



# Global Assignment Policies and Practices survey

**2018 results**

Global Mobility Services

KPMG International

[kpmg.com/gappsurvey](https://kpmg.com/gappsurvey)



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# Introduction

I am pleased to present the 2018 report of our Global Assignment Policies and Practices survey (GAPP survey). This web-based survey continues to provide valuable trends and insight on how global organizations administer their global mobility programs.

The detailed data in these pages allows you to compare and contrast your organization's current practices with those of peers and other organizations. The data also promotes new ways of thinking on best global mobility policies and practices, whether you are designing a new program or refreshing your current one.

## Benefits of the survey

Participation in the GAPP survey will allow you to benchmark your organization in relation to other survey participants on numerous aspects of an international assignment program, including: assignee selection and assessment, assignment preparation and planning, talent and performance management, assignment compensation and allowances, administration and outsourcing, use of data analytics and robotics, as well as tax reimbursement approaches.

## About this report

This report is a snapshot of the GAPP survey, which is the main survey housed on [kpmg.com/gappsurvey](https://kpmg.com/gappsurvey). The GAPP survey is dynamic — changing every time a new participant logs in and answers the questions. Results are published as of August 2018 for purposes of comparison. Real-time information is available on our website at [kpmg.com/gappsurvey](https://kpmg.com/gappsurvey). Thus, there may be statistical variances between today's results and the August 2018 report. Even with additional organizations' results added, however, the trends are not likely to deviate from those highlighted in this report or the Executive Summary.

Each year, KPMG reviews the survey questions and, with additional input or requests from clients, determines any new questions or trends that should be addressed. This year, KPMG is including questions on the use of automation and robotics within global mobility programs.

The survey's comprehensive framework for 2018 is as follows:

- organization profile
- program overview
- policy overview
- pre-assignment and relocation
- during assignment
- end of assignment
- tax policy
- immigration
- assignment management technology
- data and analytics
- automation and robotics.

A written analysis that reveals noticeable differences in policy provisions or leading program trends is included in the beginning of each section of the report.

## In summary

This report represents a broad overview of the international assignment policies and practices used in the marketplace today.

If you have any questions regarding this report or need additional information about KPMG's Global Mobility Services, please feel free to contact us at: [us-taxgmssurvey@kpmg.com](mailto:us-taxgmssurvey@kpmg.com).

Sincerely,



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# Key findings



## Automation and robotics

Companies are searching for enhanced program solutions with: assignment planning and initiations, cost projections for prospective packages and automating payroll and compensation collection as being top priorities.



## Data and analytics

There is increased focus on predictive workforce analytics to support program success and measure assignee experience. This includes assignee retention (32 percent), assignee selection (27 percent) and speed to deployment (20 percent).



## Talent management

Companies are taking a more purposeful approach to mobilizing talent globally with developing stronger integration between talent management and global assignments. For those that have aligned their global mobility program to their organization's talent management framework, nearly 50 percent note that global assignments are a formal part of their organization's talent development, succession and retention initiatives.



## Policy

60 percent of 2018 GAPP survey participants cite the use of international assignments as being a top program goal for supporting overall global business and talent development objectives. Improving alignment between business objectives, assignment policy types, and assignee selection is vital.



## Flexibility in approach

Many organizations are offering greater flexibility in their assignment policy approaches — setting policy frameworks with core and optional provisions and expanding the range of choices for either the business or the assignee. For example, through menu-driven or points systems or through lump sum payments to allow choice for assignees in developing packages best suited to their personal needs.



## Future mobility

Over the next 5 years, survey participants expect to rely on shorter duration assignments such as extended business trips (72 percent), short-term assignments (63 percent), and developmental/training assignments (63 percent). This is as opposed to an expected reduction (28 percent) in the use of traditional, full balance sheet, tax equalized long-term assignments.

# Organization profile

Organizations headquartered in the US represent the largest share of participants in the survey (48 percent).

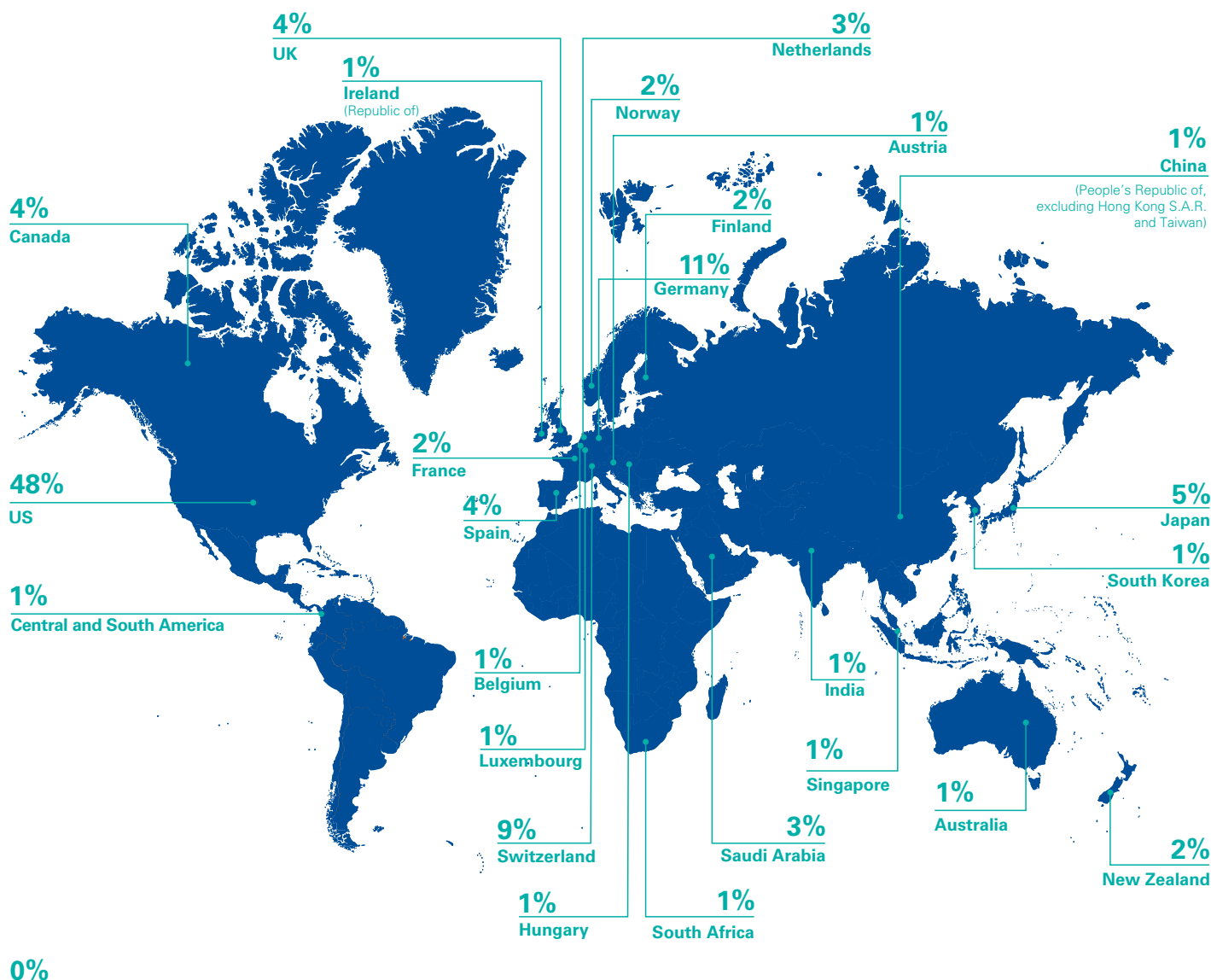
Organizations with fewer than 10,000 employees make up 30 percent of the survey population. There is a broad spectrum of industries in the survey, with the largest representation from manufacturing (22 percent), technology (17 percent), financial services (16 percent) and energy (11 percent).

Over 61 percent of those who participated in the survey were in management positions within their organization.

The information on companies' organizational profiles will allow you to review the survey data tailored to your company's profile and requirements.



## In which country/region is your headquarters located?

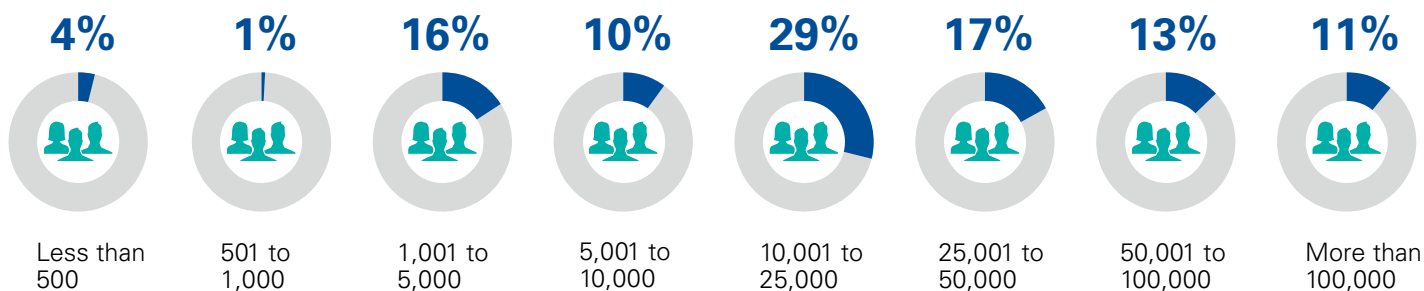


Algeria, Angola, Argentina, Bahrain, Bolivia, Botswana, Brazil, Bulgaria, Burkina Faso, Burundi, Cameroon, Chile, Colombia, Congo, Côte d'Ivoire, Cyprus, Czech Republic, Democratic Republic of Congo, Denmark, Ecuador, Egypt, Gabon, Gambia, Ghana, Hong Kong S.A.R., Indonesia, Iran, Iraq, Israel, Italy, Jordan, Kenya, Kuwait, Lebanon, Libya, Malawi, Malaysia, Mali, Mauritius, Mexico, Morocco, Mozambique, Namibia, Nigeria, Oman, Other: Africa, Other: Asia Pacific, Other: Europe, Other: Middle East, Palestine, Panama, Paraguay, Peru, Poland, Portugal, Qatar, Romania, Russia, Rwanda, Senegal, Sierra Leone, Slovakia, Slovenia, Swaziland, Sweden, Syria, Taiwan, Tanzania, Thailand, Togo, Tunisia, Turkey, Uganda, Ukraine, United Arab Emirates (UAE), Uruguay, Venezuela, Vietnam, Yemen, Zambia.

Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

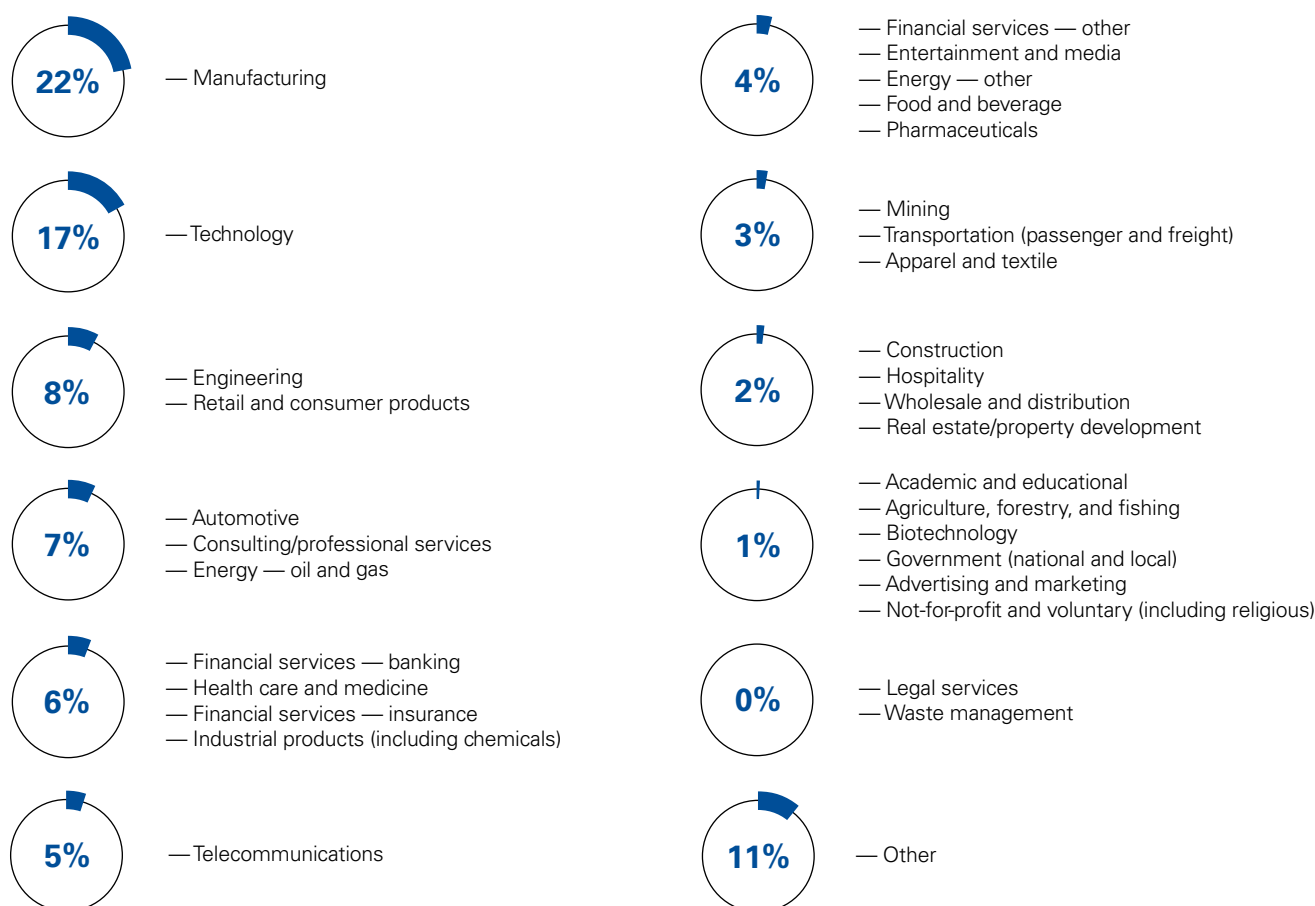
**According to your best estimate, how many employees do you have worldwide?**



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

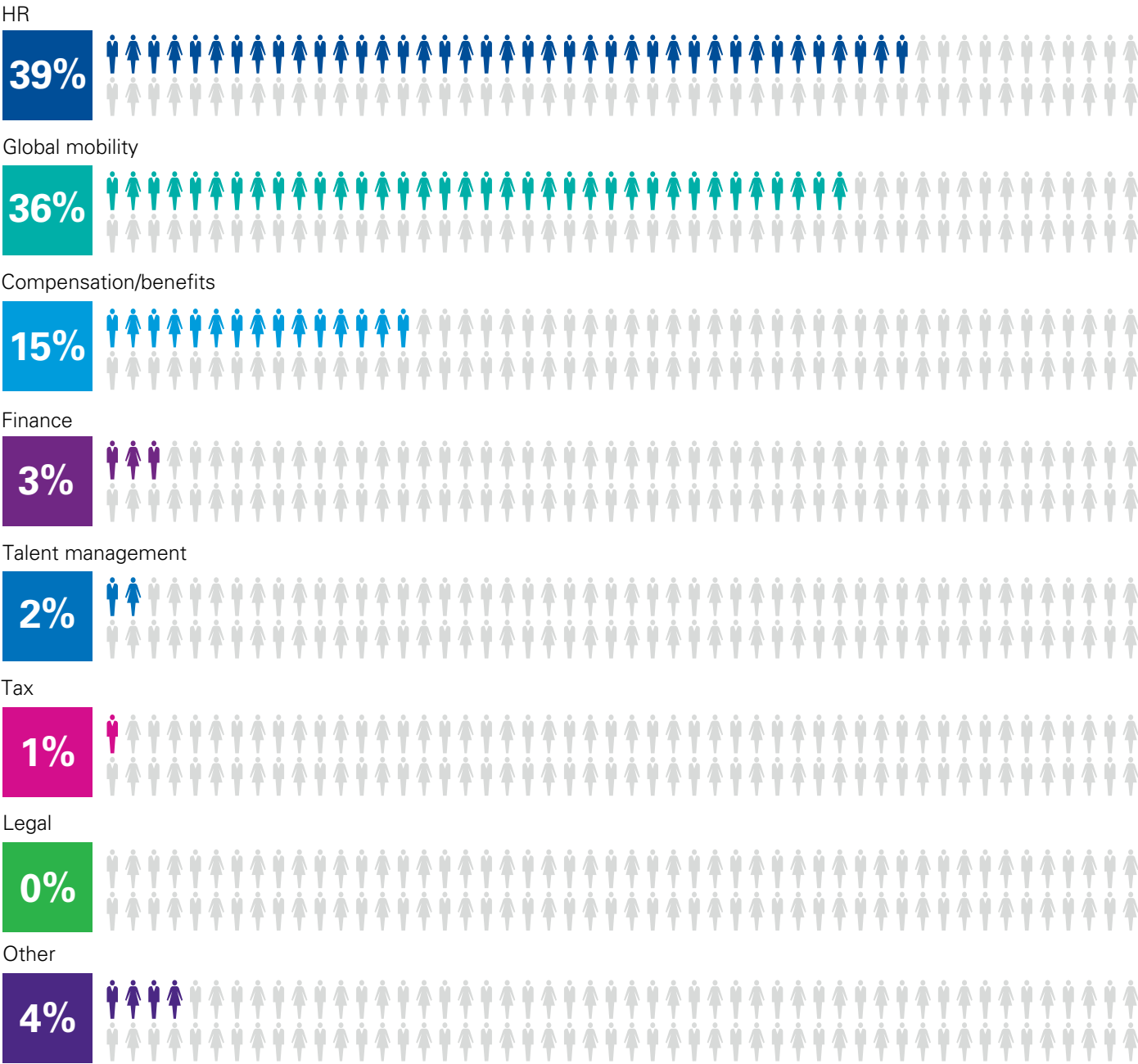
**How would you classify the industries in which you operate? (Select all that apply.)**



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.



What department in your organization are you a part of?



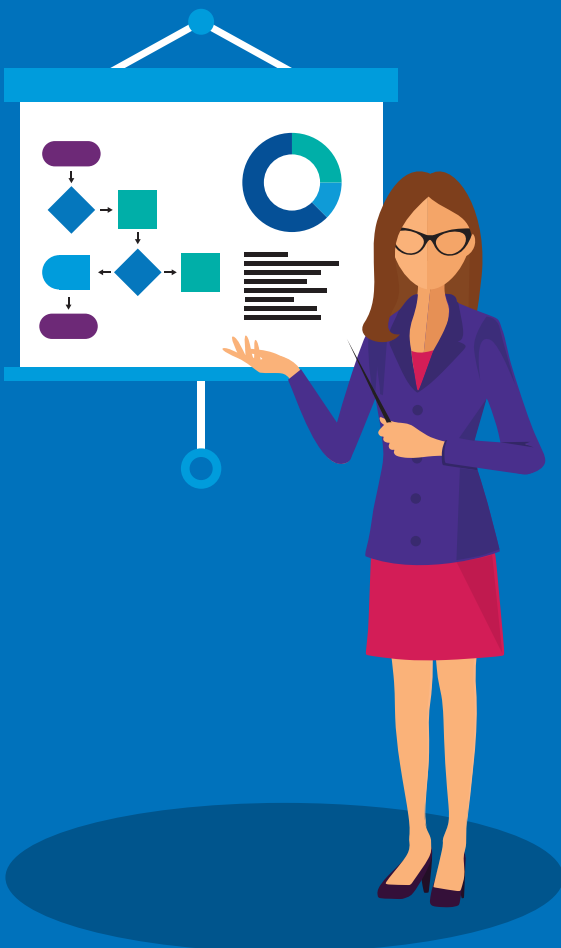
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

# Program overview

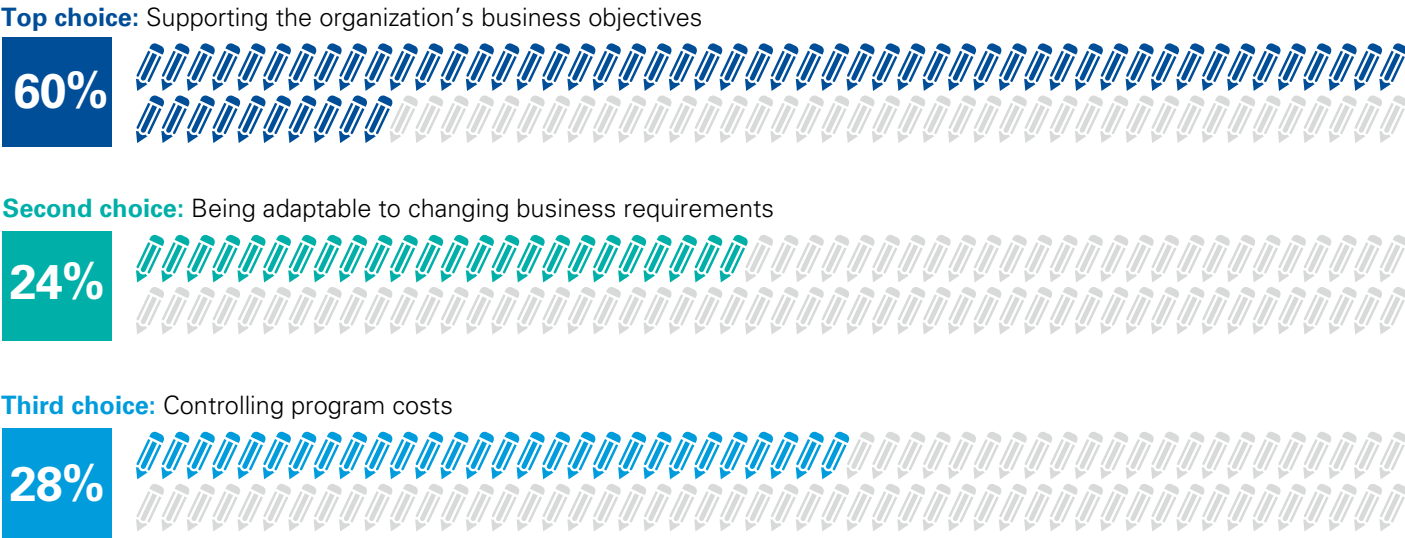
Similar to last year, 47 percent of survey participants have 50 assignees or less, while 44 percent have anywhere from 51 to 500 assignees, and only 10 percent have programs with over 500 assignees. The top originating (home country) and receiving (host country) locations for survey participants are primarily concentrated in North America and Europe, while several in the Asia Pacific and Central/South American regions are considered prospective receiving locations for future assignments over the next 5 years.

In assessing their international assignment programs, participants say the primary goal is to support their organization's business objectives while adapting to the shifting demands of the global business environment; however, controlling program costs continues to be a key program driver for most participants.

Income tax and immigration compliance present the most challenges for participants and are two of the top functions that organizations look to outsource to service providers (93 percent of participants outsource tax preparation services and 85 percent outsource immigration services) in supporting global compliance. The major reasons cited in the survey for outsourcing support are to reduce administration, improve internal service quality and efficiency along with gaining access to a third-party service provider's global resources and knowledge.



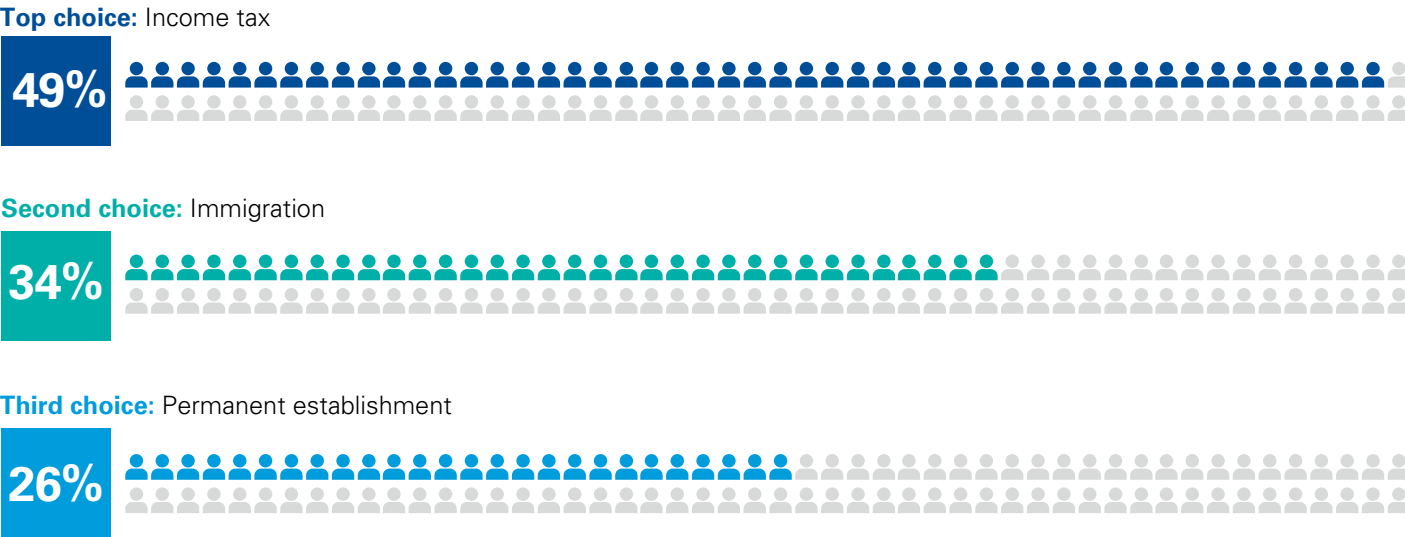
In addition to compliance, what are the top three goals for your international assignment program?



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

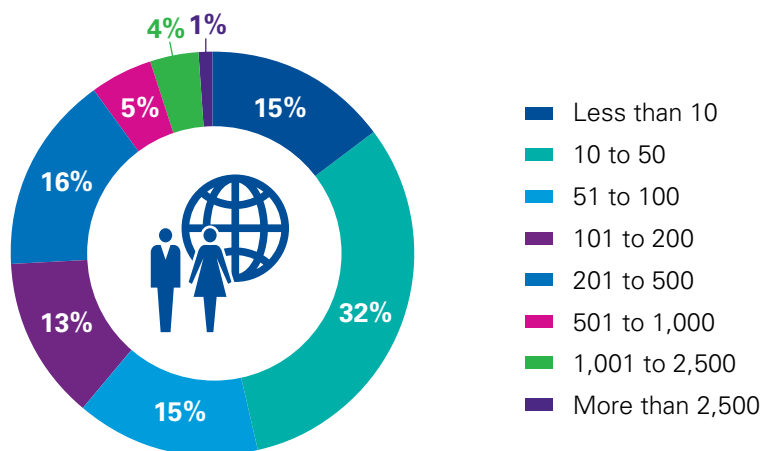
Please identify the top three compliance topics in terms of those that represent the most challenges when relocating personnel.



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

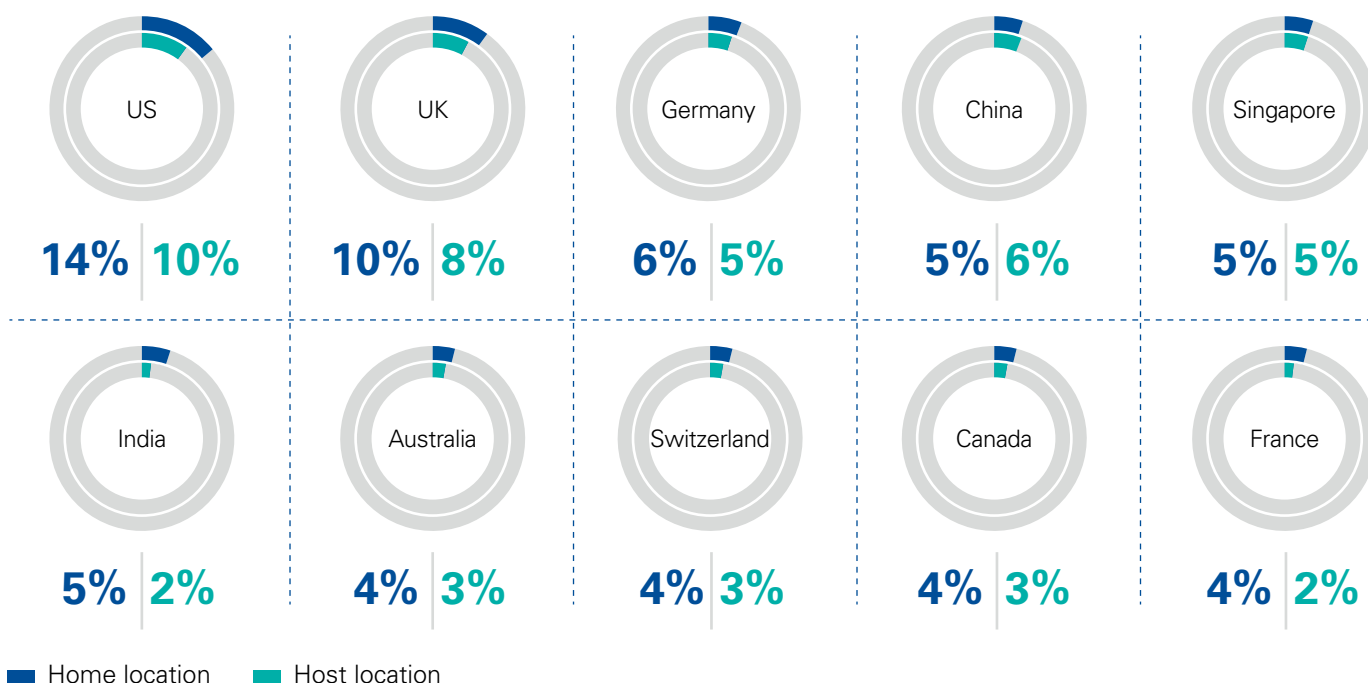
## How many international assignees do you have?



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

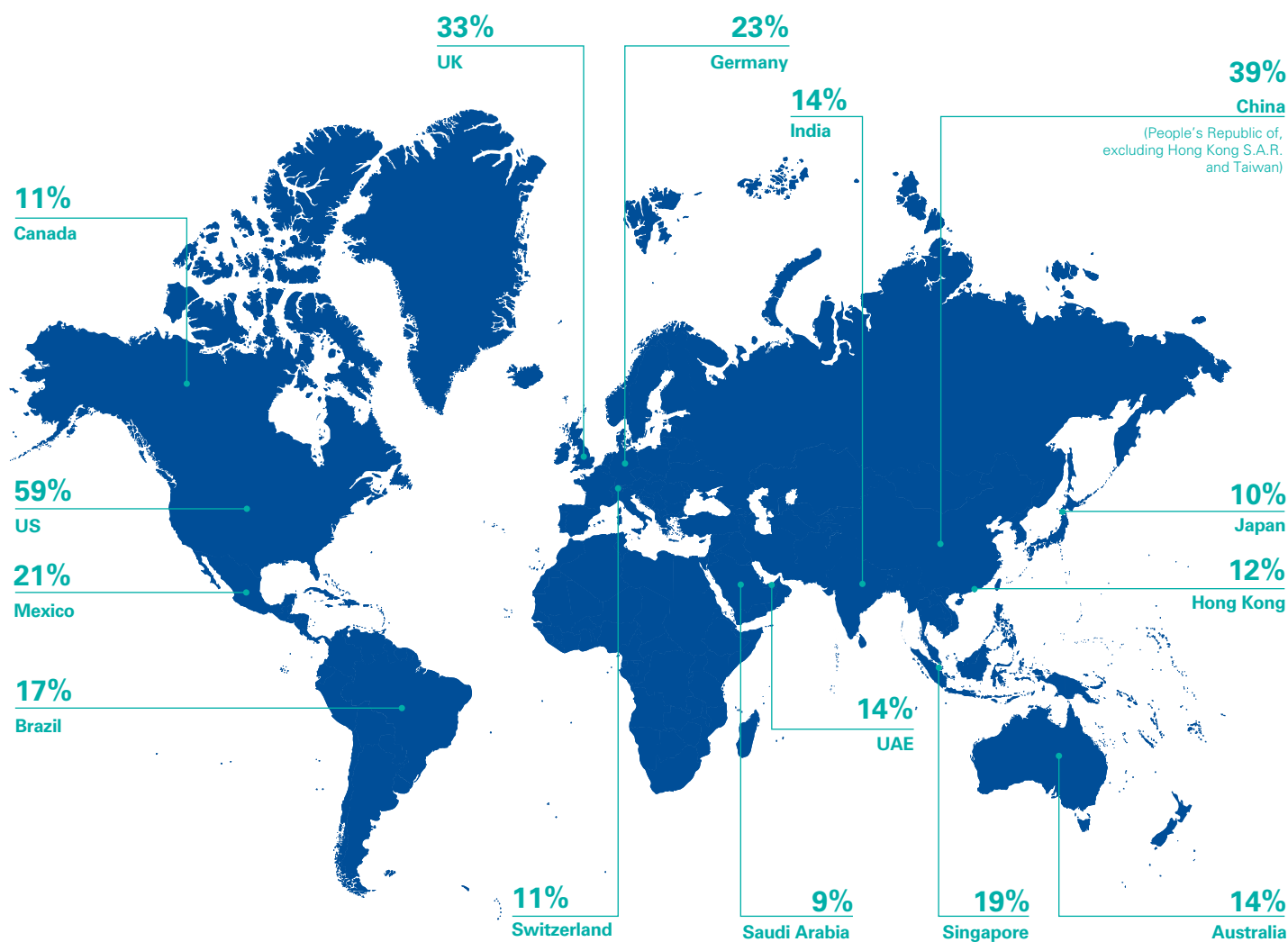
## Please identify your top 10 sending and receiving locations.



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

In which countries/regions do you anticipate an increase in assignment volume over the next 5 years?

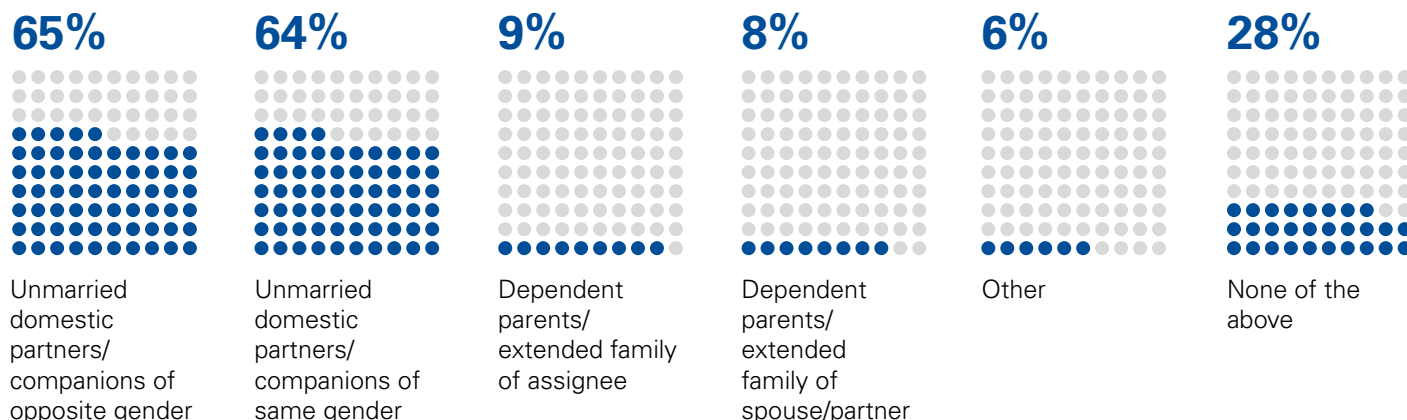


Note: Chart includes top 15 responses.

Note: May not total 100% due to rounding.

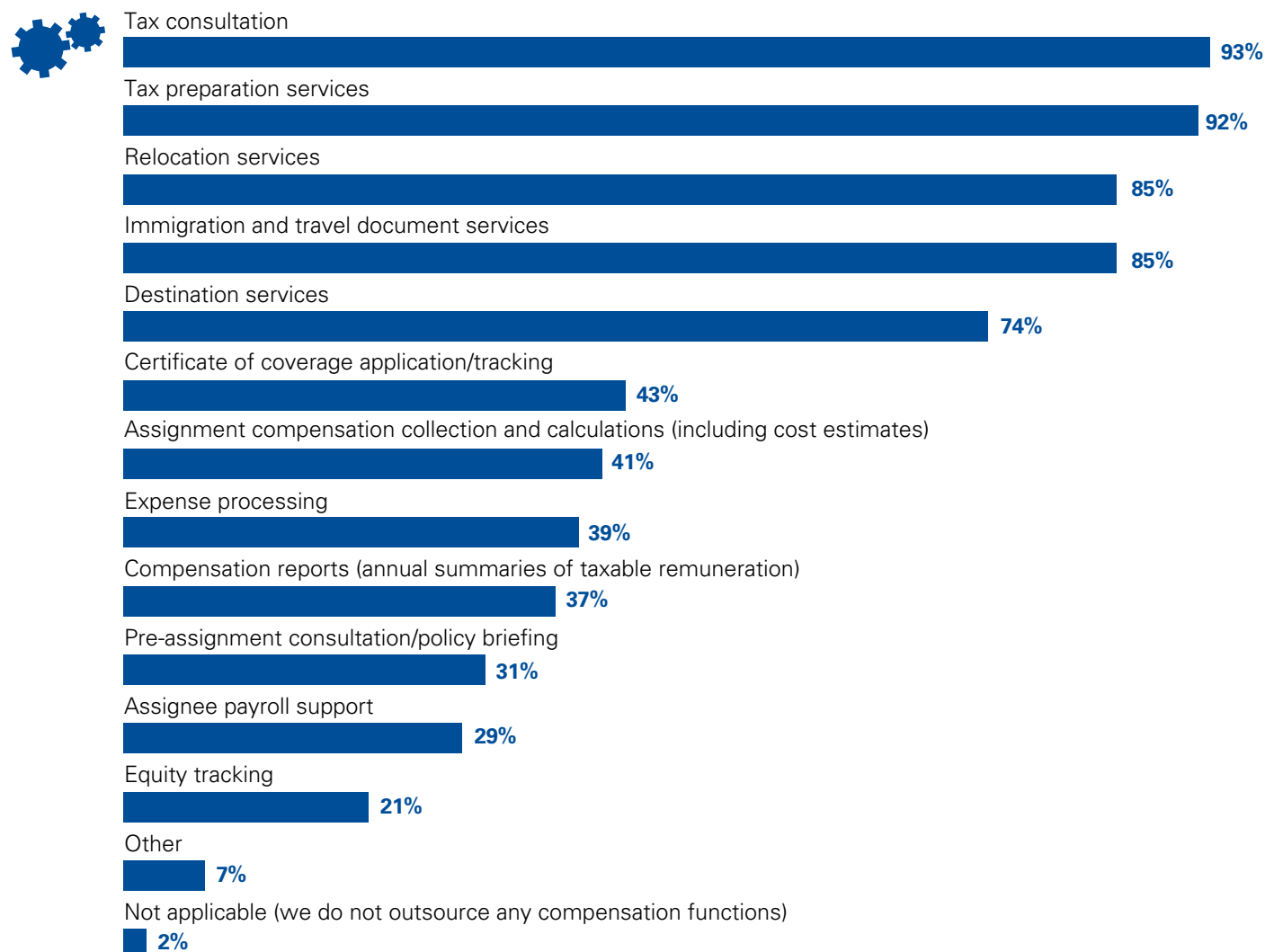
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

In addition to legally married spouses (opposite and same gender) and dependent children, do you include any of the following in your definition of 'family' for purposes of international assignment benefits? (Select all that apply.)



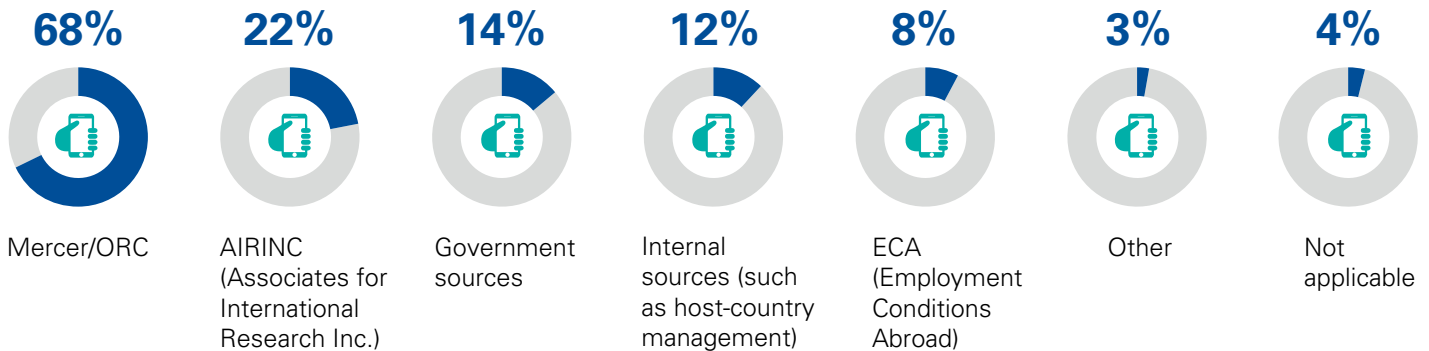
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Which of the following functions do you outsource? (Select all that apply.)



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

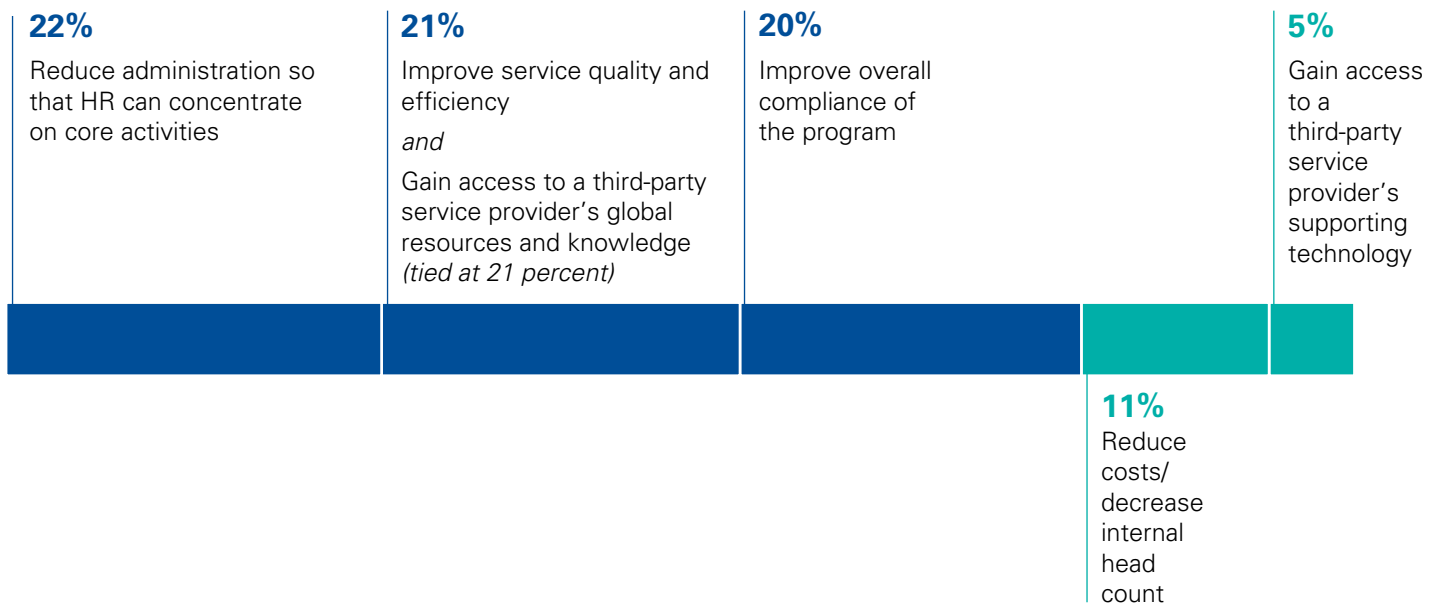
**From which of the following external sources do you receive your international assignment data (e.g. cost of living allowance [COLA], housing, hardship, etc.)? (Select all that apply.)**



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**What are your top three reasons for outsourcing?**



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

# Policy overview

Organizations continue to use a variety of different assignment types to support program goals — long-term and short-term assignments are the most common (96 percent and 84 percent, respectively). Permanent transfer/indefinite length assignments are also a common practice for 63 percent of survey participants (up 2 percent from 2017). KPMG professionals have witnessed these permanent transfer/indefinite assignments as being a growing policy trend throughout the last few years as a method for reducing program costs and assisting with talent acquisition and retention.

Over the next 5 years, participants expect to rely more on shorter duration assignments (i.e. extended business trips [72 percent], short-term assignments [63 percent] and developmental/training assignments [63 percent]). In contrast, participants expect the use of long-term assignments to decrease (28 percent) over the next 5 years.

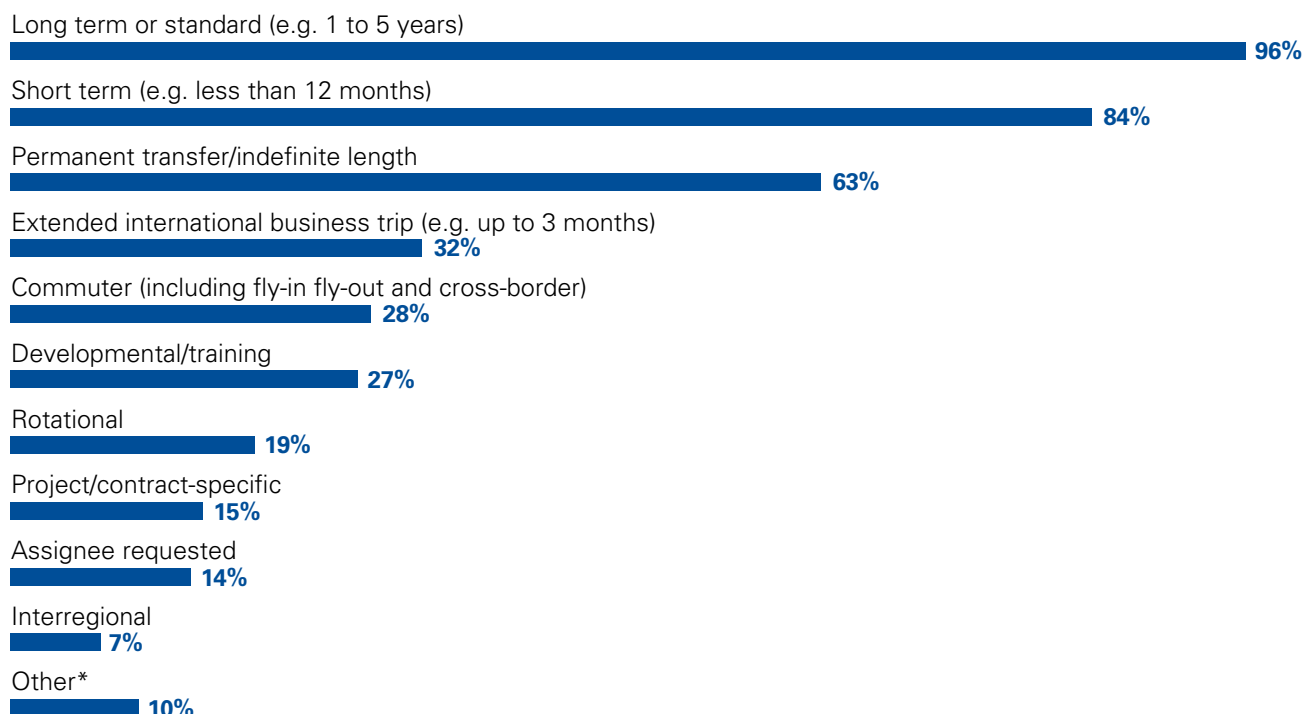
A home country system approach continues to be the prevailing basis for the majority of survey participants as it pertains to base compensation (82 percent), variable compensation (63 percent, up 7 percent from 2017) and equity payments (57 percent, up 4 percent from 2017).

Home country retirement/pension plans are also preferred for 91 percent of participants, while international/assignee plans are primarily applied for medical insurance/health care coverage (62 percent).



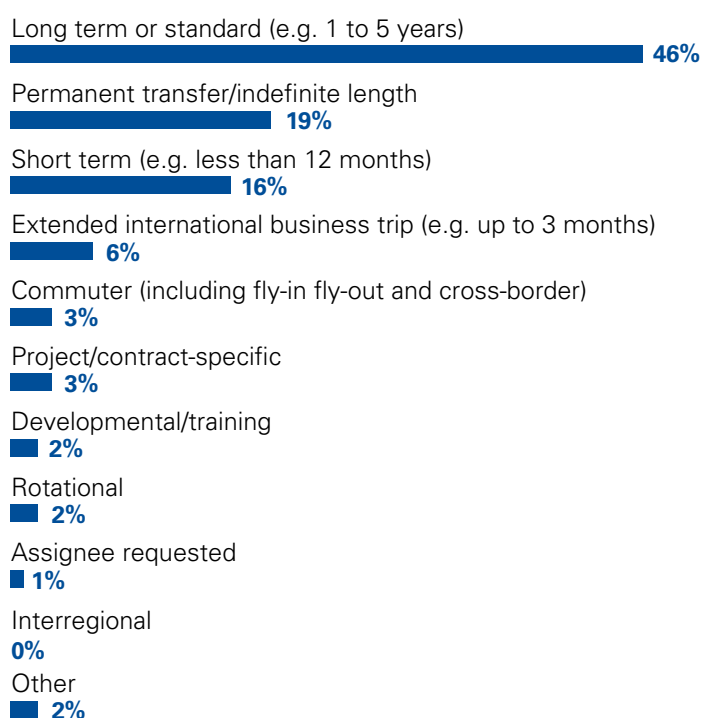


## What types of formal assignment policies do you currently use? (Select all that apply.)



\*Business traveler, global employment company, global nomads, higher education, local plus, localization, mobility lite, third country nationals  
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

## What is the percentage of your total assignee population, by policy type?



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**Over the next 5 years, do you anticipate the policy types to increase, decrease, or remain the same?**

Extended international business trip (e.g. up to 3 months)



Short term (e.g. less than 12 months)



Developmental/training



Permanent transfer/indefinite length



Commuter (including fly-in fly-out and cross-border)



Project/contract-specific



Interregional



Rotational



Assignee requested



Long term or standard (e.g. 1 to 5 years)



Other

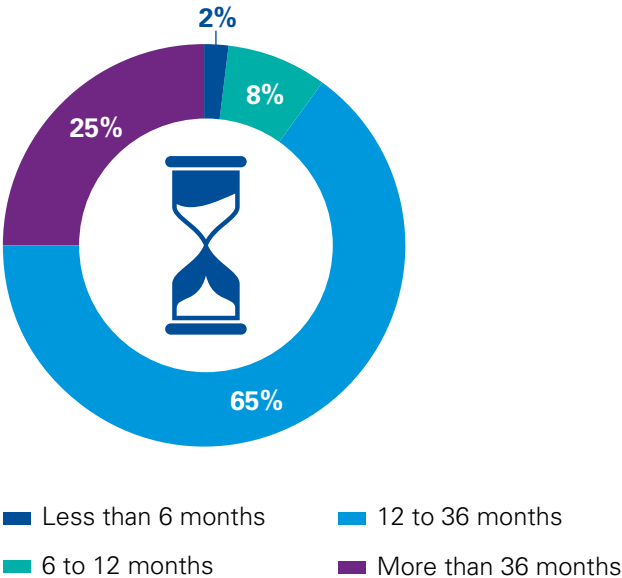


■ Increase    ■ Decrease    ■ Remain the same

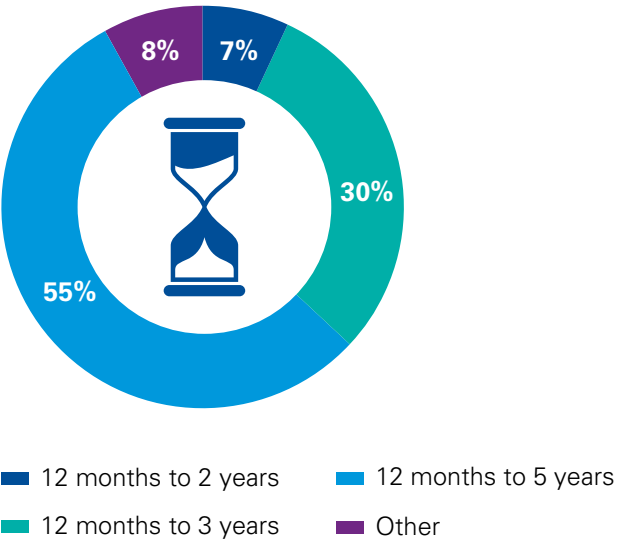
Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

What is the average duration of an international assignment in your organization?

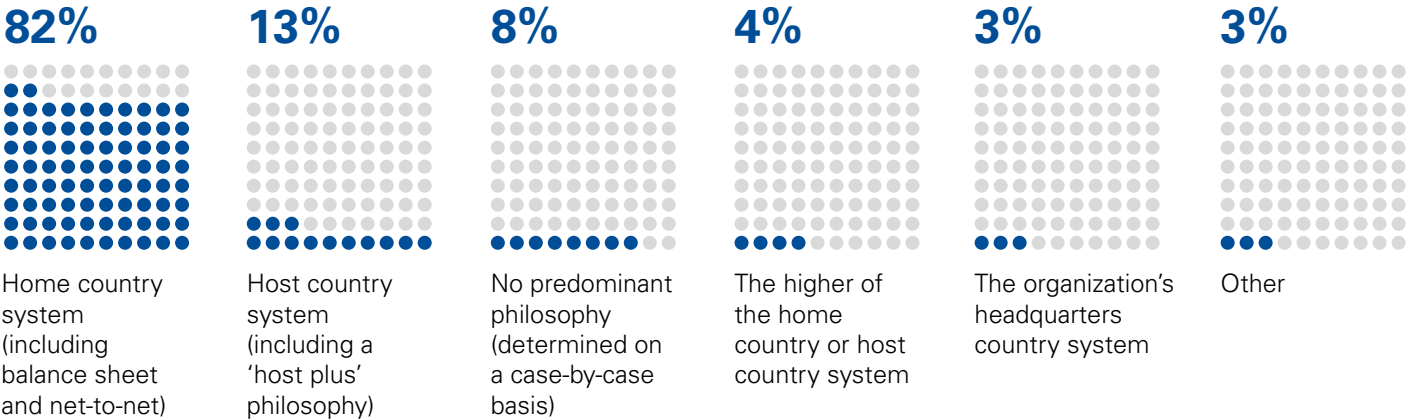


What is the duration of your long-term assignment policy (or equivalent)?



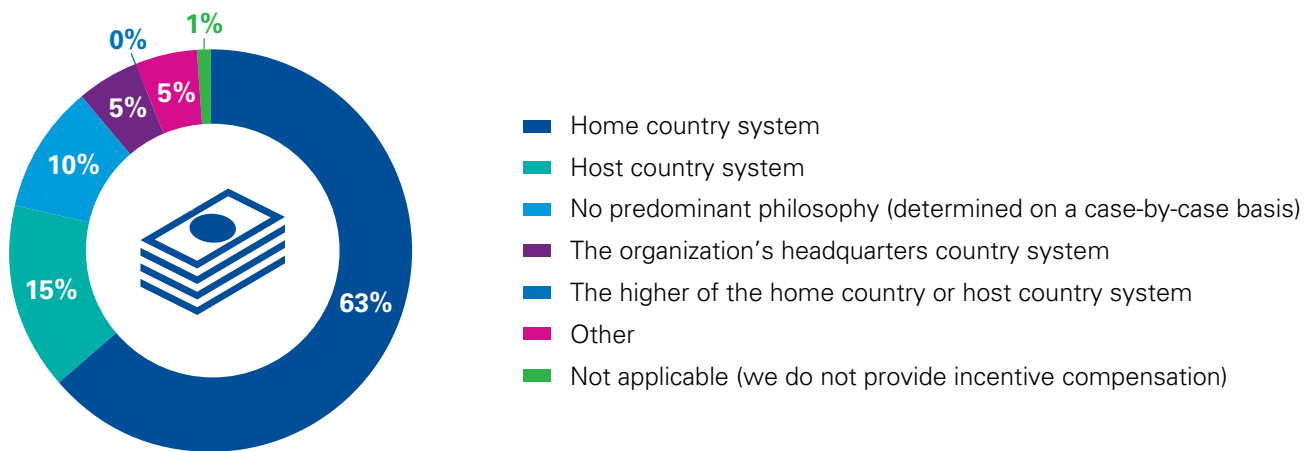
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

What is the basis of your core long-term assignment (or equivalent) policy's base compensation approach? (Select all that apply.)



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

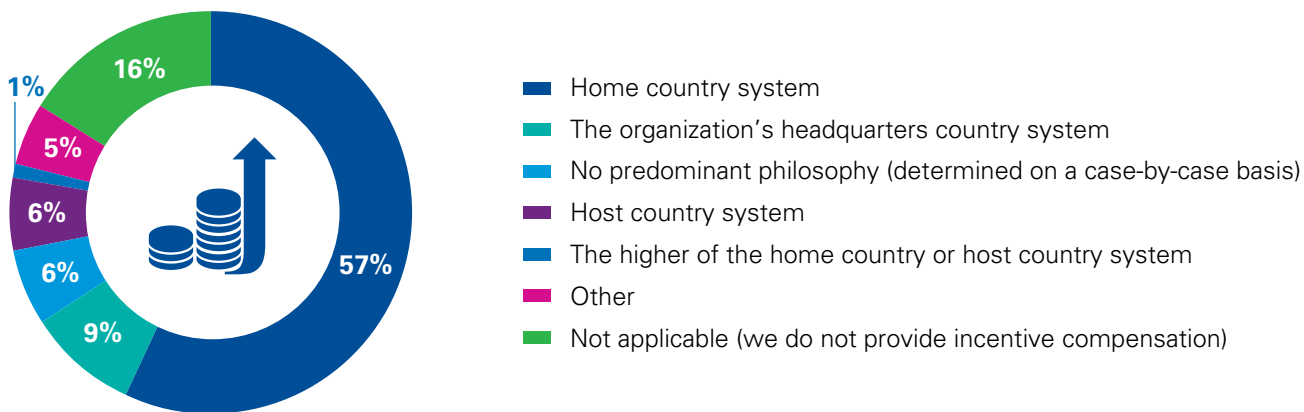
**What is the basis of your long-term assignment (or equivalent) policy’s approach to the payment of variable compensation?**



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**What is the basis of your long-term assignment (or equivalent) policy’s approach to the payment of equity?**



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

## What is the basis of your long-term assignment (or equivalent) policy's approach to the provision of employee benefit plans?



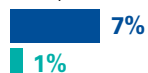
We provide international/assignee plans — if possible



We try to keep assignees in their home country plans whenever possible



We provide equivalent host country plans — if possible



We provide international/assignee plans — only if the home country plan proves ineffective



We provide equivalent host country plans — only if the home country plan proves ineffective



No predominant philosophy (determined on a case-by-case basis)



Other



■ Medical/Health care

■ Retirement/Pension

Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

# Pre-assignment and relocation



In sourcing prospective international assignees, the applicable business unit drives the selection process for 88 percent of organizations surveyed. While several participants assess an assignee's suitability for an international assignment through an informal review by line management/human resources or via self-assessments, the large majority of participants (62 percent) do not have a provision in place to make an informed and objective assessment of an assignee's global skills suitability.

Overall, management of the assignment planning process is lacking, with 35 percent saying it is not well managed and 25 percent having a neutral point of view.

Cost estimates continue to serve as a valuable tool for program managers, with 77 percent requiring an estimate for some or all assignment approvals. Estimates are primarily used for budgeting purposes (91 percent), and they often account for assignee-specific data (89 percent), relocation costs (90 percent), and tax and social security costs (94 percent).

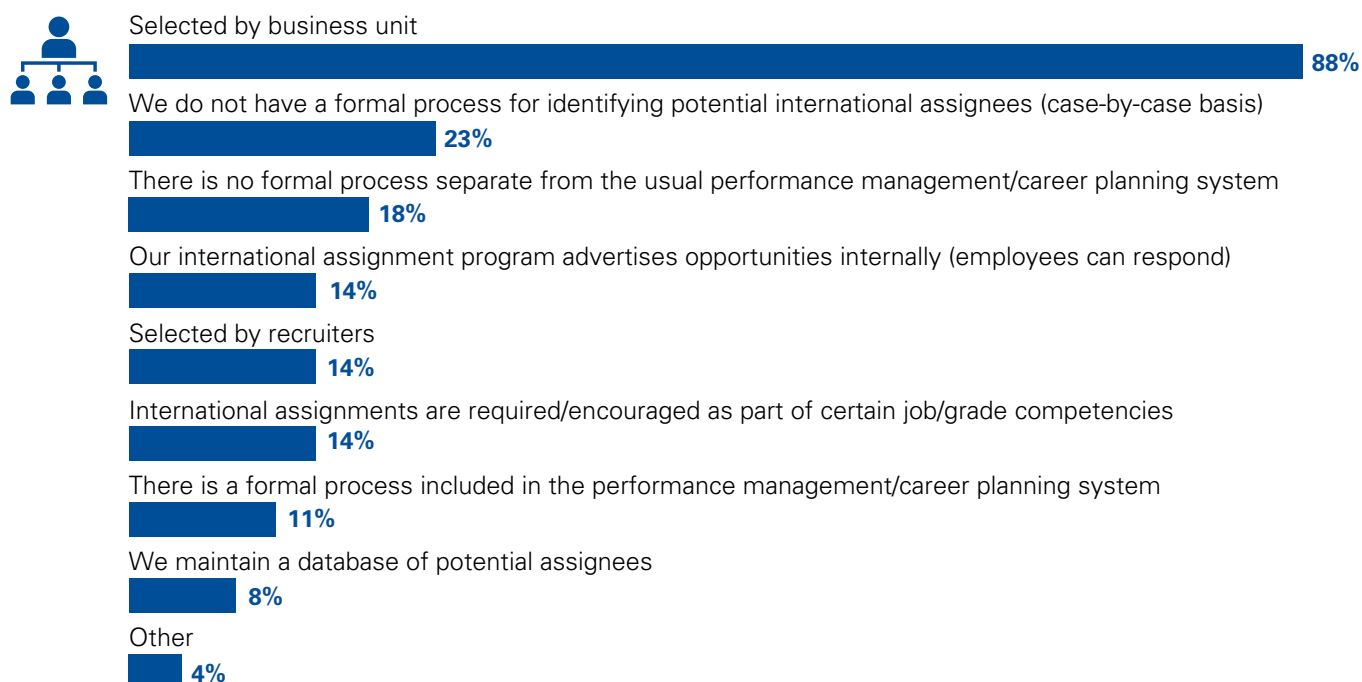
Pre-assignment consultations and tax briefings are widely provided as core policy benefits (81 percent and 87 percent, respectively) to thoroughly review the prospective assignment terms and conditions prior to relocation. In proactively preparing an assignee and accompanying dependents for a potential assignment, 87 percent of organizations provide a formal pre-assignment visit to the host location, with the majority (57 percent) authorizing both the assignee and the spouse/partner for the trip. Language and cross-cultural training remain included under the majority of organizations' standard policies with an observable trend of these trainings beginning pre-arrival in the host country to support transition and quicker integration. The assignee's spouse/partner and children are also more likely to be included in training, rather than limiting the lessons to the assignee only.

*(Continued)*

Household goods shipments, temporary living, miscellaneous relocation allowances and destination services are provided as core relocation-related policy benefits by the majority of organizations, while home country storage of household and personal goods, home country

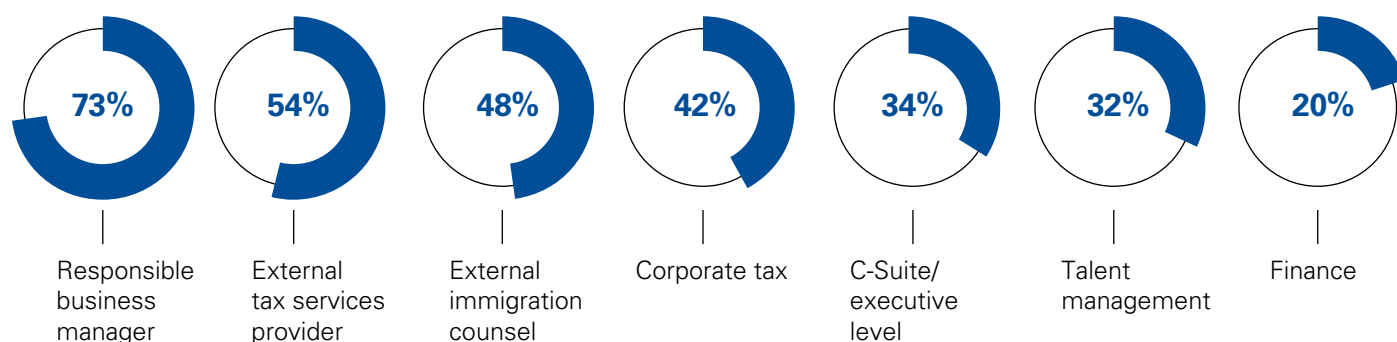
housing assistance and home country vehicle sale/lease breakage assistance are not provided as often to assignees or are provided as a flexible/optional benefit at the discretion of the organization.

### How are prospective international assignees sourced within your organization? (Select all that apply.)



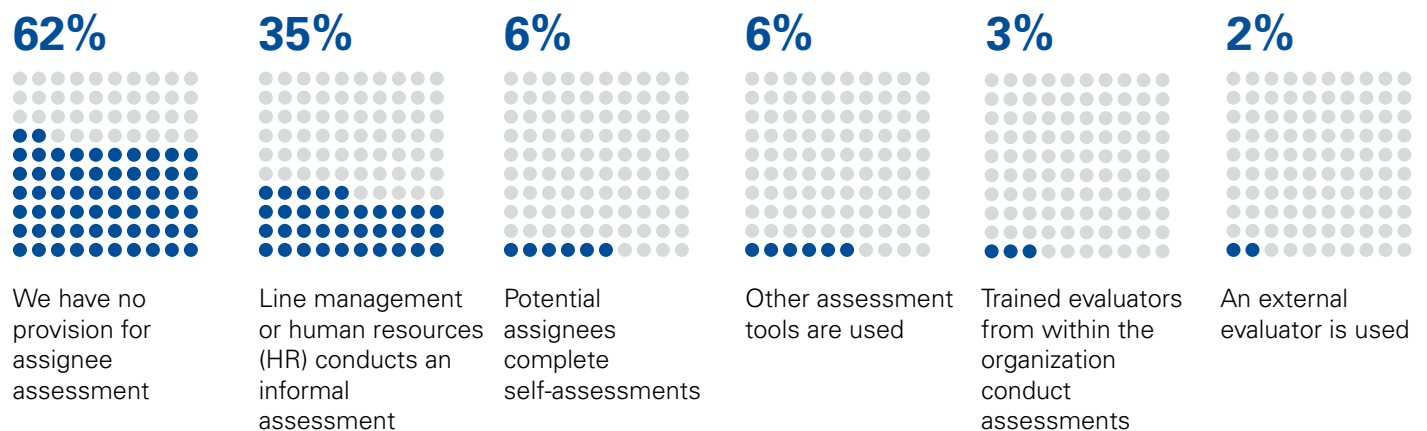
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

### In addition to global mobility, what other stakeholder groups are involved in the pre-assignment cross-border risk review and selection process? (Select all that apply.)



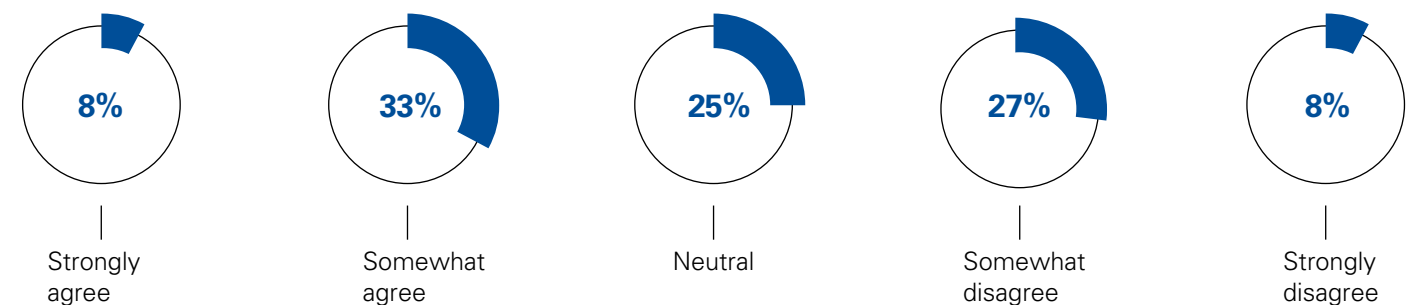
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

What is your approach to assessing a potential assignee’s suitability for international assignment?  
(Select all that apply.)



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Do you agree that your organization manages the assignment planning process well?

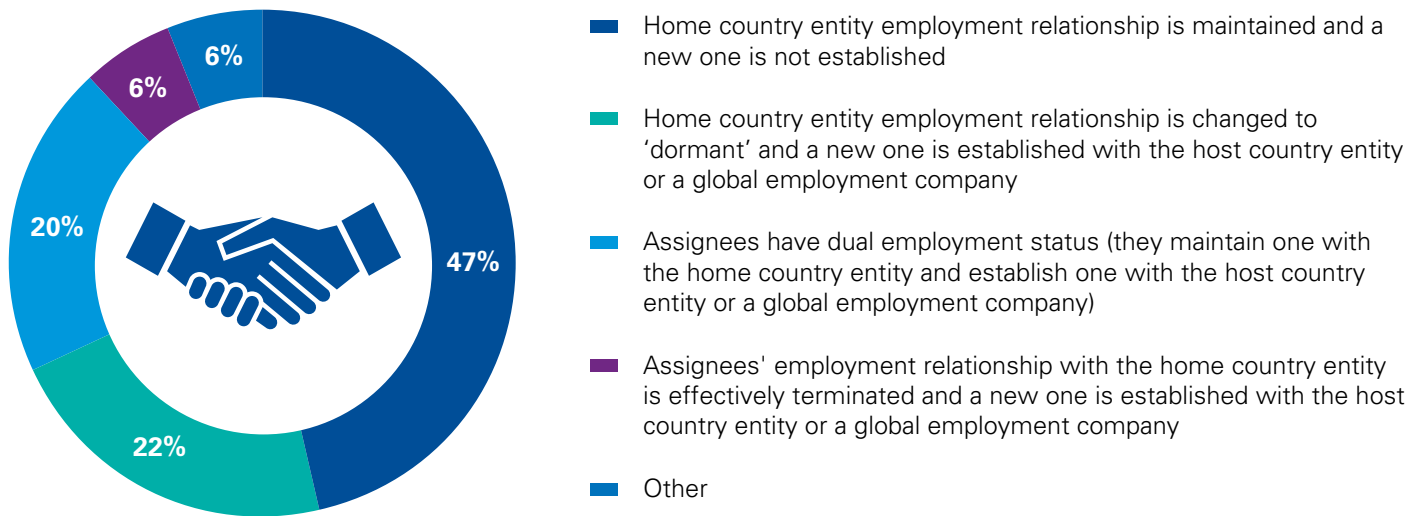


Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.



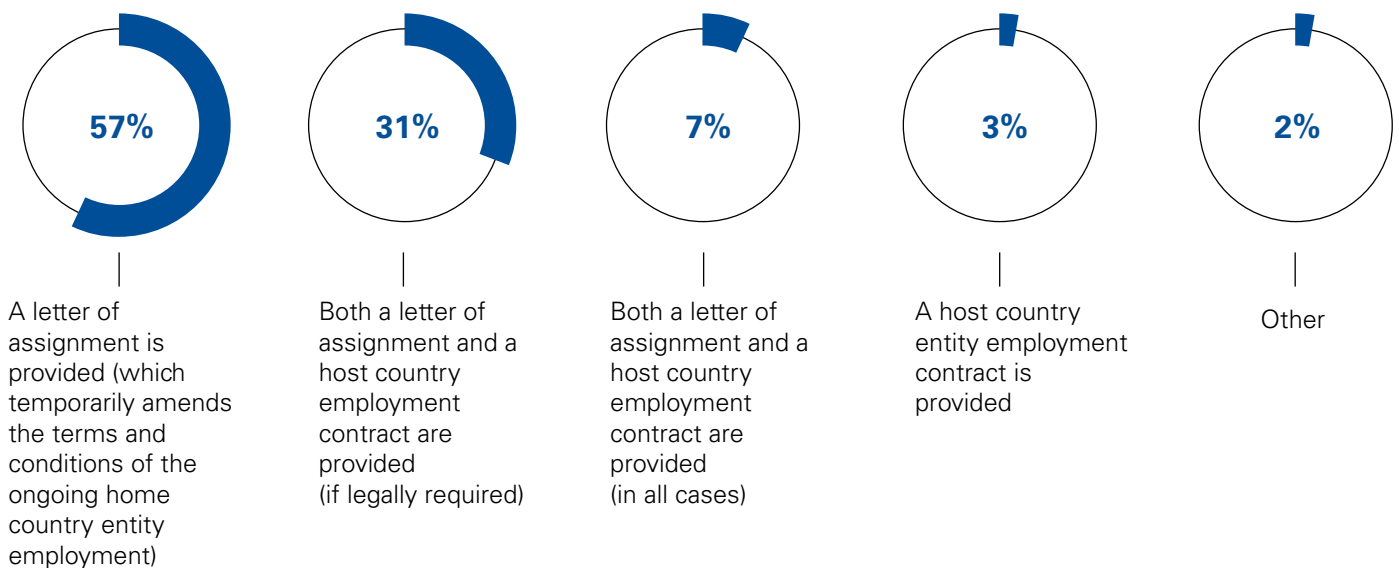
### Which statement best describes the employment relationships that apply to assignees?



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

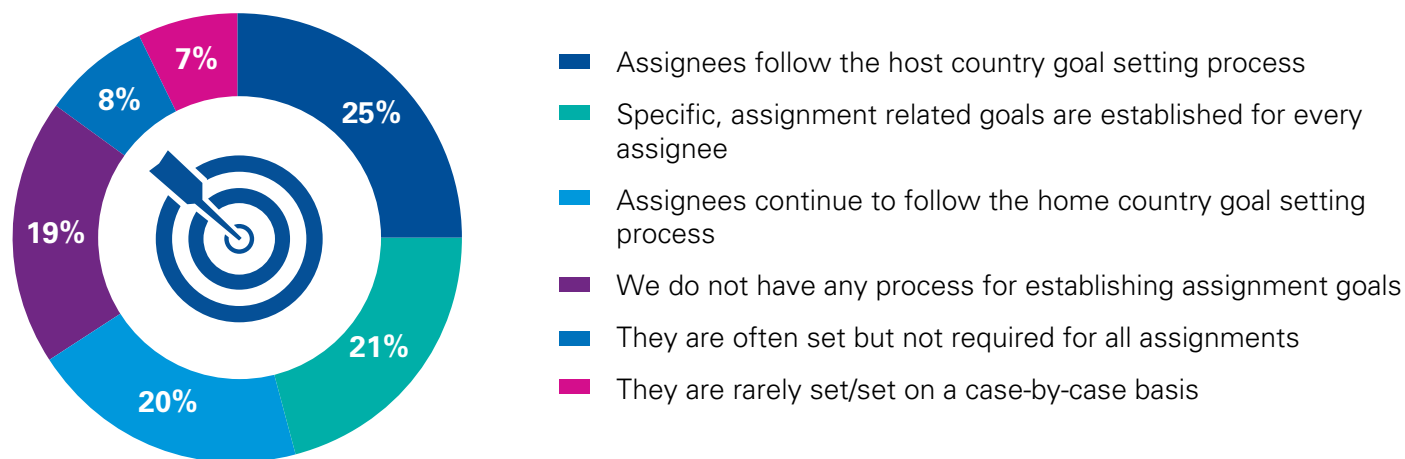
### Which statement best describes how your organization documents the employment relationship and the assignment terms and conditions?



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

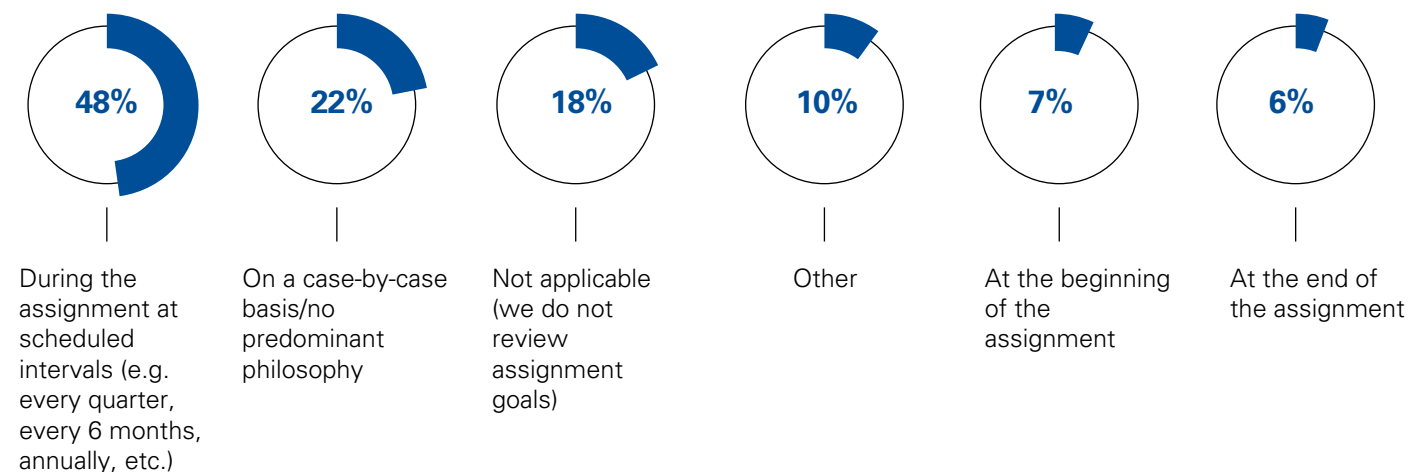
### Which of the following best describes your approach to assignment goals?



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

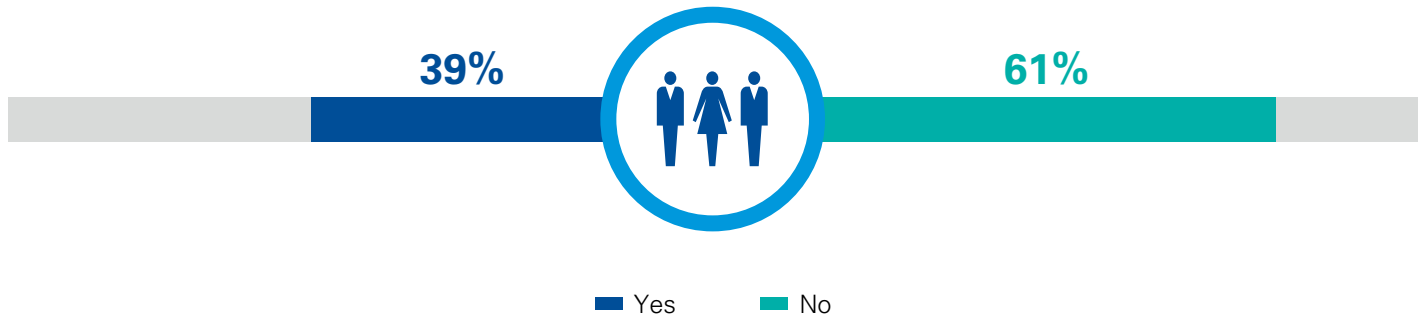
### When are assignment goals reviewed?



Note: May not total 100% due to rounding.

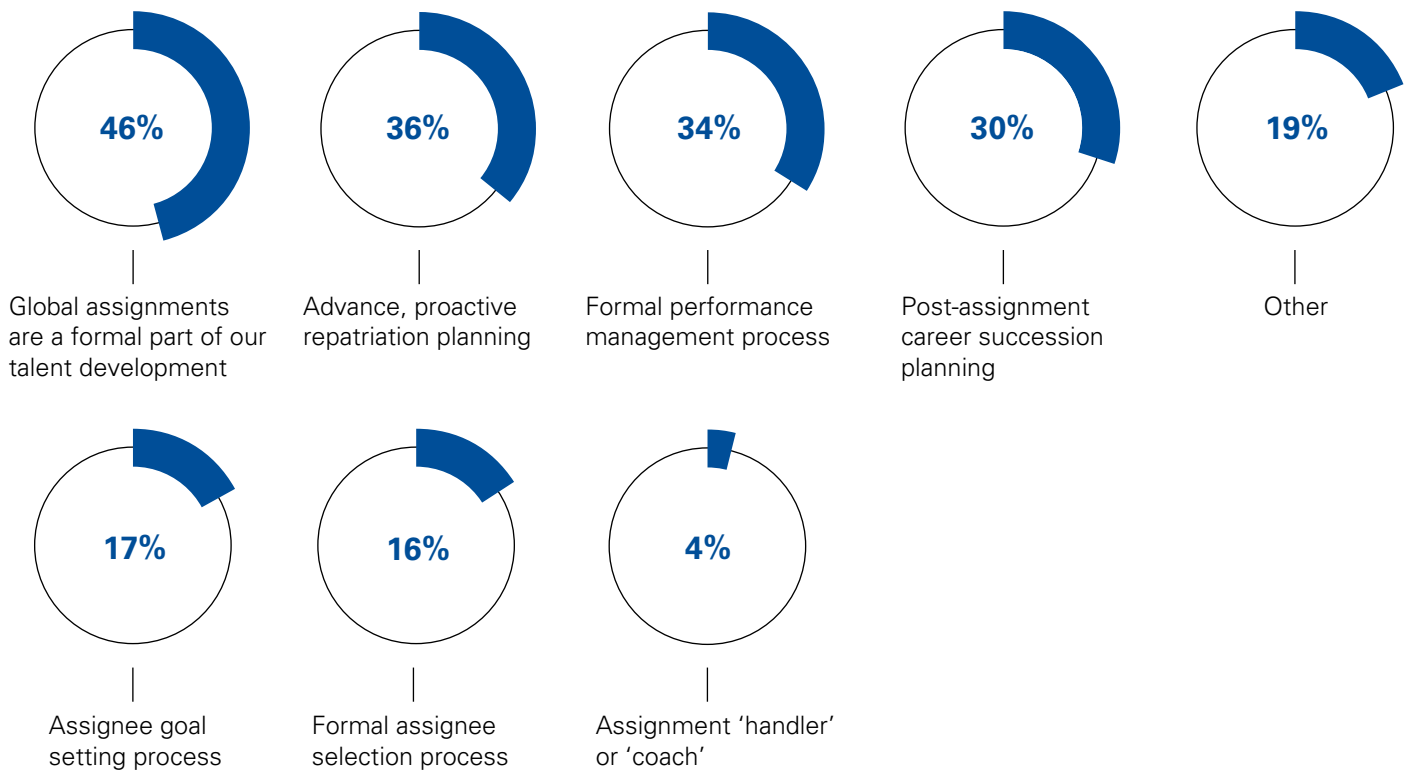
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**Is your global mobility program aligned to the organization's overarching talent management initiatives?**



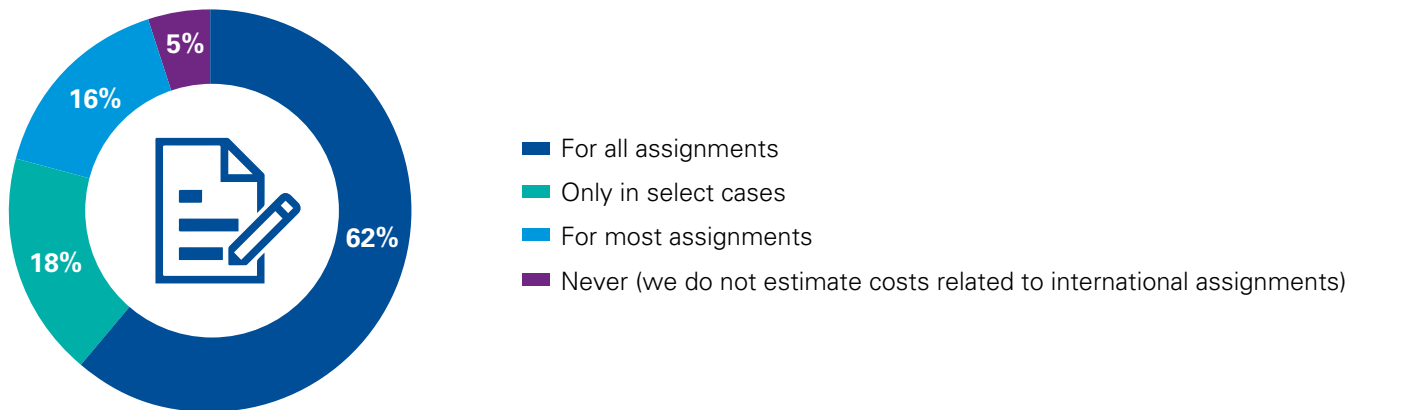
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**If your global mobility program is aligned with the organization's talent management initiatives, which of the following apply to your program? (Select all that apply.)**



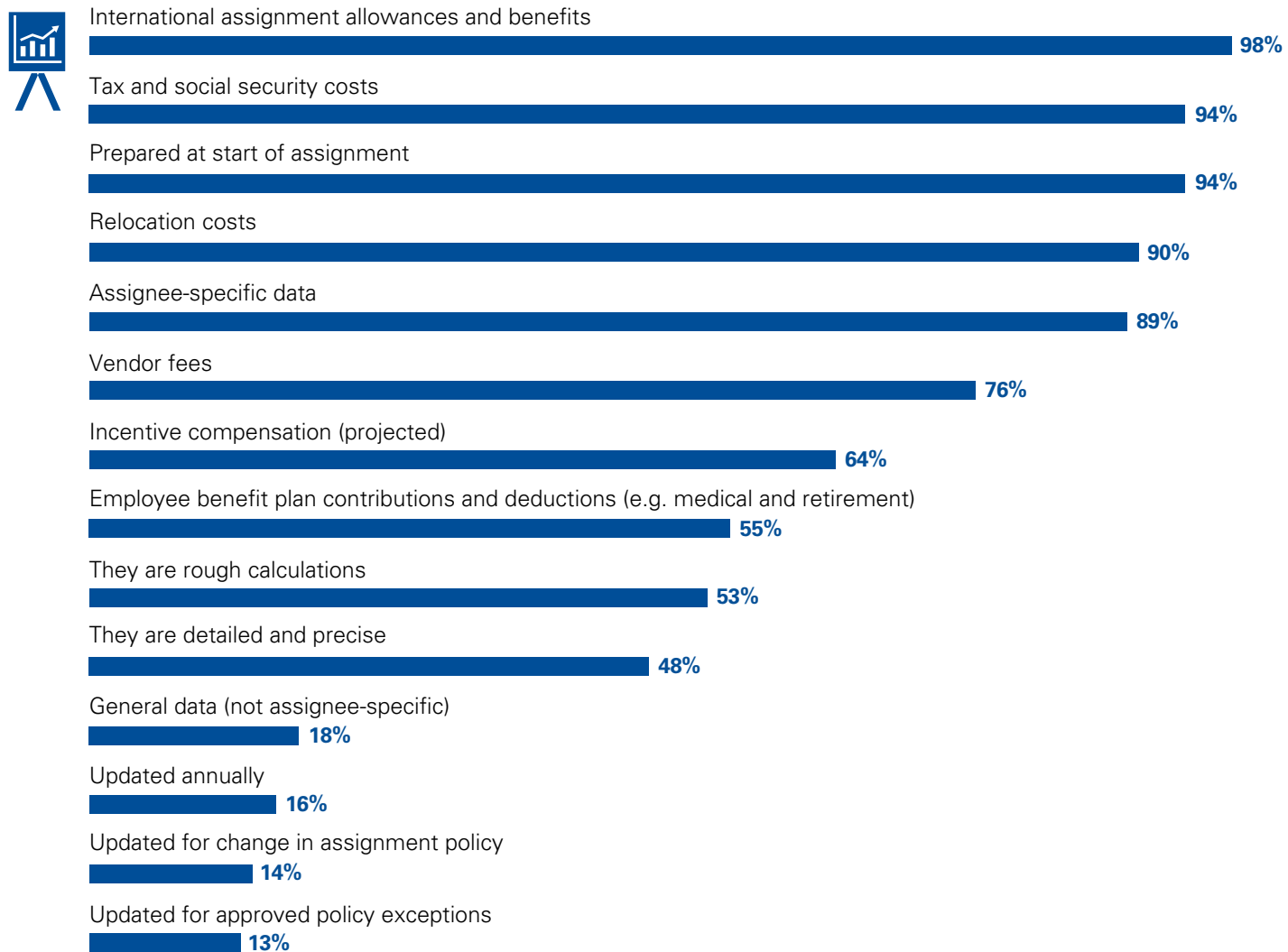
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

### How often do you prepare cost estimates for international assignments?



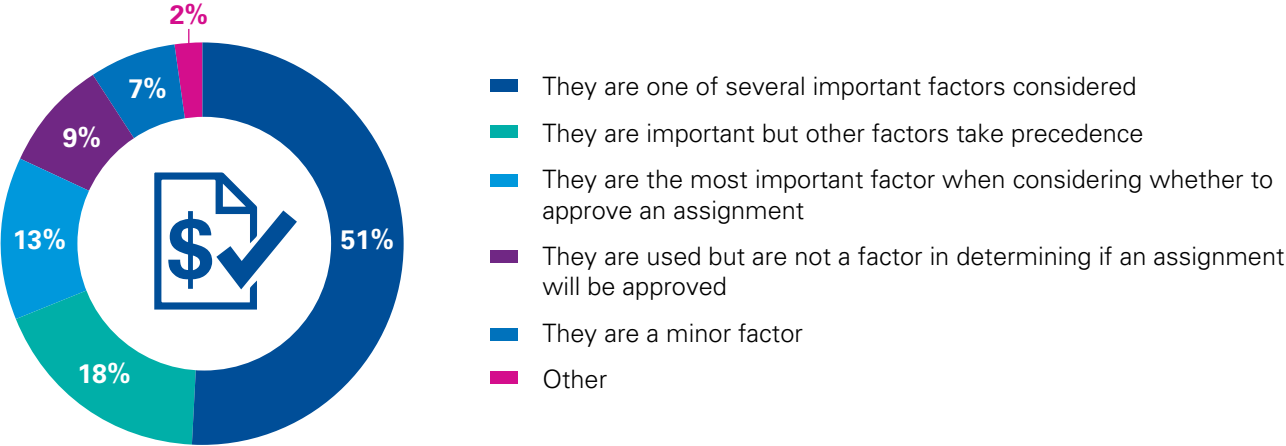
Note: May not total 100% due to rounding.  
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

### Which of the following statements describe your approach to cost estimates? (Select all that apply.)



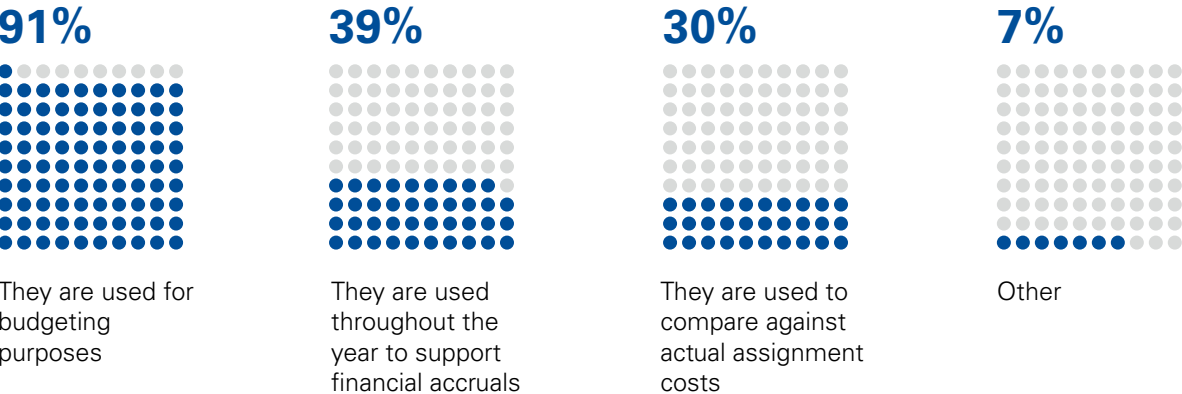
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Which of the following statements best describes the importance of cost estimates in determining whether or not a pending assignment will be approved?



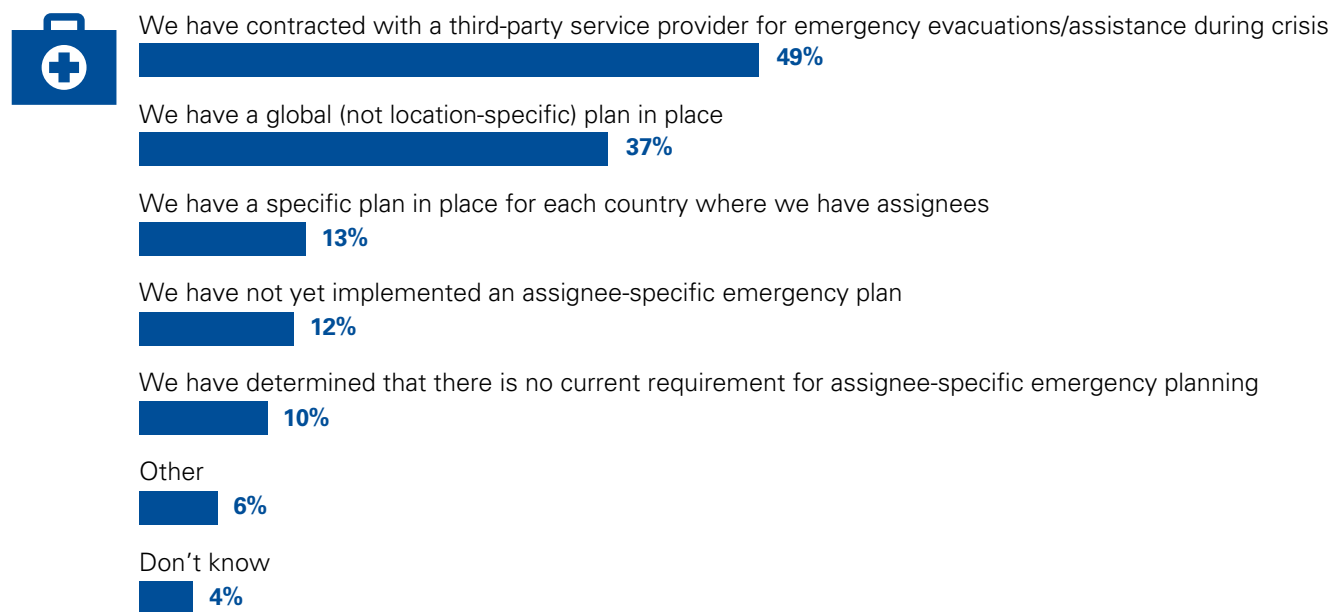
Note: May not total 100% due to rounding.  
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Aside from assignment approval, which of the following statements describe your use of cost estimates?  
(Select all that apply.)



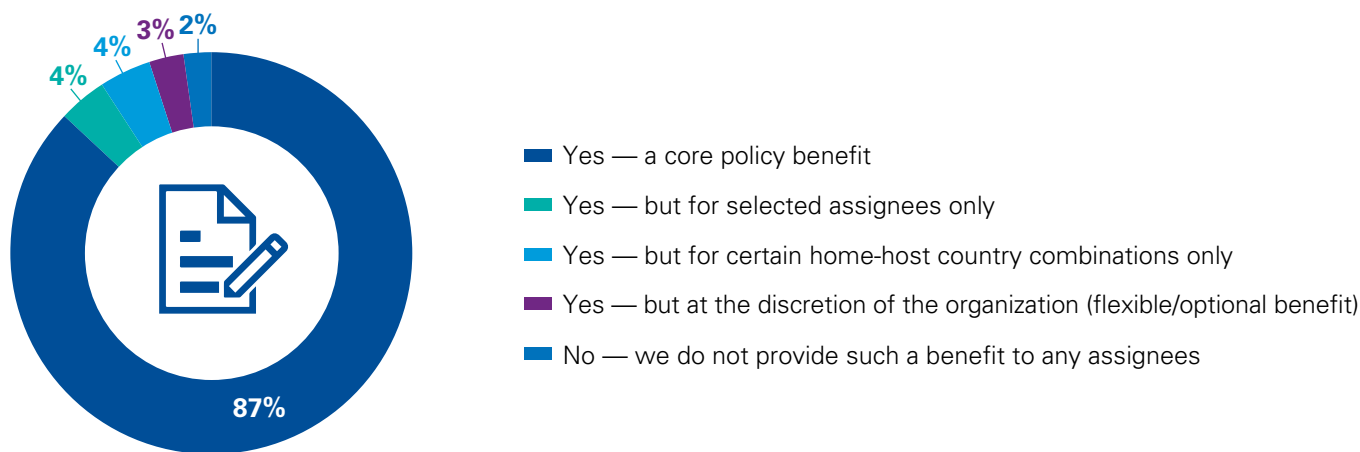
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**Which of the following statements describe your emergency planning for assignees? (Select all that apply.)**



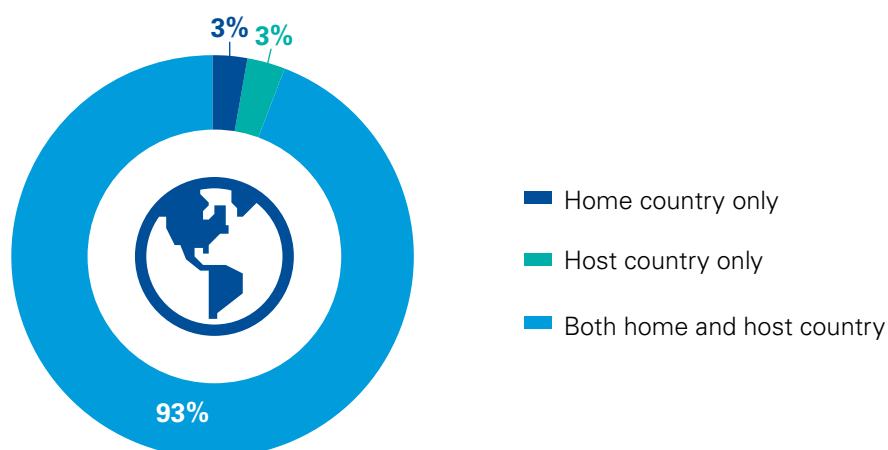
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**Do you provide a tax consultation?**



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

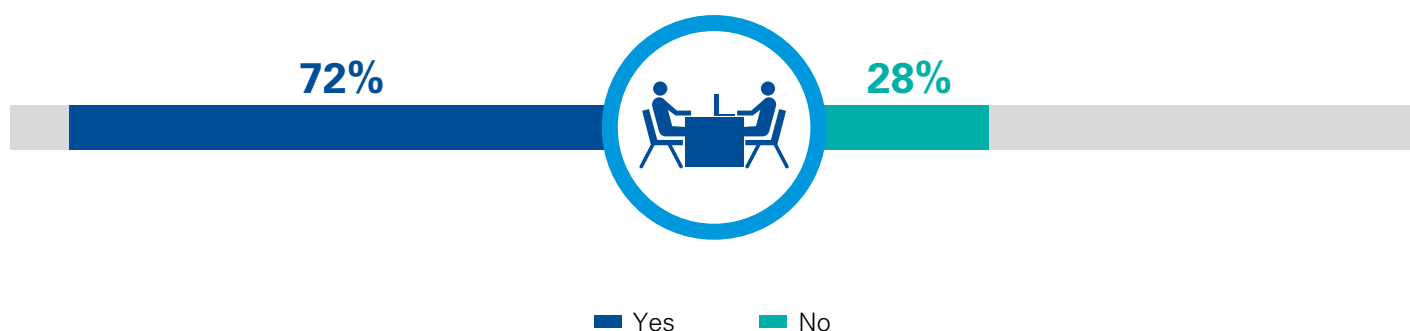
### For which countries do you provide a tax consultation?



Note: May not total 100% due to rounding.

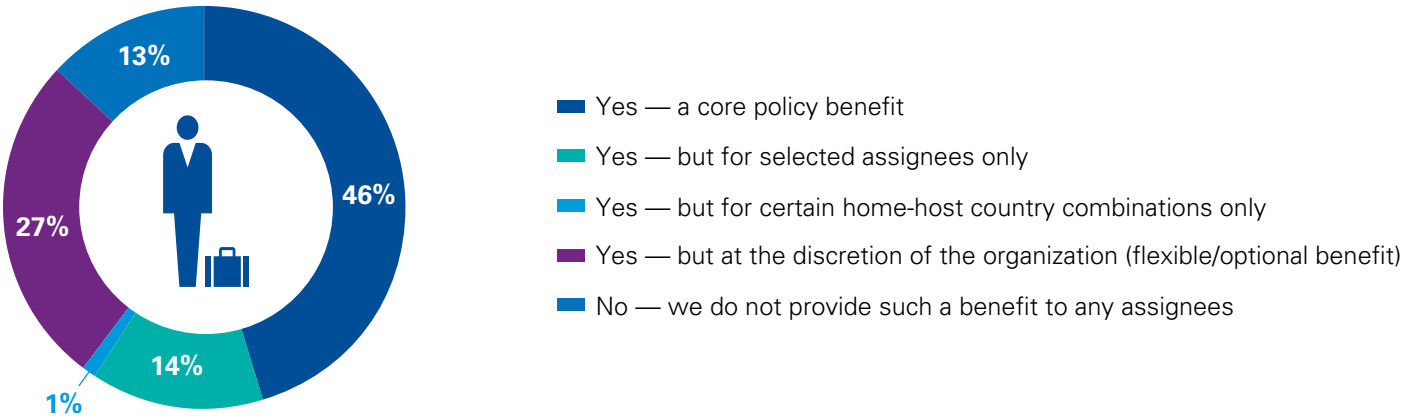
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

### Is the tax consultation mandatory for the assignee?



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

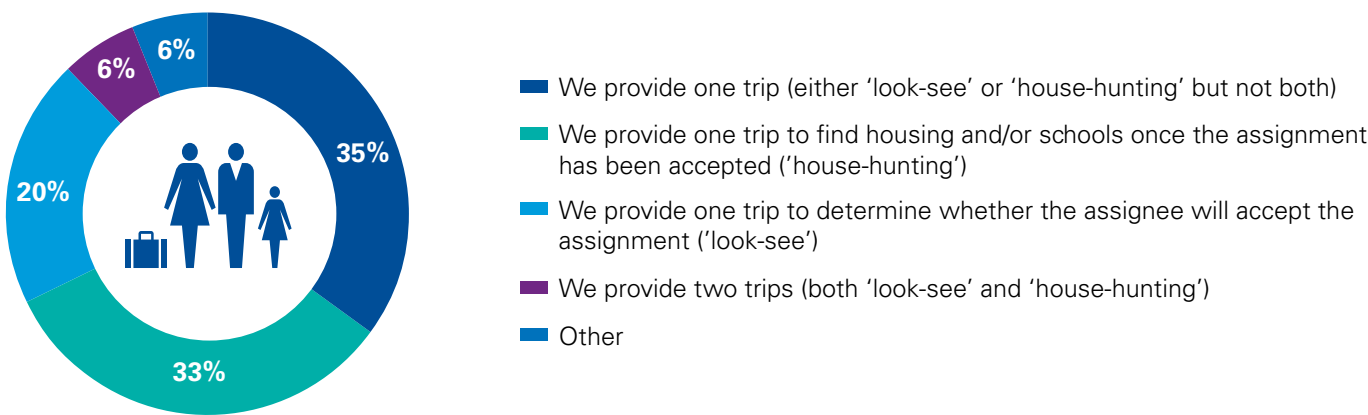
Do you provide a pre-assignment visit?



Note: May not total 100% due to rounding.

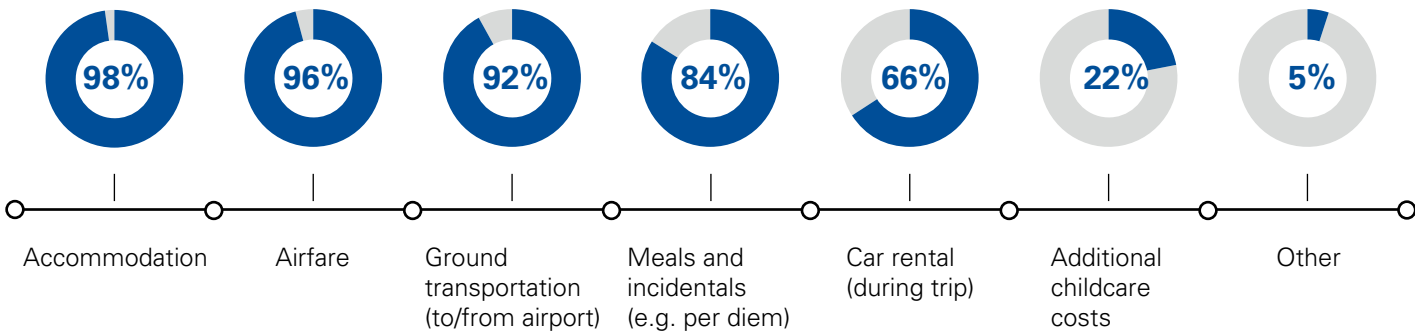
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Which statement best describes your approach to pre-assignment visits?



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

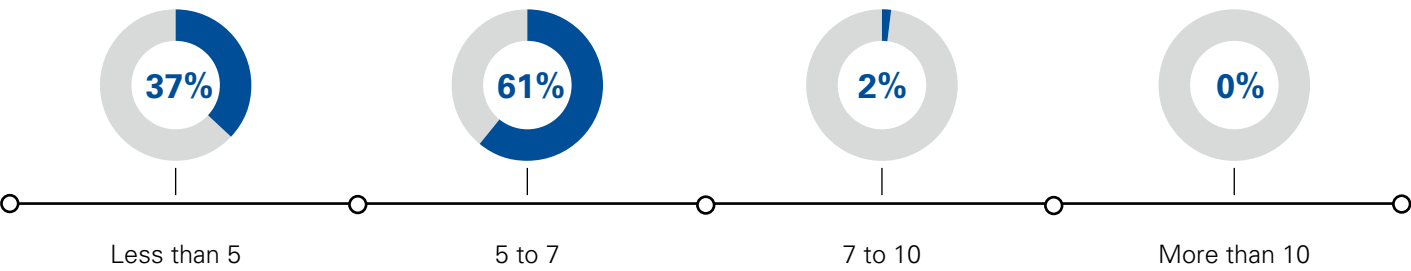
Which pre-assignment trip costs does your organization reimburse? (Select all that apply.)



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

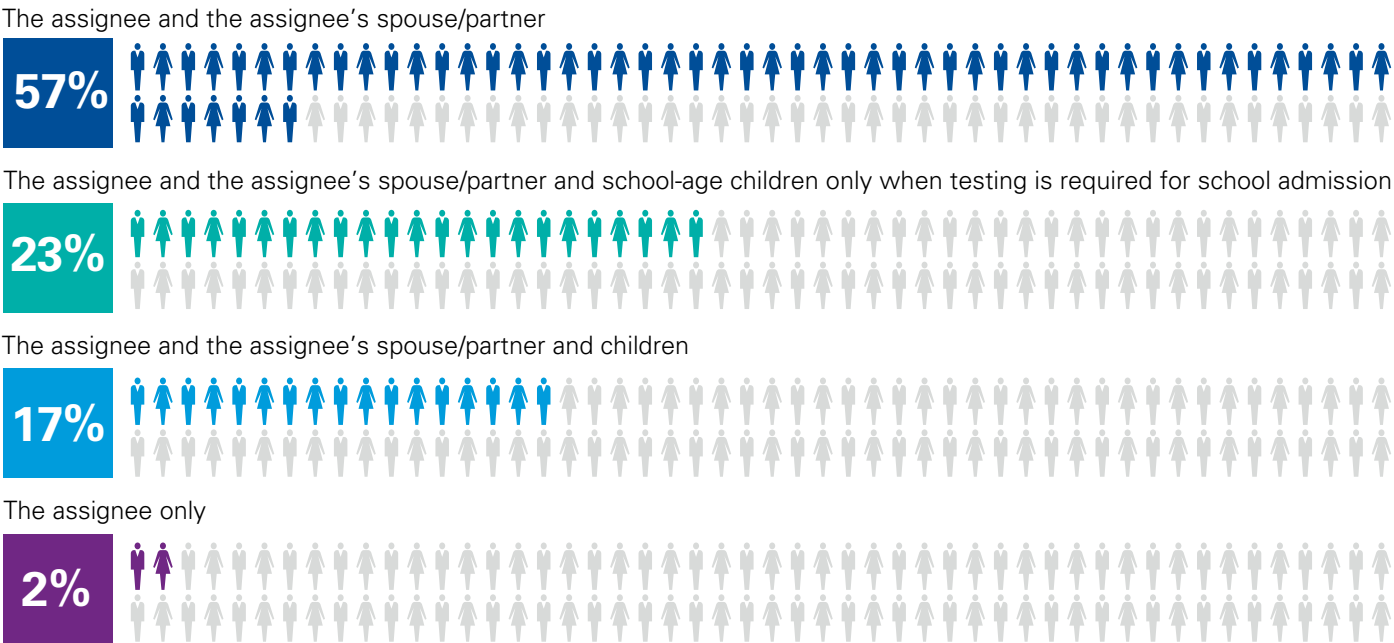


For how many days do you allow pre-assignment visits? (Exclusive of travel days.)



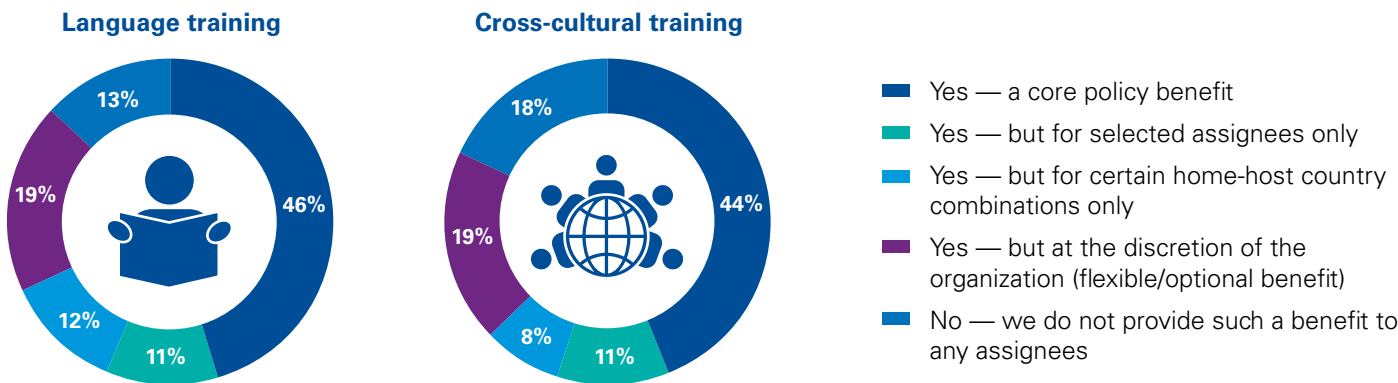
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Who is authorized for a pre-assignment visit to the host country?



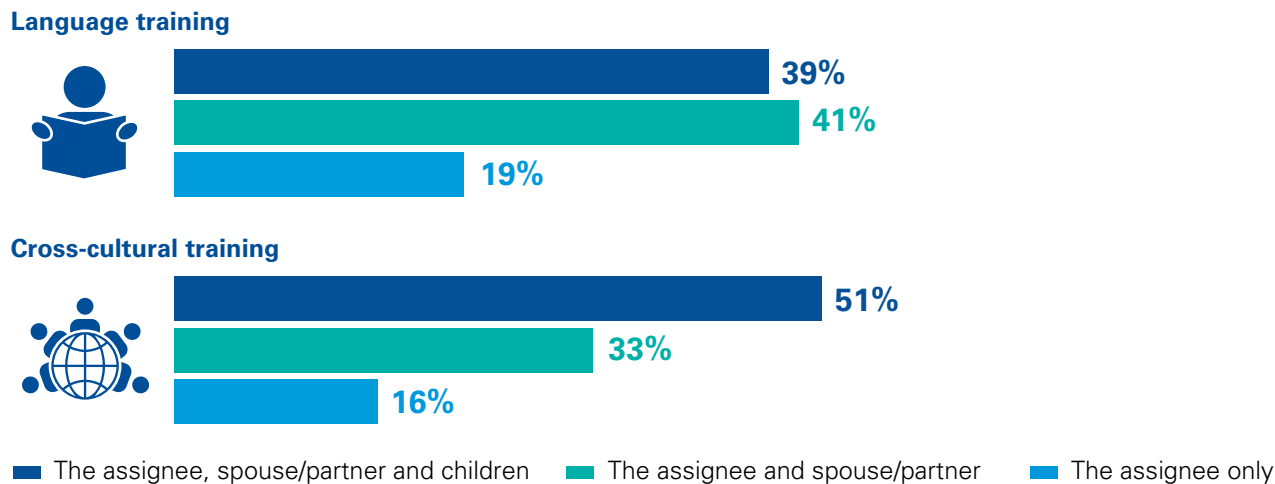
Note: May not total 100% due to rounding.  
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

### Do you provide language/cross-cultural training?



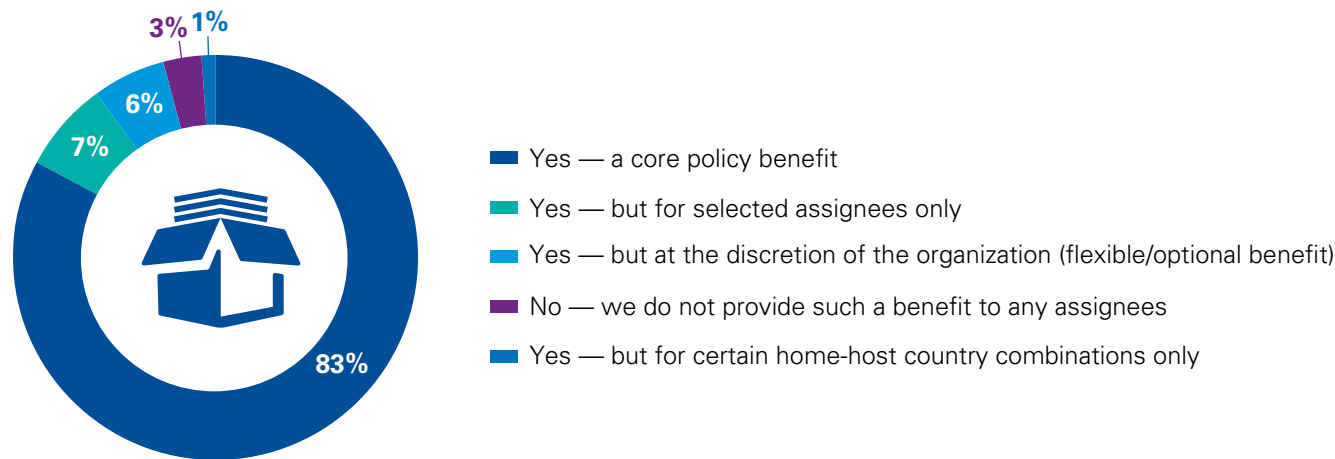
Note: May not total 100% due to rounding.  
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

### To whom do you offer language/cross-cultural training?



Note: May not total 100% due to rounding.  
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

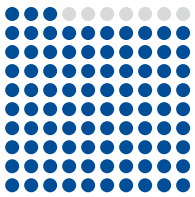
### Do you provide a household goods shipping benefit?



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

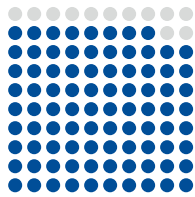
**What shipping costs do you reimburse? (Select all that apply.)**

93%



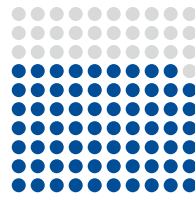
Surface shipment — household goods

88%



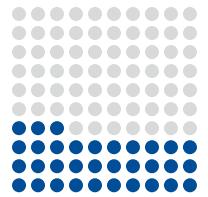
Air shipment — personal goods

69%



Excess baggage (en route)

33%

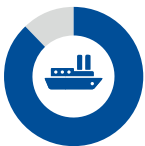


Pet shipment

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**How do you limit shipping costs? (Select all that apply.)**

88%



Total weight/volume limitation

29%



Include a maximum value for insurance

66%



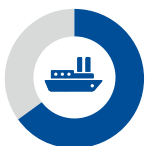
Maintain a list of excluded items

8%



Only provide surface shipment if furnishings cannot be sourced locally (i.e. furnished accommodation, rented, or purchased)

65%



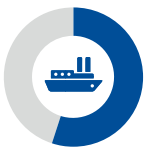
By single vs. family accompanied status

2%



Other

55%



Require the use of designated vendors

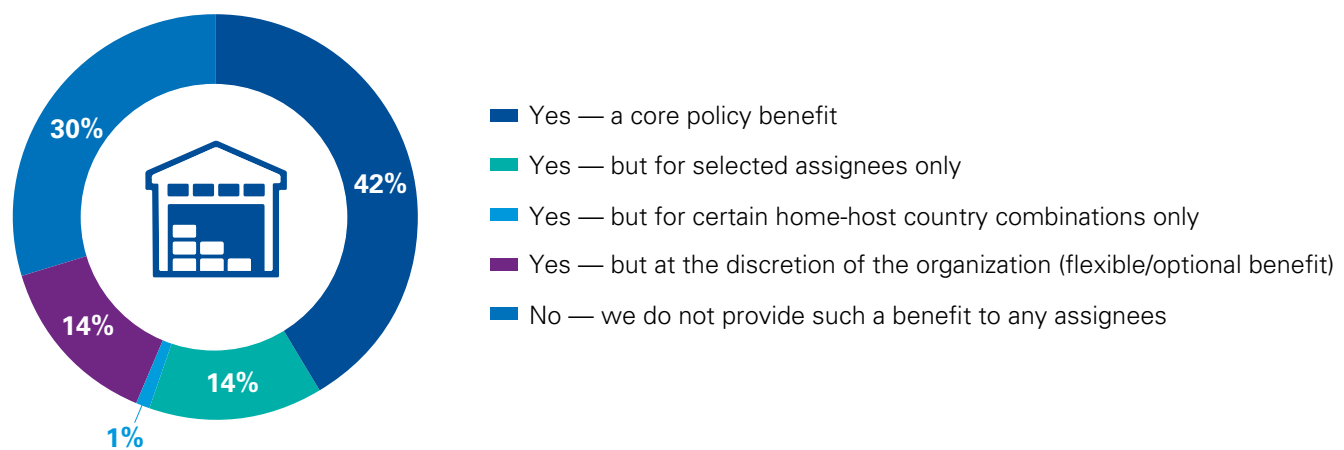
2%



Not applicable (we do not limit shipping costs)

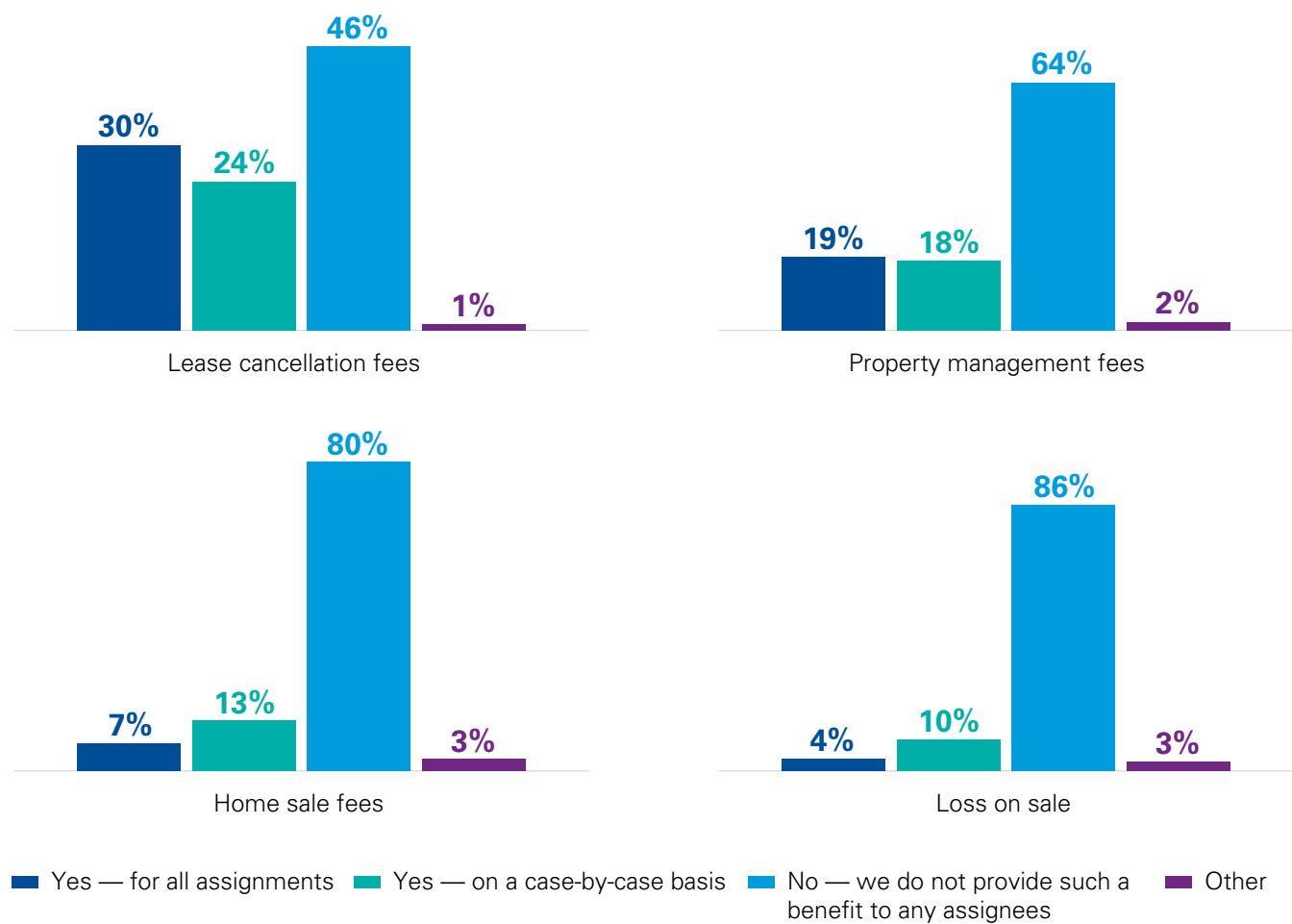
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**Do you provide a home country storage benefit?**



Note: May not total 100% due to rounding.  
 Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

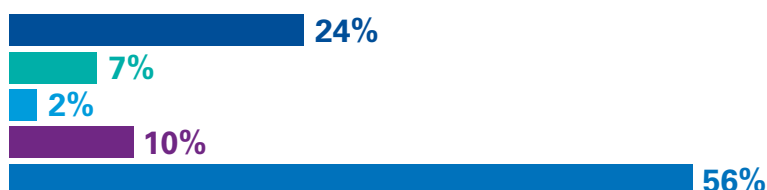
**Which of the below allowances related to home country housing do you provide?**



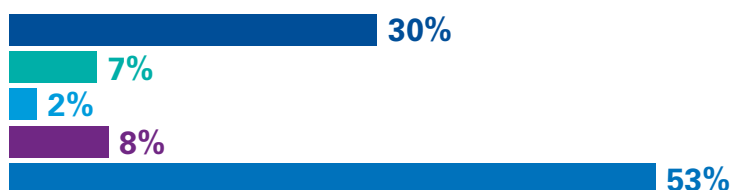
Note: May not total 100% due to rounding.  
 Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

## Which of the below allowances related to home country cars do you provide?

## Lease cancellation fees



## Loss on sale



## Shipment costs to the host country



## Home country storage fees

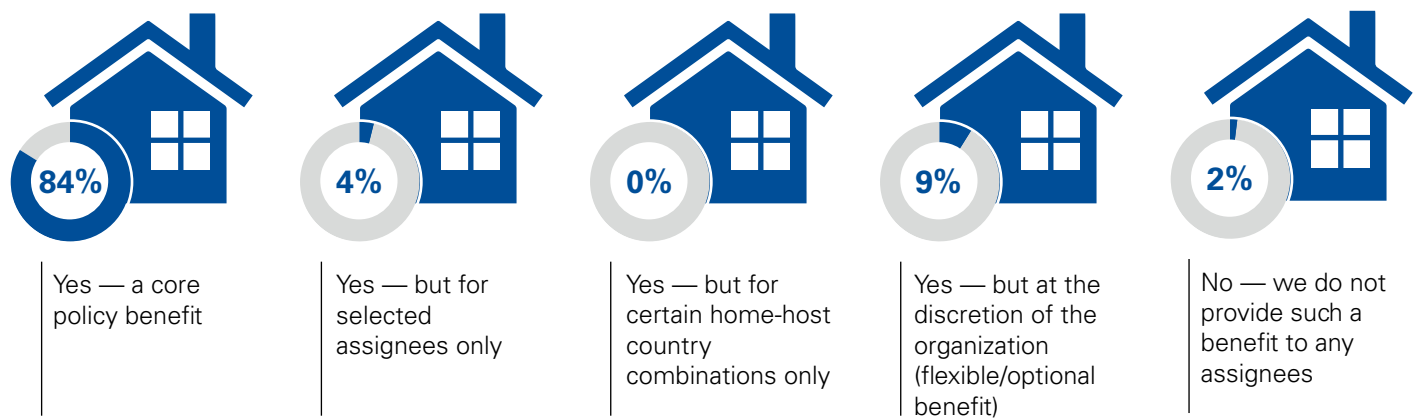


- Yes — a core benefit
- Yes — but for selected assignees only
- Yes — but for certain home-host country combinations only
- Yes — but at the discretion of the organization (flexible/optional benefit)
- No — we do not provide such a benefit to any assignees

Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

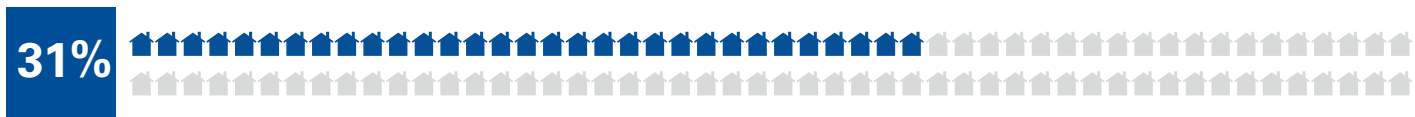
Do you provide temporary living?



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Where do you offer temporary living assistance?

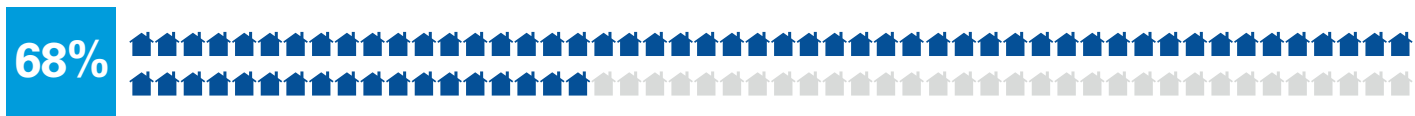
In the host country only



In the home country only



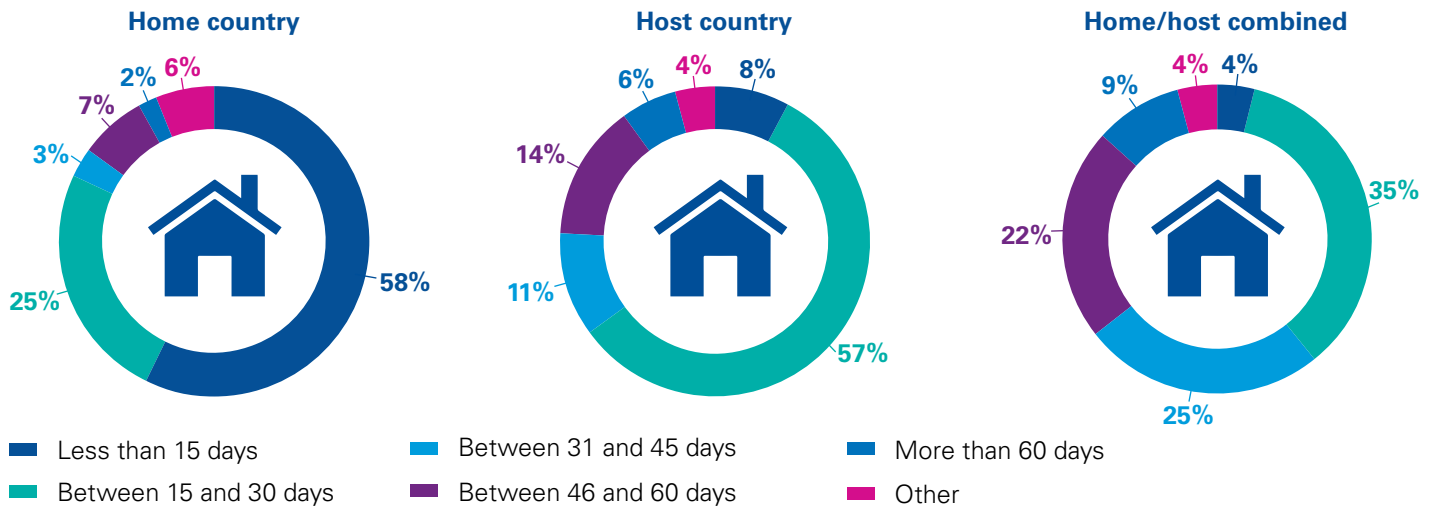
In both the host and home countries



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

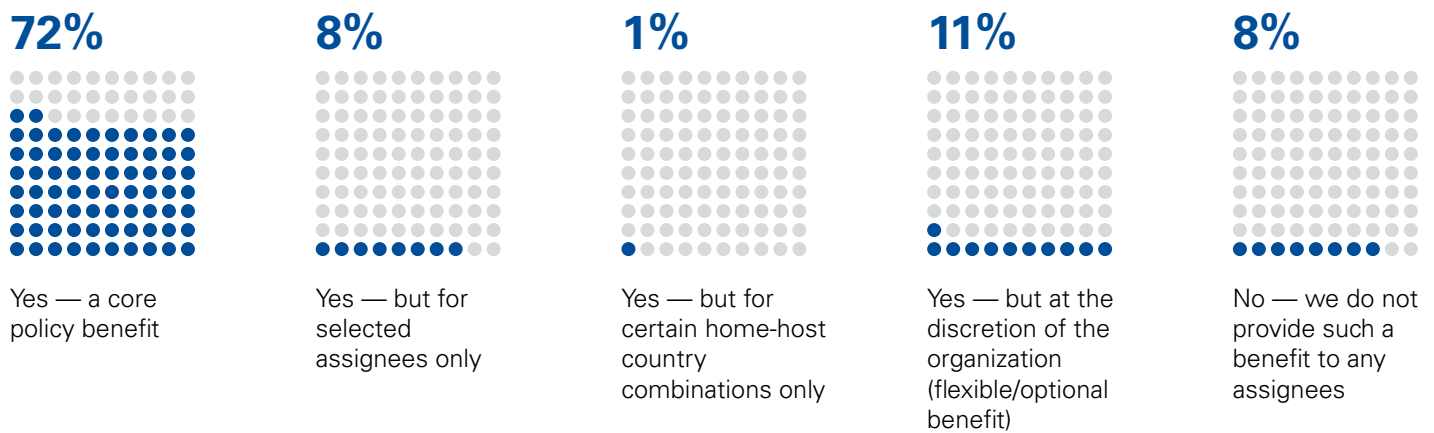
### For how many days do you provide temporary living assistance?



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

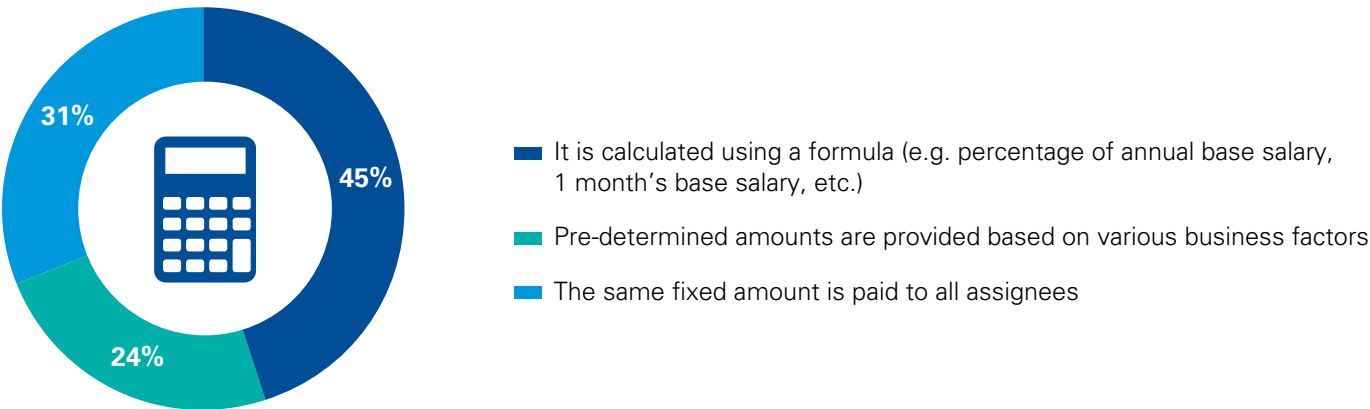
### Do you provide a miscellaneous relocation allowance (or equivalent)?



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

How is the amount of the miscellaneous relocation allowance calculated?



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

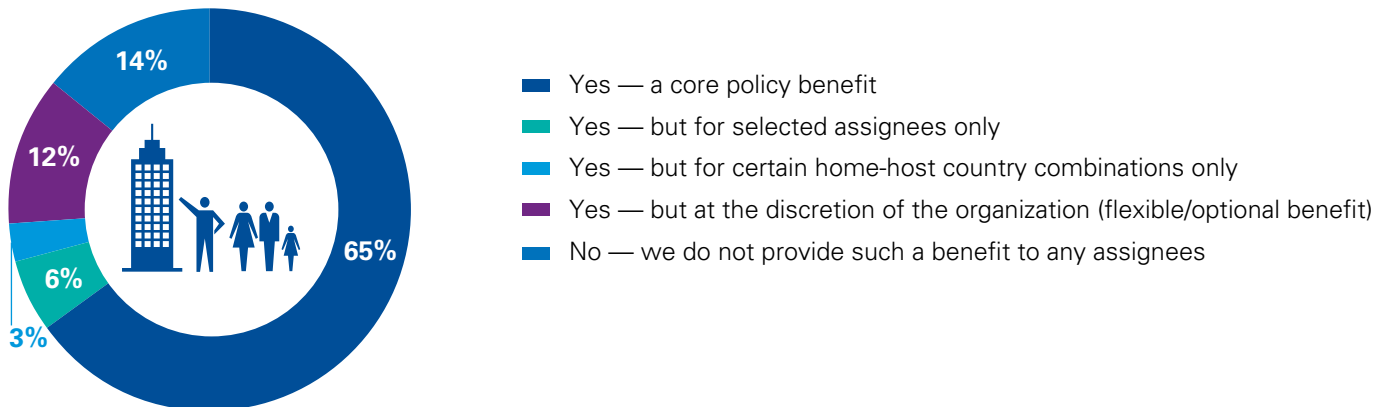
What is the annual base salary cap or limit when you calculate the miscellaneous relocation allowance (in USD)?



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

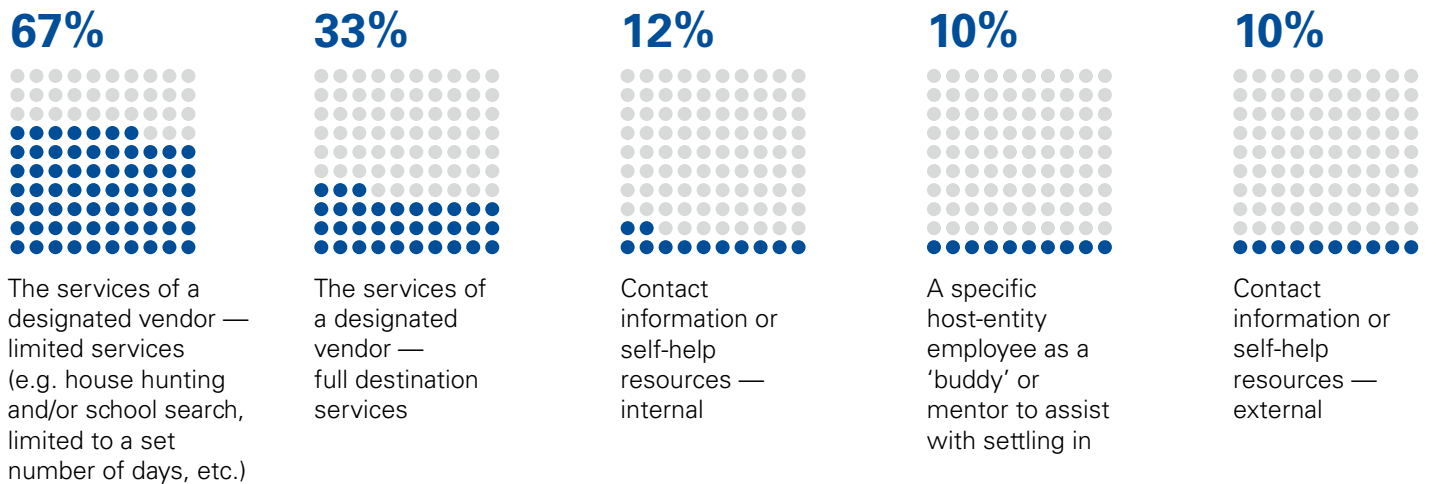


## Do you provide destination services?



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

## What destination services do you provide in the host location? (Select all that apply.)



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

# During assignment



The use of legacy mobility incentive premiums continues to decrease in popularity. However, there are differences within regions with only 34 percent of organizations headquartered in North America and 45 percent of organizations headquartered in Europe providing such a benefit to their assignees. Asia-headquartered organizations were an outlier with 63 percent still offering a mobility premium.

In contrast, a cost of living allowance/goods & services (COLA/G&S) differential allowance is provided as a core policy benefit for 69 percent of participants. In calculating the COLA, survey participants tend to rely on the popular 'standard' and 'efficient purchaser' indices (EPI) (54 percent and 46 percent, respectively). KPMG has observed an increase in the use of the EPI index over the last decade. The use of limited/capped COLA amounts appears to be steadily increasing, as organizations look for opportunities to reduce program costs while still providing the allowance to assignees. Negative COLA practices remain less common, with only 12 percent of organizations implementing this type of approach under policy, versus 81 percent of organizations who do not collect a negative COLA at all. The majority of survey participants (72 percent) pay hardship and danger premiums, relying primarily on government or outside third-party data providers for determining hardship/danger locations and allowance amount determinations.

Overall, the majority of survey participants discourage the purchase of housing in the host country (74 percent). If a purchase occurs, survey participants have mixed opinions on how to respond: 53 percent will discontinue housing assistance but 25 percent will continue the housing allowance at the same rate as if the assignee were still renting.

Organizations are generally requiring assignees to return to their home country during home leave (65 percent) but some are still allowing assignees to go wherever they want when on home leave (27 percent); however, organizations tend to be aligned on the amount of home leave trips offered per year of assignment (69 percent provide one trip per year). KPMG has also noticed that many

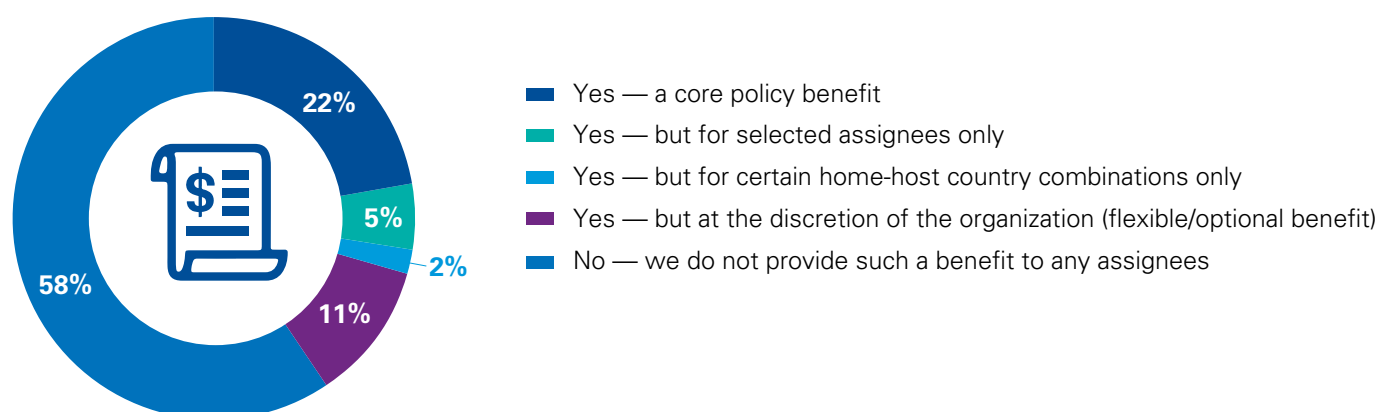
*(Continued)*

organizations have moved to providing a lump sum annual travel payment to minimize program administration, which allows greater flexibility in the use of an annual home leave travel budget for assignees while also aligning the home leave travel benefit with their business travel policy.

Many organizations that offer incentives for assignees to accept international work opportunities extend these benefits to dual-career couples and their dependent/accompanying children. Benefits for the children of assignees in primary and/or secondary school are almost

universal — 97 percent offer some form of benefit. However, a smaller proportion (68 percent) offer benefits to children in pre-school typically covering the cost if pre-school is customary in home or host country locations. Only 20 percent offer benefits for tertiary education levels. Spousal/partner assistance is offered, in some capacity, for 66 percent of participants, most commonly in the form of either work visa assistance in the host country or an allowance that must be used for designated expenses, including work visa assistance, education and/or job search assistance.

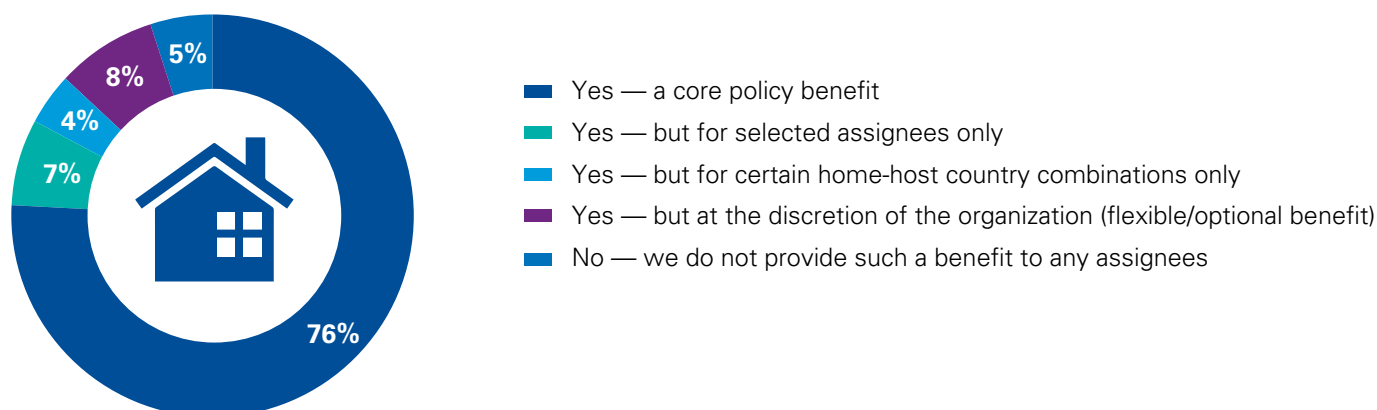
### Do you provide a mobility premium (or equivalent)?



Note: May not total 100% due to rounding.

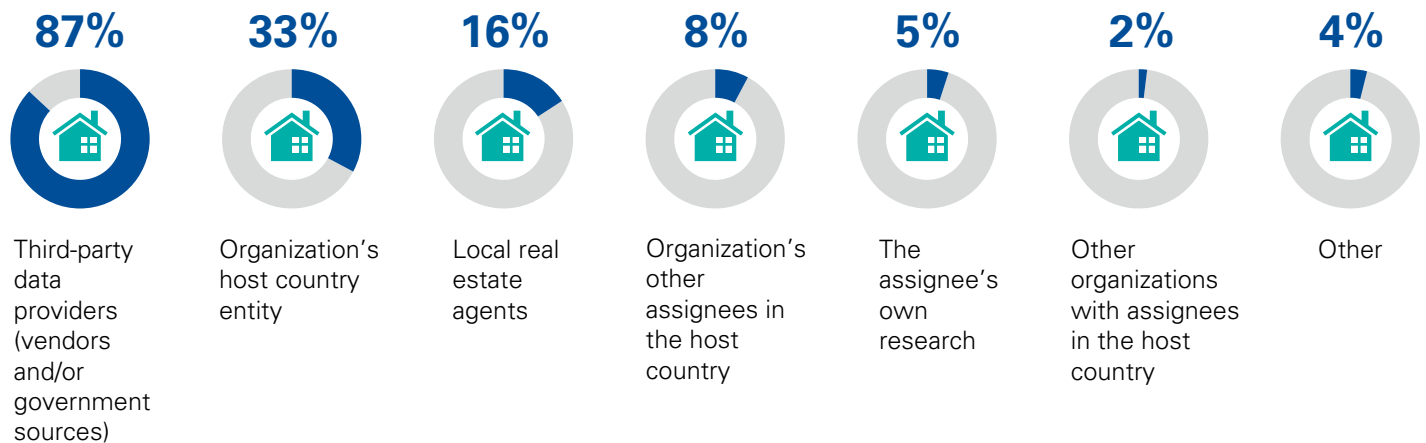
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

### Do you provide host country housing?



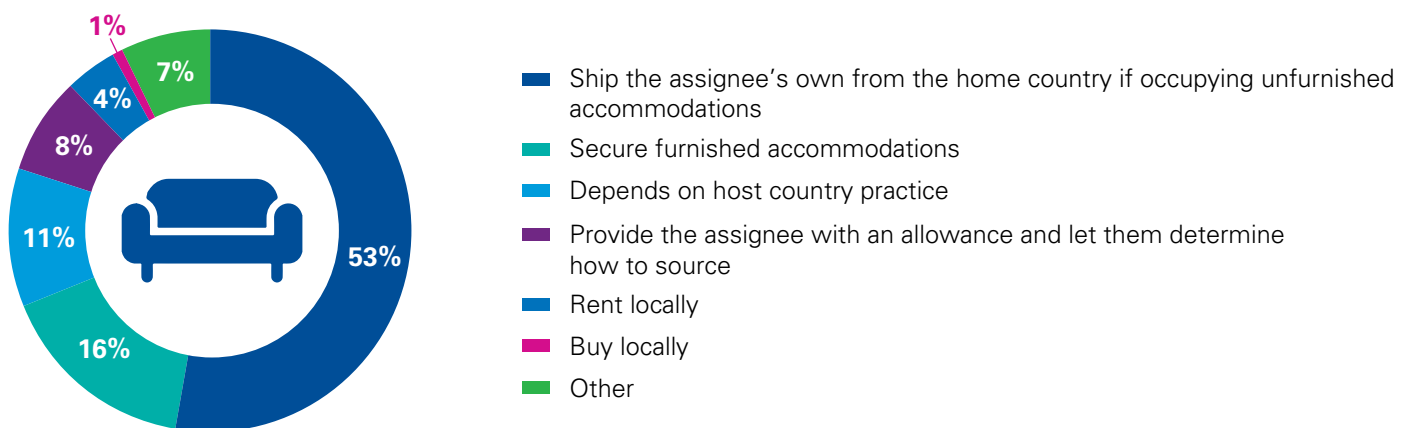
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

### From where do you obtain information to determine the amount for host-country housing? (Select all that apply.)



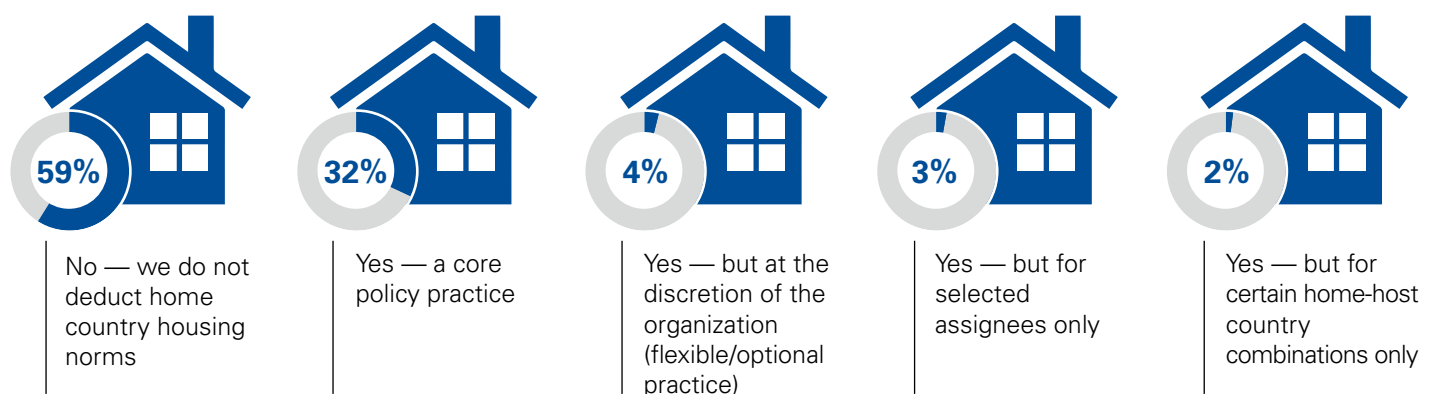
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

### How do you provide host-country furnishings?



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

### Do you deduct a home country housing norm?



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**Which of the following statements reflects your policy toward the purchase of housing by assignees in the host country?**

Assignees are discouraged



Assignees are neither discouraged nor encouraged



Assignees are encouraged



Other



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**If the assignee purchases housing in the host country, what action do you take? (Select all that apply.)**



Host housing assistance is discontinued



Housing allowance continues at the same rate as if he or she were renting



Home country housing norm is waived



Housing allowance continues at a lower rate



Purchase expenses are reimbursed



When assignee is leaving the host location, sale expenses are reimbursed



Loss on sale is partially or entirely reimbursed



Tax costs of sale are reimbursed (e.g. capital gains, mortgage exchange rate gains)

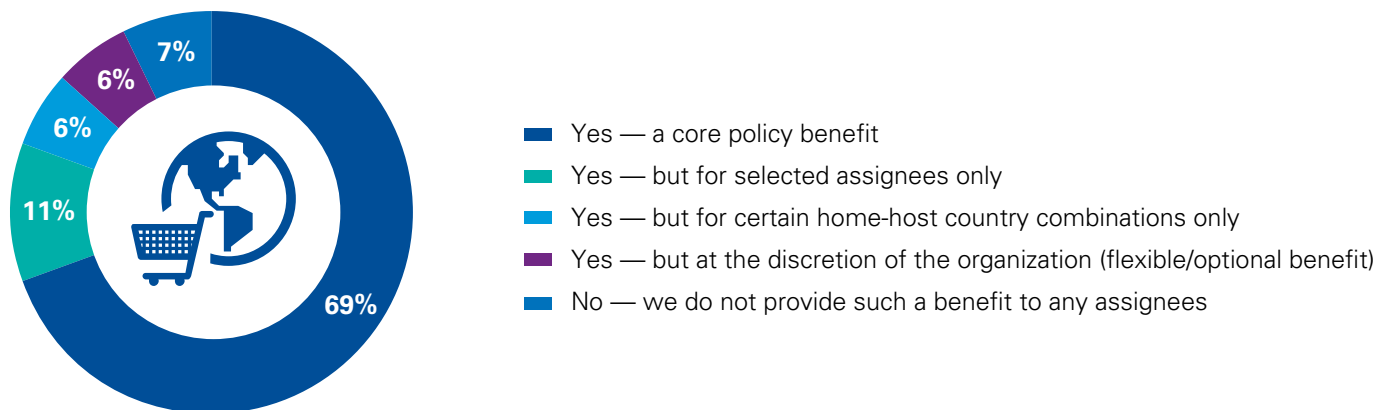


Other



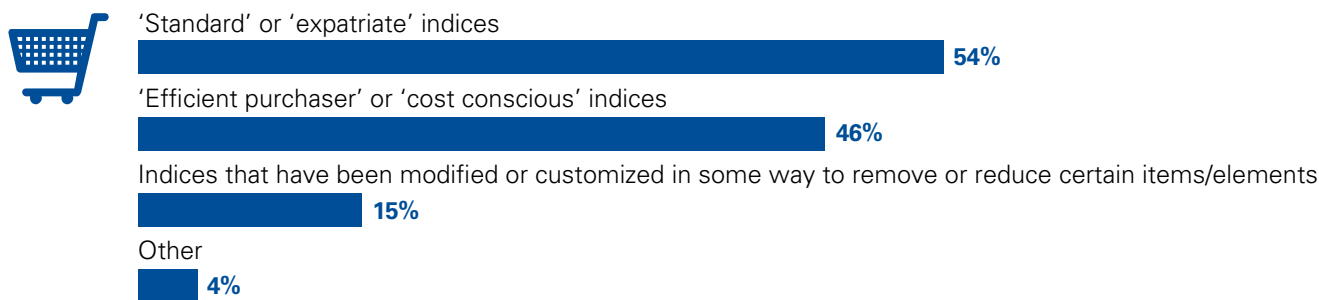
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Do you provide a cost of living allowance/goods & services (COLA/G&S) differential or equivalent?



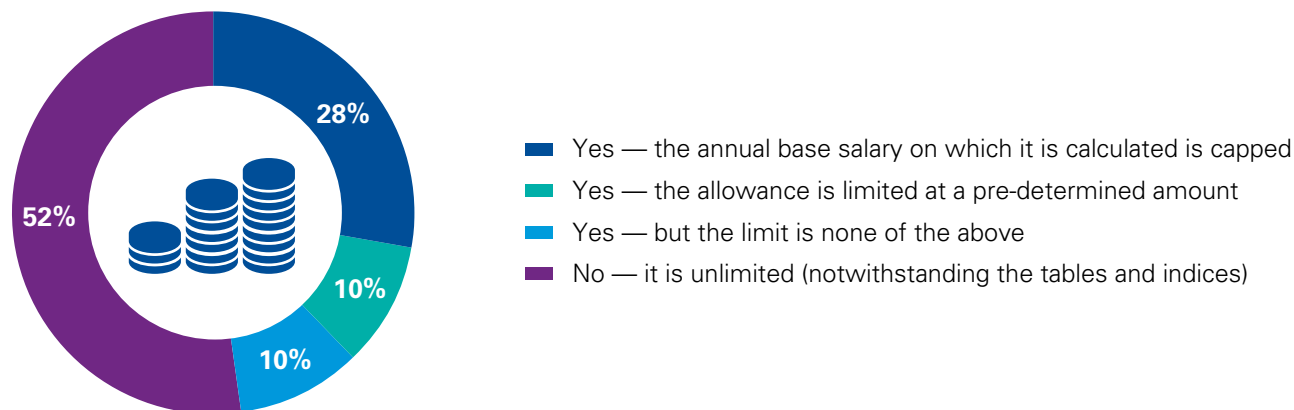
Note: May not total 100% due to rounding.  
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Of which of the following types of cost of living/goods & services indices does your standard policy make use? (Select all that apply.)



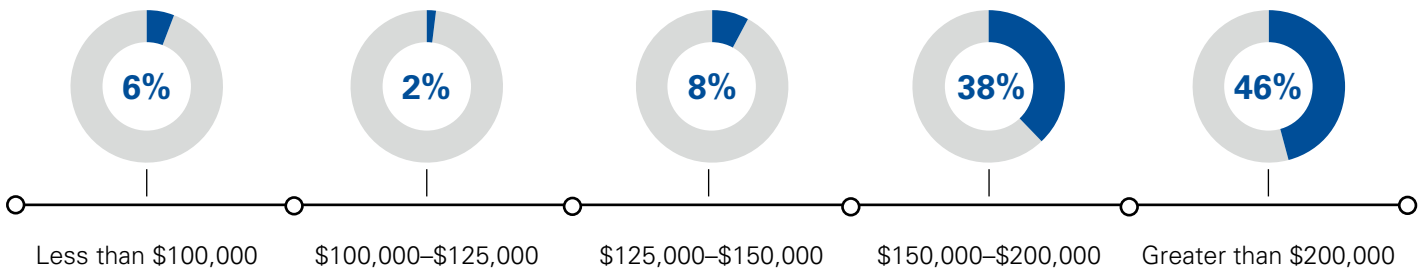
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Do you cap or limit the amount of COLA/G&S?



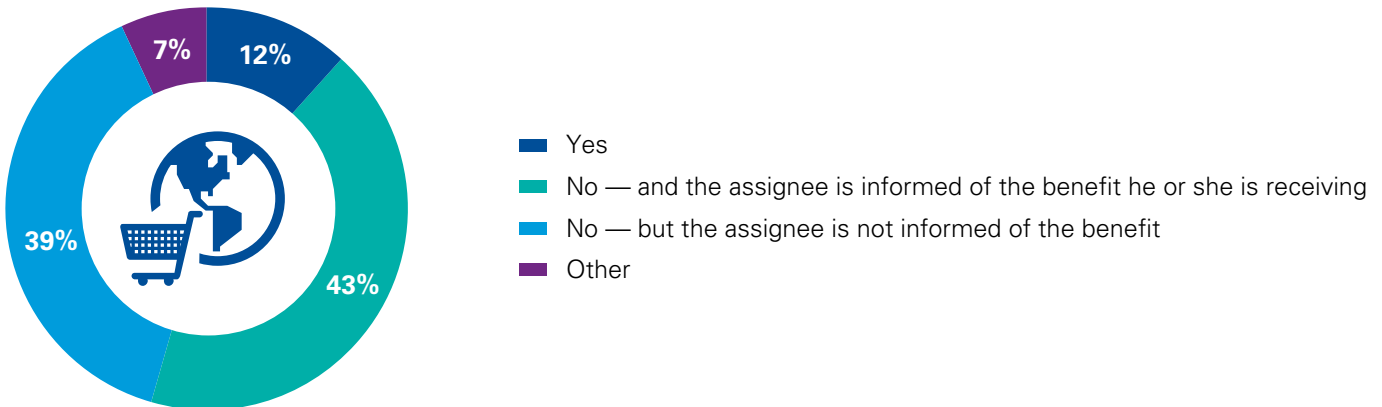
Note: May not total 100% due to rounding.  
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**What is the annual base salary cap or limit when you calculate the COLA/G&S (in USD)?**



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**If the cost of living in the host country is determined to be lower than that of the home country, do you implement a negative COLA/G&S?**



Note: May not total 100% due to rounding.

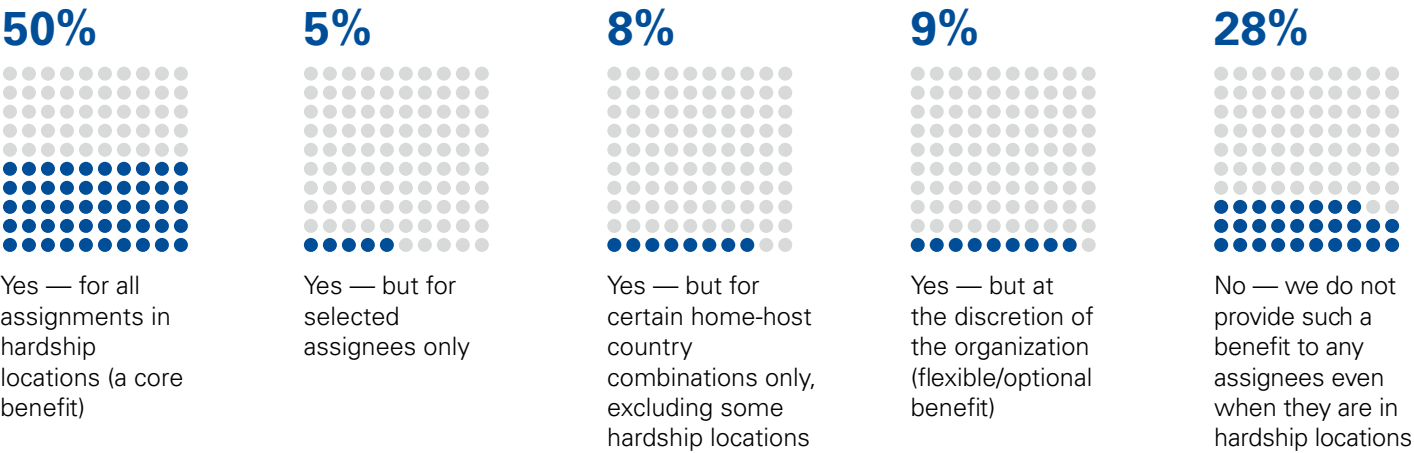
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

When do you update the COLA/G&S during the assignment? (Select all that apply.)



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

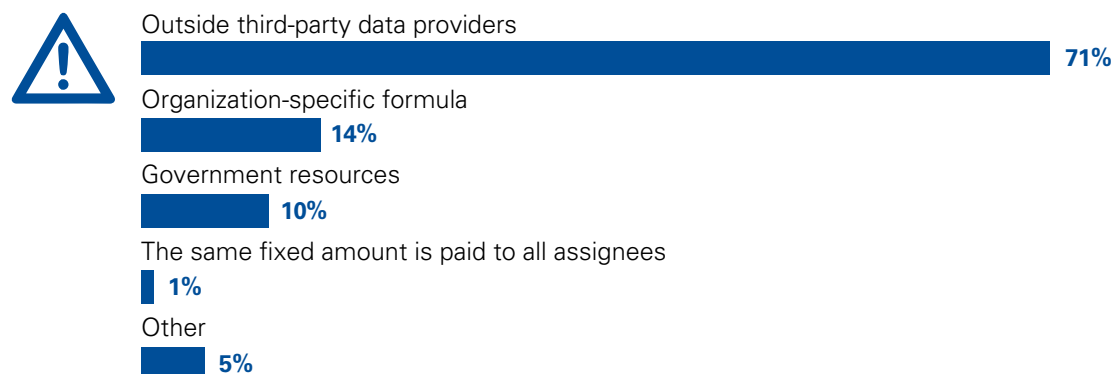
Do you provide a hardship/danger premium?



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.



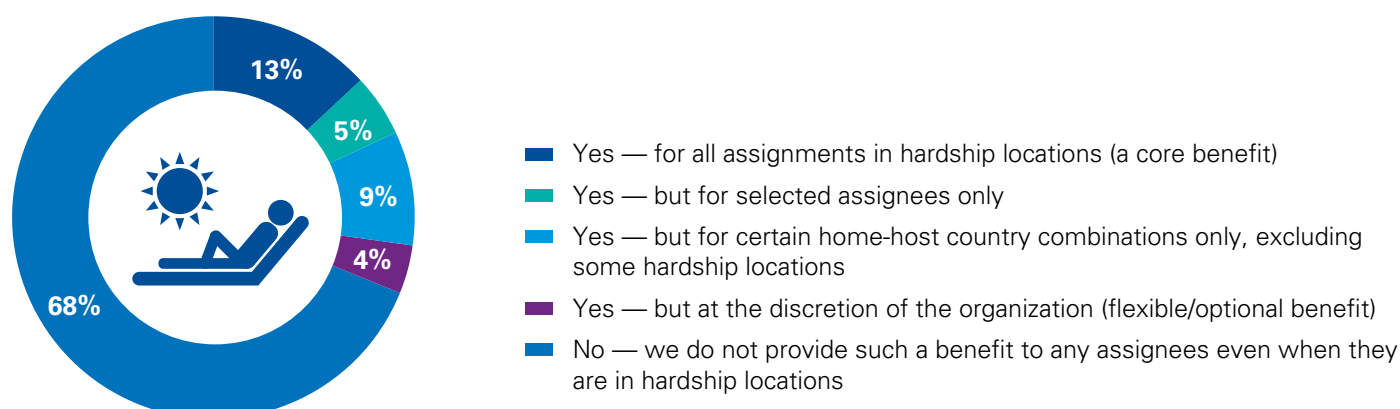
## How is the amount of the hardship/danger premium calculated?



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

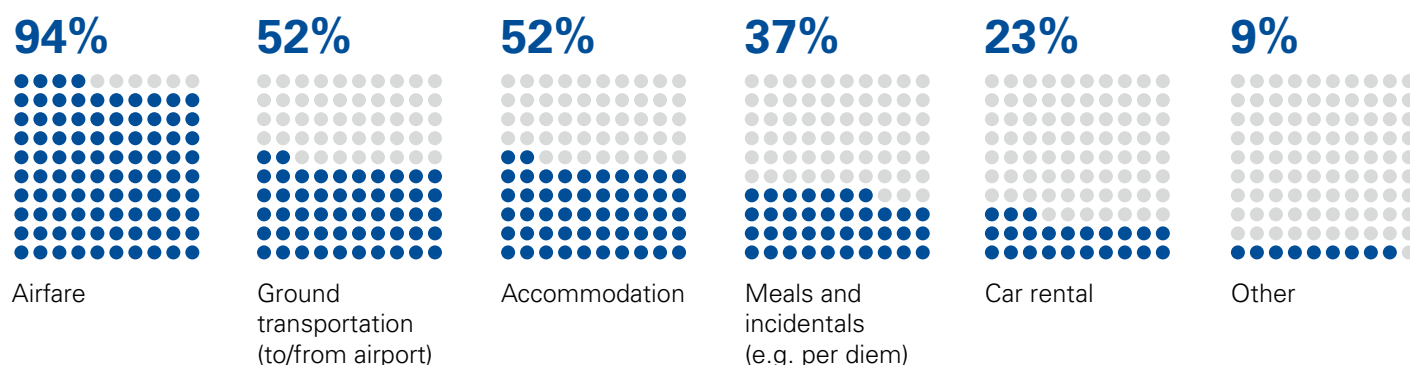
## Do you provide rest and relaxation (R&R) trips?



Note: May not total 100% due to rounding.

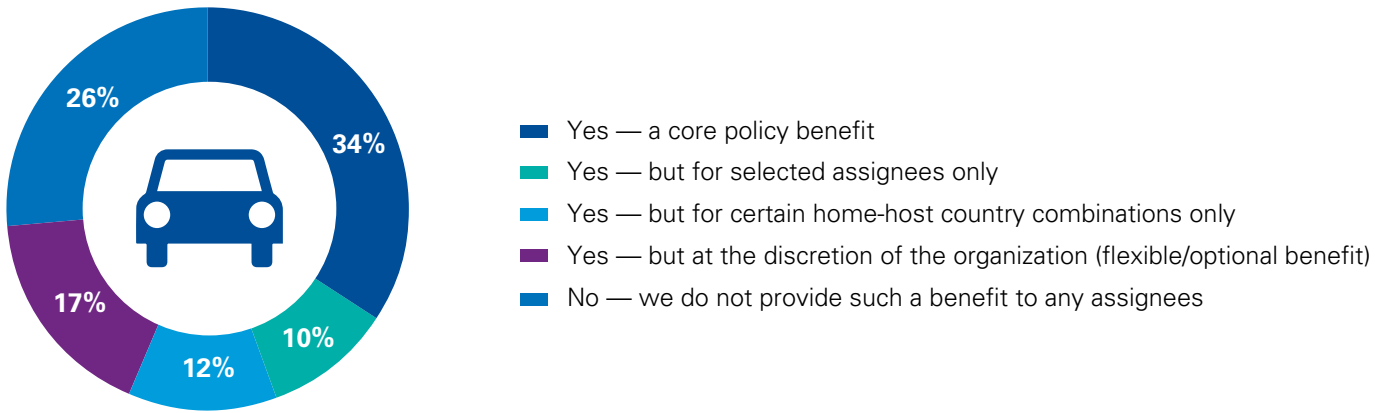
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

## Which R&R trip costs does your organization reimburse? (Select all that apply.)



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

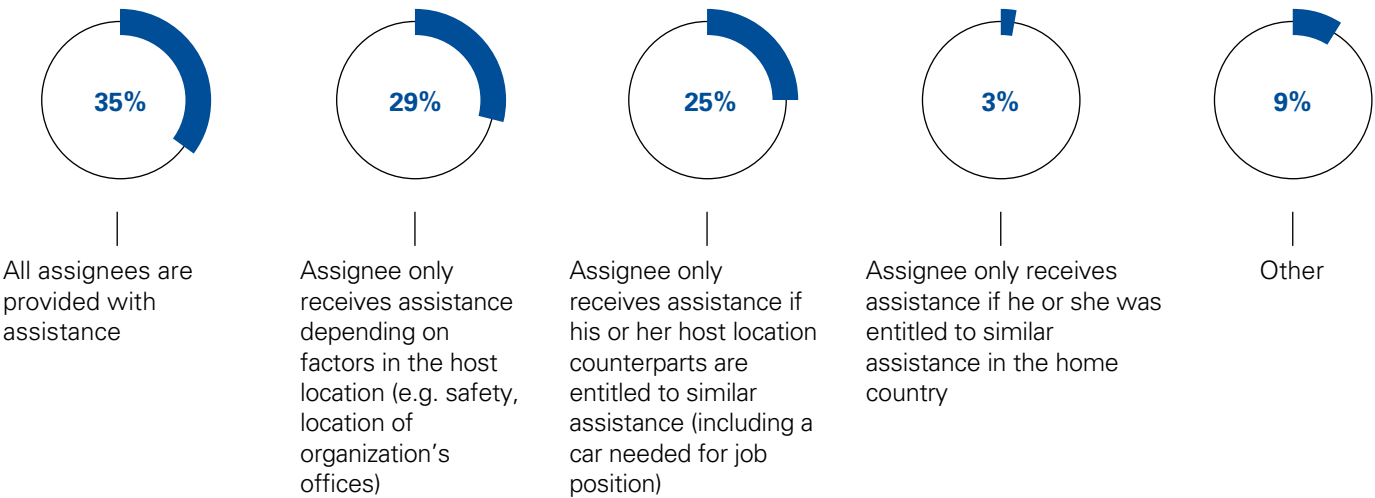
Do you provide a host-country transportation benefit to assignees (excluding what is provided as part of your cost of living allowance)?



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

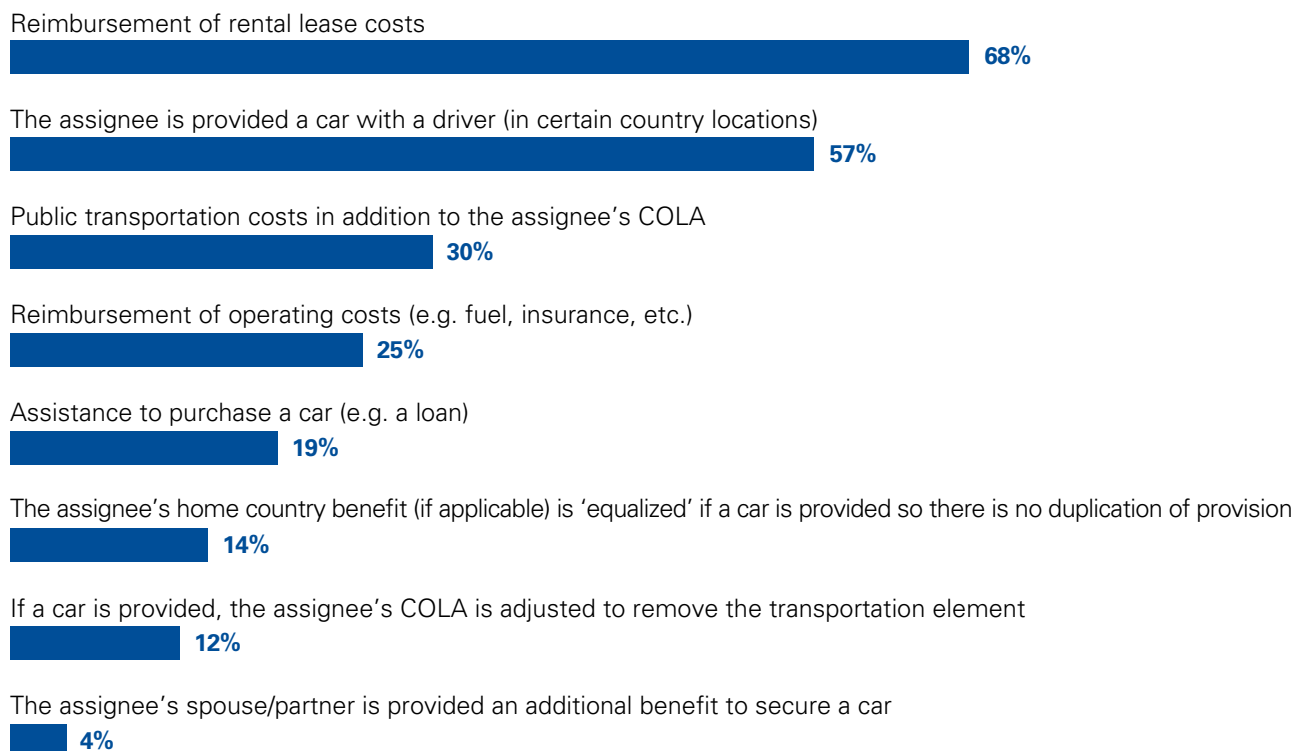
Under what circumstances do you provide a host-country transportation benefit (excluding what is included in cost of living market basket)?



Note: May not total 100% due to rounding.

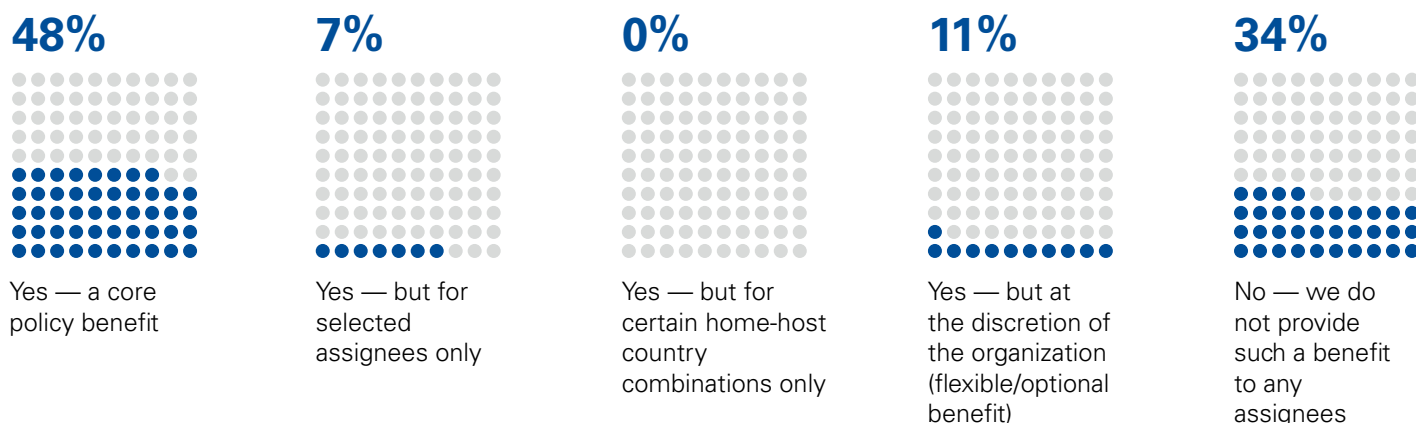
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

## What type of host-country transportation benefit do you provide? (Select all that apply.)



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

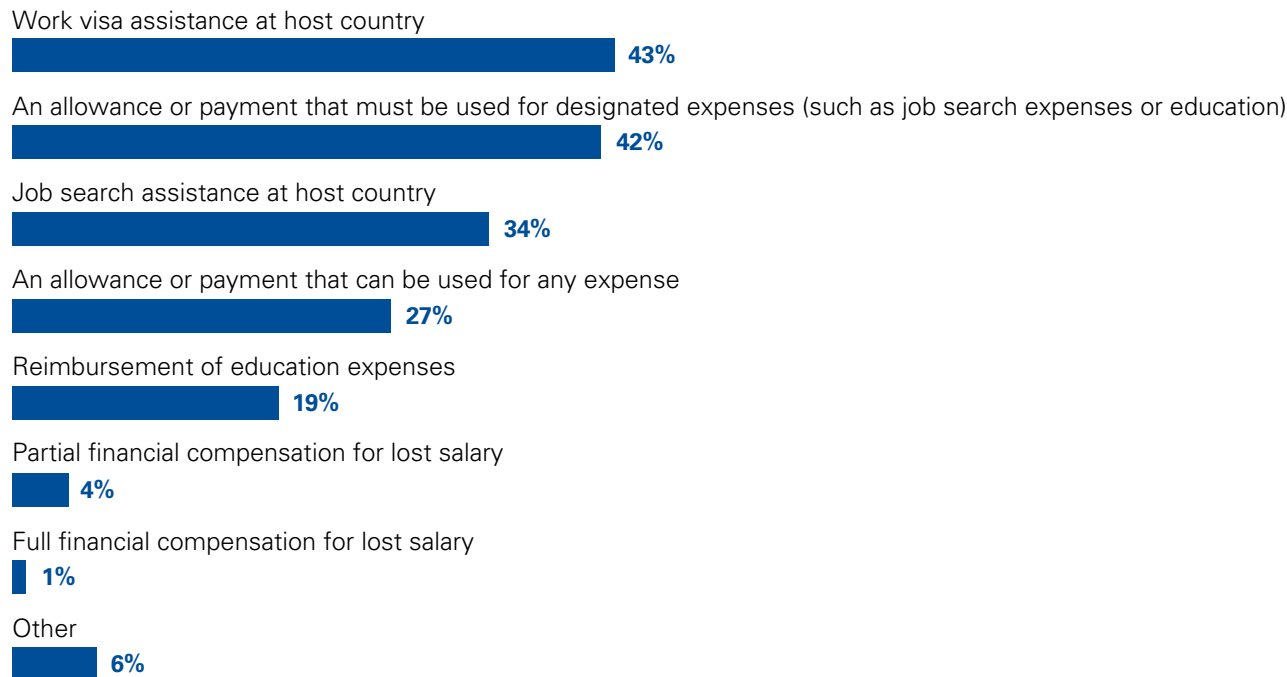
## Do you provide spousal/partner assistance?



Note: May not total 100% due to rounding.

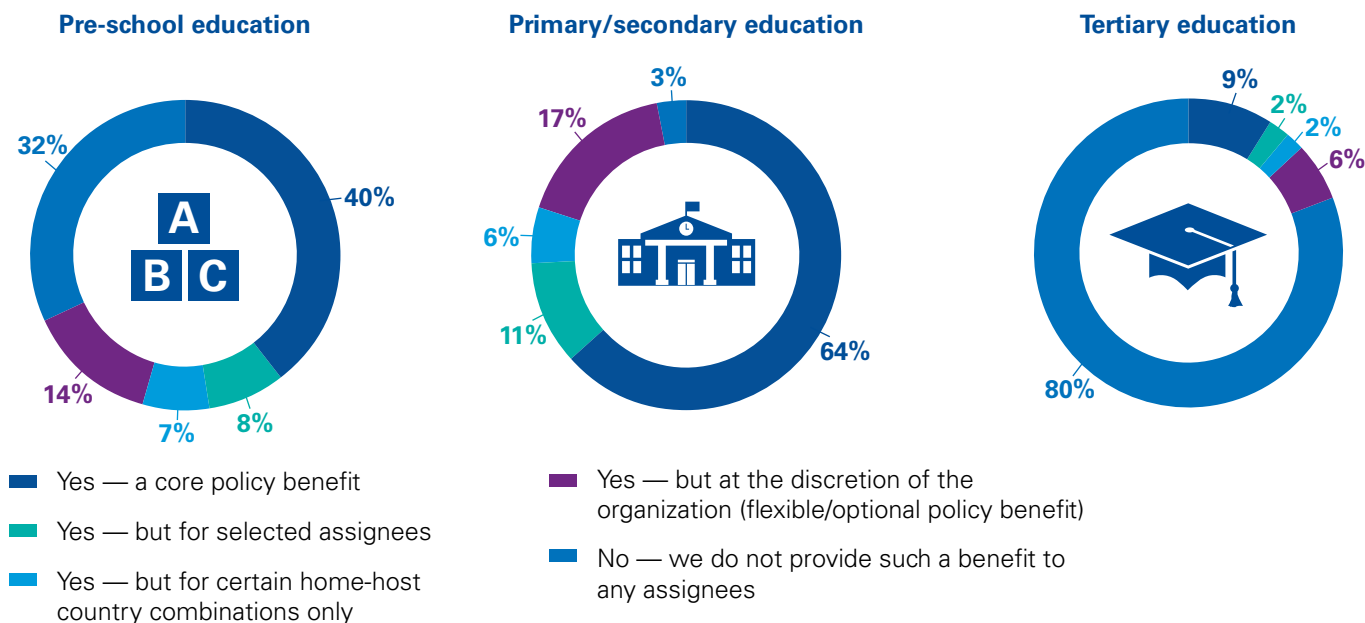
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

What types of spousal/partner assistance do you provide? (Select all that apply.)



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Do you provide assistance for children’s pre-school, primary/secondary and/or tertiary (college/university) education costs?

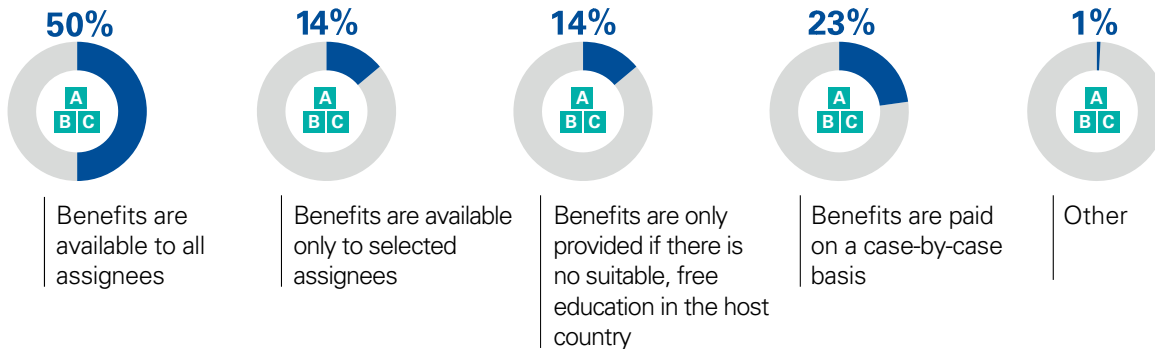


Note: May not total 100% due to rounding.

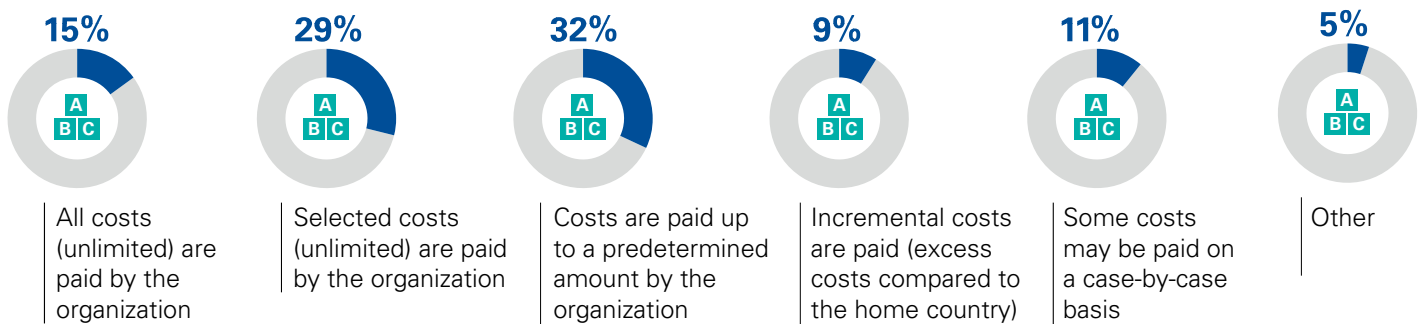
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

## What is your approach to pre-school costs?

### Eligibility



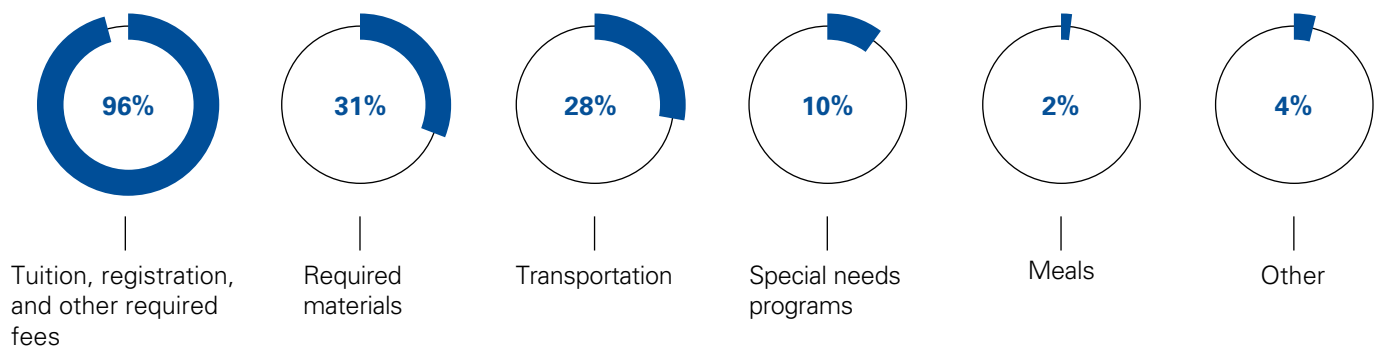
### Cost limitation



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

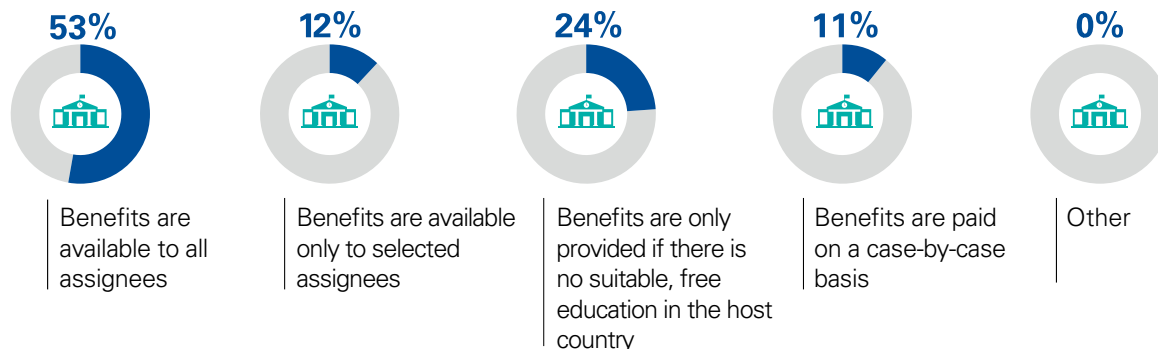
## Which of the following pre-school costs are paid? (Select all that apply.)



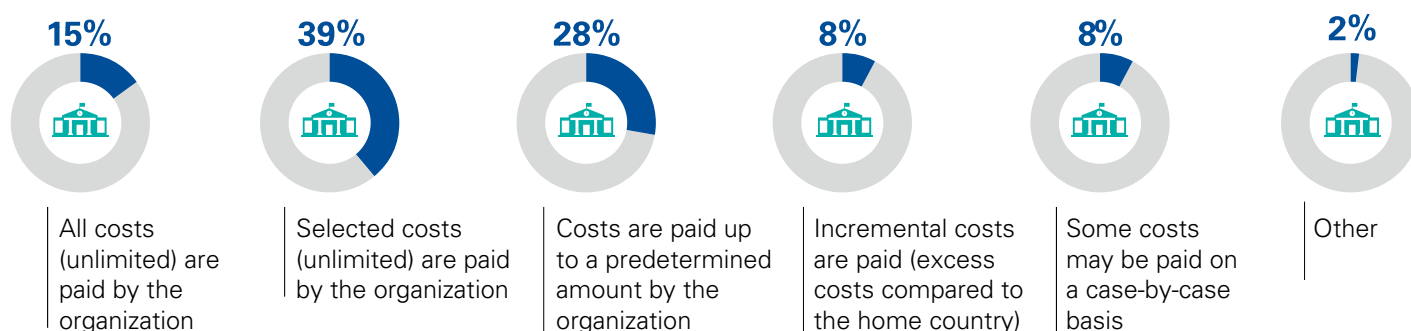
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

## What is your approach to primary and secondary schooling costs?

### Eligibility

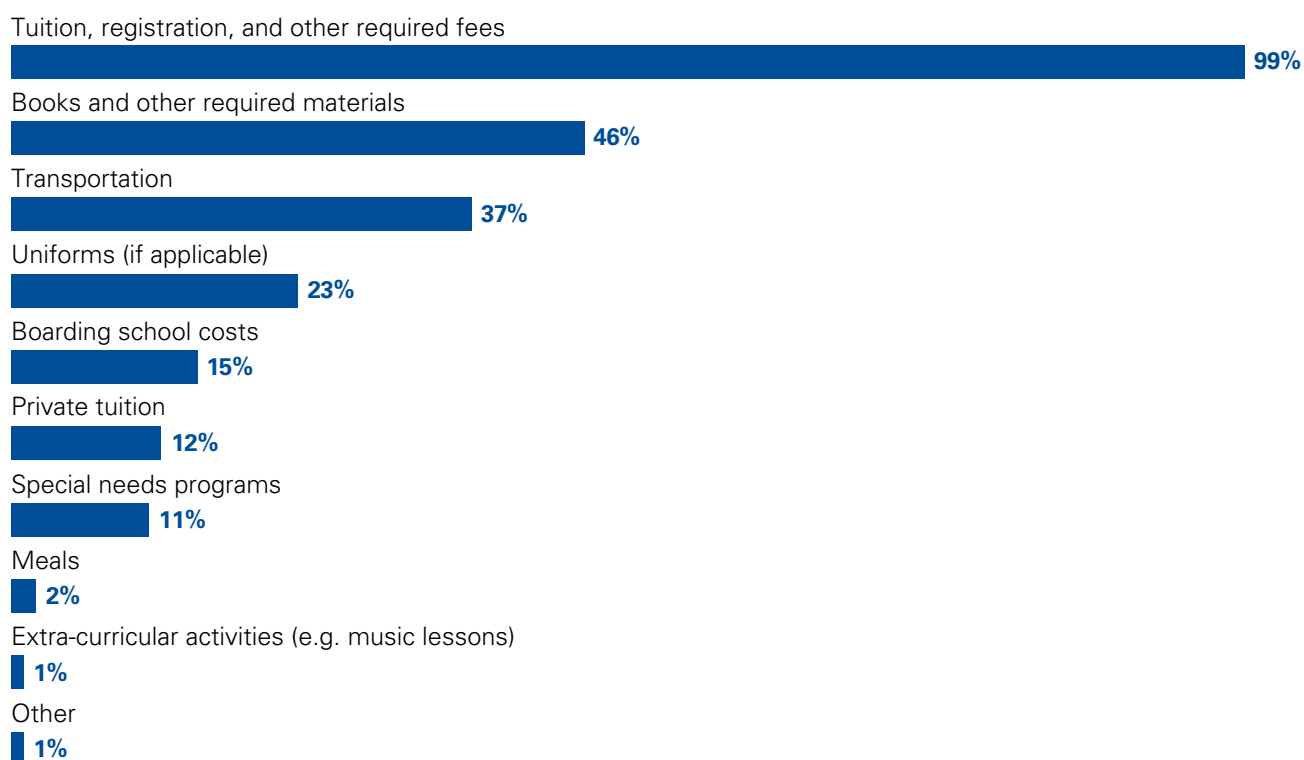


### Cost limitation



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

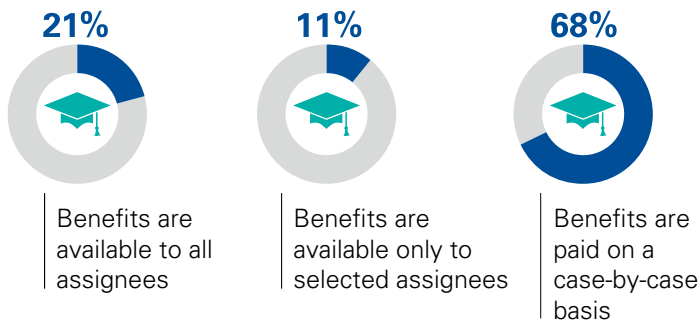
## Which of the following primary and secondary schooling costs are paid? (Select all that apply.)



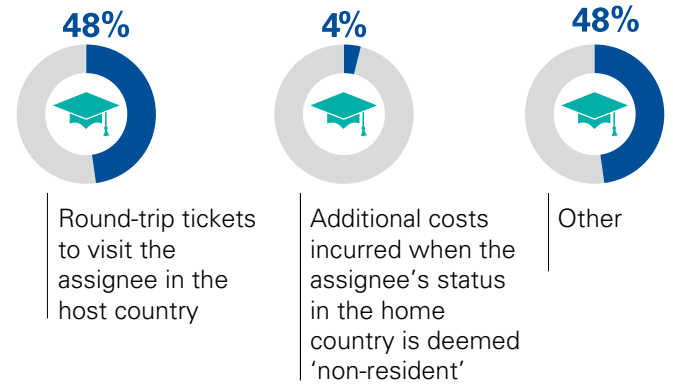
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

## What is your approach to tertiary (e.g. college, university) education costs?

### Eligibility

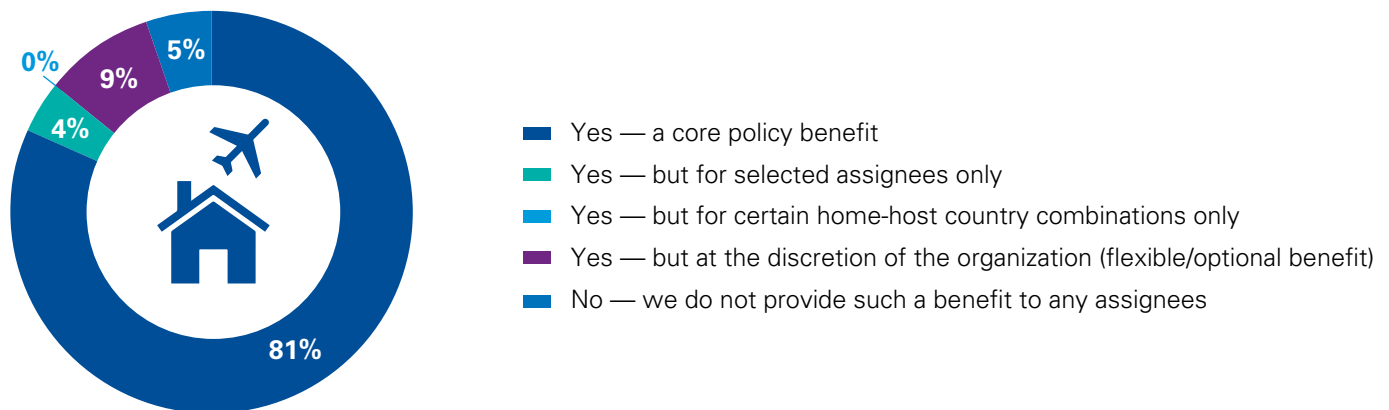


### Costs paid



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

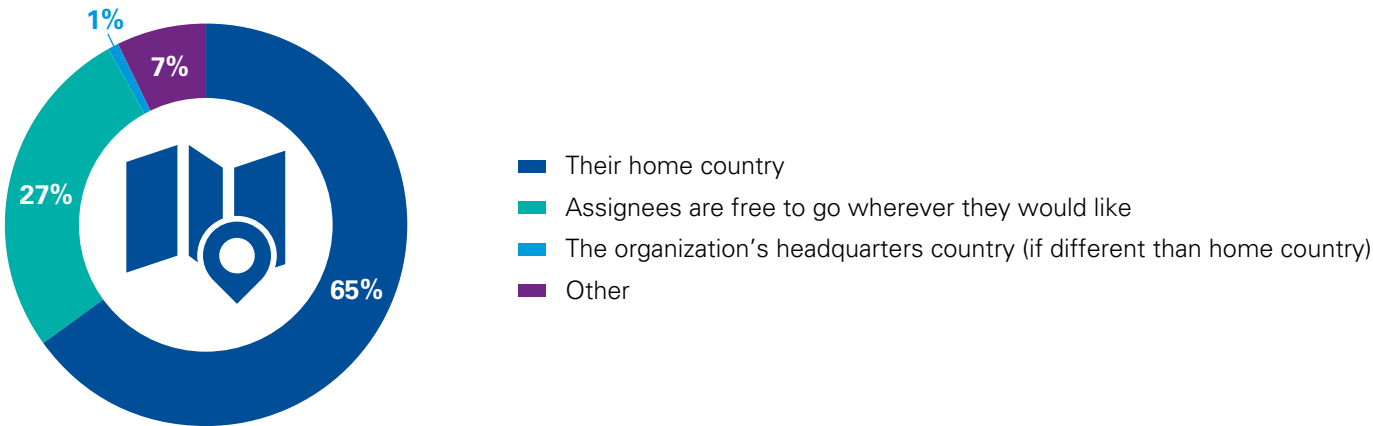
## Do you provide a home leave benefit?



Note: May not total 100% due to rounding.

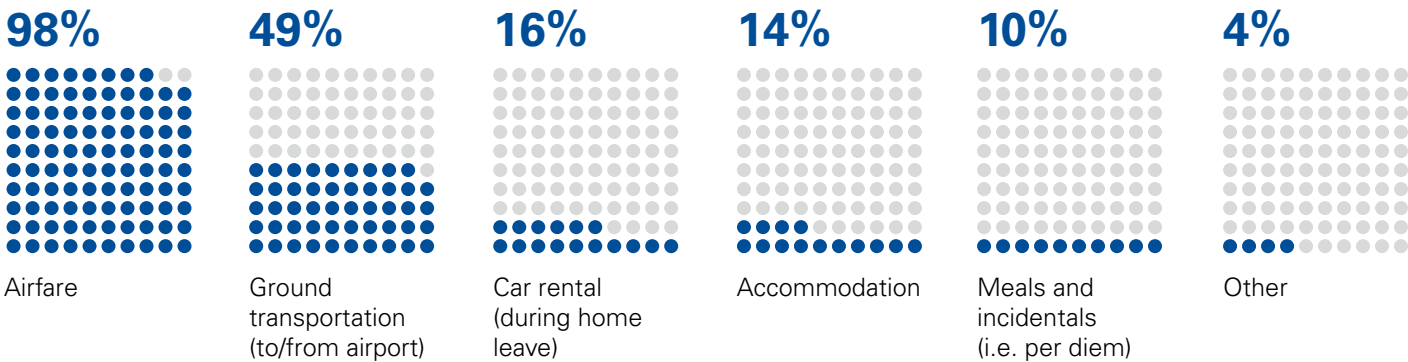
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Where are assignees required to go during home leave?



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

What types of expenses are included under your home leave policy?



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

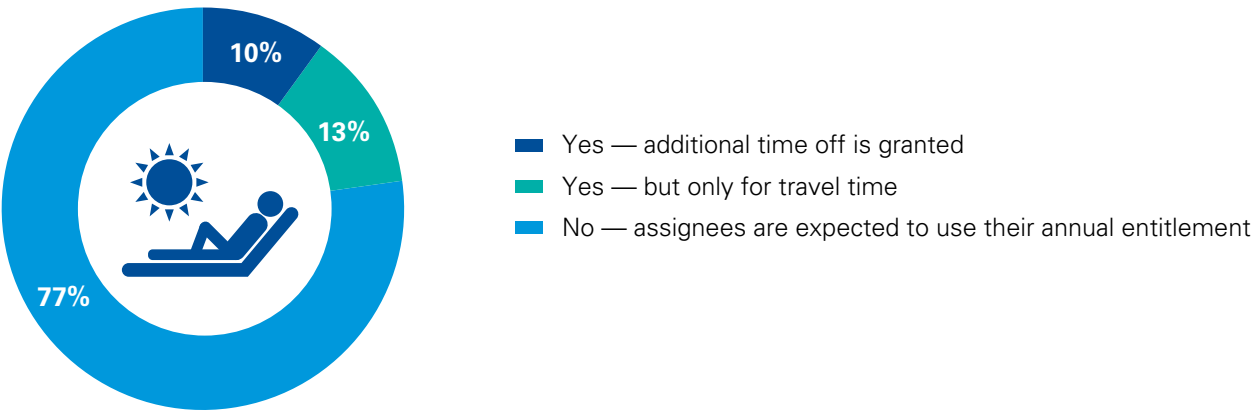


**For long-term international assignments (1 year or greater), how many home leave trips do you provide every 12 months? (Select all that apply.)**



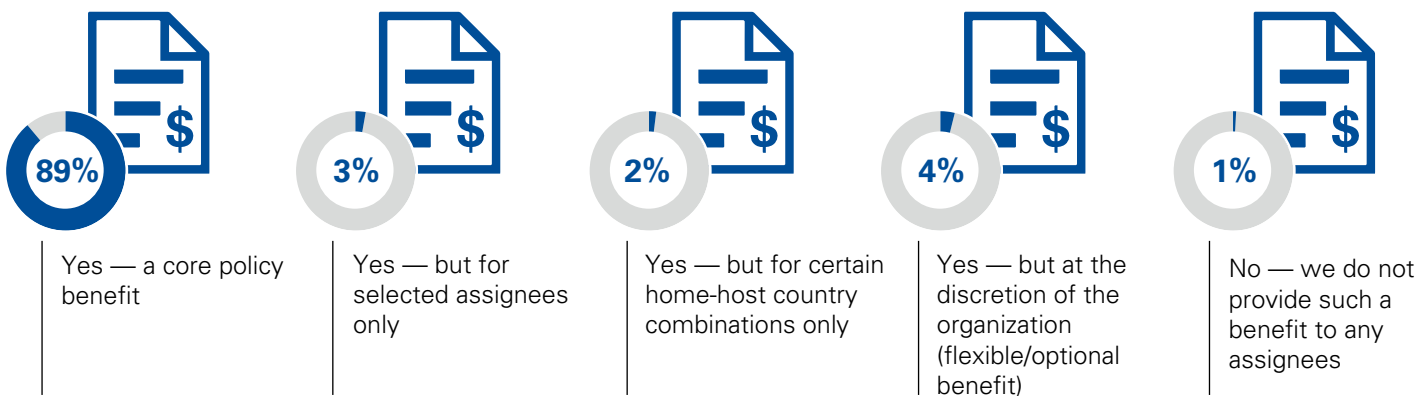
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**Do you provide assignees with additional vacation/paid time off during home leave trips?**



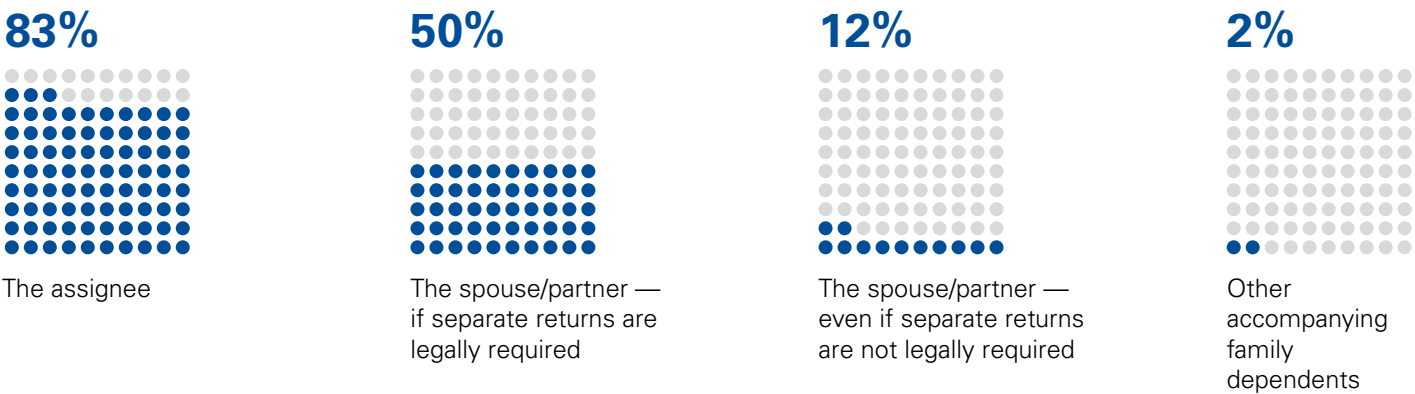
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Do you provide tax return preparation services?



Note: May not total 100% due to rounding.  
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

To whom do you provide tax preparation services? (Select all that apply.)



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Which of the following statements describe the standard payroll and pay delivery mechanisms used for your assignees? (Select all that apply.)

Assignees are maintained on the home country payroll through which all pay is delivered to them



Assignees have their pay delivered to them partly via the home country payroll and partly via the host country payroll ('split pay')



Assignees are maintained on the home country payroll through which most pay is delivered to them, but some assignment-related allowances are paid via the host country payroll



Assignees are moved to the host country payroll through which all pay is delivered to them



Assignees are moved to a global/offshore payroll through which all pay is delivered to them



Other



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

# End of assignment



In preparation of repatriating assignees back to their home country after completion of the international assignment, 73 percent of organizations begin the planning process only 3 to 6 months prior to the expected repatriation date. Provisions most commonly provided as core repatriation benefits include: relocation travel (86 percent), shipment of household goods (86 percent), tax consultation (70 percent) and temporary living (70 percent). Some organizations will also offer a miscellaneous relocation allowance at repatriation to assist in reintegration back in the home country (nearly 60 percent).

In evaluating their approach to localizing assignees, a large portion of survey participants manage the processes on a case-by-case basis and no formal policy is in place to address the topic (50 percent). When addressed, assignees are more likely to fully transition to the host country compensation and retirement system after a set period of time (51 percent of participants phase out benefits over a 1 to 4 year transition period), rather than retaining home and/or assignment benefits in the new location.

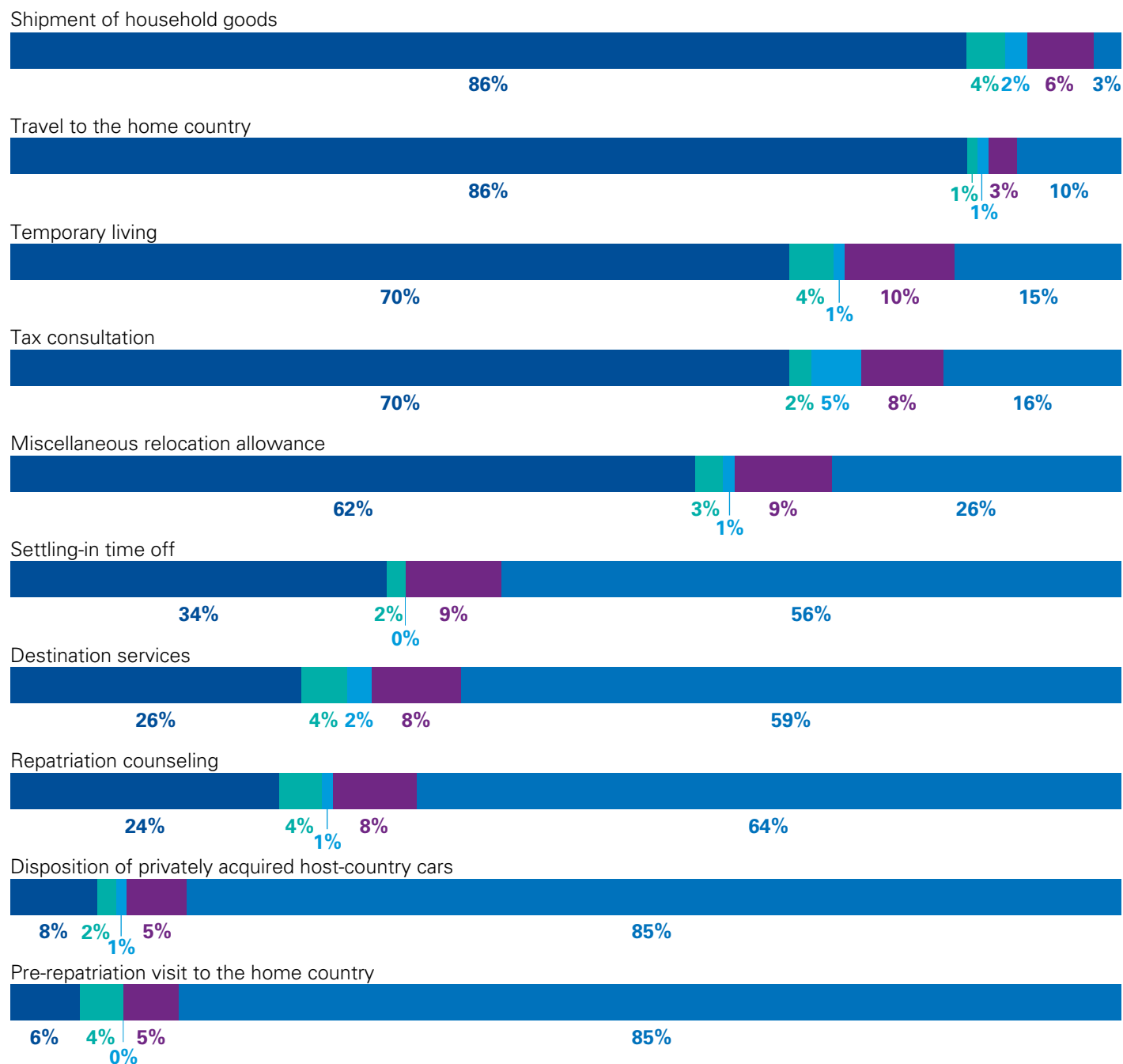
Of the few assignment-related benefits that are occasionally maintained when localizing, tax preparation services, host country transportation and children's education assistance are the most commonly maintained.

With regards to post-assignment retention and career succession, many organizations still struggle with validating key data and assignment return-on-investment. In outlining the primary reasons assignees leave the organization after returning home, a number of survey participants point to external competitiveness as a factor (30 percent).

Others indicate a lack of appropriate jobs available in the home country after repatriation (30 percent).

A significant number of survey participants, however, struggle to track this information altogether — 32 percent do not know the percentage of assignees that leave the organization within 12 months of repatriation.

## Which of the following services do you provide for repatriation?



- Yes — a core benefit
- Yes — but for selected assignees only
- Yes — but for certain home-host country combinations only
- Yes — but at the discretion of the organization (flexible/optional benefit)
- No — we do not provide such a benefit to any assignees

Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

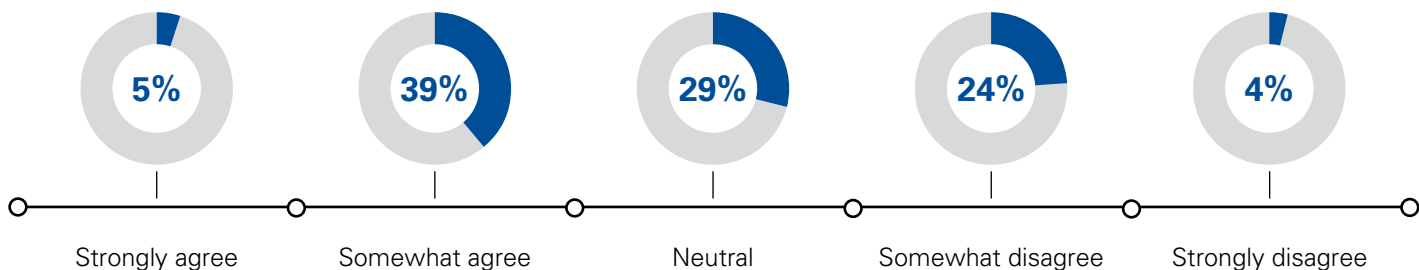
### How far in advance do you begin planning the assignee’s return to the home country?



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

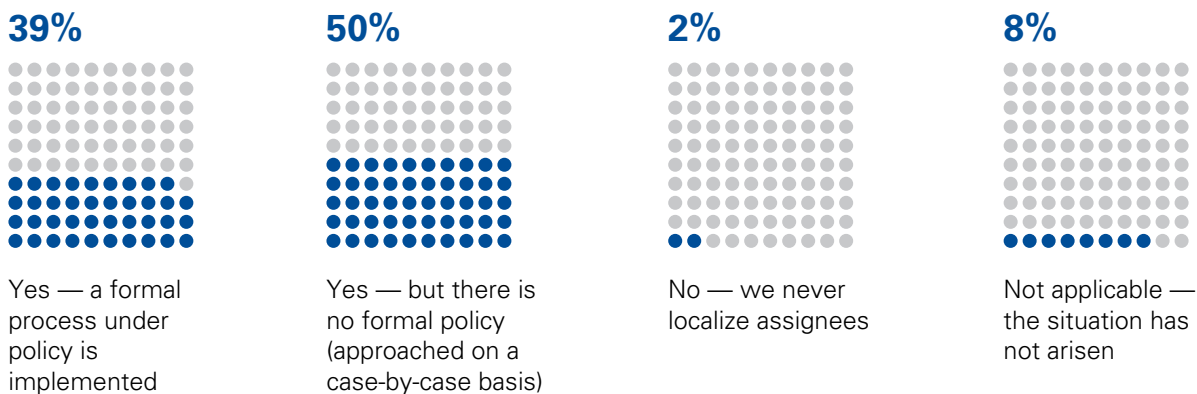
### Do you agree that your organization manages the repatriation process well?



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

### Do you localize assignees (i.e. employees who remain in the host country and whose employment status changes from the home country to the host country entity)?



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

When do you localize assignees? (Select all that apply.)

Localizations are employer initiated and depend on business need



In response to an assignee's request for localization

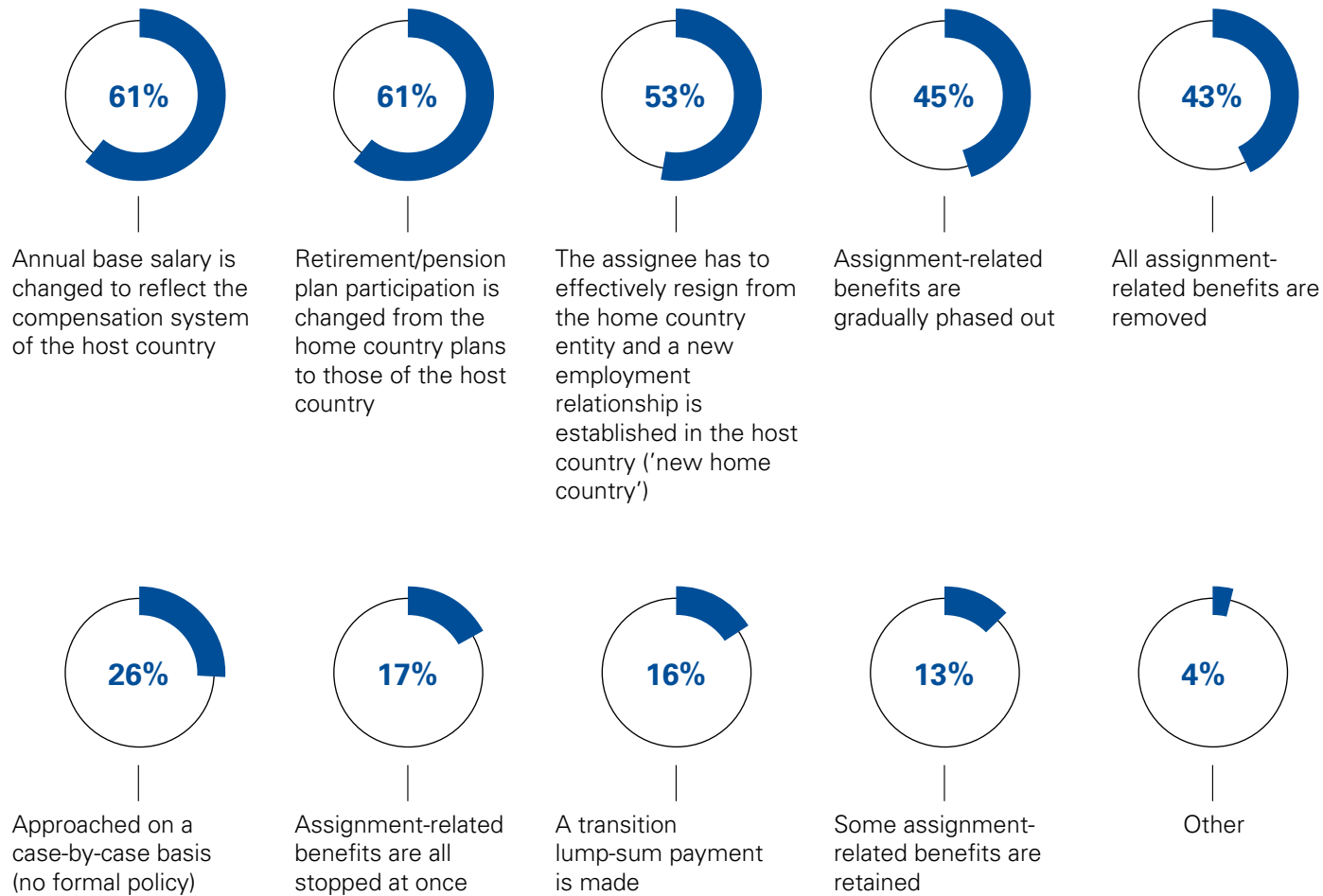


All assignees are localized once the assignment reaches a certain year



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Which of the following statements best describe your approach to 'localized' assignees? (Select all that apply.)



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

## End of assignment

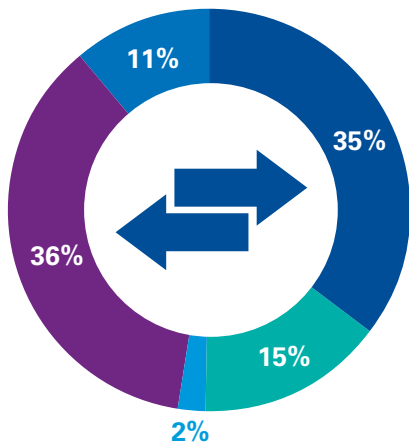
**When the decision has been made to localize an assignee, what is the effect on the current assignment-related benefits?**

Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

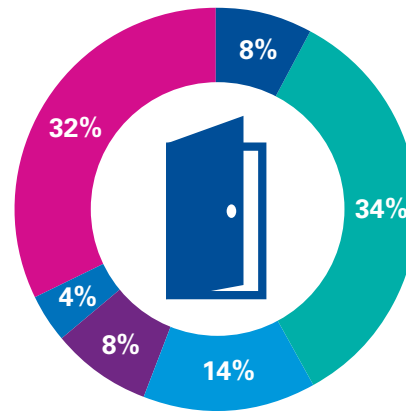


**If your localization policy is phased, how long is the transition period?**



- Assignee has a 1 to 2 year transition period
- Assignee has a 2 to 4 year transition period
- Assignee has up to a 5 year transition period
- Assignees are not transitioned; they are automatically made employees in the host country at the time of localization
- Other

**Approximately what percentage of assignees leave the organization within 12 months of returning from an international assignment?**



- None
- 5 percent or less
- 6 to 10 percent
- 11 to 20 percent
- More than 20 percent
- Do not know

Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**What are the top three reasons why assignees leave your organization after returning from an international assignment?**

**Top choice:** No appropriate job available in the home country



**Second choice:** Offered a better job/career in another organization



**Third choice:** Unable to apply new skills acquired on assignment



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

# Tax policy



The majority of survey participants (83 percent) tax equalize their assignees on their earnings, following a global tax reimbursement policy for all assignments (57 percent). In the estimation of hypothetical taxes, survey participants predominantly include social insurance and state/provincial/cantonal income tax, while using the home country residence as the basis for calculating hypothetical tax.

When applicable, 93 percent of participants apply for a certificate of coverage for their assignees. If a totalization agreement is not in place for the home-host country combination, 68 percent of participants pay the employer portion and 41 percent pay the employee portion of both the home and host country social tax liability.

We have seen an increasing focus on compliance with regards to trailing compensation. Up 7 percent over 2017, 78 percent of survey participants tax equalize equity compensation (income generated by obtaining, exercising or selling company shares) and 46 percent extend the benefit for the full term of the award (up 8 percent from 2017), regardless of assignment duration. In looking at the tax treatment of income from sources outside of the organization (i.e. personal income, spousal income), the majority of participants take a *laissez-faire* approach and require assignees to be responsible for the related taxes.

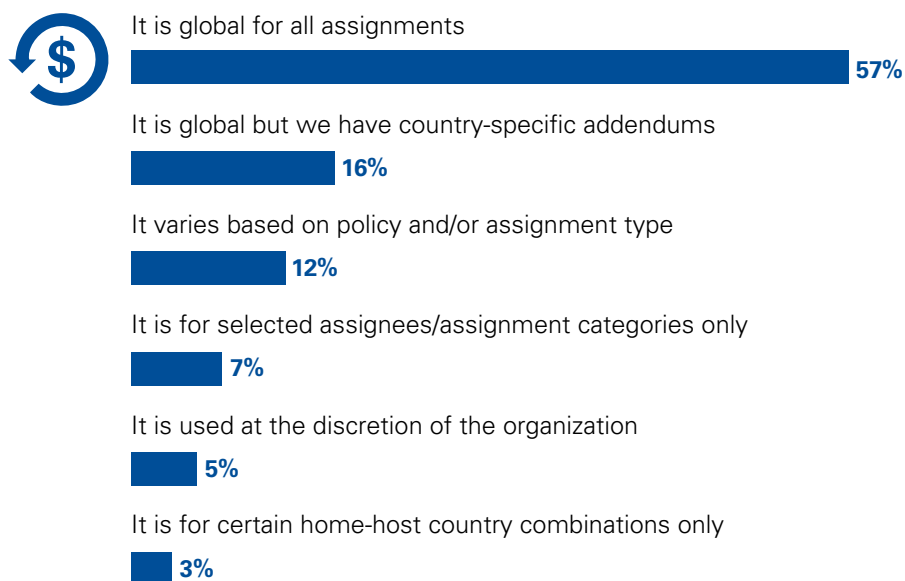
KPMG continues to observe an increase in organizations not including personal income under tax equalization policy. For organizations that cover personal income under policy, investment income, capital gains and rental income are the three most common items that are covered (62 percent, 55 percent and 50 percent, respectively). In addition, an annual cap is often implemented under policy.

**Do you have a tax reimbursement policy (e.g. tax equalization, tax protection, gross-up of allowances)?**



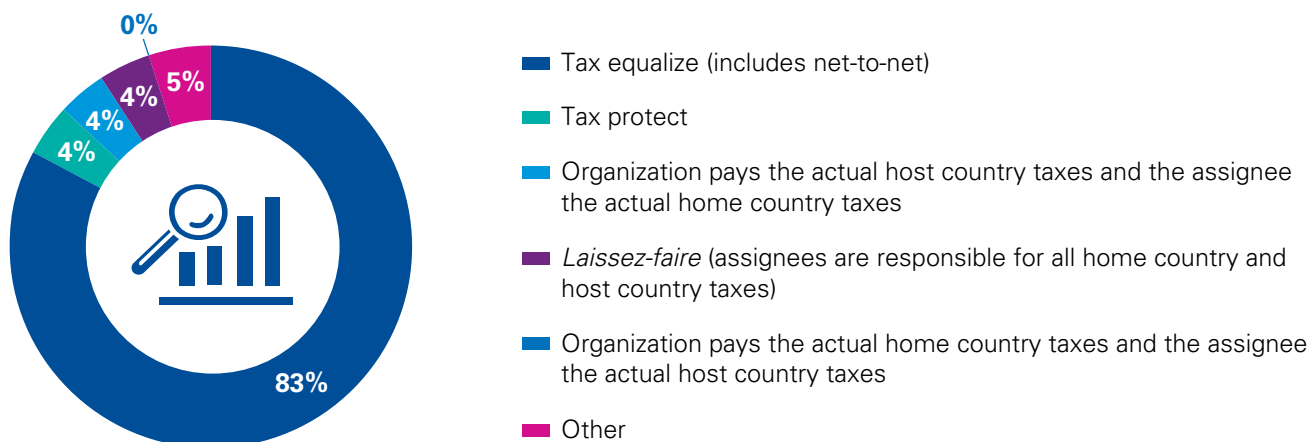
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**Which of the following best describes your tax reimbursement policy?**



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Which one of the following statements best describes your approach when addressing the assignment tax costs in relation to the assignee's earnings?



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Excluding base salary, how are the following elements of company compensation treated for tax policy purposes?

Incentive compensation (excluding equity compensation)



Equity compensation

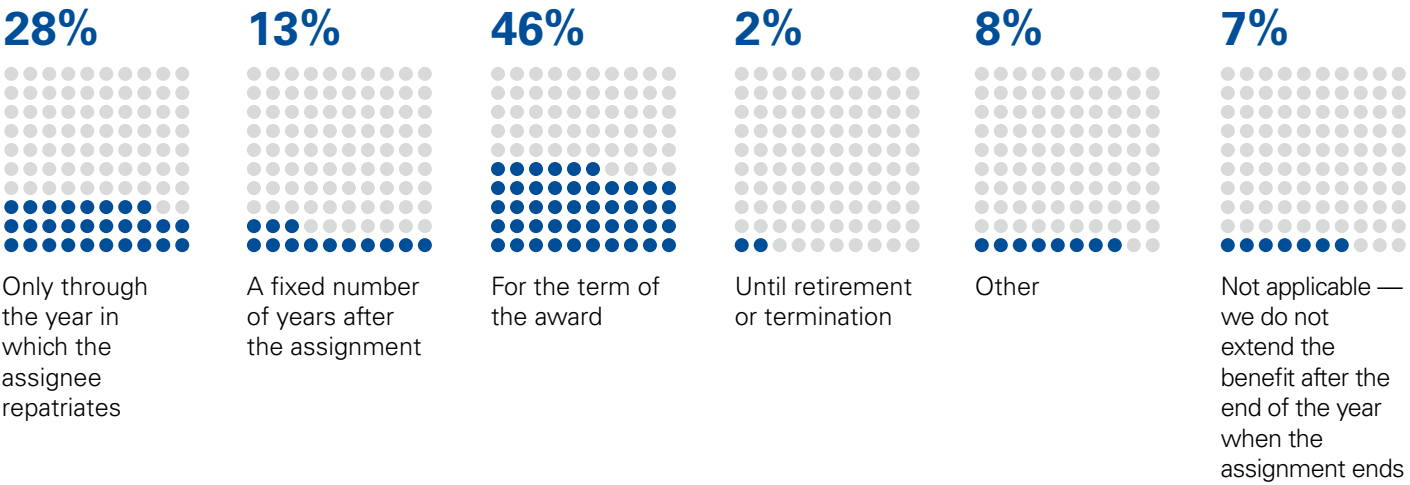


- Tax equalize (includes net-to-net)
- *Laissez-faire* (assignees are responsible for all home country and host country taxes)
- Organization pays the actual host country taxes and the assignee the actual home country taxes
- Tax protect
- Organization pays the actual home country taxes and the assignee the actual host country taxes
- Other

Note: May not total 100% due to rounding.

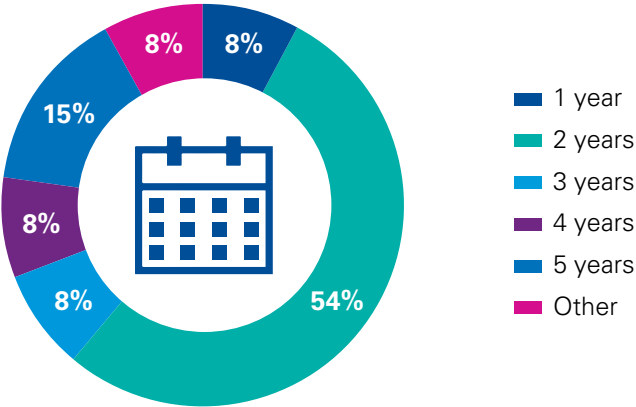
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

If you tax equalize or tax protect equity compensation, for how long after the end of the assignment do you extend the benefit to the assignee? (Select all that apply.)



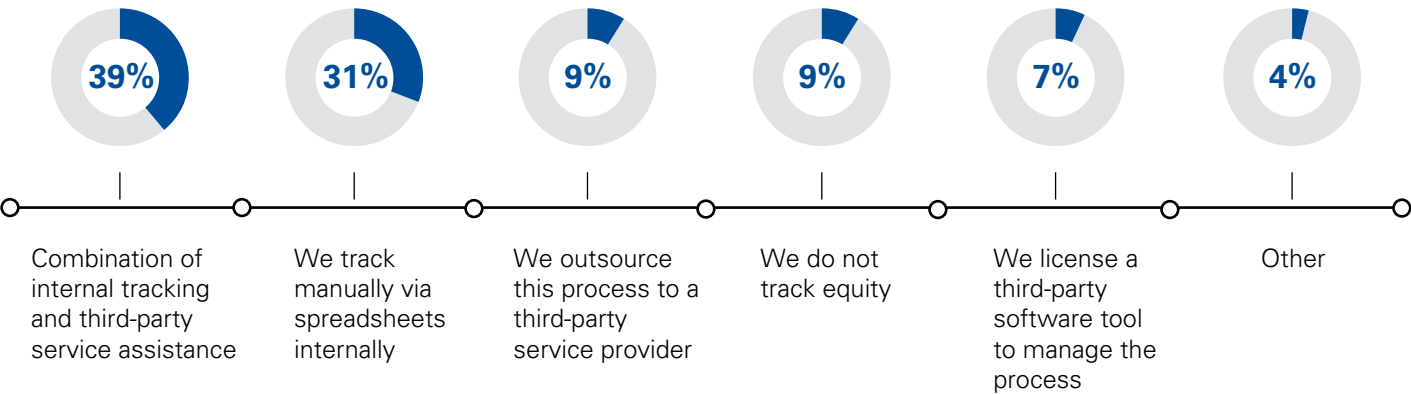
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

For how many years after the end of the assignment do you extend the tax reimbursement benefit related to assignment-related equity compensation to assignees?



Note: May not total 100% due to rounding.  
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

How do you track assignee equity awards and associated transactions during and following the international assignment?



Note: May not total 100% due to rounding.

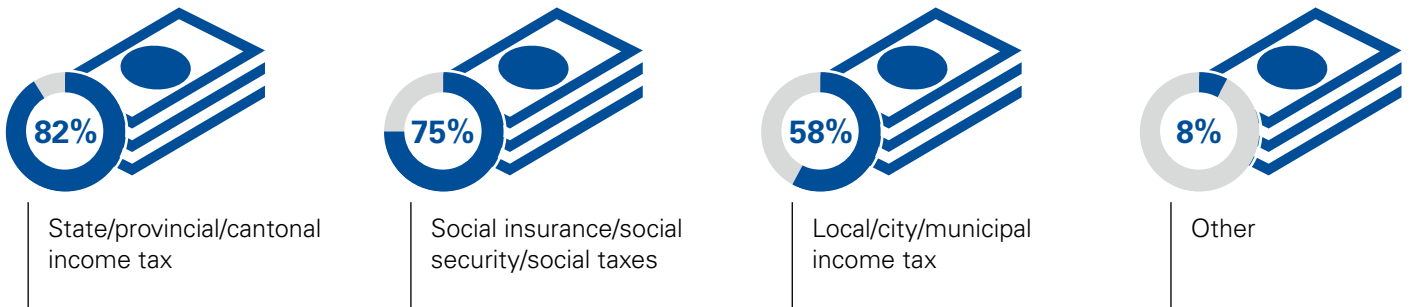
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

What is the basis of your policy’s hypothetical tax?



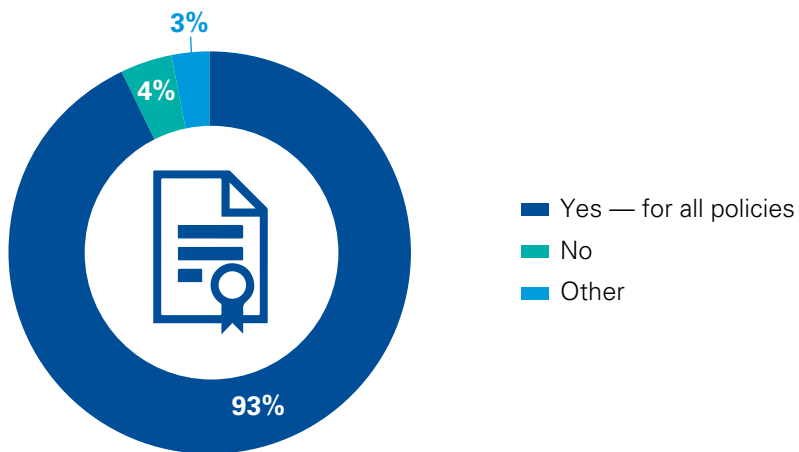
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**What do you include in the hypothetical tax calculation in addition to federal/national tax? (Select all that apply.)**



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**Do you apply for certificates of coverage for your assignees, when totalization agreements are available for the home-host country combination?**

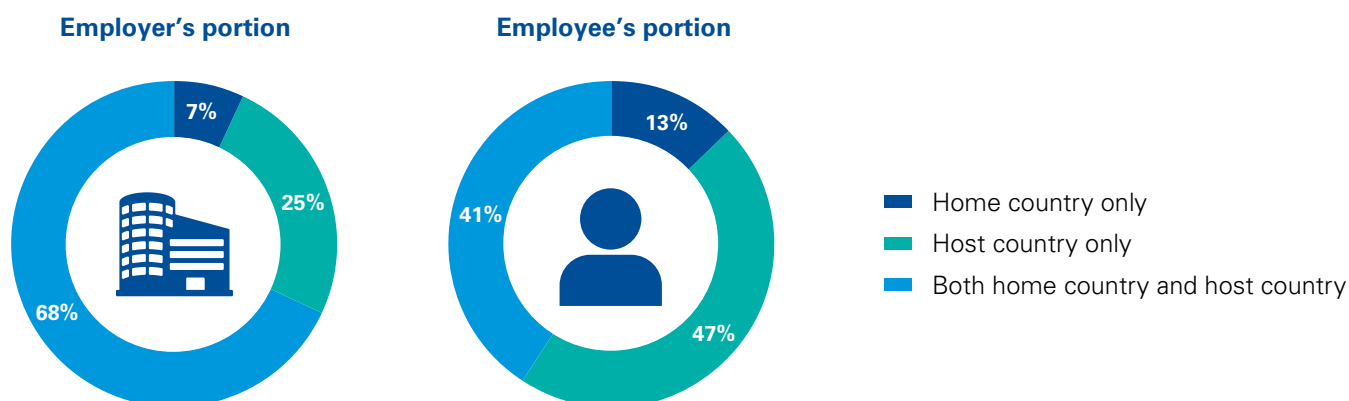


Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

## Tax policy

**If there is no totalization agreement and there is an additional social tax liability, what portion of the liability does your organization pay?**

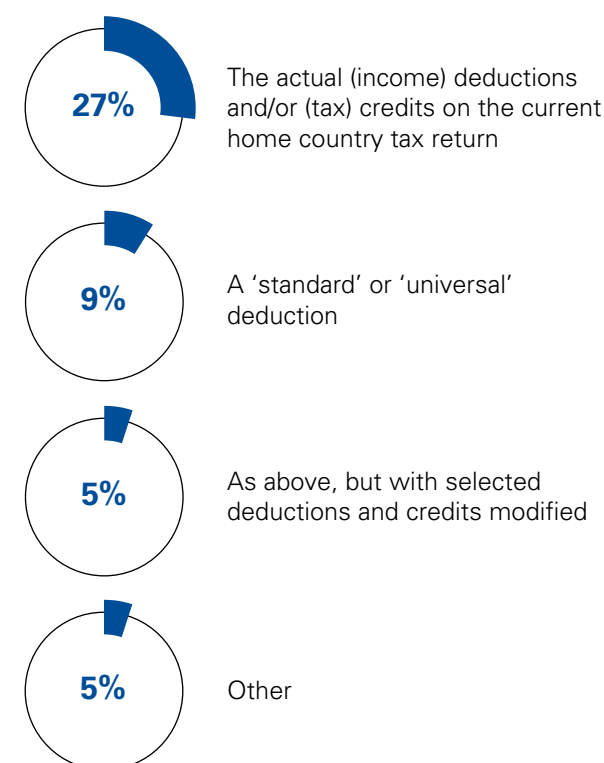


Note: May not total 100% due to rounding.

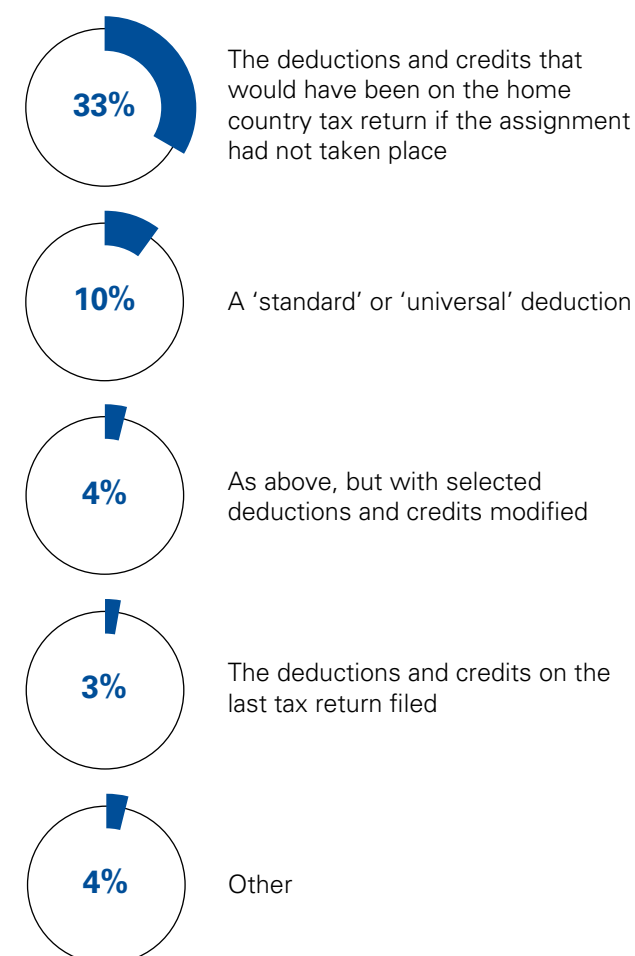
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**What do you include as deductions and credits in determining the hypothetical tax?**

## Assignee continues to file home country tax return



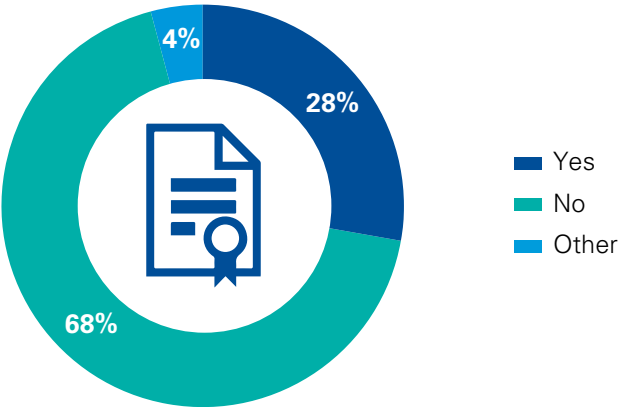
## Assignee ceases filing home country tax return



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

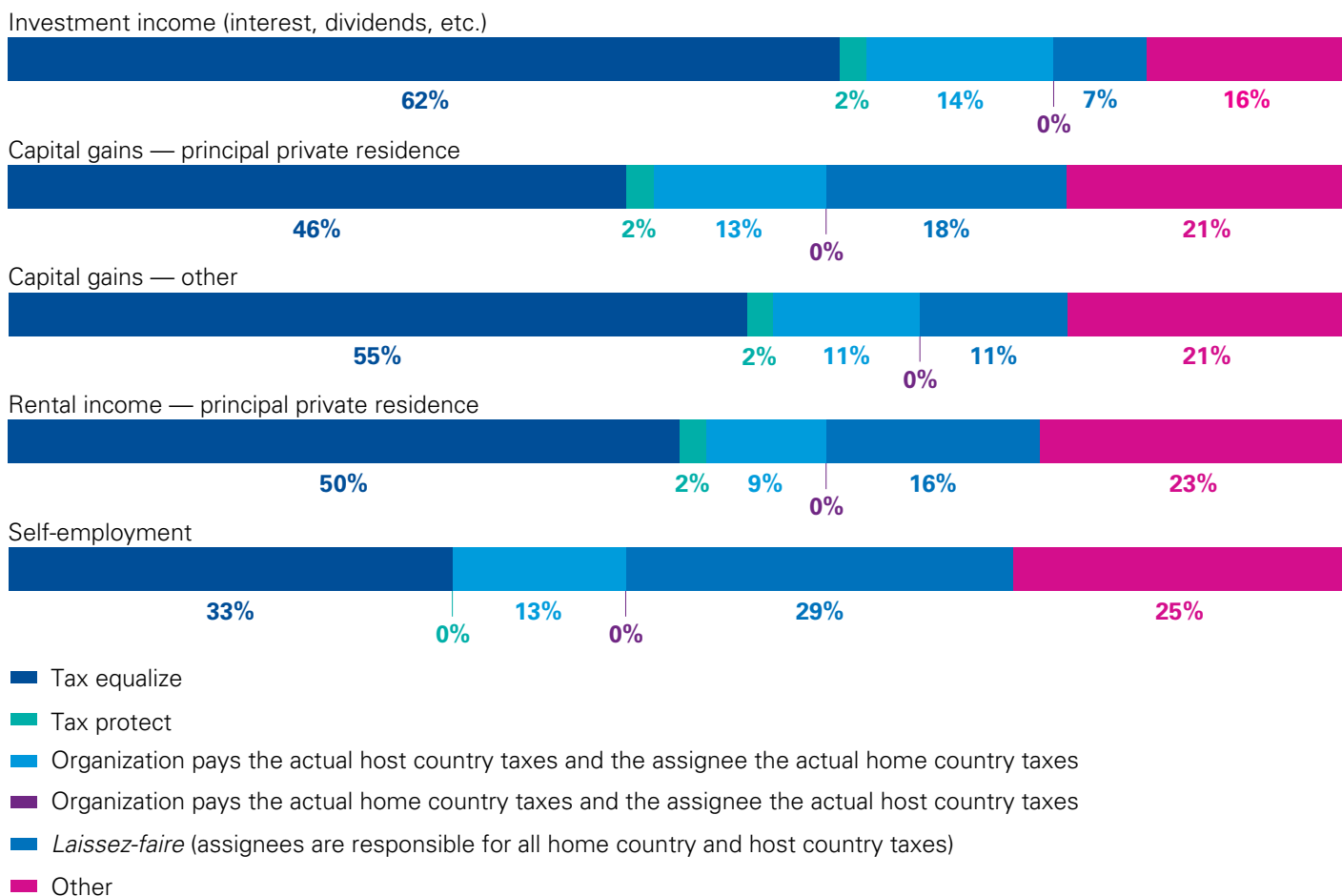


**Does your tax policy cover non-organizational (i.e. personal) income?**



Note: May not total 100% due to rounding.  
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

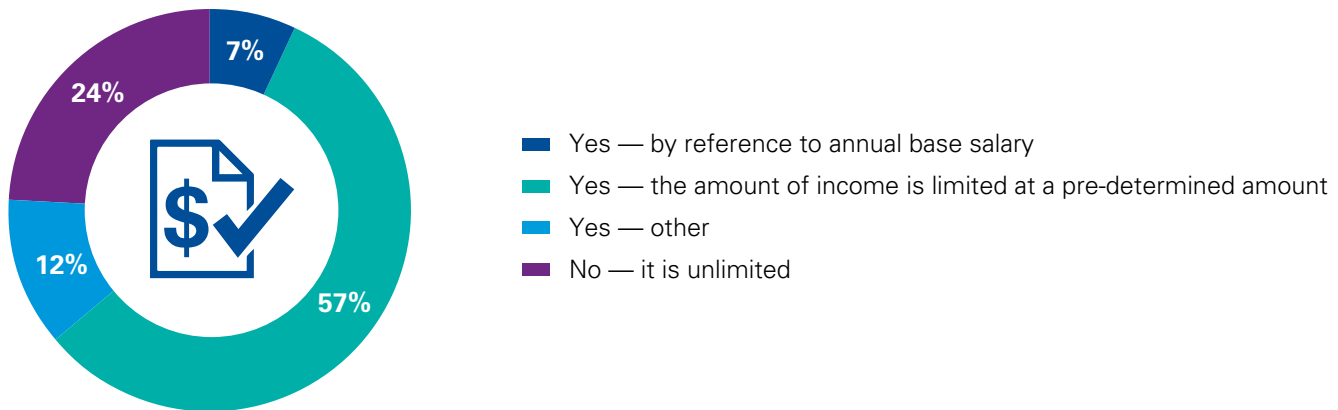
Which one of the following statements best describes your approach to tax reimbursement?



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

### Do you limit the amount of personal income included in the tax reimbursement benefit?



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

### Which one of the following statements best describes your approach to tax reimbursement of spousal earnings?



*Laissez-faire* (assignees are responsible for all home country and host country taxes)

37%

Always tax equalize

12%

Tax equalize if spouse remains in home country

7%

Organization pays the actual host country taxes and the assignee the actual home country taxes

5%

Tax protect

2%

Organization pays the actual home country taxes and the assignee the actual host country taxes

2%

Other

35%

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

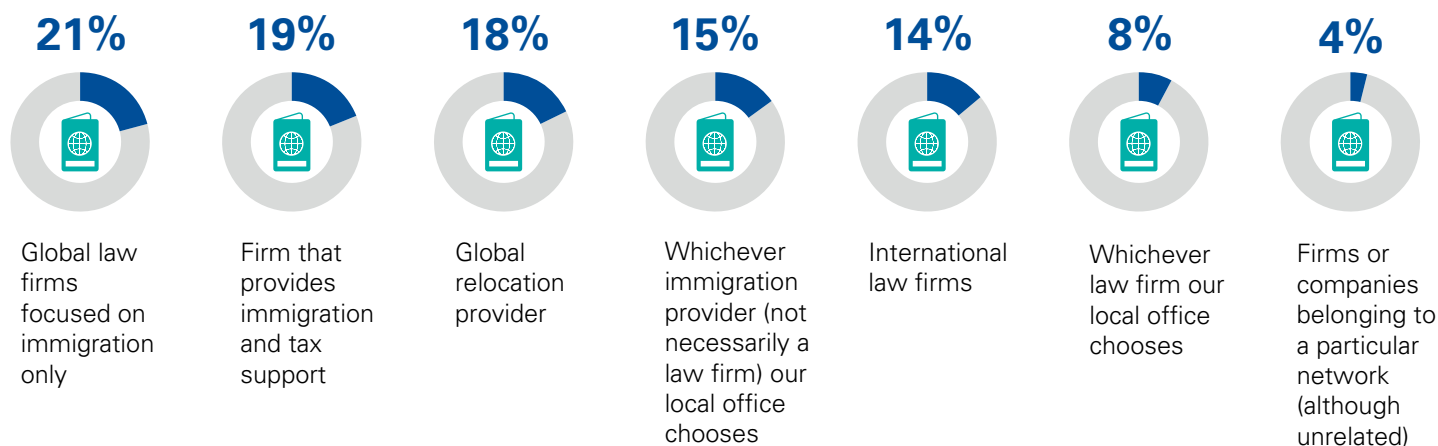
# Immigration

In a continuously heightened regulatory and risk environment globally, compliance with immigration laws continues to be a key focus for organizations in 2018, with 81 percent of participants identifying the issue as being an important to critical motivation for key business stakeholders.

To support global compliance, participants primarily outsource immigration services to global law firms focused only on immigration law, and most work with different providers selected at the local country level (50 percent). While 39 percent of participants rely on outside counsel to assess immigration document requirements for quality control and risk tracking purposes, 41 percent do not have quality control procedures currently in place to track the immigration process.



### What types of organization(s) do you outsource immigration services to?



Note: May not total 100% due to rounding.

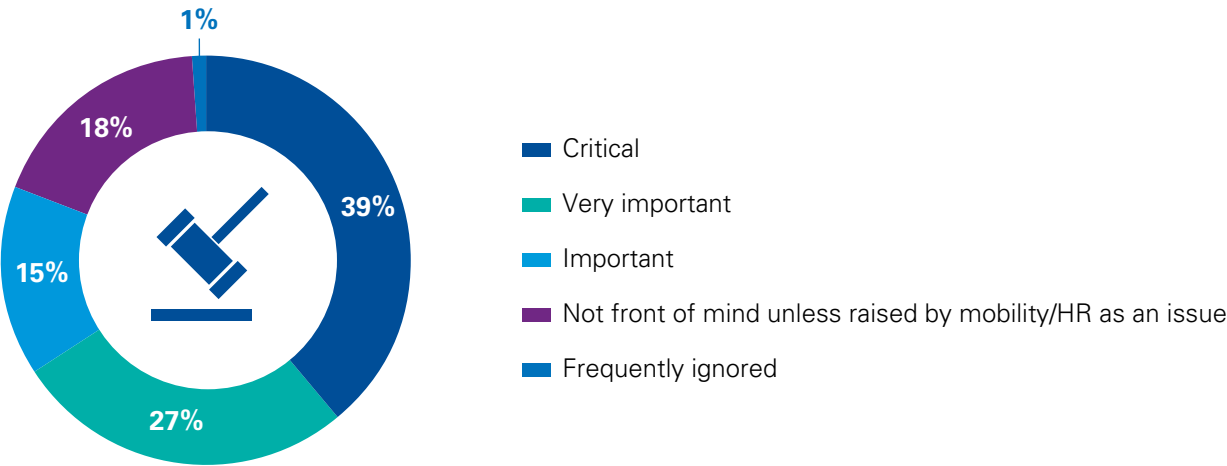
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

### What are the key conditions included in your immigration compliance policy? (Select all that apply.)



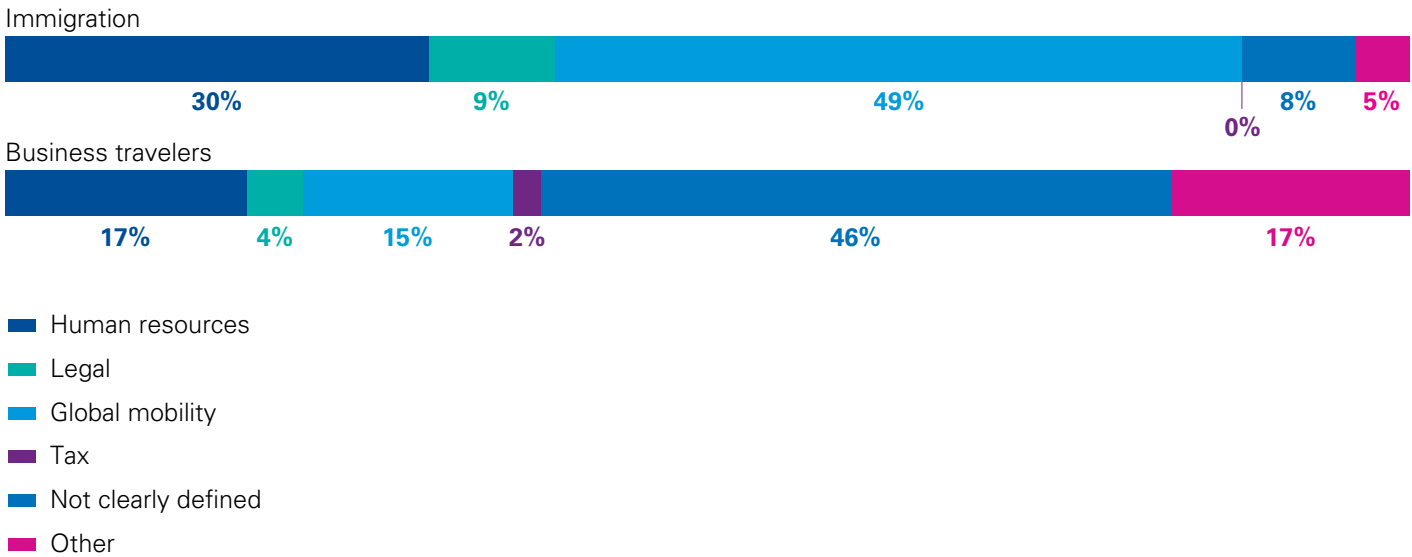
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

How would you rank the motivation to comply with immigration laws among key business stakeholders?



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

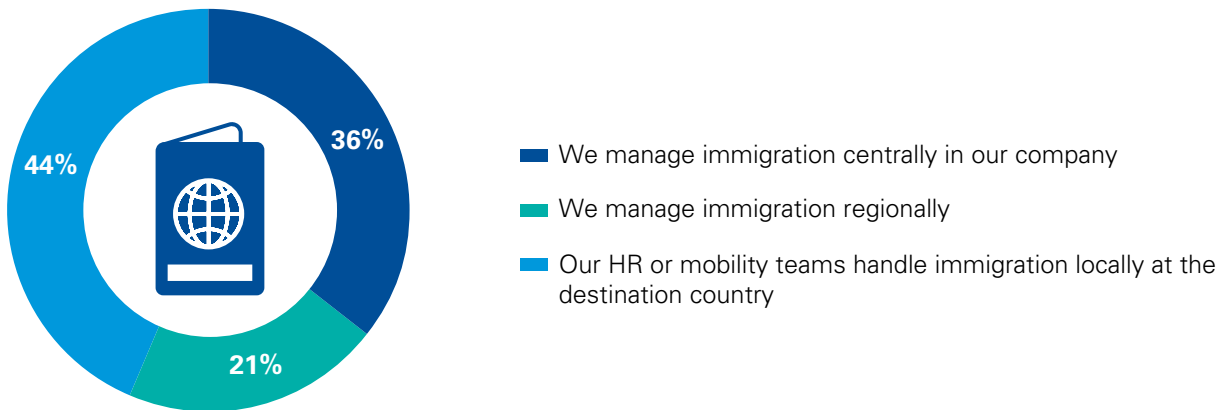
Who is responsible for immigration and business travelers within your organization?



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

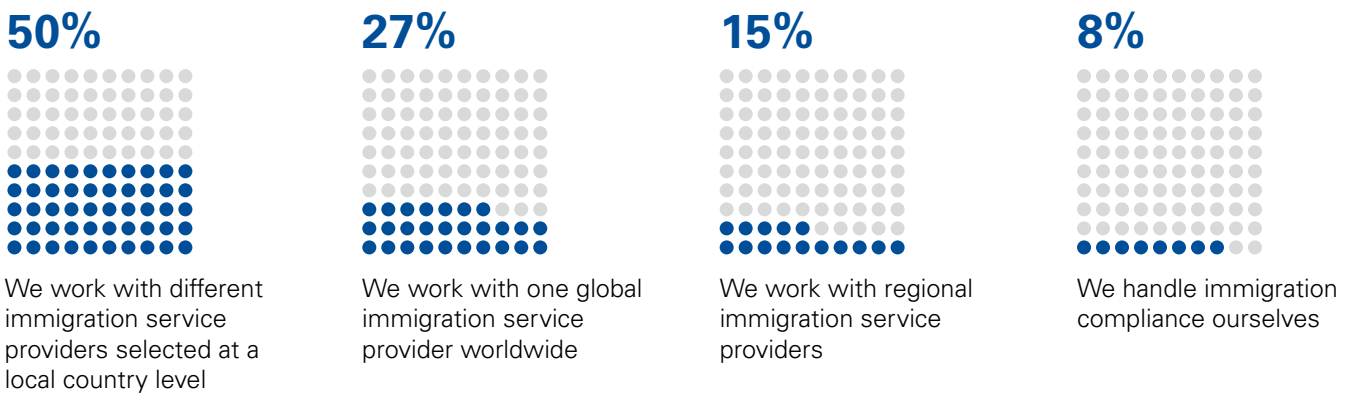
Please indicate which of the following best describes your organization (in relation to managing immigration needs.)



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Please indicate which of the following best describes your organization (in relation to immigration service providers.)



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**Which of the following statements best describe your organization’s approach to use of information technology (IT) tools for managing immigration processes? (Select all that apply.)**



We do not use IT tools to manage immigration processes in our organization



We use an IT tool for case status monitoring



We use an IT tool for data storage



We use a global IT tool to manage immigration processes worldwide



We use several IT tools to manage all immigration processes in different locations



Our assignees have access to an IT tool while managing immigration processes

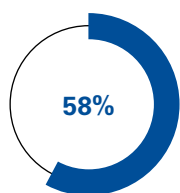


We use an IT tool for sending out automatic reminders to all parties involved in immigration processes

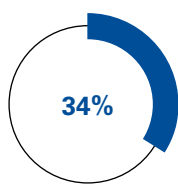


Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

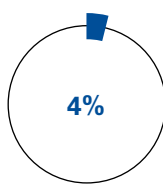
**Which of the following statements best describe the source of the IT tool used by your organization for managing immigration processes? (Select all that apply.)**



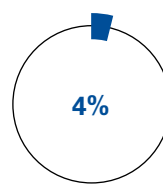
We do not use IT tools to manage immigration processes in our organization



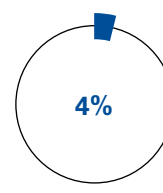
Offered by immigration service provider



Purchased on the market and tailored for our needs



Designed specifically for our organization

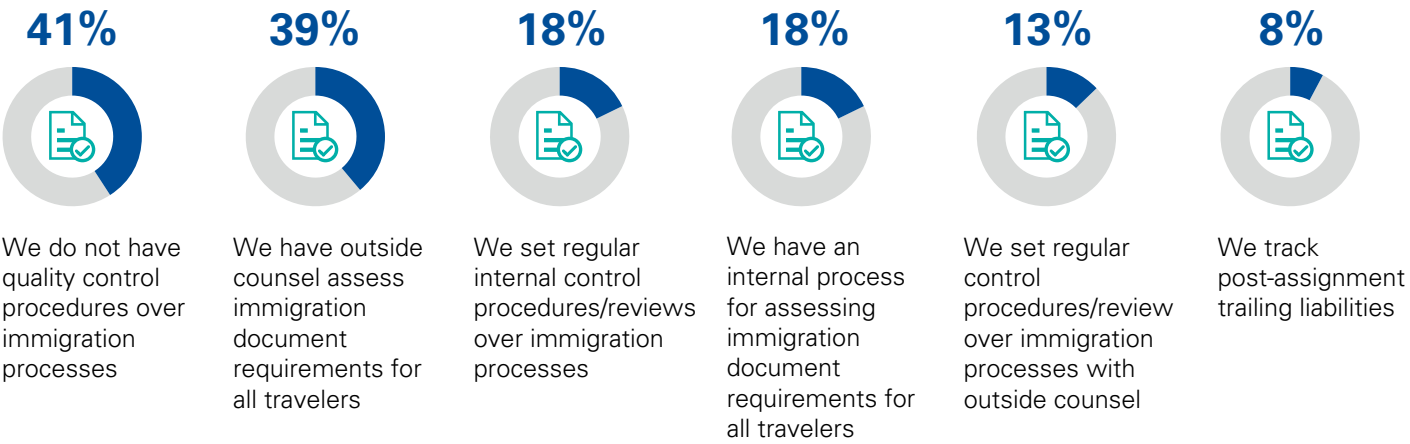


Offered by other service provider (e.g. tax provider) or included in our expat management IT tool

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

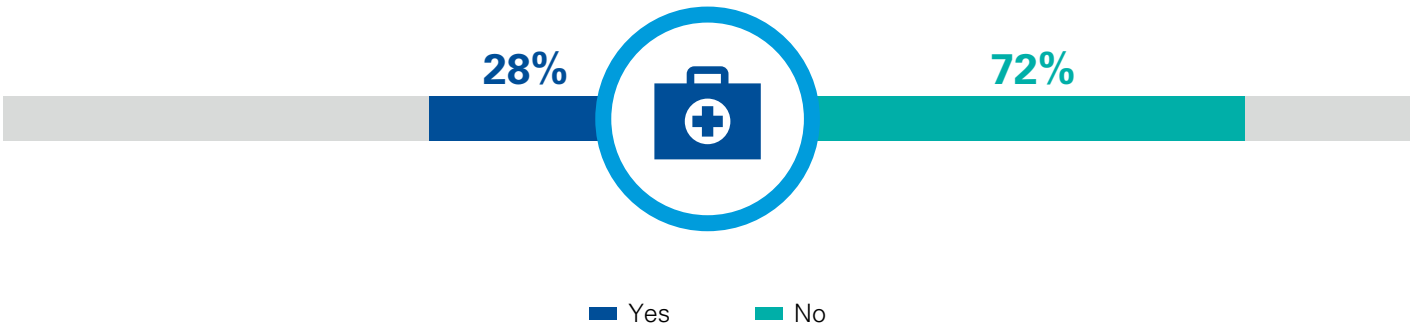


Which of the following statements best describe your organization’s approach to immigration process quality control and risk tracking? (Select all that apply.)



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Do your emergency evacuation protocols include immigration advice and assistance?



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

# Assignment management technology

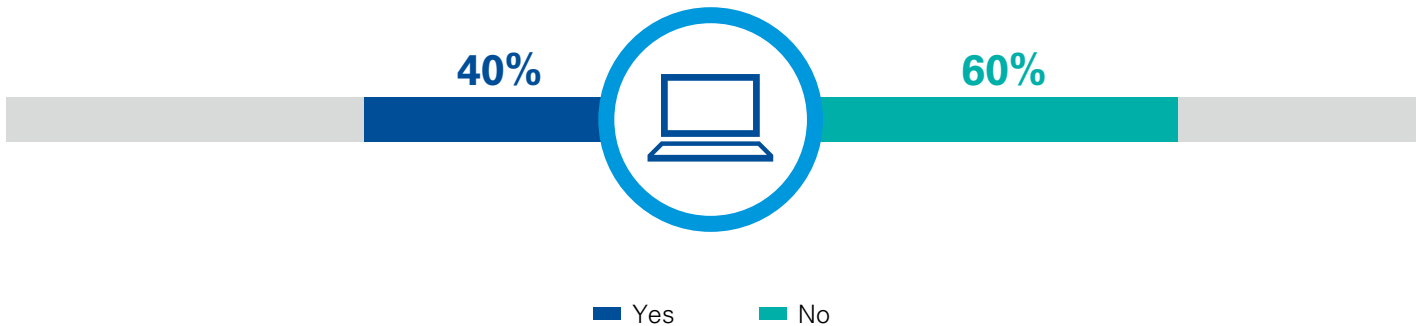
The majority (60 percent) of organizations do not currently rely on mobility management technology to manage various aspects of their program.

Of those that do utilize technology, administration/data management, cost estimation, compensation collection, and tax calculation tools are the leading solutions that participants leverage (and are also the most important solutions in assisting these administrative tasks).

When choosing a global mobility management solution, data analytics/reporting capability is the leading factor in the selection process (25 percent), while integrated workflow and user interface are also important decision factors.

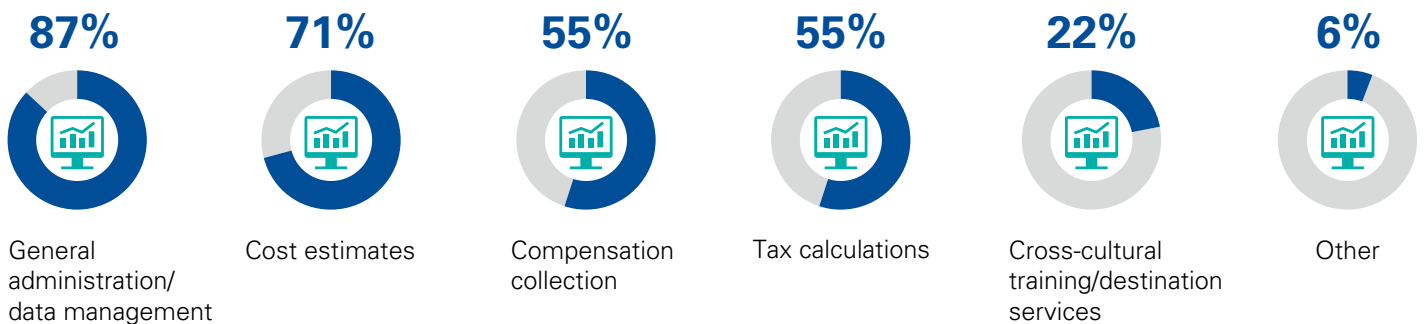


**Are you currently leveraging mobility management technology, outside of tax compliance, to manage aspects of your global mobility program?**



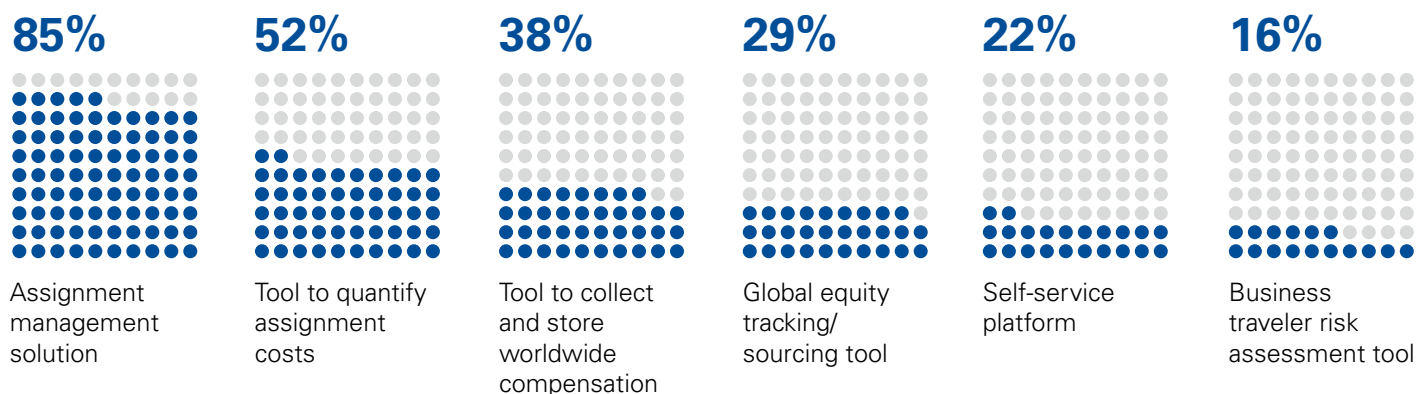
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**For which aspects of your international assignment program do you use any specifically designed technology applications/platforms to assist you in administration? (Select all that apply.)**



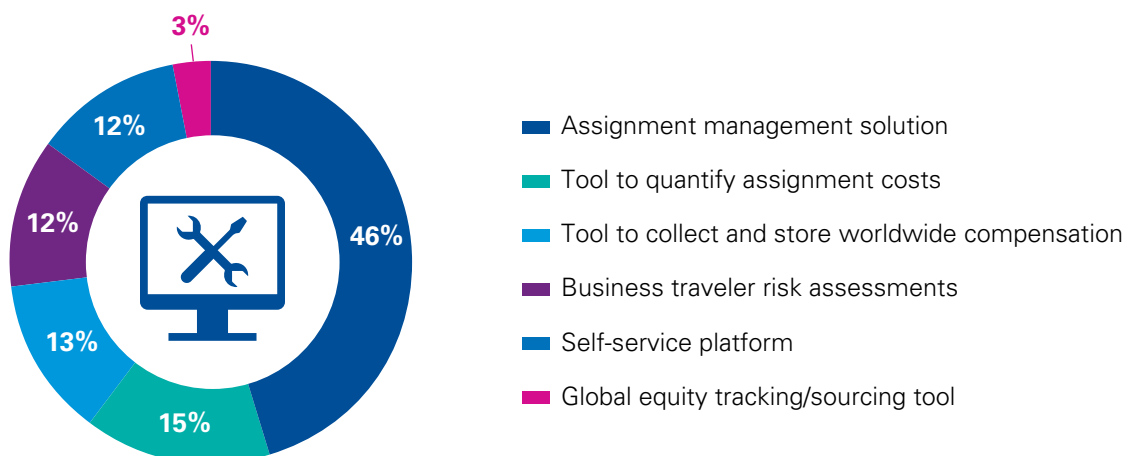
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**What are the types of global mobility technology being leveraged? (Select all that apply.)**



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

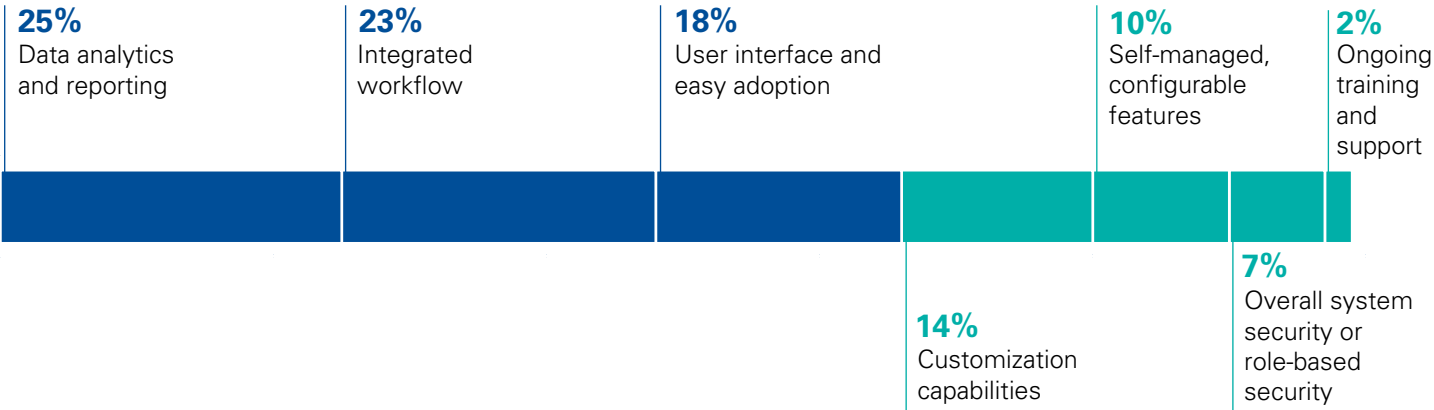
**As a user or reviewer of global mobility technology solutions, which system is most important to you?**



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

What are the top three most important factors in choosing a global mobility solution?



Note: May not total 100% due to rounding.  
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

# Data and analytics

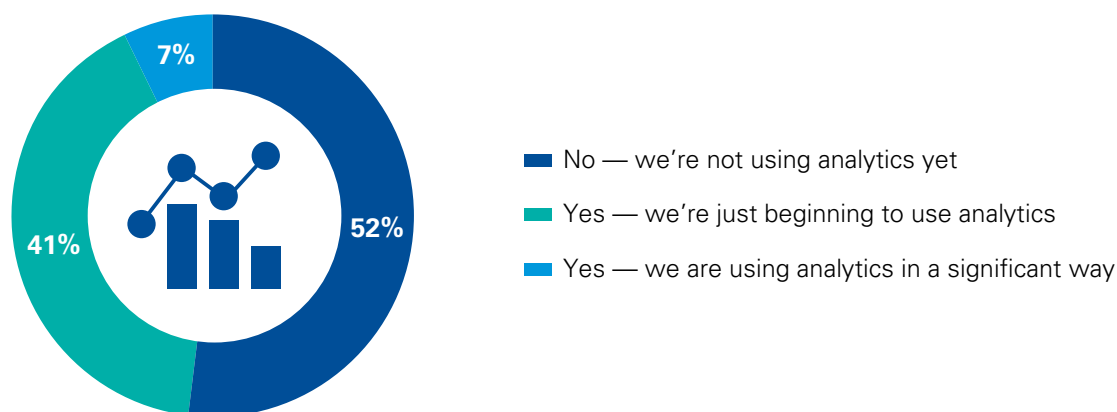
Forty-eight percent of survey participants are using analytics to guide their global mobility policy and decision-making.

Supporting the strategic partnership between global mobility and the business is the primary value that participants believe mobility analytics can bring to the organization, while also providing a foundation for policy and process decisions.

From an assignee perspective, participants also view mobility analytics as positively contributing to selection and retention (27 percent and 32 percent, respectively). Of the various mobility analytics solutions, cost analytics (34 percent), workforce analytics (27 percent) and assignee identification analytics (14 percent) are the tools that participants identify as bringing the most value to the organization.

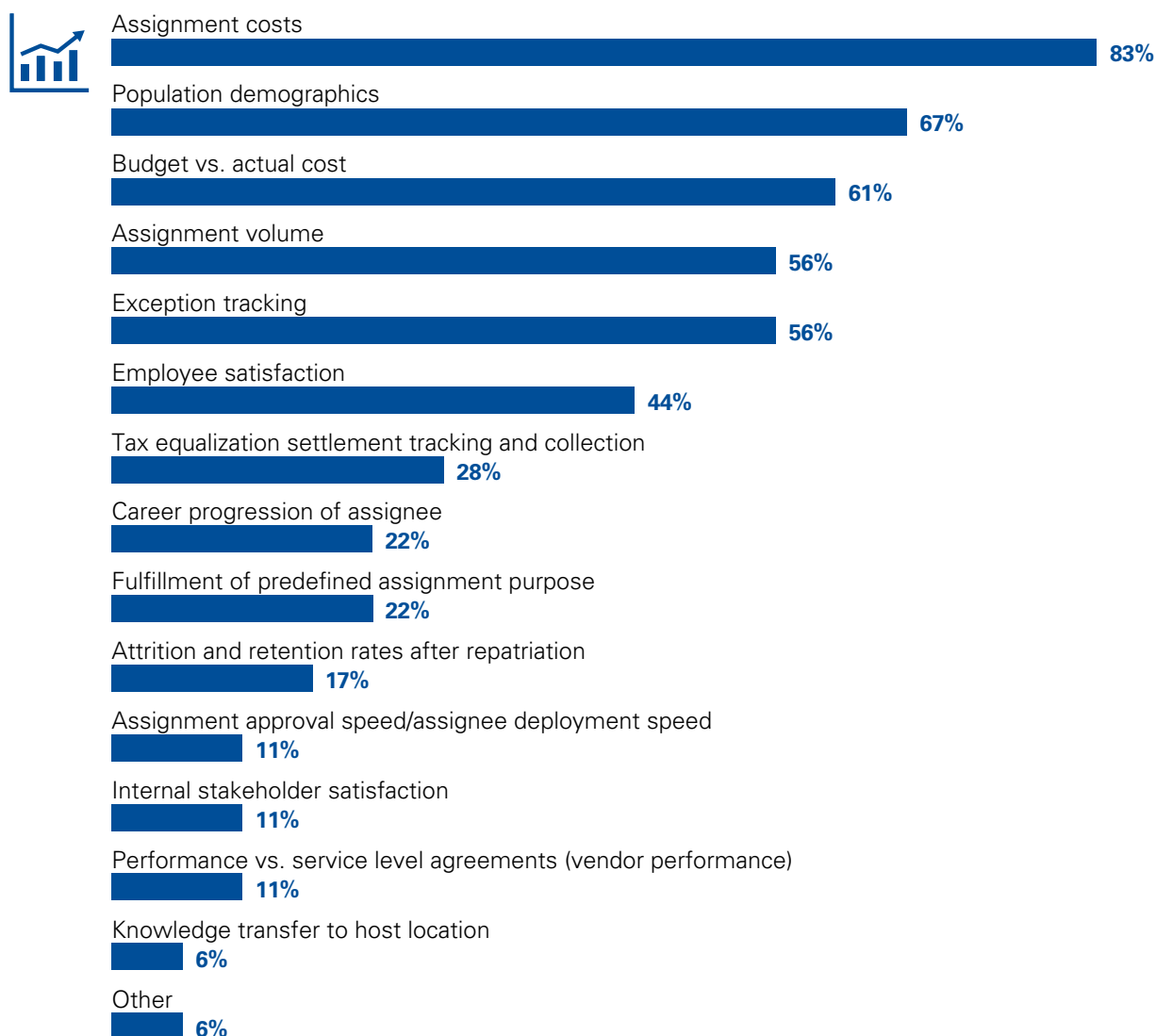


### Is your organization using analytics today to guide global mobility policy and decision making?



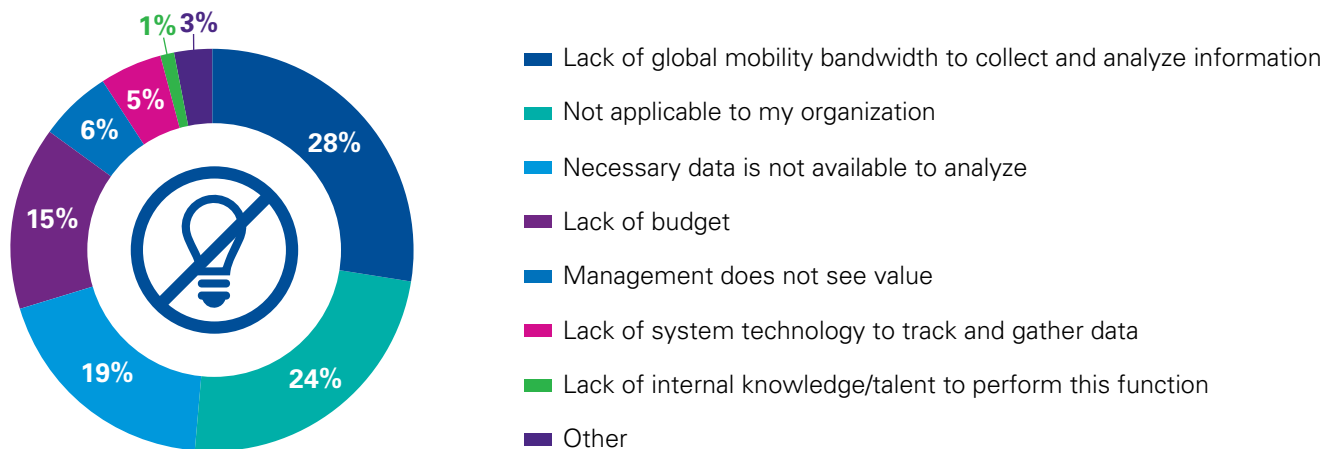
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

### If your organization is using analytics today, what global mobility metrics are you already collecting through third parties, human resources information system (HRIS), software tools, etc.? (Select all that apply.)



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

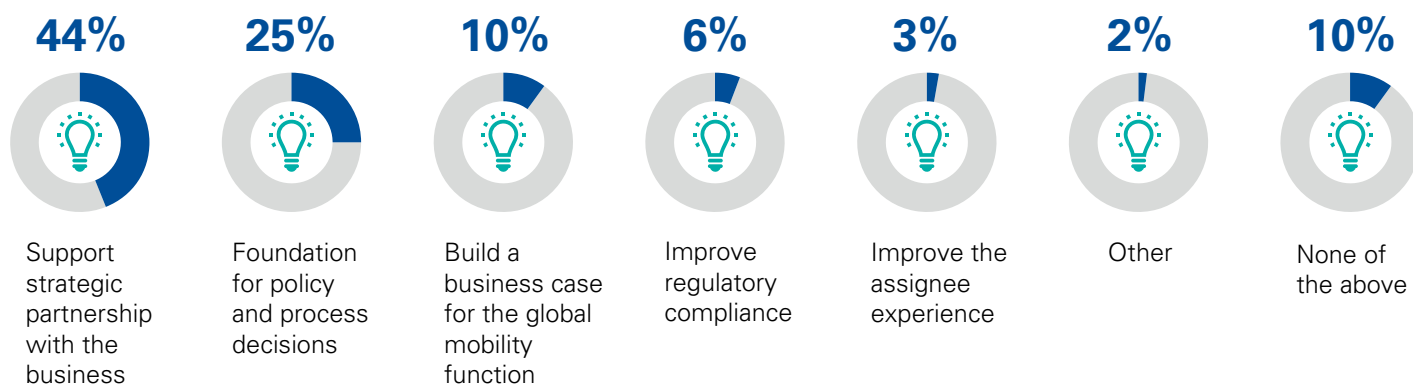
### What primarily inhibits your organization's use of mobility analytics?



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

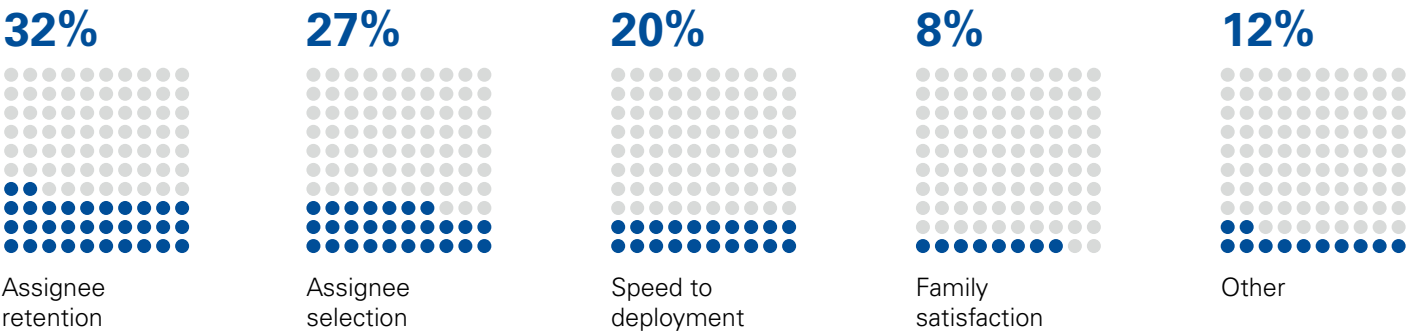
### What is the primary value that you expect the use of mobility analytics to bring to your organization?



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

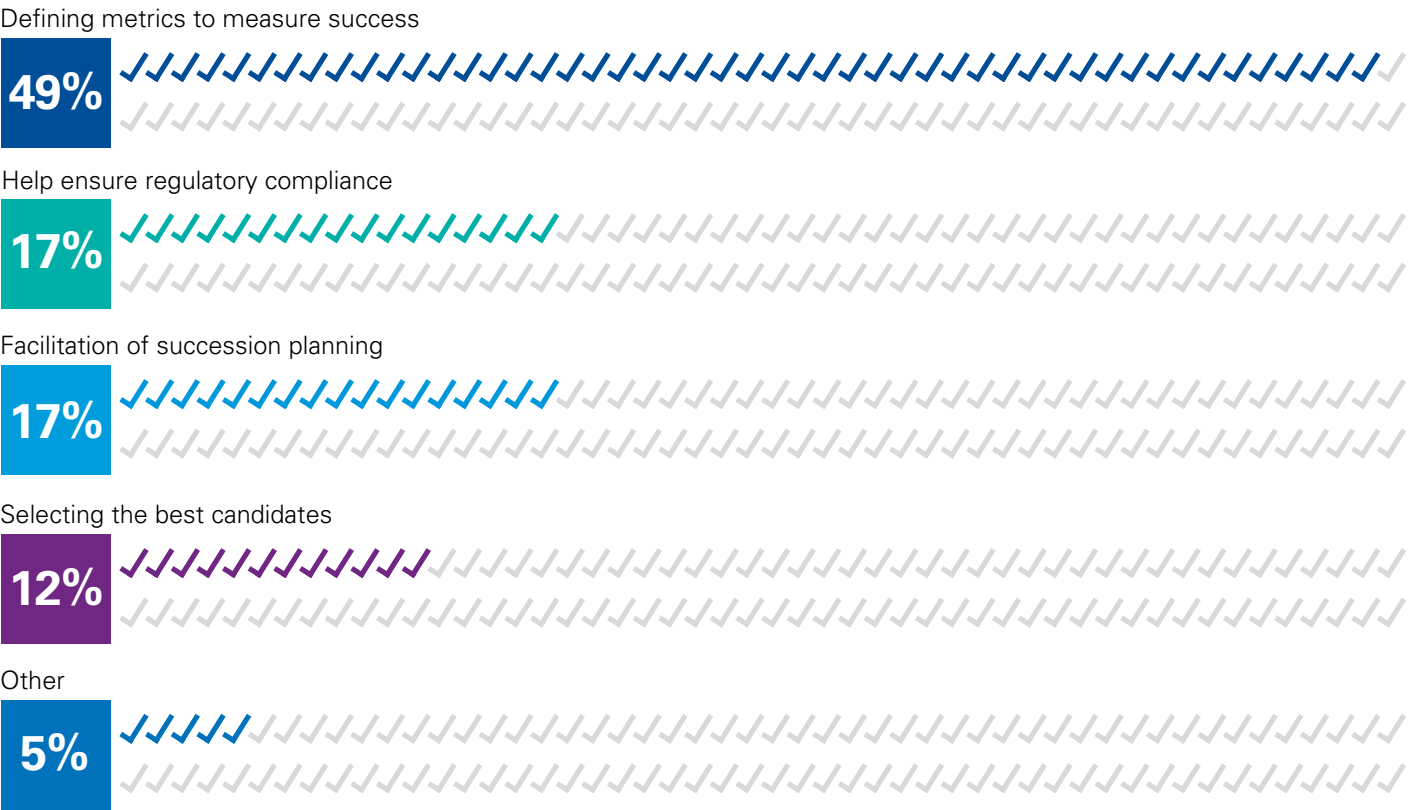


With respect to assignee experience, what is the specific area where you believe analytics can provide the most value?



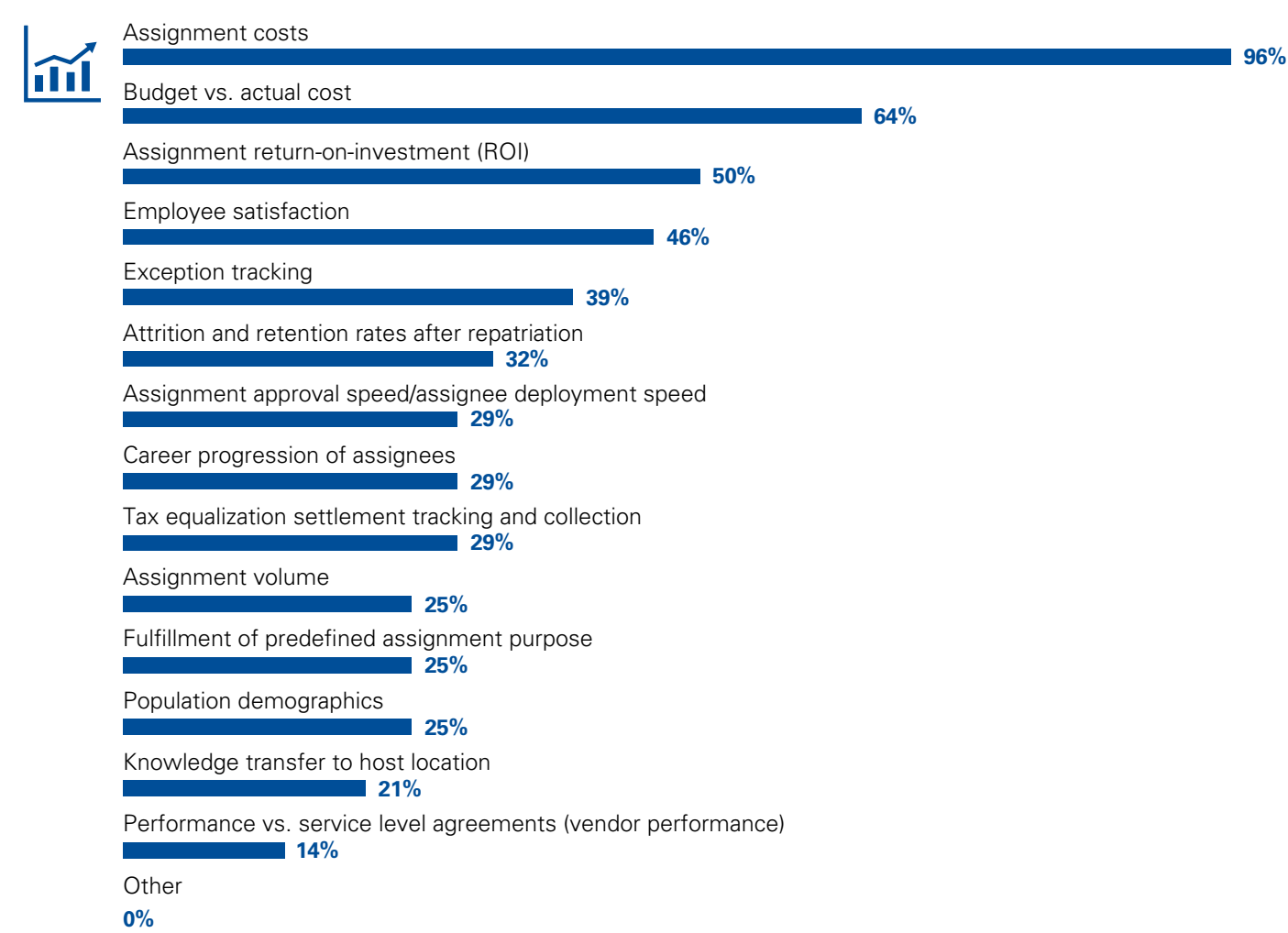
Note: May not total 100% due to rounding.  
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

How can mobility analytics most significantly contribute to assignment success?



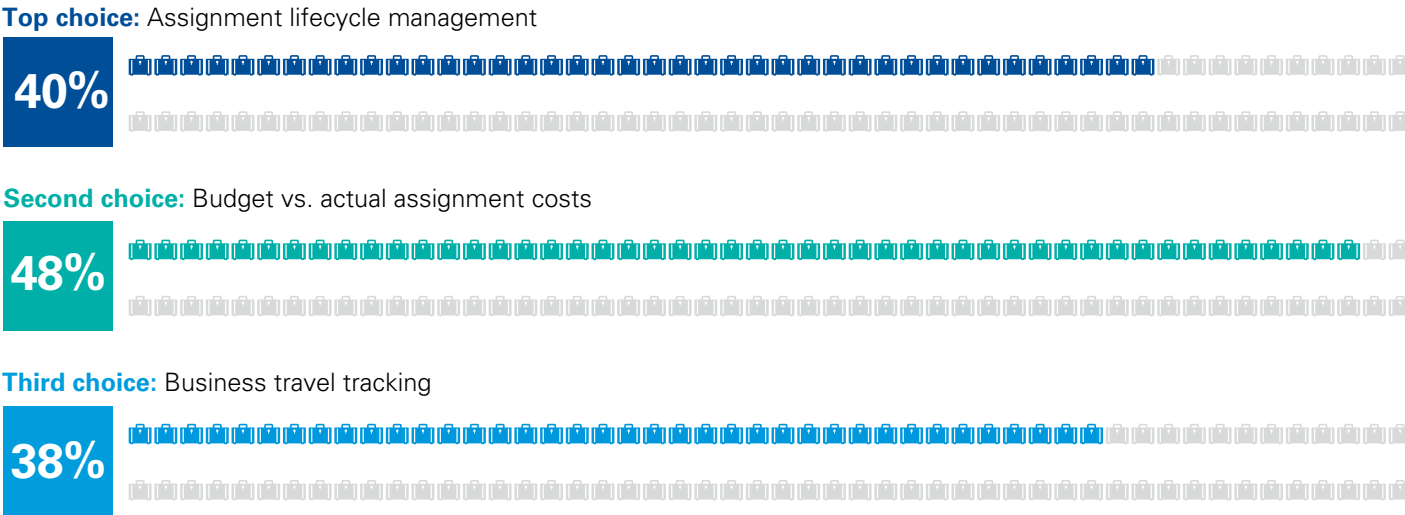
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

What metrics (operational or assignment-related) are important to your internal stakeholders? (Select all that apply.)



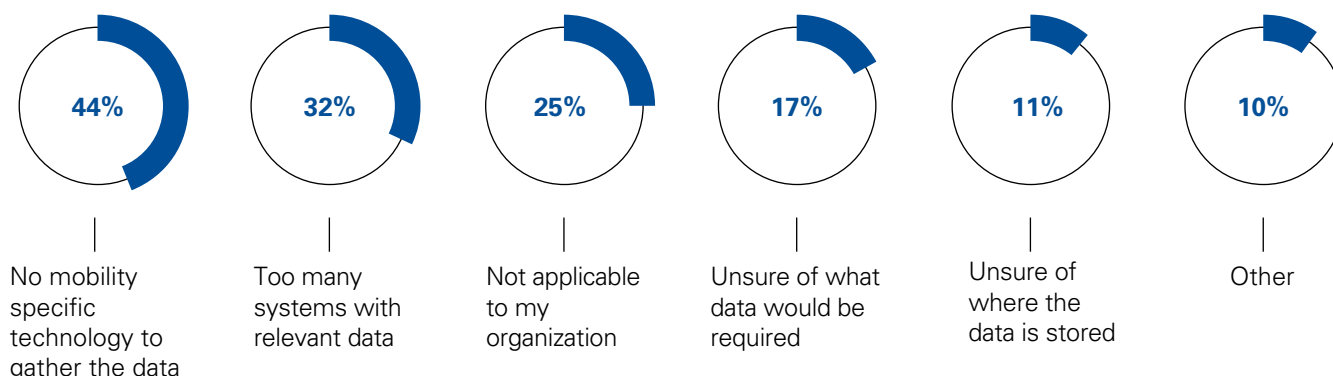
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

What are the top three visualization methods you would find most impactful for managing your mobile population?



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**If applicable, why isn't the necessary global mobility data available for your organization to analyze?**  
(Select all that apply.)



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

**Rank the following in order of value to your organization.**



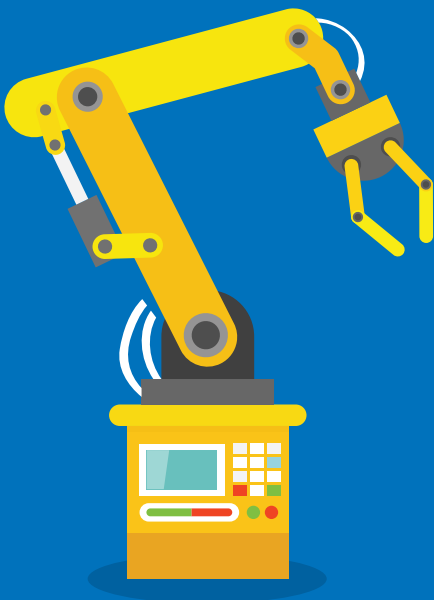
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

# Automation and robotics

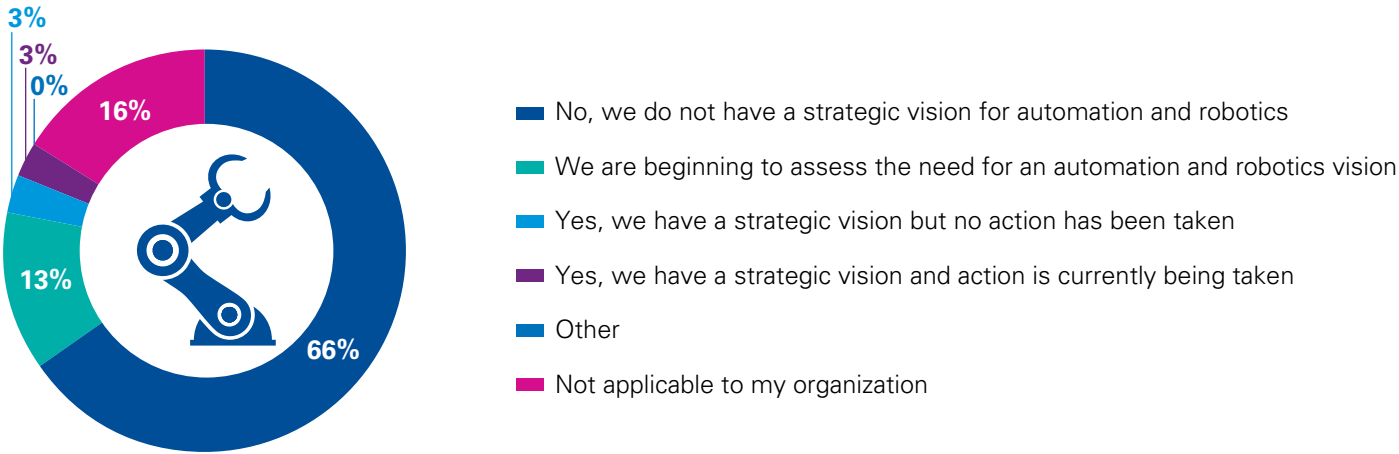
The majority (66 percent) of global mobility teams do not have a strategic vision for automation and robotics and are not using automation to streamline portions of the global mobility process (73 percent).

Looking forward, participants are most interested in automating compensation collection, creating assignment documents, and producing assignment cost projections (20 percent, 20 percent and 17 percent, respectively).

The biggest roadblocks to implementing automation and robotics are a lack of budget and the global mobility team's bandwidth to design and implement solutions.

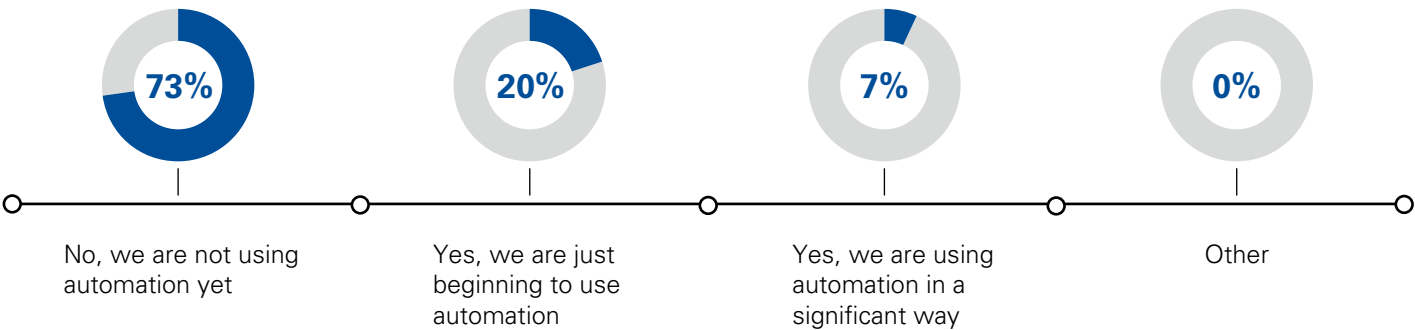


Does global mobility have a strategic automation and robotics vision?



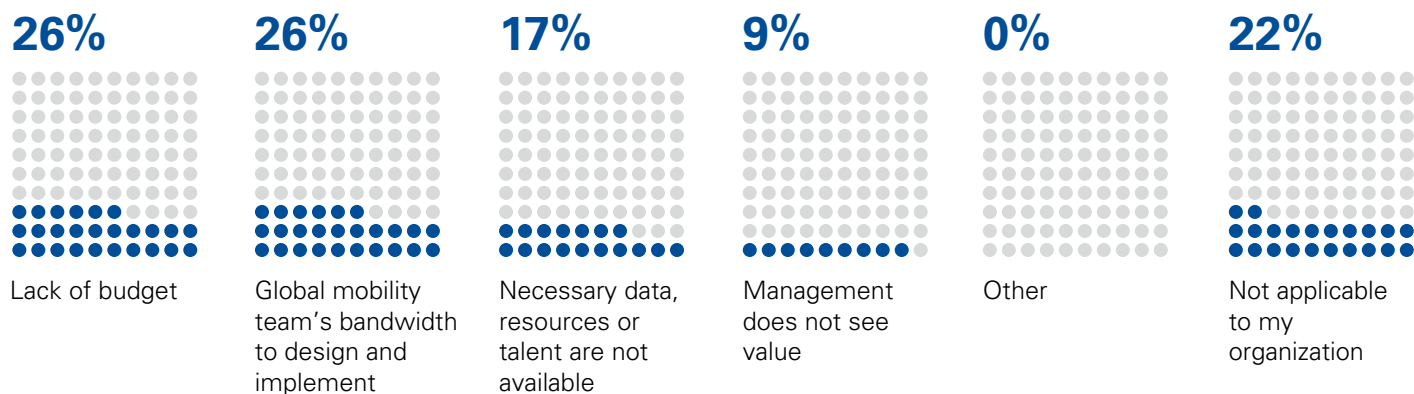
Note: May not total 100% due to rounding.  
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

Are automation solutions being used to streamline portions of your global mobility process?



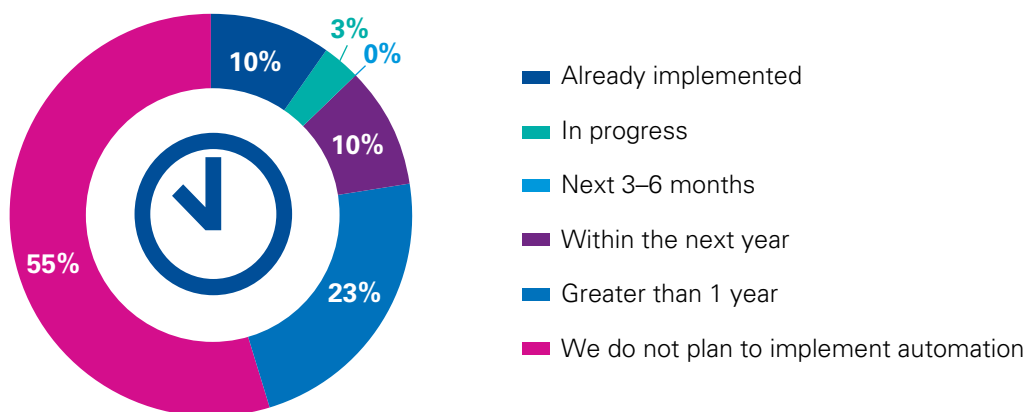
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

What is the primary reason that inhibits use of automation and robotics within global mobility?



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

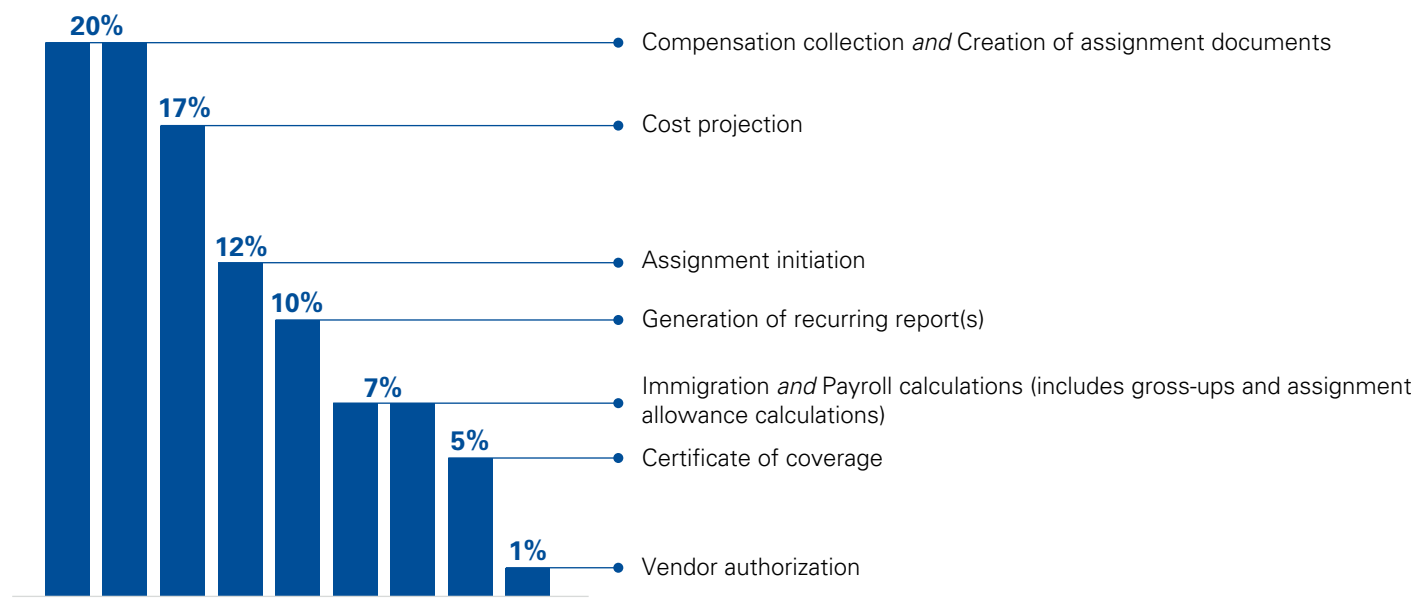
What is your timeline for developing and implementing your first automation project within global mobility?



Note: May not total 100% due to rounding.

Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

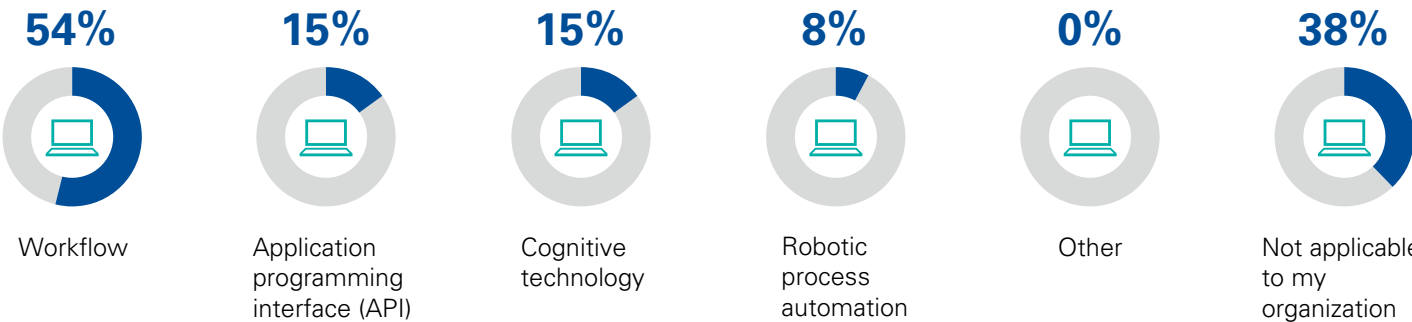
What are the top three parts of global mobility that you are most interested in automating?



0%  
Payroll reconciliations, shadow payroll, other payroll processes and other.

Note: May not total 100% due to rounding.  
Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

What type of automation is being explored by your organization to impact global mobility? (Select all that apply.)



Source: 2018 Global Assignment Policies and Practices survey, KPMG International, 2018.

# How to access KPMG International's GAPP survey

## How to get started

- Access the 2018 GAPP survey website page on: **kpmg.com/gappsurvey**.
- At the 2018 GAPP survey website page you will find a direct URL link to take the survey. Helpful information regarding the GAPP survey's design and important instructions for taking the survey are also provided.
- Please note that it is necessary to complete the survey in order to view results. If you encounter any problems accessing the site or registering, please contact us at: **us-kpmg-mcs@kpmg.com**.

## About the survey website

A feature of the survey website is the ability to view the data by any specific question of interest. Participants find this useful in evaluating their organizational policies against a specific set of parameters, as well as against peer or competitor organizations. In addition to key organizational demographics and global mobility policy overview, the survey questions follow an overarching framework of the key phases of an international assignment lifecycle with additional relevant topical categories covering immigration compliance, assignment management technology leverage and program data and analytics insights.

## Survey results

Participation in the survey is free and a summary of your responses will be made available immediately after you have completed the survey. Your individual response report can also be downloaded as a PDF, if desired.

As a participant in the survey, you will also receive an email notification with a copy of this year's survey results and findings.

## Data cut

If you would like a specific data cut from this survey, please send an email to **us-taxgmssurvey@kpmg.com**. While the full survey results are free, a nominal fee is charged for the data cut.



# KPMG's Global Mobility Services practice

KPMG's Global Mobility Services (GMS) practice is dedicated to helping global companies better manage their international workforce. When clients send their employees on international assignments, KPMG's GMS professionals provide proactive expatriate services along with international human resources and tax advice. When clients are considering acquisitions, mergers or downsizing, the practice offers professional advice and guidance on related issues affecting an expatriate workforce.

## How KPMG's GMS practice can help

KPMG's GMS practice has the people, experience and international presence to serve member firm clients effectively. Established more than 30 years ago, the practice today comprises more than 4,000 dedicated GMS professionals from KPMG member firms worldwide. The practice serves more than 2,500 clients and their expatriate populations.

KPMG's GMS practice provides broad compliance, advisory and administration services to support clients' worldwide businesses and assignees.

## International tax compliance services

KPMG's network of tax professionals complete tax returns for clients' international assignees, a service personalized for each expatriate. As part of the compliance process, the practice also offers payroll advisory services to help member firm clients obtain payroll information to be used in processing tax returns.

## Mobility consulting services

KPMG's Mobility Consulting Services (MCS) practice has in-depth experience in assisting clients in managing their international human resources. For more than 15 years, MCS has provided services to companies to help them manage their assignment administrative processes and related

costs more effectively. In addition, member firm clients rely on MCS professionals' knowledge and experience to help them benchmark, design and implement their international assignment policies. The experience of KPMG member firms in serving global employers truly distinguishes them as leaders in progressive process improvements for international human resources. KPMG member firms' services encompass both strategic and administrative support.

One potentially effective way to contain the administrative costs associated with international transfers is for organizations to consider outsourcing those processes that are not part of their core business to external service providers. KPMG professionals can provide assistance with effective management of routine administration for international assignment programs that allow companies to focus on the high-level strategic human resource aspects of their programs. The service can encompass nearly every component of international assignment lifecycle administration, including pre-assignment cost planning and budgeting; pre-departure services including relocation and immigration vendor coordination; on-assignment services including coordination of payroll instructions, shadow payroll delivery, ongoing global compensation collection and year-end reporting, assignee support and tracking; and assignee repatriation support.

## Global equity tax advisory

Global equity tax compliance for employees who have worked or lived in a location and received or earned equity and incentive awards can expose companies to the tax reporting and withholding associated with providing these types of awards long after the employees have physically left the location. Understanding the complex tax rules in this area, and defining a process to report, withhold and handle large volumes of transactions are just some of the services KPMG firms offer in this area.

## International social security advisory

KPMG member firms can help companies plan for, and control the costs of, social security taxes by helping them understand the rules and how they impact the cost of international assignments.

## Employment tax services

KPMG member firm professionals can help companies identify payroll and unemployment tax issues early and help resolve them before they escalate. This includes assistance in identifying, quantifying and recovering payroll tax overpayments, complying with employment tax requirements during mergers and acquisitions, and securing the abatement of penalties for payroll-related assessments.

## Global rewards services

KPMG member firms can assist your organization with leveraging your compensation and benefits program by aligning your company's goals and resources to gain a competitive edge. Their compensation and benefits professionals can assist you in designing and implementing plans and processes that will allow you to manage costs, improve performance, attract and retain employees and boost your bottom line. KPMG's Global Rewards Services (GRS) team comprises professionals from a variety of backgrounds, including accountants, actuaries, human resources generalists, benefits consultants, Health Plans & Benefits (ERISA) and technology practitioners, experienced private-sector compensation and benefits administrators, and former government officials.

## GMS technology

KPMG's GMS practice combines its knowledge of web-based technology with its practical experience in helping member firm clients manage their assignment programs to provide companies with applications designed to streamline their global mobility and tax processes. The GMS practice's technology offerings — featuring the web-based, integrated and user-friendly KPMG LINK Work Force suite — provide applications for tax compliance, tracking and assessing business travelers, global compensation collection, financial modeling, global equity tracking and international assignment program management.

For more information about these services, please contact the team by email at **[us-taxgmssurvey@kpmg.com](mailto:us-taxgmssurvey@kpmg.com)** or visit **[kpmg.com/globalmobilityservices](https://kpmg.com/globalmobilityservices)**.

# Glossary

**Accompanying spouse/domestic partner:** as determined by the assignee's home country organization's policies, a companion to the assignee who is included in the definition of family for purposes of international assignment benefits. Status may be married or unmarried and same gender or opposite gender.

**Assignee:** an employee of the organization who leaves their original country of employment to work in another country for a temporary period of time, normally longer than 3 months.

**Assignee-requested assignment:** employment provided by the organization in another country at the request of the employee for a specific period of time that is solicited/initiated by the employee. This type of policy normally offers minimal benefits and is often used when the employee's spouse/partner is offered an assignment by their employer. Also known as an accommodation assignment.

**Assignment-related benefits:** a general term covering all elements of remuneration provided in connection with a temporary transfer across national borders.

**Candidate assessment/selection:** a prescreening process used to identify 'assignment-ready' employees often by functional area (e.g. finance, marketing, product support). Typically, this includes assessing an employee's potential for an international assignment relative to their career path and the needs of the organization. A family's adaptability may also be analyzed.

**Commuter assignment:** a temporary transfer across national borders that allows the employee to reside part-time in their home country on a regular basis, often weekends, while working in the host country, usually weekdays. Most often seen among neighboring countries, especially in Europe.

**Company/employment/organization-source income:** all compensation paid to the assignee by their employer.

**Cost of living:** the aggregate of goods and services prices for a specific 'market basket' of items that enables comparisons among locations.

**Cost-of-living allowance (COLA):** a differential payment to (or withholding from) assignees to address differences in purchasing power between home and host countries. It is usually derived by applying a cost-of-living index to an employee's home country spendable income.

**Cost-of-living index:** a ratio of costs of goods and services in the home country compared to the host country (generally provided by outside vendors) used in calculating the cost-of-living allowance. It incorporates differences among nationalities with regard to spending and purchasing patterns.

**Cross-cultural training:** education in the customs, practices and/or languages of the host country for the assignee and/or accompanying family to familiarize them with the new environment in which they will live and work during the international assignment. Most often provided by a third-party vendor.

**Dependent (child or parent):** those who rely on the assignee for the majority of their financial support and are usually considered family for the purpose of calculating the assignee's international assignment-related allowances. This may include unmarried children (natural or adopted) typically under the age of 19 who would normally reside with the employee in the home country or other dependent relatives as approved by the organization's international assignment policy.

**Destination services:** assistance provided to the assignee and family upon arrival in the host country to help them settle into their new surroundings. Usually includes assistance in finding a residence, arranging schooling for dependent children, and guidance regarding shopping, transportation and driver's licenses. Most often provided by a third-party vendor.

**Development/training assignment:** a temporary transfer across national borders that is primarily aimed at providing the employee with the skills and experience judged necessary to progress within the organization. These types of assignments usually provide limited ongoing assignment-related benefits.

**Dual career:** a situation where both the prospective assignee and their spouse/domestic partner are fully employed professionals, either by the same organization or by different organizations. When the spouse/domestic partner is employed by a different organization, this often forces the couple to choose between the assignment opportunity and the spouse/domestic partner's job.

**Efficient purchaser index:** a measurement of the ratio of the cost of living between the home and host locations that assumes that an assignee is a 'smart shopper' and is able to purchase goods and services more economically than the average (newly arrived) assignee. A variation of the standard index, it incorporates differences among nationalities with regard to spending and purchasing patterns.

**Estate tax:** a tax imposed on the right to transfer property by inheritance and assessed on the net value of a deceased person's estate before distribution to the heirs. Also called death tax.

**Extended Business Traveler (EBT):** an EBT is generally defined as an employee who travels internationally on business on a temporary basis for a minimum of 10 consecutive days at any one time during a 1-year period to a given country.

**Family size:** a number that includes the assignee and any dependents who accompany the assignee to the host country. The home country family size may include qualified tax dependents who do not physically relocate to the host country.

**Foreign service (mobility) premium:** an incentive payment (usually expressed as a percentage of base salary) to encourage the acceptance of an assignment. Some organizations also pay upon the successful completion of an assignment.

**Furnishings/appliance allowance:** a payment to an assignee to purchase or rent certain household furniture, white goods or other appliances for their host country accommodation if such items are either absent or of unacceptable quality in the host country.

**Gift tax:** a supplement to the estate tax, it is a graduated tax assessed against a person who gives money or an asset to another person without receiving fair compensation in return. Each country's income tax code governs the amount of each gift that can be considered tax-free.

**Hardship/danger allowance:** a payment (generally calculated as a percentage of base salary) to compensate the assignee for undesirable cultural, social, physical or other conditions. Hardship is usually determined by the measurement of certain criteria by both vendors and government agencies.

**Home country:** the location where the assignee worked prior to the international assignment and to where it is intended the assignee will repatriate at the end of the assignment(s). The home country may or may not be the assignee's country of citizenship or residence.

**Home leave:** a benefit provided to the assignee and family to enable them to travel to the home country in order for them to maintain ties with colleagues, friends and family at home. Some organizations do not require home leave to be taken to the home country.

**Host country:** location across national borders to which the assignee is temporarily sent to work from the home country.

**Household goods:** household items, including furniture and personal effects that are sent by sea, air and/or ground to and from the host location.

**Housing benefit/allowance:** financial assistance related to the provision of accommodations in the host country for the assignee and accompanying family. Sometimes expressed as the total cost of foreign housing or as the foreign housing cost net of a home country housing norm.

**Housing offset/norm/notional expense/contribution:**

an approximation of typical home country housing costs that would normally be borne by employees of the same base salary and family size in the home location. Many organizations will adjust the housing norm annually to reflect increases in home location housing and operating costs (e.g. property taxes, utilities).

**Hypothetical/tax norm:** under the process of tax equalization, the assignee's share of their worldwide tax burden. This is normally determined by estimating the amount of taxes that the employee would have paid had they remained in the home country.

**Indefinite assignment:** a temporary transfer across national borders that does not have an anticipated end date but is still intended as temporary (rather than permanent assignment/permanent transfer). This type of assignment typically offers minimal relocation and transition benefits.

**International assignment:** a temporary transfer across national borders, normally lasting more than 3 months.

**International assignment policy:** the organization's formal statement of international assignment-related compensation, benefits, perquisites, logistical and other assistance.

**Interregional assignment:** a temporary transfer across national borders where the home and host countries are both within a defined geographical area (e.g. Western Europe, Southeast Asia).

**Key money:** in some locations, payment made to a landlord as an inducement to assure a host housing rental contract.

**Laissez-faire:** the organization takes no stand and offers no assistance to the employee in income and social tax matters; the employee is on their own for the filing and payment of home and host taxes.

**Language training:** if the language spoken in the host country is not the employee's native language, language training classes may be offered for the assignee and/or accompanying family members.

**Local employee:** a person working for the organization in their home country without any assignment-related benefits.

**Localization/localizing:** the transitioning of an assignee to an employment status/package in the host country equivalent to that of host country nationals. The length of transition may vary among different organizations and industries.

**Local-plus assignment:** a temporary international assignment in which the distinguishing feature of a local-plus assignment package is that a company often provides more above-base compensation benefits, such as a subsidy toward housing, school tuition, tax assistance and/or preparation, or some other negotiated element that places the assignee in a similar, but not equivalent, level with local employees. These employees typically also remain on their home country social security program and do not intend to move permanently to the host location. Traditionally, a local-plus concept has become more popular as a way for companies to bridge the gap between a full 'balance sheet', expatriate package assignment and a true local package that may not be attractive enough to entice the very best candidates for the position in the host country.

**Long-term (standard) assignment:** a temporary transfer across national borders, normally lasting between 1 and 5 years, though often extended.

**Lump sum:** a one-time cash payment to an assignee of at least two or more international assignment-related allowances or expenses, combined to replace separate or itemized payments.

**N/A (not applicable):** elect this choice when the question pertains to a policy, practice or issue that does not arise in connection with your program.

**Norm:** a standard, model or pattern regarded as typical.

**Organization:** term relating to the business entity primarily responsible for the creation and administration of international assignment policies and practices, and a general term used to describe the assignee's employer, such as a company, foundation or firm.

**Outsource:** retaining the services of an outside party or vendor to perform a function that was previously performed within the organization.

**Per diem:** a cash payment to an employee to cover certain temporary living expenses, usually meals, hotel and incidental expenses, expressed as a daily rate. When delivered at a government-determined rate to cover business travel expense, a per diem can often be tax-free.

**Permanent assignment/permanent transfer:** a one-way transfer across national borders. The individual is normally considered to be an employee of the host country entity, severing ties with the home country entity, and is often only provided relocation and limited transition benefits.

**Personal income:** all earnings realized by the assignee (and spouse/dependent family members) from sources other than the assignee's employer.

**Pre-assignment:** the period of time after a candidate for assignment has been identified but before their departure from the home country.

**Pre-assignment visit/trip:** a trip to the host country for the assignee (and possibly other accompanying family members) prior to the start of the assignment to make certain arrangements and view the possible new surroundings.

**Project-/contract-specific assignment:** a temporary transfer across national borders that is dependent on the completion of specific tasks or deliverables. The level of assignment benefits is often dependent upon the relative generosity of the financial terms of the contract or project budget.

**Property management:** services of a vendor to maintain and/or rent the assignee's home country residence (usually restricted to their primary residence) during the assignment.

**Relocation/disturbance/miscellaneous expense/settling-in allowance:** a lump-sum cash payment to the assignee to cover the cost of incidental expenses not specifically covered by other aspects of the company's international assignment policy.

**Repatriation:** the return of the assignee to the home country at the completion of the assignment.

**Rest and relaxation (R&R):** additional leave(s) usually provided when the host country is deemed a hardship location. This is often a separate leave from vacation and is used to allow the employee and eligible dependents a chance to visit a country that is similar to the home country culture for rest and relaxation.

**Return on investment (ROI):** evaluation of the overall cost (investment) of an expatriate assignment relative to the impact to the 'bottom line' for the organization. Often measured against the metrics and goals set for the assignment.

**Reversible/international standard index:** a ratio of costs of goods and services on specific items ('market basket') in the home country compared to the host country that does not incorporate the assumption that different nationalities will spend differently (as opposed to other cost-of-living index calculations).

**Rotational assignment:** a temporary transfer across national borders that requires the assignee to work for a designated number of consecutive days in the host country, followed by a designated number of consecutive days' leave (taken in the home country, host country or another 'leave location').

**Salary cap:** an upper limit or ceiling, usually expressed in terms of annual base salary to be used in the determination of allowances or a limitation on the maximum value of an allowance.

**Sequential/subsequent assignment:** often called 'back-to-back' assignments. Rather than repatriating at the conclusion of the original assignment, the assignee is expatriated to another subsequent location without returning to the home location.

**Short-term assignment:** a temporary transfer across national borders that generally lasts more than 3 months and less than a year.

**Spendable income:** the portion of base salary that is normally devoted to the purchase of goods and services (e.g. food, clothing, entertainment, medical care). This amount is not a fixed percentage of base salary; rather, it varies according to nationality, income level and family size.

**Spousal assistance:** assistance to recognize that spouses who accompany employees on international assignments may experience a disruption in their careers or self-improvement pursuits. May include job search, personal development or other assistance.

**Spousal income:** all earnings attributable to the assignee's spouse/domestic partner.

**Tax:** a fee charged ('levied') by a government on a product, income or activity. If a tax is levied directly on personal or corporate income, then it is a direct tax. If tax is levied on the price of a good or service, then it is an indirect tax.

**Tax briefings/consultations/orientations:** a meeting or discussion between the assignee and a tax professional to discuss the income and social tax implications of the assignment for both the home country and the host country.

**Tax equalization/equalize:** a compensation methodology for calculating the assignee's share of their worldwide tax burden by attempting to ensure that the employee is financially 'no better or worse off' than they would have been had the assignment not taken place.



**Tax gross-up:** a mathematical calculation to determine the final obligation to the taxing authorities when the company pays a tax liability on behalf of the assignee.

**Tax preparation:** services of a tax professional to prepare the assignee's home country and/or host country tax returns.

**Tax protection/protect:** a compensation methodology for calculating the assignee's share of their worldwide tax burden by attempting to ensure that the employee is financially 'no worse off' than they would have been had the assignment not taken place. It differs from tax equalization in that, in theory, the employee could receive a tax windfall in an assignment location with a tax rate lower than the assignee's home country.

**Tax reimbursement calculation:** the reconciliation of the assignee's tax contribution (via a hypothetical/tax norm) versus his or her obligation as defined by the tax reimbursement methodology.

**Tax reimbursement methodology:** the compensation philosophy used to calculate the assignee's share of their worldwide tax burden (e.g. *laissez-faire*, tax equalization, tax protection).

**Temporary living:** the period of time between the assignee leaving permanent accommodation in the home country and moving into permanent accommodation in the host country.

**Unaccompanied assignment:** a temporary transfer across national borders where the employee's immediate family remains in the home country. These types of assignments often provide for additional trips to and from the home and host countries for the separated family members. Host country assignment benefits are normally based on that of a single person.

**White goods:** household merchandise, such as bed sheets and curtains, previously made from white fabrics but now often colored, and/or large household appliances, such as ovens and refrigerators, previously finished with white enamel but now often colored.

**Work permit/visa:** all countries require valid identification (passport) for lawful entry. In addition, most countries require a valid work permit/visa before an assignee may live and work in that host country. Often, a spouse cannot be gainfully employed under the work permit/visa of the assignee.

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