

Skills needed to take on tomorrow

Part 3:
The design and innovation essentials of mobility





Is there any question that global mobility today stands at an unprecedented crossroads? AI is poised to unleash a paradigm shift featuring flexible new models and powerful automation tools. Young professionals are pursuing personalized working arrangements. Diverse taxation demands and risks require more-proactive monitoring and management. And forward-looking teams are recognizing the need for timely data analysis that unlocks critical insights and enhanced decision-making amid change.

Welcome back to 'Skills needed to take on tomorrow,' a three-part series offering insights from KPMG global mobility professionals on today's workplace trends, challenges and innovative digital solutions. Part 3 of our mobility series features four articles highlighting these key themes in the dynamic world of global mobility:

- The need for modern cross-border digital solutions. Today's mobility teams and organizations are being inundated with employee requests for personalized working arrangements. The future is employee-centric, and mobility needs to drive innovation with a three-step approach: Assess, architect, act.
- Managing global employment and mobility taxes. Global mobility and employment tax leaders are often struggling to track and manage multi-jurisdictional responsibilities. A proactive, aspirational approach is the way forward.
- The power of data to accelerate efficiency and job satisfaction. As mobility teams manage massive volumes of critical data across multiple systems, the need to unlock precise data-based insights and metrics is now indispensable. However, many organizations are enduring challenges regarding data integrity and the need for trusted analytics.
- AI's fast-emerging impact and challenges. Artificial intelligence promises to unleash remarkable new capabilities for global mobility. But uncertainty over AI's ultimate impact on the mobility function and its organizational roles is prompting significant questions and debate.

In today's reality, mobility leaders and their organizations need to map out new strategies and innovative approaches that can help drive mobility's efficiency and value to the business. The challenges are significant. The opportunities? Immense. I hope you find the latest KPMG insights in our mobility series informative and thought-provoking as mobility's journey into a new future unfolds.



Marc Burrows

**Head of Global
Mobility Services,
KPMG International**



Contents

04



Article 1

Designing modern cross-border digital solutions:

Assess, architect, act

09

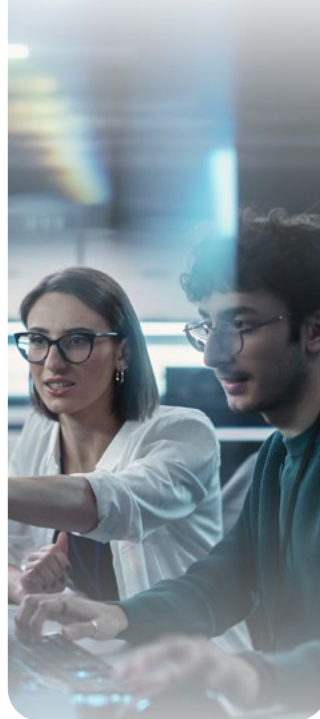


Article 2

Managing global employment and mobility taxes:

Who owns the risk in a world of change?

14

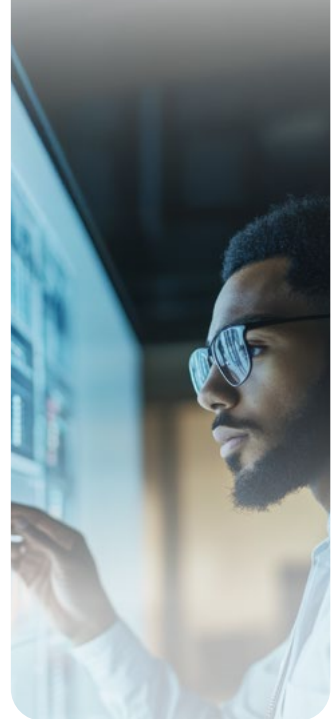


Article 3

What gets measured gets done:

Mobility turns strategic by embracing data

18



Article 4

Is AI poised to transform global mobility?

The artificial intelligence debate



Designing modern cross-border digital solutions:

Assess, architect, act

- **Michelle Berners-Price**
Partner,
KPMG in the UK
michelle.berners-price@kpmg.co.uk
- **Dave Mayes**
Partner,
KPMG in the US
dmayes@kpmg.com



The concept of remote work continues to evolve, and with it, the need for innovative new mobility programs that can meet today's unprecedented employee preferences for flexibility and work-life balance. But the journey to modern programs is not without significant challenges amid an apparent disconnect between the expectations of today's employees and their business leaders.

Senior leaders are hardening their stance on a return to pre-pandemic ways of working and anticipating a significant return to office settings. The vast majority of CEOs participating in our [2024 CEO Outlook](#) survey — 83 percent — said they are anticipating a return to the office five days a week within three years. That's up dramatically from 63 percent a year earlier. At the same time, 87 percent of CEOs say they will reward people who return to office settings with pay raises, promotions and new opportunities.

But in today's workforce reality, flexibility is paramount to younger workers, and they are inundating mobility teams with requests for agile working arrangements that include short-term and hybrid assignments, remote cross-border work, flexible commuter roles and more.

The gap in expectations between CEOs and employees — and the proliferation of requests for flexible and personalized mobility roles — is challenging mobility teams as never before amid fierce competition for scarce global talent. We advise clients experiencing a decline of traditional mobility to embrace the current opportunity for progressive changes that can meet today's increasingly complex talent needs and add value to the organization. A modern, employee-centric approach to mobility programs can also provide a competitive advantage in the race for talent.

Mobility teams should proactively develop innovative, data-supported programs that cater to employee expectations with appropriate policies, guardrails, processes and technologies. Accessing timely data to monitor the mobility ecosystem is key to identifying and responding to needs, risks and costs.

It's important to note that this challenging workforce trend comes against the backdrop of rising regulatory scrutiny, audits and penalties — placing additional pressures on organizations to enhance decisions and innovations that can impact corporate tax, transfer pricing, income tax, payroll withholding, immigration rules and more.

Meeting employee expectations in the race for scarce talent

KPMG global mobility specialists have developed an innovative, multi-stage framework that puts today's diverse and evolving mobility needs into specific categories and employment models designed to align with employee expectations. Our approaches include a sharp focus on the need for precise guardrails related to the location, duration and nature of work in global jurisdictions.

KPMG's methodology for helping solve today's challenges and building modern, responsive mobility programs entails three critical phases: Assess, architect, and act.

- **Assess:** Identify the requirements and potential risks arising from diverse non-traditional mobility programs and working arrangements. Understand the internal processes and technology already in place which can be leveraged to build efficiency.
- **Architect:** Design and apply innovative policies, processes and technology to help solve today's workforce challenges — always leveraging assess-phase insights for optimal decision-making and innovation for pragmatic risk-adjusted solutions.
- **Act:** Implement your non-traditional mobility program and supporting technologies in ways that can attract and retain valuable talent while driving progress, productivity and business value.





The 'assess phase' relies on timely and precise data insights

The first phase of our framework is an iterative process that focuses on reviewing data and information available. We advise businesses to closely examine their current non-traditional mobility ecosystem with an eye to precisely analyze the innovations required to address emerging needs and risks. It's critical here to gather and rely on data-based insights.

For example, a business with numerous employees working in a specific foreign jurisdiction might create unexpected

'permanent establishment' (PE) risks. In some cases, we have also seen organizations discover via timely data assessment that some employees should, in fact, not be working in a specific jurisdiction under current conditions or arrangements.

Teamwork is a key requirement for success during the 'assess phase.' Identify stakeholders within the organization that need to be involved and, significantly, who will be accountable amid change. Consider assembling a cross-functional team — specialists in key business areas such as corporate/mobility tax, legal, payroll and immigration who can help drive the process.

Striving to ensure appropriate engagement with all stakeholders can help to avoid the cost of projects being halted or significantly delayed amid conflicting views or unmet expectations. Different things will matter to different stakeholders — making collaboration and consistent communication indispensable.

Tapping into data effectively during the 'assess phase' can be key to success in the 'architect phase.' Don't underestimate the power of artificial intelligence (AI) to assess and summarize key data and deliver insights that can shape your mobility policy decisions and their alignment with the broader organization's objectives. Benchmarking is also helpful during this phase — looking beyond your organization to explore and understand what other organizations are doing locally that appear to be working. And here AI can also be productive by providing publicly available data on what other businesses are doing.

Teamwork is a key requirement for success during the 'assess phase.'



Architect programs to balance productivity, efficiency and risk

This phase aims to design detailed policies and processes that can effectively support your mobility program's evolving needs and enhance its contribution to the business. Key insights produced in the 'assess phase' will likely determine the next steps in proactively addressing employee needs and expectations.

This process includes quantifying various risks, such as those arising when mobile employees undertake international business travel between non-treaty countries. Examine risk-related data to determine which employees will likely be impacted by different regimes and what will be needed for compliance. From a technology perspective, make sure you are getting the most out of your existing investments and plugging gaps that can emerge in areas such as workflow management and data analytics.

As in the 'assess' phase, it's important during the 'architect phase' to confirm appropriate reporting to key stakeholders on what is being done to optimize mobility processes and technology use and how these initiatives can drive smart business and change management decisions that add value. Again, accurate, timely and consistent communication here is indispensable. Tailor your messages to various stakeholders — legal, tax, IT, immigration, procurement, HR, etc. — with key details and insights and invite feedback that can prove helpful in accelerating the process and enhancing its effectiveness.

We see more organizations wisely relying on cross-functional teams to explore options and drive smart decisions during this phase. Key to gaining consensus with the broad stakeholder group is identifying a senior sponsor that can balance differing viewpoints and is empowered to develop a point of view. Engaging key stakeholders to collaborate amid change and the search for results can save valuable time, costs and resources.

Embracing AI during this phase can also drive progress and alignment with business objectives. In some cases, we are seeing businesses going as far as to



explore the use of AI to write specific mobility policies based on existing needs and potential risks, as well as determining which policy is most appropriate for a specific employee scenario.

Consider a gradual rollout in the 'action phase'

With phases one and two completed, the critical 'action phase' of the program follows, and, in many cases, we see businesses implementing a gradual, step-by-step process rather than taking an overly ambitious 'big bang' approach to their program rollout.

For example, business travel data can initially be used to address and optimize specific key processes and policies — such as payroll withholding, posted worker registrations or immigration — with additional 'action-phase' initiatives unfolding in subsequent months.

A gradual rollout provides advantages not only in terms of managing costs and the use of resources but also in helping ensure effective change management that ideally shapes a positive employee experience — a key requirement of this phase.

Maintaining employee and stakeholder communications and education initiatives to manage emerging changes will likely be pivotal to success. Simply put, if employees don't understand the need for change and how it can impact them, confusion, disruption and costly delays can result. Consider the use of informative FAQ documents and online information resources to help mobile employees understand the reasons for the actions and changes that are unfolding.

As the rollout phase unfolds over time, maintain a focus on driving continual improvements — reviewing where you are with the program, what's working and what needs to change to enhance efficiency and productivity. Use timely data for key insights into program improvements and innovations.

Keeping senior leadership and the mobility team on the same page at all times is crucial, particularly in the area of cost management as changes unfold. We are seeing more businesses form steering committees in which key stakeholders are engaged throughout the process to identify, assess and manage progress, challenges, risk, compliance and more.



Key takeaways

Assess

Put your mobility program under the microscope to precisely identify the innovations needed to address emerging non-traditional mobility and talent needs and potential risks amid change. Engage key business stakeholders at every step — teamwork is key here, as in all three phases.

Architect

Dedicate the time and resources needed to develop non-traditional mobility programs and policies that both meet the needs of today's workforce models and demonstrate the value that mobility can bring to the organization.

Act

A gradual and strategic program rollout can provide significant benefits in terms of managing costs and the use of resources and ensuring effective change management that ultimately delivers a positive employee experience. From there, focus on continual improvements to your program.



Managing global employment and mobility taxes:

Who owns the risk in a world of change?

- **Roop Vohra**
Partner,
KPMG in the UK
roop.vohra@kpmg.co.uk
- **John Montgomery**
Partner,
KPMG in the US
jmontgomery@kpmg.com
- **Kristin Noble**
Partner,
KPMG in Canada
klnoble@kpmg.ca





Maintaining a sharp focus on employment taxes is imperative in today's ever-evolving regulatory environment and its impact on global mobility. Yet, while significant risks related to employment taxation exist and continue to emerge amid change, they are too often overlooked.

In our experience, many businesses and mobility teams are failing to establish ownership of employment tax risks among global mobility, payroll, HR and corporate tax teams. And amid this potentially costly disconnect, the employment tax picture grows more complex among key considerations that include social security, regional and local taxes, paid medical leaves, disability insurance and other potentially taxable benefits — and related risks — arising in diverse jurisdictions.

The result? More organizations are enduring costly audits and disruption while facing a pivotal question regarding the future: Who owns the risk?

In today's dynamic reality, global mobility and employment tax leaders often struggle to manage multi-jurisdictional responsibilities and are stuck in a reactive mode that typically

wastes valuable time and resources. A proactive, aspirational approach is the inevitable way forward — clearly defining roles and responsibilities and driving decision-making that manages risk while adding value to the business.

A comprehensive governance framework can be the solution — a robust approach for employment tax compliance that establishes global mobility as the first line of defense on operational risks, with employment tax leaders serving as the second line of defense, providing data and input as needed.

In this article, we explore the advantages of implementing a governance framework and the use of supporting technology to keep the evolving employment tax picture and related risks and compliance needs in sharp focus.

Today's complex reality demands a robust governance framework

A well-designed governance framework provides a clear methodology for employment tax management that offers:

- **Compliance** — Businesses need consistent and reliable confirmation that they comply with ever-changing tax legislation. A governance framework can provide key mechanisms to assess the status quo on taxation requirements and risks, while monitoring legislative changes that impact the organization and its mobility programs.
- **Control** — Effectively managing the employment tax and risk environment demands processes and systems that help maintain the compliance component of the framework with clear policies and procedures.
- **Efficiency** — As global mobility and related risks grow more complex; businesses need to streamline processes and build efficiency into employment tax management — ideally using timely data. And as data sets grow, tapping into the power of technology, including AI, can significantly enhance efficiency.
- **Accountability** — Who's doing what? This is a critical question that we see many businesses struggling with today on the employment taxation front. Key stakeholders and business functions need to understand their individual roles and responsibilities, in addition to maintaining close collaboration and consistent communication organization-wide amid ongoing change.





How to build a governance framework

KPMG tax specialists have developed a four-step approach to establishing an effective governance framework that addresses today's dynamic environment.

1. Assess

It's crucial to examine and understand precisely where your business stands today in terms of its tax operating model. How is it set up? Is it centralized? Decentralized? Explore your organizational risk materiality and its current effectiveness.

We see many organizations facing challenges in determining reporting requirements and significant penalties can emerge unexpectedly along the way. Focusing on your payroll operation model and how it is set up to meet requirements in diverse jurisdictions is crucial.

Compensation models and employee types are two key areas to examine for existing risk. For example, in the case of a long-standing employee who has worked in multiple jurisdictions, are you accurately reporting the compensation model to help ensure compliance in all locations?

When it comes to diverse employee types as defined under various mobility programs and working arrangements — such as domestic, expatriate, business travelers or cross-border/remote employees — it's crucial to clearly identify who is responsible and accountable for managing these roles and related risks.

In this step, don't underestimate the advantages of technology and automation to provide timely insights on the status quo and emerging changes. Tapping into the power of AI for data-based insights, for example, can reduce the burden of time-consuming manual processes. Engaging with an outsourced payroll

partner in a foreign jurisdiction can also enhance efficiency by providing key insights into ongoing legislative changes and the need to respond.

2. Design

With the first step complete, the focus turns to the organization's risk profile and ownership of governance roles and responsibilities. We sometimes see a wasteful duplication of efforts and unnecessary spending when governance roles are not clearly defined.

For example, it's critical to have clarity regarding oversight of wage tax and payroll audits so that when an audit comes up, it goes to a designated person responsible for owning and managing the entire process with the tax authority. Mapping out compliance obligations among global mobility, payroll or corporate tax leaders is indispensable to knowing at all times how to address and solve issues as they arise immediately. An informed, proactive approach can save valuable time and costs and help to ensure avoidance of penalties.





A well-designed governance framework will also play a significant role in managing and monitoring key compliance obligations that differ — and continually change — across diverse jurisdictions. Avoid the mistake of assuming it all falls to global mobility. The right framework should foster the right connections and responsibilities among key players in your organization.

3. Implementation

With an appropriate framework in place, identify the stakeholders — both internal and external — who need to be involved, whether payroll, mobility, finance, HR or corporate tax. Successful implementation will likely also demand clear and consistent communication amid proliferating changes that inevitably require a timely and precise response.

A collaborative approach — one that helps ensure every stakeholder is aware of potential risks — is essential to success. Creating a well-defined communication plan can help keep leaders and stakeholders up to date at all times as needs and demands change.

We also see more companies responding to today's environment by establishing a specific role that functions as a facilitator between mobility, HR, payroll and corporate tax to clearly understand evolving tax rules and provide guidance. Here, the use of a change management specialist to navigate the journey can also prove valuable.

Proper training of key stakeholders helps ensure that clear lines of responsibility are established and ownership of the key risks are understood, so that the governance framework operates how intended. It can also allow a true understanding of the complexities of diverse compliance requirements keeping mobility and the organization ahead of changes and the need for responses.

4. Stay the course

Rely on the governance framework as an ongoing work in progress that is continually responding to changing conditions and requirements. Take steps to help ensure it is being



used and adhered to consistently. With the governance framework in place, consider choosing a high-risk location for an internal audit to test the application of appropriate actions, controls and processes.

Dedicating time and resources here can prove instrumental in addressing emerging or potential changes that cannot be ignored. Some organizations are also wisely reviewing their status and potential risks in specific locations where scrutiny and activity by tax authorities is on the rise. As noted, a proactive approach is pivotal.

In conclusion, a well-designed and strategically implemented governance framework has become indispensable in today's ever-evolving tax environment and its impact on businesses and their mobility programs. A unified approach that engages all key stakeholders and uses technology to drive the process and its progress is the way forward. Dedicating the time and resources needed to develop the right framework for your organization can avoid costly delays and significant penalties.



Key takeaways

Embrace opportunity

A well-designed and implemented governance framework can effectively turn today's taxation challenges into a game-changing opportunity to document and define how mobility and employment taxes are managed within your organization. Aim to ensure that the framework is understood and being used appropriately by key players.

Identify today's — and tomorrow's — needs

Your governance framework should provide a crucial tool to assess how things are currently being done by global mobility and the broader organization amid change. Rely on your framework to identify areas requiring improvement to enhance accuracy and efficiency. And look to the power of technology and automation to drive the process forward.

Communicate organization-wide

Take the time to develop — and share widely consistently — a detailed stakeholder engagement and communication plan. Foster a unified approach that keeps leaders and stakeholders up to date at all times to recognize potential risks and how best to manage them.



What gets measured gets done:

Mobility turns strategic by embracing data

- **Dinesh Sinniah**
Partner,
KPMG in the US
dsinniah@kpmg.com
- **Mónika Martens-Fila**
Director,
KPMG in Hungary
monika.martens-fila@kpmg.hu
- **Katherine Avery**
Partner,
KPMG in the US
katherineavery@kpmg.com





A data strategy that aligns mobility with business objectives is pivotal to success as the pace of change accelerates in today's hypercompetitive reality. Forward-looking mobility leaders are transforming mobility from a reactive 'operational' model to a strategic function that is proactive, innovative and insights driven — closely aligned to business objectives and adding value as a trusted advisor amid emerging challenges, opportunities and risks.

Businesses need to know precisely where they are — and where they need to be — while managing massive volumes of critical data across multiple systems within the organization and among service providers. Appropriate metrics have become indispensable, using key data across the spectrum of mobility and talent functions to identify the effectiveness of mobility policies and practices in meeting business needs.

The 2024 KPMG Global Mobility Benchmarking Survey reveals the significance of data and the crucial insights it provides. More than three-quarters of respondents (77 percent) cited cost-related mobility data as their most important use of data, 70 percent cited data's importance to risk and compliance management, and 54 percent cited data related to process efficiencies.

At the same time, 45 percent cited data and data integrity as the biggest challenge they face today on the analytics front.

Data transforms mobility into a strategic new role

Forward-looking businesses should begin mobility's journey to a strategic business partner by focusing on mobility's operational data first and foremost. Connect with HR and talent acquisition teams to obtain a clear and comprehensive view of the expectations regarding efficiency, cost management, succession planning and talent-related investments. Close collaboration with talent leaders will provide critical insights into where they struggle to fill talent gaps and how mobility can help.

Case Study

The journey to a strategic role for mobility can be challenging and depends on knowing where to start on operational data and metrics. A major technology client facing significant pressure to improve mobility's cost management identified a lack of timely data across its mobility operations and programs. The business needed a new window into anticipating, identifying and understanding costs and setting realistic expectations. The organization began the operational data journey by simply focusing on significant tax equalization (TEQ) balances that needed payment. It ultimately decided to shift TEQ from a mobility expense item to its outstanding business balances and went on to implement a process to collect money owed from employees who had departed the organization and in doing so increased the perceived value of mobility in the organization.



Source: 2024 KPMG Global Mobility Benchmarking Survey, KPMG International, 2024.



Evolving mobility into a strategic role essentially requires the merging of talent and mobility data — managing the spectrum of employee assignments with talent teams across HR such as HRBPs, Talent Management, and Talent Acquisition, ideally, transforming mobility from a transactional organization to a key contributor to business and talent objectives. To do this, mobility needs to provide data-based insights that go beyond a pure cost perspective to talent insights that demonstrate the connection between the business' talent needs and mobility services.

Tapping into talent-related metrics obtained from an organization's HCM system such as employee retention, performance ratings, promotional velocity, succession planning and more, can also identify what is lacking and where more investment is needed in talent management and development. In our work with another global tech client, KPMG in the US addressed a key question among leadership: How does a typically costly international mobility assignment impact an employee's career?

Comparing data that focused on vice-presidents working in either mobile or non-mobile roles, data revealed that attrition was much higher among international assignees. The reason? Strategic data analysis indicated a significant lack of effective talent

planning by mobility and talent teams to optimize the employee experience and job satisfaction following the conclusion of a mobility assignment. Don't underestimate the value of such 'qualitative' data in today's employee-centric reality and the need to meet evolving talent expectations with a modern employee experience.

Measuring ROI and risk with smart data use

Strategic data use can deliver key mobility insights and ROI metrics regarding financials, risk, talent management and more. Explore ROI regarding key financial considerations such as assignment costs, recruiting, vendor management and employee headcount. On the risk front, focus on compliance, penalties/interest and audit results. Keep your employees in sharp focus as well, zeroing in on key factors such as employee satisfaction, performance, retention and total rewards data.

We are seeing more organizations pursue enhanced data use and analysis to better identify and address risk, costs and compliance, and their impact on the employee experience amid mobility assignments. Finding the right balance among these key considerations is crucial, and businesses are increasingly relying on the revolutionary power of data visualization and analytics platforms such as Microsoft Power

BI and Tableau for timely data-based insights. We advise clients to break down risk measurement as follows:

- **Data** — Tap into timely mobility, employee and rewards data that will enable critical insights and evidence-based decision-making.
- **Analyze** — Use data and analytics to measure and predict potential risks and outcomes of a given challenge or opportunity.
- **Visualize** — Train a sharp lens on data analysis findings and quickly determine the impact of proposed initiatives and goals.
- **Act** — Use insights gained to support a business case and a plan of action to proceed with the implementation of proposed recommendations and initiatives.

In KPMG in the US work with another client, the business needed to assess compliance risk among mobile employees facing 'business traveler' taxes. The client initially believed that existing risk was becoming significant across multiple jurisdictions — until they analyzed key data in areas such as employees' local expense reports, travel services, logistics costs and more. The result? Simply enhancing policies and guard rails in a handful of countries proved to be the data-driven solution.

In conclusion, the future of mobility is strategic, playing a pivotal role as a trusted advisor proactively supporting business objectives. Strategic data use ultimately demands a three-step approach to move mobility from an operational function that consistently adds value to the organization. First, monitor data over time — versus reliance on a limited data 'snapshot' — to accurately identify trends requiring a response. Second, measure data results against mobility and business goals or targets. And third, don't underestimate the value of benchmarking your results against competitors where feasible. The journey to a strategic role requires merging talent and mobility data — ideally transforming mobility from a transactional mindset to a key contributor to the business and its talent objectives.

Case Study

In KPMG in the US work with one major global tech client, the organization was deploying mobile talent primarily across Europe and the US. In an effort to optimize costs and business value, data analysis revealed the advantages of accessing local talent wherever feasible to maintain productivity while reducing mobility and talent costs. The initiative eventually translated into an effective redesign for the mobility function, shifting some operations and processes to rewards and talent teams for enhanced efficiency and business value that contributed to the organization's overall objectives.



Key takeaways

Mobility's future is strategic

Forward-looking mobility leaders are proactively transforming mobility from a reactive operational model to a strategic function that is proactive, insightful and innovative — adding value to the business as a trusted advisor.

Where to begin?

Begin mobility's journey to a new role as a strategic business partner by focusing first on mobility's 'operational' data. Forge productive connections with HR and talent teams and across the entire business to determine the desired goals and needs regarding efficiency, cost management, succession planning, talent-related investment and more.

Identify and respond to trends

Consistently monitor mobility and talent-related data over time to accurately identify trends that will require a proactive response. Measure timely data results against current mobility and business objectives. Where feasible, benchmark where the business stands versus competitors to drive progress.



Is AI poised to transform global mobility?

The artificial intelligence debate

- **Steve Herlocker**
Partner,
KPMG in the US
sherlocker@kpmg.com
- **Wayne C Soontiraratn**
Managing Director,
KPMG in the US
wsoontiraratn@kpmg.com
- **Robert N Smith**
Managing Director,
KPMG in the US
robertnsmith@kpmg.com
- **Andrew Vincett**
Partner,
KPMG in Switzerland
andrewvincett@kpmg.com
- **Anita R Bhargava**
Managing Director,
KPMG in the US
abhargava1@kpmg.com



The rapid proliferation and dramatic impact of artificial intelligence (AI) are prompting new questions about the future of global mobility. How might AI influence the current mobility function? Could it redefine the organizational role of mobility teams? Should mobility leaders embrace AI without delay — or wait to capitalize on its evolving capabilities?

In this article we explore discussions about AI and its impact on global mobility — both its merits and challenges in managing international assignments. It's important to note that the perspectives shared here are meant to provoke discussion and do not necessarily reflect the views of the authors or KPMG member firms.

A bold new reality for today's global mobility function?

AI is poised to bring a paradigm shift for mobility. It has the potential to move away from traditional one-size-fits-all programs towards more flexible models that can be tailored to fit the diverse needs of mobility teams and assignees. AI is expected to enhance the employee experience — providing instant, reliable access to assignment priorities, logistics details and ongoing requirements as mobile employees take on roles in new jurisdictions.

At the same time, AI is set to automate mobility function processes, reducing the need for time-consuming manual tasks and improving operational efficiency. Perhaps most significantly, AI tools and systems can be trained to work effectively within today's evolving mobility ecosystems, potentially playing a central role by offering data-driven insights and supporting informed decision-making. AI can help forecast mobility's workforce needs through analytics — analyzing historical mobility data and trends to predict future talent demands and improve recruiting.

The [2024 KPMG Global Mobility Benchmarking Survey](#) of 225 multinational enterprises surveyed across 12 industries indicates that AI adoption is indeed on the rise. Half (51 percent) of businesses are considering leveraging AI in the short or long term, and 73 percent are planning future AI investments focused on automating manual administrative tasks for greater efficiency.



While concerns about privacy, security and ethical AI use remain, the regulatory landscape for AI governance is also evolving. The European Union (EU) has introduced legislation through its EU AI Act, establishing a risk-based AI classification system. The EU aims to ensure that AI systems used by its 27 member nations are secure, transparent, traceable, non-discriminatory and environmentally friendly. The legislation also requires human oversight of AI systems to prevent harmful outcomes and maintain AI's integrity. Beyond the EU, Japan and Singapore have also been front-runners on AI legislation.

As AI goes mainstream, oversight is still key for the mobility function

While the potential benefits of AI are significant, there are challenges that the mobility function must address as the technology automates key processes.

AI may impact the operational efficiency of the mobility function. For example, suppose a mobile employee relies on AI to manage logistics, immigration, personal needs and expenses during a relocation to a foreign jurisdiction. The

assignment may proceed with minimal personal contact with the mobility team. However, if issues or errors arise unexpectedly, the mobility team may need to address potential costly problems that the assignee's reliance on AI created.

This scenario could lead to a decrease in operational efficiency as time and resources are allocated to resolving the employee's challenges. To maintain trust in its processes amid automation, the mobility function should try to ensure a reliable 'human touch' throughout the mobility assignment.

AI also presents data privacy and cybersecurity challenges that are becoming more apparent as the technology proliferates. Mobility leaders and HR teams should thoroughly test AI's security, privacy and threat-detection capabilities before fully integrating the technology.

On the regulatory front, while the EU and other nations are proactively addressing AI legislation, major nations such as the US and the UK have yet to adopt AI-specific laws to address key issues such as privacy, data security, discrimination and ethics.



AI is emerging as a transformative tool that can offer significant time and cost savings, facilitate data-driven decision-making and enhance overall efficiency for mobility professionals.

Will AI revolutionize the organizational role of mobility teams?

As AI continues to advance, it presents opportunities to reshape the role of professionals working within mobility teams, alongside addressing existing challenges within the function.

AI has the potential to transform much of what mobility professionals are doing daily, automating assignee logistics and requests, visa processes, expense management, recruitment and more. By streamlining workflows, AI tools can enable teams to manage projects and tasks more effectively and in less time.

Compliance may also benefit from AI, as timely analytics and updates can help address diverse and ever-changing regulations across multiple global jurisdictions. Mobility teams, which often face challenges in monitoring complex legal and immigration frameworks, can gain immediate and ongoing data-based insights into multi-jurisdictional compliance guidelines.

With AI's support, mobility teams can focus their time and resources on strategic priorities and value-adding activities. AI can enhance the employee experience for both mobility teams and their assignees by automating processes for greater speed and accuracy. AI is emerging as a transformative tool that can offer significant time and cost savings, facilitate data-driven decision-making and improve overall efficiency for mobility professionals.

AI risks and limitations still mean a need for people in mobility roles

While AI has the potential to transform organizational roles, businesses should be aware of its potential limitations. Make no mistake – global mobility remains a fundamentally human-centric function, and AI currently lacks the ability to replicate essential human qualities such as empathy and ethical judgment.

AI can make us more efficient, but active human involvement in decision-making remains crucial for helping ensure the performance, satisfaction and welfare of mobile employees. Concerns also exist regarding the potential for AI

reliance to impact skill development and critical thinking, as well as its effect on workplace collaboration.

There are also ongoing concerns about AI's impact on the workforce, with fears of job displacement as AI adoption increases. Establishing clear regulatory frameworks and maintaining human involvement alongside AI will be essential for successful integration.

Should you act now as the race to AI unfolds?

As AI technology progresses, many forward-looking businesses are embracing its capabilities quickly and strategically. An increasing number of organizations are choosing to experiment, 'fail fast' and move forward quickly to enhance efficiency and competitiveness in the global race for talent. Success for mobility will likely require leaders to truly understand how AI can meet the unique and ever-evolving needs of their teams and assignees.

While initial AI investment can be prohibitively costly, some businesses are discovering that a strategic, gradual implementation approach can unlock significant benefits over time. Historically, the cost of many modern technologies, such as computers, hard drives, software and mobile devices, has decreased with advancements and increased production efficiency. It is anticipated that AI tools and systems will follow a similar trend.

Today's flexible and customizable AI tools can be implemented in a cost-effective manner to enhance efficiency. Starting with small-scale implementations allows businesses to grow their AI capabilities in alignment with their needs. The long-term benefits of AI are expected to offset the initial costs, contributing to enhancing the mobility function's efficiency.

A measured approach to AI adoption over time can help to build employee trust in the technology. As AI demonstrates its precision and reliability, mobility teams and assignees are likely to increase their reliance on its capabilities while also maintaining human oversight to manage AI effectively.



Launching the AI journey now, with a focus on incremental growth and continuous learning, can help organizations maximize the impact of AI on mobility's capabilities, organizational roles, efficiency and overall business value.

Or should mobility proceed with caution as AI evolves?

The rush to AI and its promise to create a more efficient new reality for businesses warrants careful consideration. AI technology is still in its early stages, and mobility leaders may benefit from observing how AI develops and proves its reliability in the global marketplace before fully committing to its adoption.

Investment in AI often requires significant resources, particularly in training the technology to meet the specific needs of each mobility team. Mobility leaders should evaluate whether the current stage of AI development aligns with their

organizational goals and employee experience priorities.

Rather than rushing to deploy AI ahead of competitors, it may be prudent for mobility functions to wait for a clearer understanding of AI's capabilities to emerge. The KPMG Trusted AI Framework offers guidance on adopting AI responsibly, emphasizing the importance of transparency, security, reliability, privacy and accountability. AI's success demands that it is invariably values-driven, human-centric and trustworthy.

In conclusion, the mobility function is at a pivotal point in AI implementation. A new reality is poised to emerge for the mobility function, its professionals and its mobile employees. Mobility leaders should adopt a strategic and informed approach to help ensure AI meets their unique and ever-changing needs. Risks and concerns remain, and it will be up to each organization to determine the appropriate pace and extent of AI integration in today's dynamic reality.

Mobility leaders should evaluate whether the current stage of AI development aligns with their organizational goals and employee experience priorities.





Key takeaways

Mobility is at the intersection of the Talent Mobility and AI crossroads

AI's developing capabilities offer the potential to enhance speed, precision and efficiency for today's mobility function. However, challenges related to privacy, data security, compliance, ethics and more should be addressed as the technology automates key processes that will likely impact mobility's performance and the employee experience.

Organizational roles are poised for transformation

AI could significantly transform the roles of mobility professionals by automating daily processes and driving new efficiencies. Despite this potential, global mobility remains a fundamentally human-centric function, and questions remain regarding AI's current limitations in replicating the human touch necessary for fostering trust and reliability.

Act now or proceed with caution?

Mobility leaders face a critical question on AI adoption as the technology proliferates. Join the race to adopt AI now or wait for the technology to mature beyond its current limitations and risks. While some organizations are rapidly embracing AI to redefine mobility, others may choose to observe and evaluate as the technology's potential becomes more established and proven.



Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.

kpmg.com



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

Throughout this document, “we,” “KPMG,” “us” and “our” refers to the KPMG global organization, to KPMG International Limited (“KPMG International”), and/or to one or more of the member firms of KPMG International, each of which is a separate legal entity.

© 2025 Copyright owned by one or more of the KPMG International entities. KPMG International entities provide no services to clients. All rights reserved.

KPMG refers to the global organization or to one or more of the member firms of KPMG International Limited (“KPMG International”), each of which is a separate legal entity. KPMG International Limited is a private English company limited by guarantee. KPMG International Limited and its related entities do not provide services to clients. For more detail about our structure, please visit kpmg.com/governance.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

Designed by Evalueserve.

Publication name: Skills needed to take on tomorrow — Part 3: The design and innovation essentials of mobility

Publication number: 139938-G

Publication date: May 2025