Global mobility policy trends

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What is a successful global mobility policy?
Defining factors

- What are the main business cases for assignments? What types of assignments are expected to increase?
- Do the policies in place reflect assignment types?
- The policy should be competitive in terms of the external market through benchmarking and leading practice analysis.
- Companies must have the courage to be their own benchmark.
- Management commitment and buy-in is crucial to the successful implementation of the policy.
- Stakeholder buy-in is key.
- Is international experience critical to develop our future leaders? Do we need a special talent policy to facilitate global moves of high performers and future leaders?
- What is the post-repatriation retention and career progression success rate in our company?
Reviewing policy
Potential triggers for policy change

- Entry into new markets
- Entry into new countries
- Change leadership
- Stakeholder feedback
- Mergers and acquisitions
- Exceptions are the rule
Reviewing policy
Current design drivers

Design drivers should be based on stakeholder feedback
Global mobility policy trends
Global trends

- Less focus on equity:
  - Population segmented based on business/developmental needs
  - Differentiated service offering by assignment type

- Business unit differentiation:
  - Differences in the needs of business units and their budgets
  - Equity across business unit not across entire population

- Frontier markets presenting new challenges:
  - Enhanced destination and spousal services
  - Security concerns

- Focus shift from cost to employee effectiveness
Global mobility policy trends
Population segmentation drives policy type

- Developmental: High cost, high business value, high level of support
- Strategic: High cost, low business value, low level of support
- Junior mobility: Low cost, high business value, high level of support
- Skills-based: Low cost, low business value, low level of support
Global mobility policy trends
Americas trends

- Increasing number of policy types:
  - Short-term
  - Commuter
  - Extended/frequent business traveler
  - Rotator

- Benefit tiers based on:
  - Assignment length
  - Assignment purpose
  - Assignee level
  - Internal versus external roles

- Caps on benefits and allowances
- Focus on localization and localized types of policies
Global mobility policy trends
Asia-Pacific trends

► Business need for policy and entitlement flexibility
► Focus on tax equalization policies and processes
► Emerging challenges with locally employed expatriates (lo-pat) populations
► Increase in Asia-Pacific outbound assignments:
  ► Challenges with outbound Chinese assignments
Global mobility policy trends

European trends

► Application of host-based approach
► Stronger link between assignment policies and talent management
► Customized policies for group moves, e.g., entering new markets
► Ongoing focus on localization
► Robustness and agility of policies to respond to changing business needs
The Wells Fargo journey
The Wells Fargo journey

From current to future state

Policy development

Merger

Talent management

Segmentation

Market

Together we’ll go far

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The Qantas/Jetstar journey
The Qantas Group Journey
The Qantas Group

- Qantas is Australia’s largest domestic and International Airline
- One of the strongest brands in Australia
- Two complimentary airline brands – Qantas and Jetstar
- Jetstar is the value based low fare arm of the Qantas Group
Mobility Demographics

► Number of assignees:
  ► Jetstar: 74 (35 tax equalised,)
  ► Qantas: 144 (47 tax equalised)

► Top host locations - Jetstar:
  1. Japan
  2. Singapore
  3. Hong Kong

► Top host locations - Qantas:
  1. United States
  2. UAE
  3. United Kingdom
  4. Singapore
New Mobility Framework

► Why were new policies were developed

► Dial up/flexible approach

► Challenges in developing policies that could be used across the group
## New Mobility Framework

<table>
<thead>
<tr>
<th>Assignment Type</th>
<th>Duration</th>
<th>Purpose</th>
<th>Key Features</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short Term</td>
<td>2 - 12 months</td>
<td>Company Initiated</td>
<td>Home Based approach - Tax Equalised</td>
</tr>
<tr>
<td>International Transfer</td>
<td>Permanent</td>
<td>Assignee Initiated</td>
<td>Host Based approach</td>
</tr>
<tr>
<td>Strategic</td>
<td>12 - 36 months</td>
<td>Company initiated - Assignee on the Key Talent list</td>
<td>Home Based approach - Tax equalised</td>
</tr>
<tr>
<td>Local Plus</td>
<td>25 – 36 months</td>
<td>Company Initiated – Business or Developmental Need</td>
<td>Host Based Approach</td>
</tr>
</tbody>
</table>
New Mobility Framework

► What is working well with the new framework

► Future areas to address
In summary

At the end of the day, it is about getting:

The right person,
at the right time,
in the right place,
for the right conditions