



Podcast transcript

Changing business models - Inclusion and diversity

Podcast with Katherine Avery, Principle, KPMG in the US and Glen Collins, Senior Manager, KPMG in the US

Musical intro

Announcer:

Hello, and welcome to the 'Future of mobility', the KPMG podcast series for global mobility leaders. In this series we offer short insightful episodes you can listen to on your way to work or wherever you enjoy your podcasts. This series will look at some of the most pressing issues and opportunities facing global mobility departments in the modern business world through interviews with leaders in global mobility, human resources, tax and other areas of business from KPMG and beyond. In today's episode, we talk to Katherine Avery, Principle, KPMG in the US and Glen Collins, Senior Manager, also of KPMG in the US. Katherine and Glen are both part of KPMG's Global Mobility Services practice. Katherine has 20 years of experience in human resources and has built a distinguished record across a broad set of employee services, leading global mobility, compensation delivery, learning and development, and partnering with C-suite leaders to drive organizational productivity. Glen has more than 18 years of experience in global business immigration, international human resources advisory and global mobility management. He advises senior executives, line business and international human resources professionals on the risks and complexities of the recruitment, transfer and temporary work of employees abroad. Katherine and Glen, thanks for taking the time to join us today.

As part of KPMG's Future of mobility program/ campaign, we are exploring the themes of geopolitics, digitization and changing business models. Where does the topic of workforce inclusion and diversity fit? And why is having an inclusion and diversity strategy important?

Glen:

Actually, perhaps Inclusion and Diversity fits across all of these themes. But, definitely within changing business models. Whether to mitigate risk or gain a competitive advantage, companies are continually evolving their business models. As business models evolve, organizations themselves evolve, in particular being driven and enabled by digitization and automation which is resulting in fundamental shifts in workforces.

We have the reality of five generations in the workforce, predictions for people to have a one-hundred year life span (think of that impact alone to people working longer into their senior years!). And certainly there is a genuine commitment by progressive, future-thinking organizations to embrace inclusion and diversity as part of the organizational culture. Organizations are not just changing the way that they behave or operate, they are changing the way that they are fundamentally structured. Katherine what are your thoughts?

Katherine:

I would agree with you, Glen. Global mobility functions now need to carefully consider what their departmental priorities should be, how risks will be mitigated and how best to structure their teams for the new reality of the future of Global Mobility. While many organizations are transforming to become leaner and more employee focused and predictive in their approach, they are also recognizing the value of being more inclusive and diverse.

Announcer:

You each have built distinguished careers in human resources and global mobility. In your experience, what challenges can be addressed for global mobility by having an inclusion and diversity strategy?

Glen:

Well, first and fundamentally, progressive organizations already recognize the value that our differences, as people, bring to be a good organization for everyone. Having a formal I&D strategy provides equal, inclusive developmental opportunities for everyone. As such, the organization's inclusion and diversity strategy should naturally cascade down from the top. But, the strategy also needs to be embraced and driven throughout the organization by its top leaders who are committed to achieving an inclusive and diverse workforce.

Katherine:

I fully agree, Glen. I would suggest that this also provides an advantage to the Global Mobility function, and to the company, which in many ways has common synergies by supporting inclusive and diverse international work opportunities.

By understanding the company's talent and business development goals, Global Mobility teams can define their own strategy that is in line with the organization's to further promote inclusion and diversity goals through their functional support to broader talent engagement, development and retention goals. I should note that in our survey having a strong business case for I&D across all areas of the business was cited as the most-common reason for setting global mobility inclusion and diversity goals.

Announcer:

Do you find that organizations generally have inclusion and diversity objectives as part of their global mobility strategy?

Glen:

Actually no. In fact, according to KPMG's 2018 Inclusion and Diversity Opinion Survey of over 175 global organizations produced by KPMG, only 41 percent said that they possess specific I&D objectives as part of their global mobility strategy. So, it appears that a majority of organizations with global mobility programs still have a ways to go to integrate with I&D talent initiatives.

Katherine:

That's right, Glen, and when asked why I&D objectives are not included as part of global mobility, nearly 60 percent cited the fact that candidates for international assignments are still determined primarily by the business unit involved and not by, or in consultation with, the global mobility function.

Announcer:

For those that have specific Inclusion and diversity objectives, as part of their global mobility strategy, what is the key driver for including this?

Glen:

The most common reason an organization includes I&D objectives as part of their global mobility strategy is that the organization has a strong business case for inclusion and diversity across all areas of the business. Again, it's critical to have a strong overarching I&D strategy which is proactively enacted throughout the talent lifecycle, which, for global organizations, means that I&D is also embedded in international work opportunities.

Announcer:

Do organizations still face challenges to inclusion and diversity progress from the perspective of their global mobility programs? And if so, what are some of the challenges?

Glen:

We still see many challenges that certainly can also be viewed as opportunities, these include such areas as:

Integration and training – not having a formal integration of the organization's overarching I&D initiatives integrated with GM programs and also GM members not trained on the fundamentals of I&D and key goals and objectives of the organization's initiatives. Data tracking – this may be one of the biggest hurdles – that being the scarcity of mobility-related data on most demographics, apart from gender. Traditionally, I&D points have not been captured by GM (or by HR) in areas such as ethnicity, age, disability status and working mothers. Prospective assignment talent pools – may not be very diverse, coupled with assignment selection processes that fail to include the right mix of HR, talent management and business stakeholders to reinforce the org's wider I&D objectives. Selection and assessment – further to talent pools, assignment candidates are frequently determined solely by the business without involving talent stakeholders. Country laws – host-country immigration laws can make it difficult to achieve internal I&D goals – such as criminal laws and immigration restrictions for LGBT employees who may not be able to have their same-sex spouse or partner enter legally or remain in country throughout the assignment. Demographic road blocks – demographic categorization of employees can also result in adverse decisions around offers for IAs. From our survey, when considering I&D during selection of IA candidates, 39% cited sexual orientation, 31% cited gender or gender identity, 31% cited socioeconomic background and 28% cited ethnicity as factors in their decision-making. Again, I&D needs to be deliberate and a part of the "DNA" of talent development opportunities.

Announcer:

What advice can you give our listeners today who may be considering the best approach for integrating inclusion and diversity into their broader global mobility strategy?

Katherine:

There are some specific things to sort of get started if you don't already have an I&D strategy in global mobility and it may be it may feel a little daunting to some, but what I would say is the first thing is you know, and to overcome the challenges that Glenn mentioned" just start simply by making it part of your dialogue by making a part of the dialogue with the business leaders you're interacting with who are very active with mobile employees and with HR and of course with I&D.

Just having the dialogue will help you or anybody who's trying to look at an I&D strategy start opening this discussion and help identify where to focus. I'd say there a couple other things we've seen as best practices and companies that are doing great with integrating their I&D strategy and mobility with the business and really it's making sure what they do is they make sure that their I&D strategy is aligned to the talent strategy, the business strategy and the overall inclusion and diversity planning at the company level and when there's that alignment that's kind of when the magic happens.

And then kind of operational means simply is looking at how to embed I&D into your global mobility program and make it part of your processes. You know for example, linking the organizations recruitment strategy to the selection of perspective globally mobile candidates definitely building in diverse candidate slates for international assignments and other kinds of moves and opportunities.

I think another thing that we've seen companies do, that is the best practices, you know visibly targeting diverse groups for international assignment opportunities, for example, flagging support for women's support for racial and ethnic minorities, LGBT candidates. And thinking about that and those different diverse groups. I think we need to consider how we faster and greater lead times to deployment of the diverse talent. Sometimes these employees may require more time and more support during pre-assignment activities.

Announcer:

Thanks again for joining us Katherine and Glen, you've given us a lot to think about and we really appreciate you taking the time to go through it with us.

And thanks to our listeners for joining us today.

Please let us know what you think of this episode, or if you have any ideas for future episodes, please email us at tax@kpmg.com and remember you can find our latest publications, articles and other material that address the issues discussed in this ongoing podcast series at kpmg.com/futureofmobility.

Musical exit