. Employers are paying more attention to the needs of their

staff to ensure that they are best prepared for the challenges of international working. This should help to reduce assignments that fail due to difficulties adapting to the new work culture, which as we have seen in 2020 is the most common reason for assignments failing. With more focus on assignment set up, employees living and working abroad should start to reap the benefits of more well-thought-out assignments.

Despite the very difficult year that 2020 has been, businesses are pushing forward and are quietly confident about the future. As we have explored, the majority predict an increase in the number of both international and local employees over the next five years. This predicted increase has also grown since 2017, demonstrating that despite the incredible difficulties businesses have faced this year, positivity is persisting.

Considering the findings within this report, we believe there are a few areas employers could look to focus on in future to continue to improve the experiences of their international workers.

# Focus for future success

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## 01. Put the international worker first

By focusing on the assignee and their specific needs, goals and challenges the assignee will feel more supported and therefore the assignment is more likely to succeed. Do this by creating a culture where the assignee feels listened to and supported- checking in regularly is key.

## 02. Offer flexible benefits and support

Create a partnership with international workers by being flexible with benefits and support packages. Those on international assignments want to feel that their individual requirements are being met. By offering flexible benefits packages, assignees will feel that their own needs are being met as there is not a 'one-size-fits-all' for the success of international assignments.

## 03. Carefully consider who is being sent on international assignments

It is always important to manage costs, but with the impact of the Covid-19 pandemic, this has become even more important. It is therefore essential that the assignments that do go ahead are as successful and useful to businesses as possible. By being more rigorous in assignee screening and selection, organisations are more likely to see successful assignments.

## 04. Prepare assignees as much as possible for 'culture shock'

Challenges adapting to the new culture in the work country is the most common reason that assignments fail or terminate early. It's therefore essential that assignees are as prepared and supported as possible when moving abroad. Culture preparation classes and regular communication can help make this an easier transition.

### Get in touch

We hope that the recommendations from this research are helpful and offer some new ways of thinking about how international working. We know that supporting employees isn't always straightforward and welcome the opportunity to discuss the challenges and opportunities with you. Contact our global sales consultants at [talktous@axa.com](mailto:talktous@axa.com)

This report is part of a wider series from our World of Work research into global mobility. Information on the series and what's coming next can be found at [axaglobalhealthcare.com/mind](https://axaglobalhealthcare.com/mind)



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