

## White Paper

# Global Talent Mobility: The Workforce Imperative

Sponsored by: Topia

Lisa Rowan  
February 2020

## EXECUTIVE SUMMARY

---

There are powerful forces that are impacting how, where, and when work is done. We have evolved from a static and siloed work environment to a more global team ecosystem. New generations of workers entering the labor market are putting demands on employers for more empowerment and flexibility. Emerging technologies are requiring new skills not yet broadly available in the labor pool. As we look forward, occupations are continuing to evolve where some positions may cease to exist while new roles will arise. In this new environment, companies will need to seek out talent wherever it resides to meet business objectives.

While challenging, this environment offers employers the opportunity to achieve competitive advantage by embracing a global talent culture. Organizations need to assess their global talent capabilities and take steps to embrace the changes to come.

## SITUATION OVERVIEW

---

### The Global Talent Mobility Business Case

Global talent mobility has become a strategic imperative for organizations looking to gain a competitive advantage. There are numerous and varied factors that are contributing to elevating the importance of global talent mobility from both the organization and employee perspectives. These drivers include geographic expansion and global competition for talent, the present and future shift in required skills, and generational demands for choice and international experience.

It has been 15 years since the publication of Thomas L. Friedman's breakout bestseller, *The World Is Flat*. Friedman's work introduced us to the concept of global interdependence. Technology truly has been the catalyst that empowered globalization. New centers of economic growth and prosperity sprang up, and the global economy has never looked back. In the intervening 15 years since Friedman's book, technology has continued to explode, paving the way for further global expansion. Sources on this expansion and the likelihood of continued explosive growth include the following:

- McKinsey reports that the global mobile workforce will increase from 1.52 million in 2017 to 1.88 million in 2023.

**The drivers of global talent mobility include geographic expansion and global competition for talent, the present and future shift in required skills, and generational demands for choice and international experience.**

- According to a research report published by Finaccord (an Aon company), the total number of expatriates worldwide amounted to approximately 66.2 million in 2017. This figure has grown at a compound annual growth rate of 5.8% since 2013, given that there were around 52.8 million expatriates in that year. Finaccord forecasts that by 2021, the number will reach approximately 87.5 million, a 32% increase from 2017.
- According to IDC FutureScape for the future of work, by 2024, 30% of the G2000 firms will rely on a global, secure, intelligent, highly integrated, and collaborative ecosystem that enables enterprises to function as borderless organizations.

In addition to the explosive growth of global initiatives, the workforce itself has undergone and will continue to experience significant changes in the years ahead. Occupations will be phased out through obsolescence, while positions that do not exist today will be created in the face of digital transformation. New skills will be required, and organizations will need to both acquire and build competences in these new skill areas. Employers will need to look both onshore and offshore to fill urgent and unique needs. The employment picture itself points to speed bumps that lie ahead:

- Unemployment in the United States reached a 50-year low and stood at 3.5% at the end of 2019.
- On the global front, according to OECD, the unemployment rate stood at 5.2% in October 2019.
- Paradoxically, while we are experiencing low unemployment currently, McKinsey predicts that by 2030, 400 million jobs will be displaced globally because of technology and process automation.

Another set of drivers for consideration lies with the people that comprise the workforce. Never before has the workforce consisted of five separate generations together on the front lines at the same time. Each of these generations brings to work their own unique aspirations and needs for accommodation. What inspires and engages one constituency may not mean much at all to another. Some mature workers may value stability and security over new opportunities, while others having found themselves with an empty nest may look for the excitement of an international assignment. Younger workers are willing to take more risks to achieve their own objectives of empowerment, flexibility, and choice.

Amidst this environment of low unemployment and generational dynamics, the subject of employee engagement has begun to loom large. Where a few short years ago employers generally checked in annually to assess employee satisfaction, new tools have emerged that help employers determine not only satisfaction but also the level to which workers are engaged with and committed to their employer. The engagement picture, however, is not a rosy one. According to the well-known U.S. pollster Gallup, recent employee engagement research points to a paltry rate of 34% nationwide.

There is no doubt that organizations of all sizes are experiencing lower than ideal employee engagement while facing talent and skills shortages in critical emerging technologies. Global talent mobility has the potential to play a role in alleviating these challenges. In that regard, several generational factors point toward a favorable employee view of global mobility:

- Younger workers are seeking new and exciting opportunities to broaden their exposure to different environments and cultures. KPMG has reported that 89% of millennials are open to an international assignment.
- Due in part to good health and living longer and necessity, people are working longer. Traditional retirement at 65 years is becoming passé in many corners. Rather than step aside, empty nesters are seeking potential new adventures as well. Relocating across the country or abroad holds a strong appeal for many mature workers.
- Global rotation is increasingly becoming a requirement for promotions among the senior ranks of the company.
- More generally, tenure in one position or company has grown shorter and shorter. It is a well-known phenomenon that the best way to raise one's wages is to change employers. As a result, people are more open to job and career change than ever before.

**There is no doubt that organizations of all sizes are experiencing lower than ideal employee engagement while facing talent and skills shortages in critical emerging technologies. Global talent mobility has the potential to play a role in alleviating these challenges.**

## The Future of Work

The nature of work has changed dramatically over time. It is worth noting that the concept of a 5-day, 40-hour workweek is less than 100 years old, having been established in 1926 by automaker Henry Ford. At that time, one's first employer was likely the employer for life. Few traveled more than a couple of miles to the workplace. Most of those alive today would not recognize this workplace of the past. In 20 years from now, people may not recognize the workplace as it stands today.

Today, the manufacturing of discrete products consists of a globally dispersed supply chain. As a result, some production has gone offshore from the United States. Progress has perhaps eliminated jobs, but it has not eliminated work as was cited by Lyndon Johnson's commission on automation back in the 1960s. Rather than eradicate work, technology feeds the need for new and different "products" requiring new skill sets. Where we were once creators of goods, technologically advanced supply chains and robotics have turned the workforce of today into a combination of knowledge workers and service providers. By and large, knowledge workers do not need to report to a specific location to get their work done. Many services jobs are similar in that regard. In 100 years, we have gone from being tied to static work in a single location to amorphous project-based work accomplished through teams regardless of physical location.

The future holds even more change in work, workers, and workplaces. Artificial intelligence (AI), data analytics, augmented reality/virtual reality (AR/VR), and intelligent process automation (IPA) (including robotic process automation [RPA]) are rapidly changing the way that work is done, and who or what is doing the work. There has been a meteoric rise in the deployment of digital assistants. It will not be uncommon to be part of a team comprising an equal number of human coworkers and "digital" workers. Team composition will become fluid as both individuals and digital workers come together to accomplish specific objectives regardless of reporting relationships and geographic locale.

## Opportunities and Risks

Talent is the watchword of the "2000s." Whereas in the recent past the workforce was referred to as *capital* indicative of an attitude that workers are as interchangeable as Legos, the macroeconomic environment and technological advances have newly put *people* at the forefront. People are no longer seen as mere assets; there is now tremendous attention on getting the talent functions right. However, there is ample opportunity for improvements all along the talent life cycle from attracting to retaining and engaging the workforce. Organizations that are getting talent right are reaping the rewards of being an employer of choice. Such organizations demonstrate a level of maturity in their attitudes and practices toward talent that makes the difference in the market and gives them a competitive edge.

**Organizations that are getting talent right are reaping the rewards of being an employer of choice.**

Those companies that have talent practices at the early stages of maturity run the risk of being left behind. But even organizations that are mature in their general talent practices may not have fully adopted and deployed a globally mobile workforce. Even those organizations that have all of the best intentions in terms of developing a global workforce may run into several key challenges in building and executing on their plan:

- A tactical approach to global talent mobility – the lack of expertise or ability for strategic workforce planning
- Older systems or too many disparate systems in place that prevent a cohesive global view of the workforce
- Low digital readiness characterized by manual labor, fragmented/disjointed, and closed point systems
- Critical data locked in silos that are disconnected from one another
- Global compliance risks related to governance, policies, laws, immigration, taxes, and more
- Fragmented and not delightful experiences that impact employee engagement

Organizations should seek to understand their own global talent maturity level. By identifying where they are in their global talent mobility maturity, they can better put forward plans that are based on best practices to improve their general talent strategy and global talent mobility processes.

**By identifying where they are in their global talent mobility maturity, organizations can better put forward plans that are based on best practices to improve their general talent strategy and global talent mobility processes.**

## Global Talent Mobility: A Competitive Advantage

Establishing superior talent management can lead to an improvement in business outcomes. In a competitive market, employing and retaining the best talent gives an organization a leg up over the competition. Further, putting forward a mature global talent mobility program helps organizations achieve a competitive advantage across the entire talent management life cycle:

- **Talent acquisition:** Global mobility helps attract the right talent as it demonstrates that the employer is forward thinking and encourages innovation. It also broadens the available talent pool across borders. A global mindset positions the organization favorably against the competition in the minds of potential candidates.
- **Talent development:** Global mobility provides development opportunities to elevate workforce skills and abilities. Employees feel that an investment is being made in them and their success and will stay with the company longer.

- **Employee engagement:** Global mobility has a positive impact on overall employee engagement and raises the employee experience and satisfaction. Care must be taken to deliver great experiences before, during, and after global assignments.
- **Talent retention:** Positive global mobility experiences minimize voluntary turnover and increase the retention of top performers. In addition, the next generation of leaders will require global experiences, and forward-thinking organizations are strengthening their leadership pipeline internally with mobility.

The keys to successful talent management and global talent mobility programs go beyond mere intent, however. Companies will need to achieve operational efficiency, have a watchful eye on compliance, make strategic decisions based on mature data, and offer a superior employee experience.

## TOPIA'S SOLUTION AND CAPABILITIES

---

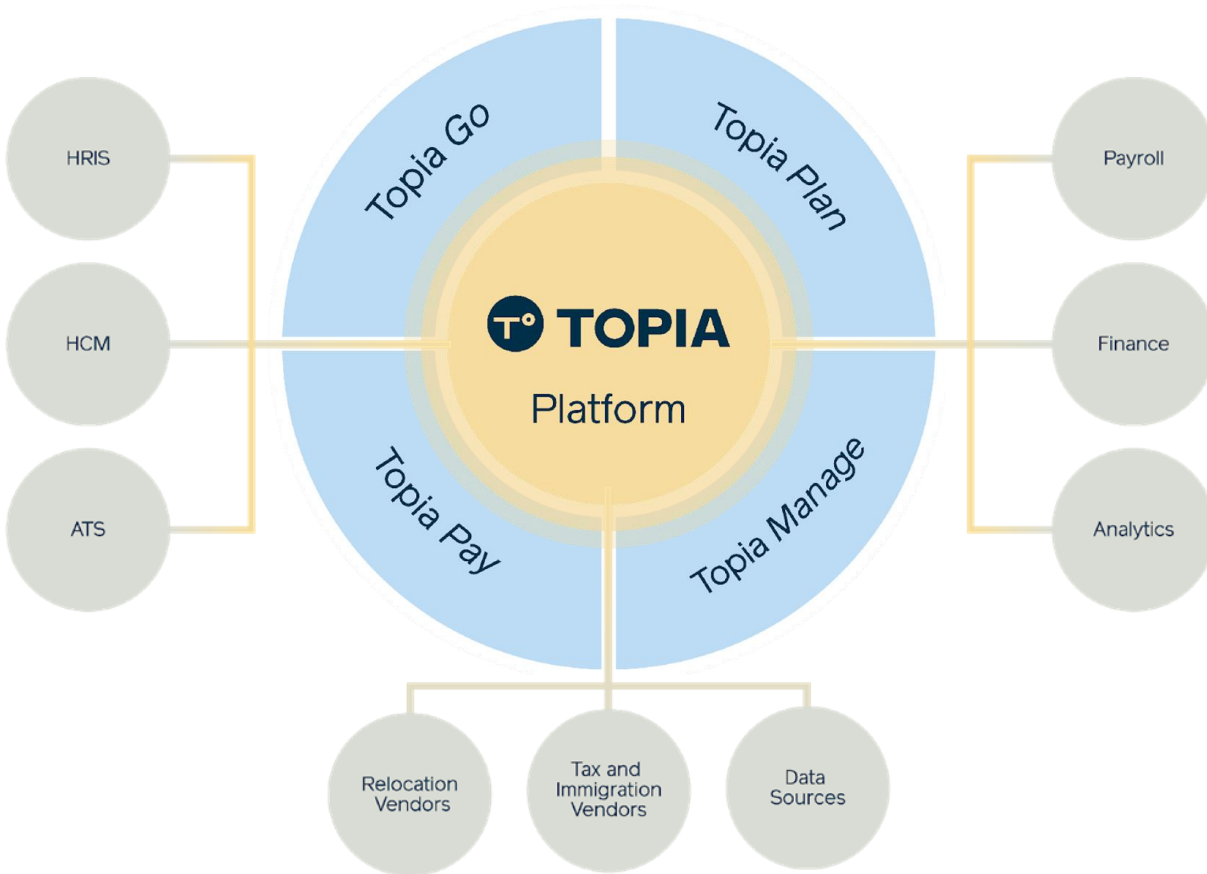
Topia provides a cloud-based HR technology platform that connects and standardizes all the data required to effectively deploy, manage, and engage employees across the world. Topia enables businesses to deliver mobility as part of a broader talent and business strategy with enhanced employee experiences.

The key components of Topia's Global Talent Mobility platform include (see Figure 1):

- The Topia platform at the core
- Topia applications:
  - **Plan:** Scenario planning and cost estimates
  - **Manage:** Workflow automation and reporting
  - **Pay:** Payroll delivery and compensation reporting
  - **Go:** Employee view of relocation and assignments
- Integrations with key technology and services partners

FIGURE 1

## The Topia Global Talent Mobility Platform



Source: Topia, 2020

## CHALLENGES AND OPPORTUNITIES

HR teams are fully consumed with all the core day-to-day requirements of employing full-time, part-time, and contract labor. It may be difficult for some organizations to go beyond the traditional HR remit to encompass forward-looking talent-related initiatives such as global talent mobility.

Specific *challenges* may arise when considering the transformation of a global talent mobility initiative:

- Some corporate cultures may need to overcome a bias against a decentralized structure or globally dispersed workers.
- Companies need to understand and embrace the agility and value that a fluid team-based approach brings to achieving business results.
- The number of HCM-related applications and services deployed within an enterprise may loom large. For example, IDC research has revealed that a typical 10,000-person company may

have as many as 50 different software or services in place to manage the HCM life cycle. Dealing with this level of complexity on a worldwide basis can be daunting.

There are, however, *opportunities* for a global talent mobility initiative to improve HCM operations while achieving key business objectives:

- By going global, companies can tap into previously unavailable talent wherever it may reside.
- Layering a global talent mobility solution into the HCM ecosystem may prove to simplify and improve efficiency through a single view of a company's global workforce, where disparate systems are in use in different parts of the world.
- Companies that are already global/transnational may benefit from the compliance afforded by a global talent mobility platform.

Organizations should conduct a self-assessment to determine their enterprise's global talent mobility maturity level and the best course of action.

## SUMMARY AND CONCLUSION

---

Monumental shifts in the status of work are compelling organizations to adapt and embrace a more global approach to labor to achieve business objectives. In the new world of work, specialized skills may be scarce, which makes attracting and retaining the right talent essential to success. Equally important will be the reskilling of the existing workforce and flexibility in the deployment of that talent. Work will best be accomplished by a flexible team approach that draws on resources when needed and from wherever they reside. Enterprises that evolve successfully will have a competitive advantage in their market, while those that don't may find themselves left behind.

## About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications and consumer technology markets. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. More than 1,100 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries worldwide. For 50 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company.

## Global Headquarters

5 Speen Street  
Framingham, MA 01701  
USA  
508.872.8200  
Twitter: @IDC  
idc-community.com  
www.idc.com

---

### Copyright Notice

External Publication of IDC Information and Data – Any IDC information that is to be used in advertising, press releases, or promotional materials requires prior written approval from the appropriate IDC Vice President or Country Manager. A draft of the proposed document should accompany any such request. IDC reserves the right to deny approval of external usage for any reason.

Copyright 2020 IDC. Reproduction without written permission is completely forbidden.

