

See it differently

Part 3:
Connecting the dots
in global mobility
programs





Today's mobility leaders are enduring an increasingly complex global environment as the rapid pace of change accelerates — presenting unprecedented challenges across an array of pivotal fronts. Today's bold new reality demands innovative thinking and modern strategies that will help drive mobility forward to enhance value and drive success for global organizations.

Welcome back to 'See it differently,' a three-part series offering timely and informed insights from KPMG's global mobility professionals on today's workplace trends and challenges — and the approaches that are making a difference in a hypercompetitive new era.

In *Part 3: Connecting the dots in global mobility programs*, we present four articles that provide insights into the challenges and opportunities in key areas of partnerships, payroll, the complexities of geopolitics and how the right target operating model can help drive progress.

In our first article, we explore strategic partnerships, examining leading practices in vendor management and procurement within today's evolving mobility ecosystems. KPMG professionals provide guidance on how to effectively manage vendor relationships and foster collaboration.

Our second article examines global payroll challenges for mobile employees, focusing on compliance and accuracy, and we share approaches to help optimize payroll processes.

The third article explores immigration and geopolitics, where we analyze the intersection of immigration policies and geopolitical factors affecting global mobility. The focus is on immigration trends and frameworks that can help mobility teams navigate today's dynamic environment.

Our final article explores target operating models, raising key questions challenging today's leaders: Where should mobility sit? Should we outsource? Do we need a center of excellence? To explore answers and solutions, we evaluate strengths and weaknesses of different target operating models.

A new reality of challenges and opportunities is unfolding for global mobility, and we hope these insights offer progressive new ways of thinking for forward-looking leaders who choose to 'See it differently.'



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Elevating global mobility partnerships for strategic impact

The right partner ecosystem can be a key differentiator as mobility looks to drive value

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Geopolitical volatility. Revolutionary new technologies. Heightened competition for scarce talent. In today's constantly changing and increasingly complex global environment, ambitious mobility leaders are on the hunt for innovative and intentional new partnerships as they look to drive, measure and sustain mobility's value and success.

Forward-looking global mobility programs are recognizing the inevitable need for a strategic roadmap — a clearly communicated vision that can lift their partner ecosystems to new levels of collaboration, productivity and efficiency. More than half of global mobility leaders surveyed for the *2025 KPMG Global Mobility Benchmarking Report* cite 'operational efficiency' as a key driver in their efforts to expand and improve mobility's third-party relationships. At the same time, some global workforce solutions providers are responding to the growing challenge of supporting their clients in meeting the demands of today's growing and diversifying labor force.

For this article, we can define a *partner* as any third party that an organization uses to enable or advance strategic and operational objectives, initiatives and programs. A *partner ecosystem* can be defined as a dynamic network of interconnected companies that collaborate for mutual benefit or a client enterprise. When appropriately designed and managed to deliver productive interactions and reliable results, partner ecosystems aim to provide more benefits than any single component could deliver on its own.

Where to begin in assessing current business needs and responding strategically with a highly effective, future-proof partner ecosystem? Key considerations when choosing partners today include price, reputation, skills and technological capabilities. At the same time, a productive mobility partner should be closely aligned with your business objectives and culture, providing trusted collaboration and support in today's often unpredictable environment.

Simply put, a modern and effective partner ecosystem has everyone working together within a reliable and transparent environment on behalf of the enterprise. The right partnerships in today's reality can be a significant differentiator for mobility leaders as they look to enhance the value of their function, while remaining responsive to change. It's worth noting that the *2025 KPMG Global Mobility Benchmarking Report* reflects a sharp rise in the perceived ongoing evolution

Key considerations when choosing partners today include price, reputation, skills and technological capabilities.

of mobility programs. Mobility leaders said they expect to increase the strategic value of their program from a rating of 6.0 to 7.1 out of 10 in the next 12 to 18 months, and this momentum is critical as future uncertainty increases.

Set the direction for productive partnerships

Understanding the intentional partner ecosystem

Future-focused mobility leaders and teams are recognizing that strong partner ecosystems can act as value generators for global mobility programs, reliably driving and enhancing mobility's brand within the organization. In an intentional ecosystem, partnerships are symbiotic rather than merely transactional; they are built on a foundation of mutual commitment closely aligned with the enterprises' wider business goals.

As *research* conducted by KPMG US shows, an overwhelming majority of organizations, 94 percent, believe that their partner ecosystems will serve as enablers for future growth, competitive advantage and business resilience.¹ At the same time, however, there appears to be room for improvement in communicating global mobility strategies, according to the *2025 KPMG Global Mobility Benchmarking Report*. Fifteen percent of survey respondents say their mobility strategy is currently understood 'only within global mobility.'

¹ Accelerate growth and innovation with partner ecosystems. KPMG US, 2025.



Our findings also show that while 34 percent of survey respondents say their mobility strategy is being widely shared, only 20 percent say it is both widely communicated *and understood* by stakeholders. This gap highlights the need to sharpen the narrative and drive stakeholder engagement. To achieve real adoption and impact, mobility strategies should be strategically linked to broader organizational goals, ensuring all stakeholders see their relevance and value.

Aligning internal and external partners

When considering the composition of a partner ecosystem, it's important to distinguish between internal and external partners. Internal partners are individuals or teams within the organization — such as HR, IT, legal, or finance — who collaborate to support and advance mobility's strategic objectives. These internal stakeholders play a key role in aligning mobility initiatives with broader business goals and ensuring seamless execution across functions.

External partners, on the other hand, are third-party organizations or service providers that offer specialized expertise, resources, or technologies to help achieve mobility's aims. These can include relocation management companies, tax advisors, immigration specialists, and technology vendors. Together, a well-integrated mix of internal and external partners enables organizations to build resilient, adaptable, and high-performing mobility programs that help maximize value and drive lasting success.

Building the right foundation for a new era

Traditional leading practices to manage partner relationships

Outcome-based metrics and KPIs that precisely track desired outcomes and improved performance will help ensure that mobility's partner ecosystem consistently and reliably delivers on its intended value.

To that end, clear contracting and service-level agreements are indispensable. The importance of specific, comprehensive and clearly articulated service level agreements (SLAs) cannot be overestimated amid today's ever-evolving environment and fast-changing business needs. It's essential to specify and update, as needed, details on deliverables, timelines, performance metrics and potential penalties for non-compliance.

Regular performance reviews are also pivotal to driving efficiency and productivity among mobility partners. Promoting open and honest dialogue at all times is crucial to success, consistently aligning

mobility's objectives across the broader partner ecosystem to help ensure flexible and highly productive interactions.

Performance reviews and close collaboration become particularly important as mobility competes in a cost-conscious macro environment. Communicating with vendors to explore mobility's current pain points in HR and talent management, for example, can prove productive in driving needed changes on the talent front.

As the *2025 KPMG Global Mobility Benchmarking Report* shows, effective collaboration with external suppliers and vendors remains strong, with 79 percent of respondents describing these relationships as highly or moderately collaborative. As business demands and requirements continually evolve, it's essential that partner capabilities also adapt to support key priorities, such as cost management and the need to demonstrate ROI.

Our survey also shows that 30 percent of organizations have cited plans to issue request for proposals (RFPs) for various services over the next 12 to 18 months, highlighting mobility's desire to forge new partnerships that provide strategic insights, holistic market data and informed decision-making.

Mobility leaders should also keep a sharp focus on risk assessment and mitigation. Mobility has a responsibility to assess vendor risk from diverse perspectives that include financial, operational and geopolitical considerations. As noted, the volatile geopolitical landscape can undermine the efficiency of partnerships, making it crucial for mobility to review and assess where changes may be needed. Along the way, of course, it's paramount to keep compliance and ethical standards front and center amid change.

Non-traditional practices to manage partner relationships

Recognizing that clear and sustained communication with suppliers is pivotal to success in an ever-evolving business environment, global mobility teams are getting creative to enhance relationships and drive productive collaboration.

Facing a particular problem that a potential supplier might help solve, for example? Exploring potential solutions via a *supplier innovation lab* can deliver results that might include new products or processes that meet your changing needs and deliver mutual benefits. Consider the advantages of hosting a *vendor hackathon*, bringing together an array of vendors to exchange ideas and potentially compete to solve complex new mobility challenges.



Sharing *data visualization* for transparency is also important in today's dynamic reality. Data should help mobility tell the right stories at the right time to the right stakeholders. Each partner, therefore, should function effectively within the ecosystem from a data and technology perspective. Do they have the ability to build application programming interfaces (APIs) and integrate with other systems? More importantly, have they thought about where technology will be in ten years? Are they future-proofing their technology to ensure effective integration amid endless and often disruptive change?

It can also be productive to break down ecosystem barriers and improve forecasting — encouraging and enabling, where possible, data sharing among vendors to gain potentially valuable insights into changes impacting mobility and identify where new or enhanced approaches or capabilities might be useful.

Bringing it together to align for success

In today's changing and increasingly complex reality, forging truly productive and efficient partnerships has perhaps never been more important to mobility's success. Pursuing holistic vendor management is critical, applying both traditional and creative new practices within an ecosystem-wide culture of collaboration and transparency.

In our view, the future also demands that mobility teams leverage technology such as artificial intelligence (AI) and automation to help streamline processes, enhance results and maintain trust. We anticipate progressive mobility leaders will also take the time to recognize and reward supplier contributions that drive engagement and success, while consistently communicating shared goals and the advantages of close collaboration and candid dialogue.

Key takeaways

1. Leaders who are clear on their vision, and who have communicated that vision to their partners, are likely better able to ensure that vendors can tailor solutions and service levels to support their wider objectives. Your approach to managing partner ecosystems should be aligned and tested against your broader business and sustainability goals.
2. Mobility teams should use a blend of traditional and innovative practices for holistic partner management. Go back to basics and understand the core elements of good vendor management, leverage your internal networks to drive performance from your vendors, and be intentional and open to creative solutions that can unlock value from your partners.
3. Building the right partner ecosystem is not easy, but with the right focus on technology, relationships and processes, you can make it happen and ultimately drive results for mobility and the organization.

Global mobility taps into AI as payroll data challenges proliferate

Embracing the power of automation to modernize outdated manual processes

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Data is becoming a pivotal strategic asset as businesses increasingly recognize its value in delivering timely insights that can drive enhanced decision-making, productivity, operational efficiency and market differentiation.

The rapid rise of AI and machine learning is dramatically accelerating data output as these revolutionary technologies generate, process and manipulate massive datasets. [Research](#) from KPMG US shows that an overwhelming 92 percent of businesses surveyed say well-constructed data products — data assets taken from raw to curated status — are critical to success today. Yet as the volume of data explodes, only a fraction is used, let alone analyzed, to extract real value. Why? Data today largely sits idle in unconnected silos.

Global mobility is no exception to this trend. Amid a seemingly endless array of sources, valuable mobility data often remains disparate, fragmented and unstructured. While interconnected data can boost productivity, fragmented data often has the opposite effect. Siloed data across departments and platforms can make it harder to unlock actionable insights, streamline operations and drive rapid innovation. The cost of delay in addressing these challenges is generally high: operational inefficiencies, delayed decision-making, lost market opportunities and increased exposure to regulatory penalties.

But the status quo is poised for change, and mobility should quickly take notice as global tax authorities look to become more data-focused, ultimately gaining a far clearer view of where to find revealing business data as well as related risks, trends and compliance issues.

The need for one ‘source of truth’ as data proliferates

Bringing useful data together from both external and internal sources can pose significant challenges for mobility amid the inevitable need to evolve from outdated manual processes that are prone to delays, duplication and omissions.

In many cases, zeroing in on a single reliable ‘source of truth’ is an ongoing challenge as data flows from multiple sources across diverse business functions and departments. Tapping into trusted data often becomes a tedious challenge that requires tracing data lineage and performing quality checks.

The cost of delay in addressing these challenges is generally high: operational inefficiencies, delayed decision-making, lost market opportunities and increased exposure to regulatory penalties.

In other cases, mobility teams say that they are struggling to raise awareness and collaboration across the organization when issues regarding payroll processes and results need to be addressed and solved. At times, payroll teams also fail to fully engage with mobility as needed, highlighting the need for greater collaboration among stakeholders in the organization. At the same time, data security is also cited as an issue where confidential payroll information and documents are exchanged via email.

Forging an end-to-end global payroll process

Based on our experience, future-focused organizations are actively exploring how to do things differently to transform data management and mobility processes. They are looking at their end-to-end processes to determine where and how AI and automation capabilities can take operations to unprecedented levels of speed and accuracy. The focus is on five key areas in which automation technology promises to help drive productive and highly efficient new ways of working.

- 1. Data input:** The right data-management solution should be system agnostic so that valuable inputs from diverse data sources can be compiled into a single cohesive database. Mobility stakeholders and partners should not have to conform to a specific data format to deliver key information, such as assignment policies, foreign exchange rates, compensation and changing demographics, into the solution.



2. **Pay element and taxability mapping:** The appropriate solution should cover mobility's global footprint, so that all compensation-related details can be mapped to taxability grids for each country in which mobility operates payroll processes. The payroll solution's automation tool is then able to automatically determine reporting and requirements in both the home and host countries.
3. **Tax calculation and payroll instructions:** The solution should also have the ability to calculate tax gross ups, offering flexibility in the method applied to each country. The output of the system should be formatted payroll instruction that local payroll teams can use with ease and reliability. These instructions should be created automatically and mapped to the appropriate wage codes used by that payroll and converted to the correct currency, eliminating many manual processes, enhancing accuracy and accelerating timelines.
4. **Payroll reconciliation:** Mobility teams should ensure that payroll calculations exist in a closed-loop process. While reconciliations are typically done at yearly or quarterly intervals, the right automation tool can enable mobility to reconcile key data in real time and position teams to identify and correct payroll issues as they occur. With reconciliation carried out throughout the year, the entire reconciliation process can be significantly accelerated, benefiting both mobility teams and mobile employees.
5. **Dashboards and reports:** Optimizing data use can be crucial. Mobility should take proliferating data beyond compensation reporting to include a strategic review of automatically generated key information across mobility's global footprint, such as budget management details, cost reporting and more.

AI and the future of payroll

AI platforms have exploded in popularity in just a few short years. The vast and growing power of AI is rapidly transforming global mobility's ability to save valuable time and money while managing tax and payroll-related tasks. Mobility teams are using AI and automation tools to dramatically enhance both mobility's operational efficiency and its ability to address employee needs and inquiries amid increasing complexity.

Internationally active companies often face particular challenges when it comes to payroll accounting.

For example, if expatriates, cross-border commuters or employees are working temporarily in a home office or abroad, the coordination and implementation of payroll reporting can be complex. All relevant salary components must be correctly assessed under local tax and social security laws.

In addition, home and host country payrolls must be synchronized. Data from one country may also need to be reported to the other country and processed there. Local tax and social security requirements must always be taken into account. Additional challenges arise, for example, amid any transfer of costs in cross-border situations.

Mobility's use of AI and automation tools to dramatically enhance operational efficiency includes new capabilities to address employee needs and inquiries quickly and comprehensively. For example, AI is producing detailed training and guidance videos that focus on tax-return preparation and all that goes into completing key documents with enhanced speed, accuracy and compliance. While providing new advantages to global mobility teams, AI-driven processes and videos are helping to improve satisfaction among mobile employees who are gaining easy and instant access to information.

KPMG's AI-based Global Payroll Manager is making a difference

As mobility teams increasingly embrace AI's transformative power, [KPMG LINK Global Payroll Manager](#) (GPM) provides a trusted, market-leading solution. GPM is a cloud-based, integrated technology platform designed to streamline, automate and manage complex, multi-country payroll processes. It features a single dashboard for global visibility, allowing automated reconciliation, compliance tracking and secure data sharing across diverse international payroll systems.

Payroll and reconciliations are labor-intensive tasks when managing mobile employees. Automating instructions and reconciliations frees time for more value-added activities while helping to ensure timely, accurate employee payments. GPM is helping with policy-driven, payroll-connected reconciliations and automated payroll instructions. Dashboard analytics provide real-time, ongoing milestone tracking across the internal global payroll network.



The road ahead

Data is being embraced as the lifeblood of business efficiency, growth and success. For global mobility, the current challenge is to transform and capitalize on valuable data that is often disparate, fragmented and unstructured. In our experience, forward-looking mobility leaders are turning to the vast and growing power of AI and automation tools to transform processes, improve accuracy and reduce costs while managing tax and payroll-related tasks amid increasing complexity.

Key takeaways

1. Leading companies are leveraging advanced technology solutions such as AI to simplify and optimize mobility and equity reporting processes. The focus on technology helps to streamline data integration, address compliance challenges and enhance payroll accuracy, enabling organizations to efficiently manage payroll for globally mobile employees across multiple jurisdictions.
2. AI is beginning to revolutionize operational processes in global mobility payroll, enabling organizations to overcome common challenges and achieve greater efficiency. As a result, it helps to minimize misinterpretation of payroll instructions, facilitates internal communications detailing employee payroll tax treatment, and enhances real-time decision-making.
3. Transformation of mobility payroll can seem overwhelming. What works for one organization may not work for another. By implementing technology solutions in a phased approach, mobility can focus on quick wins to kick off the transformation journey and increase automation as the right foundation is established.



Proactive compliance becomes integral amid geopolitical volatility

The intersection of global mobility, immigration and geopolitics

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Forward-looking global mobility leaders and their organizations are recognizing the need for proactive approaches to immigration compliance in light of geopolitical volatility and evolving immigration policies.

As geopolitical tensions influence regulatory shifts and enforcement priorities, mobility leaders need to stay fully informed and flexible to deliver timely and appropriate responses. Mobility leaders will be wise to sharpen their focus on areas such as confirming the legal status of mobile employees, auditing internal immigration documentation, communicating updated mobility policies and think about implementing emergency response mechanisms across the organization.

While geopolitical risk has always been a consideration, the current environment is characterized by ongoing changes in the global balance of influence and the increasing complexity of international relations. These developments have contributed to a more dynamic regulatory landscape, with varying approaches to immigration and (non-traditional) mobility across different jurisdictions.

In this context, we believe organizations will benefit from regular reviews of their mobility strategies to ensure that they have processes in place to respond effectively to new requirements and developments.

At a glance: Geopolitical trends in immigration

- Countries including the US, UK, Poland, Turkey and Brazil are currently reinstating or tightening visa policies in response to geopolitical developments and migration trends, affecting mobility planning.
- Compliance monitoring and enforcement activities are on the rise as governments place greater emphasis on visa sponsorships, documentation and foreign worker eligibility, with higher penalties in cases of non-compliance.
- Digital and automated immigration systems are proliferating as countries digitize visa processes, requiring employers to adapt workflows and educate employees on new requirements.

The current environment is characterized by ongoing changes in the global balance of influence and the increasing complexity of international relations.

- Expats are avoiding regions experiencing conflict, instead seeking destinations that are considered safer, such as Chile, New Zealand and Iceland.
- Relocation cost pressures are reshaping mobility assignments and encouraging short-term assignments, remote work and budget-friendly destinations. Some countries, such as Thailand and the Philippines, are introducing digital nomad visas to attract scarce talent.
- Sustainability is being embedded in mobility programs with organizations prioritizing eco-friendly housing and travel options to align with ESG goals.

Global conflict trends and economic impacts

Recent years have seen an increase in geopolitical complexity and uncertainty, with a rise in the number and intensity of armed conflicts worldwide. In 2024, 61 conflicts were active across 36 nations, the highest number of state-based armed conflicts in over seven decades. The economic impact is significant, with the cost of armed conflicts estimated at 11.6 percent of global GDP in 2024, or US\$19.97 trillion. Global military spending reached a record US\$2.7 trillion in 2024, marking a nearly 10-percent increase from the previous year.²

² Institute for Economics & Peace, Global Peace Index 2024 (Economic impact of violence, estimate for 2023)



Ongoing conflicts such as those in Ukraine, the Middle East and Sudan continue to have costly and far-reaching economic implications, including effects on energy and commodity markets and regional economic stability. Several possible scenarios may unfold in these regions, ranging from continued hostilities to potential ceasefires, each with varying impacts on economic and security conditions.

Rising protectionism and dwindling talent

Recent data indicates a significant increase in trade-policy interventions, with approximately 3,000 measures implemented globally in 2024 compared to 500 a decade earlier, according to Global Trade Alert research.³ Key trends include rising protectionism, defense-related spending and critical material restrictions. Geopolitical developments continue to influence supply chains, trade flows and operational strategies, prompting many businesses to diversify suppliers and adjust inventory management.

Changes in tariff policies, particularly those involving the US and China, have contributed to shifts in global trade dynamics.

Talent acquisition and workforce mobility are also evolving as organizations seek skills in areas such as AI and automation. In 2025, China introduced new initiatives to attract talent, while countries including Australia and New Zealand are encouraging migration to support digital skills development. Conversely, the US has implemented a new fee related to the H-1B visa category and a new weighted H-1B selection process related to the applicable wage level for each H-1B registration, with the aim of limiting temporary foreign worker access. The UK and other countries are also adjusting migration policies, with the UK reporting a decline in labor migration to 204,000 workers for the year ending June 2025, according to the Office for National Statistics.⁴

Also having a significant impact on the race for scarce talent is a dramatic shift in global demographics amid the ongoing mass retirement of aging workers, along with declining birth rates in several high-income countries.

Will AI take on today's challenges?

Amid prevailing uncertainty and increased protectionism, global mobility leaders play a significant role in demonstrating to management and boards the strategic value of responsive mobility and immigration policies that can offset the impact of today's complex geopolitical environment. Evolving talent-migration policies may offer viable solutions, while for others, adopting generative AI and automation capabilities could help bridge skills gaps. Leveraging AI for its advanced capabilities may well be the biggest current opportunity for productivity gains and stability amid rising business costs and market fragmentation.

From a geopolitical perspective, competition to advance AI technology is expected to continue, particularly among the US, China and Europe. While this trend may contribute to increased emissions due to greater reliance on AI and data centers, AI is also being used to optimize energy consumption and reduce emissions in other areas.

AI capabilities have the potential to streamline compliance and risk management amid uncertainty, with AI identifying tax, legal and immigration risks in real time and supporting mobility policies as regulations evolve. AI can also provide predictive analytics in key areas such as relocation costs, talent availability and potential geopolitical risks — helping to streamline administrative processes and facilitate talent assignments.

Key trends include rising protectionism, defense-related spending and critical material restrictions. Geopolitical developments continue to influence supply chains, trade flows and operational strategies, prompting many businesses to diversify suppliers and adjust inventory management.

³ Global Trade Alert, Activity Tracker. Accessed 28 February 2026.

⁴ Office for National Statistics, Long-term international migration, provisional: year ending June 2025, Statistical bulletin, 27 November 2025. Accessed 28 February 2026.



Navigating heightened geopolitical uncertainty

Global mobility leaders and their organizations are navigating a period of heightened geopolitical uncertainty that is affecting business operations and the movement of global talent. Today's evolving and increasingly complex environment requires businesses to recognize and respond to a fast-changing reality that includes heightened regulatory scrutiny as the rules of the game change. In our view, mobility teams will benefit from regular strategy reviews to ensure effective processes are in place amid a shifting landscape.

Key takeaways

1. Proactive compliance is integral: With increased scrutiny at US borders and more enforcement actions, organizations can benefit from a proactive approach to immigration compliance. This may include legal assessments for business travelers, internal audits of immigration documentation, and clear policies that are actively communicated across the business.
2. Mobility risk now includes reputation and operational exposure: Individual non-compliance, whether through unauthorized activities or visa misuse, can trigger broader consequences for the organization, including reputational damage and increased scrutiny of future travelers. Mobility teams should manage risk not just at the individual level, but across the enterprise.
3. Immigration strategy should align with geopolitical realities: As geopolitical factors influence regulatory changes and enforcement priorities, mobility leaders should stay informed and agile. From international dynamics to domestic enforcement trends, immigration strategy should be integrated with broader business planning, risk management and workforce deployment.

Article
04

Designing target operating models for a changing mobility landscape

The right model can provide a blueprint for efficiency and value

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An effective target operating model (TOM) is a crucial component of mobility's journey toward value contribution and success in today's bold new era of revolutionary technologies and unprecedented change. The right TOM will serve as a blueprint that is closely aligned with mobility's specific objectives and unique requirements in order to enhance service delivery and operational efficiency.

But be cautious. Mobility should assess the pros and cons of various TOMs while clearly defining mobility's desired outcomes, including the pivotal question of whether key mobility processes in areas such as technology and people management should sit within the business or be outsourced.

Traditional TOMs typically face the challenge of not being comprehensive enough in scope to define a robust roadmap for organizations. They are often limited to addressing the traditional process-people-technology relationship. The result? They often miss key aspects for ongoing progress and sustained efficiency, such as where work will get done, how it will be reported and measured, and how it will be governed and controlled.

A holistic approach for a new era of opportunities

Forging a truly integrated and highly functional TOM has become integral as mobility looks to drive progress and value amid change. We believe the right framework features precise objectives, standardized processes, well-defined roles and ongoing periodic reviews — ultimately taking mobility from an administrative role into a strategic, technology-enabled, compliant function. Businesses can effectively move from fragmented, functional silos into a connected enterprise model.

To help ensure a holistic perspective, the KPMG Target Operating Model features six distinct 'layers' that work in unison to drive change and progress: *Functional process*, *People*, *Service delivery model*, *Technology*, *Performance insights and data*, and *Governance*. This multi-layered model is designed to integrate holistically across its related components, while remaining aligned with the overarching business and talent strategy.

Understanding how all six components relate to each other is key to creating a responsive model. They provide unparalleled visibility into potential changes and corresponding consequences. The six-layer framework redesigns the mobility function across these pivotal areas:

Traditional TOMs often miss key aspects for ongoing progress and sustained efficiency, such as where work will get done, how it will be reported and measured, and how it will be governed and controlled.

Functional process: Helps optimize processes through design and execution. Pre-defined, leading-practice processes for workflows essentially frame mobility's world — illustrating that everything happening mobility-wide is part of a specific and effective operating-process blueprint.

People: Defines organizational structure, skills and roles. Mobility should know at any given moment who does what, the reporting lines that are in place, mobility's required skill sets and all current roles and responsibilities.

Service delivery model: Leverages shared services and centers of excellence. The right model can map out in detail what will get done and where. Precise identification of which key capabilities are delivered, and how, can be crucial to success.

Technology: Integrates systems to automate processes. Mobility should maintain a sharp view of the broad and changing tech landscape — the systems, processes, applications and integrations that enable and automate critical operations.

Performance insights and data: Provides KPIs and data for timely and informed decision-making. Mobility should have a clear vision of what will be reported and how, based on defined information requirements and a KPI framework to enhance decision-making.



Governance: Defines controls that will help ensure risk management and compliance. Mobility should establish how governance will be overseen as it defines risks and controls for every process, plus segregation of duties, access rules and policies.

Gaining a full understanding of these six components, and how they impact each other as they evolve, will help drive rapid change that enhances mobility's outcomes and future prospects for success. Key benefits include:

- Improved compliance and reduced tax risk;
- Enhanced employee experience and satisfaction;
- Greater cost visibility and efficiency;
- Increased agility to respond to business needs.

What's driving change and the need for evolving TOMs?

We see in our travels more businesses rethinking their TOMs and taking steps to change the current operating model. The goal is to ensure they remain fit for purpose as businesses continually change and evolve in today's dynamic environment. This trend essentially has three key drivers: *Globalization, digitalization and demographics*.

Globalization has had a significant impact as businesses assess the changing global environment and respond strategically, including the sell-off of business units that are no longer affordable or feasible amid factors such as evolving tax regimes and immigration policies. Some businesses have even relocated headquarters to other countries or jurisdictions to benefit from lower taxes, more-affordable operating costs and the availability of much-needed skills.

The goal is to ensure they remain fit for purpose as businesses continually change and evolve in today's dynamic environment. This trend essentially has three key drivers: Globalization, digitalization and demographics.

Beyond the impact of globalization, digitalization is also prompting significant change as new technologies — including the revolutionary impact of AI and automation — redefine business models, including the ability of employees to work virtually. As new capabilities and assignment requirements emerge, the need to revisit operating models becomes integral. This includes the need to ensure that cybersecurity measures are evolving as threats multiply.

Meanwhile, evolving demographics are at play amid an aging global workforce that is retiring in unprecedented numbers. In our view, businesses are competing as never before for workers and the challenge is compounded by the ongoing race for new digital skills, as well as the impact of younger workers preferring virtual assignments.

As the rapid pace of change accelerates, mobility should ensure that its operating model remains responsive and agile enough to meet objectives and drive progress in a changing reality. The right approach can produce an operating model that clearly defines mobility's strategy, structure, policies and processes. Scalable and resilient designs are critical in order to adapt to fluctuating demands.

In some cases, mobility teams are wisely pursuing feasibility studies to help them build the right business case for mobility's evolving operating model. Ultimately, we believe the right operating model will effectively integrate mobility's workforce, technology and services workflows — ensuring that all are working in close alignment to help drive required results.

Optimization requires practical steps that include voice-of-customer input, process prioritization, vendor consolidation and technology integration. Future-focused mobility teams are wisely encouraging targeted investment in domain specialists who can provide expertise in key areas that include tax, immigration and legal guidance, in addition to upskilling on digital and AI tools. Along the way, balancing automation and human expertise is integral to delivering reliable and consistent mobility experiences.

At the same time, it becomes important for mobility leaders driving significant change to gain buy-in and ongoing support from the broader organization and leadership, including support via allocation of the time and budgets needed to implement effective change.



Remaining agile

Mobility's ability to remain agile and responsive in today's fast-changing business environment has become increasingly important. In our view, the journey to success begins with the right target operating model. Unlike traditional operating models that are not comprehensive enough in scope to define a robust mobility roadmap, the challenge today is to create a 'blueprint' that offers clear objectives, standardized processes, well-defined roles and ongoing periodic reviews. Also pivotal to success is a sharp focus on the question of outsourcing in critical areas such as technology and people management.

Key takeaways

1. Mobility should have actionable insights into the strengths and weaknesses of various models. The goal is to optimize TOMs for improved service delivery and operational efficiency, empowering organizations to create agile global mobility frameworks that adapt quickly to changing business needs while driving strategic value.
2. The impact of socio-economic disruption and digital transformation present both challenges and opportunities for global mobility. These significant external factors can influence TOMs as businesses look to deliver greater agility and informed decision-making about global assignments that directly influence workforce planning and talent strategy.
3. Mobility should not underestimate the importance of balancing technology, human expertise, in-sourcing and outsourcing within their models. Practical strategies are needed to establish an optimal mix — positioning mobility to deliver outstanding experiences that enhance its value and align with broader talent and organizational objectives.



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