Law firms have traditionally used mobility strategies to respond to business needs and plug skills gaps in the host location – meeting the needs of the business today. But now the demands of a new generation of clients and workers, mean that a strong mobility program is becoming key to good talent management, and in turn can have a real impact on the bottom line.

Proactive, strategic, and more diverse, mobility strategies will help law firms build the workforce they need tomorrow, while managing cost and growing the bottom line.

Large clients have never been shy to demand what they want from their law firms, and to engage different representation if they feel their requirements are not being met. As employee demographics change within client organisations, and as clients seek to access new global markets, they demand similar agility from their law firms. Clients want to be serviced by the right people, in the right places at the right times.

At the same time, mobility candidates are changing. Traditionally, a law firm's overseas deployments have gone to senior, usually male, often professional ex-pats with families. These roles commanded high salaries and came with substantial benefits, including provision of housing and school fees. International roles were often filled by ‘career expatriates’ on back-to-back assignments.

Today’s workforce is becoming increasingly dynamic with the demographic of mobile workers changing. Millennials want a different experience and older women are now wanting the same opportunities that were offered to their male counterparts, recognising that it is not just men who can add value off shore.

The people putting their hand up for mobility opportunities are now likely to be younger, more likely to be single - and just as likely to be women. These millenial candidates – a demographic that will comprise 75% of the global workforce by 2025 - have new expectations and different priorities.

Many companies admit they are struggling to attract and retain millennials, who are typically the most dissatisfied group of employees. This is because what millennials want is flexibility, choice and change in where, when and how they work. Millennials are looking for shorter, more varied career experiences. They'll only stay for a year or two at most - unless their law firm can offer them the change and challenge of a different geography.

To offer their employees competitive mobility packages, in an uncertain and increasingly protectionist international environment, law firms will need a fresh approach to mobility strategies, policies and procedures.
Strategic Mobility - an important talent management tool

Mobility is a vital cog in the talent management machine. Law firms that want to attract and retain the best talent, and develop skills as quickly as possible, need an attractive and accessible mobility program.

Law firms around the world are attracting and retaining millennials with new types of mobility packages, including:

- **New focus on candidate selection** - Firms need to refresh their framework around candidate selection to better match the right talent to the right opportunity. Where opportunities may in the past have gone to a small cohort of employees with little thought as to how it will impact long term career development - a more holistic, expansive selection process is now required. Firms also need to get greater clarity around their current employee profile. Human Resources need a clear, data driven picture of who might want an international experience, whose skill set and back-ground will best suit a particular opportunity, and ideally who has the right passport, visa or citizenship to speed up deployment and minimise cost.

- **Rotational talent management programs over a 12 to 24 month period** - Offering 3-4 months in each location, these programs enable candidates to learn more about the business and rapidly enhance their skills. There also needs to be a clear plan for the employees role at the end of their mobility assignment. The experience is in stark contrast to traditional overseas postings, where talented people often stagnate, finding themselves irrelevant when they return home after several years away in the same post.

- **Leaner, self-service style benefit structures** - Millennials don’t expect luxurious accommodation or expatriate packages. But they do expect the same flexible, efficient, easy travel options from sharing economy providers like Uber and Airbnb that they already book for themselves. Law firms have tended to shy away from sharing economy options because of issues around control, privacy, safety and liability. But it’s now possible to integrate sharing economy platforms with a law firm’s systems, employing all the necessary controls while giving employees real choice and flexibility to support mobility - and delivering significant savings in accommodation costs.

A self-service approach to mobility, where the individual can choose how to best spend their mobility budget, can significantly reduce the administrative burden otherwise placed on the employer.

**Diversity and Inclusiveness (D&I) is a key consideration**

As recently highlighted in the *New York Times*, Facebook is demanding, not only that women and ethnic minorities make up at least 33% of all legal teams working on its account, but also that law firms, “actively identify and create clear and measurable leadership opportunities for women and minorities”. Additionally, HP Inc. have apparently implemented a “diversity holdback” mandate where they will withhold 10% of fees to law firms who do not live up to HP’s D&I standards.

With other large clients likely to follow suit, law firms need to reassess their talent management strategy. This will not only require a fresh approach to D&I more broadly but a focus on how mobility can attract, retain and progress diverse talent within the organisation. Mobility offers a short term way to change the D&I makeup of any given team, and is part of a longer term solution to attracting and retaining a broader range of talent.

**Increasing mobility risks in a protectionist world**

Overlaying all of these factors above however, is that firms need to keep in mind that political uncertainty and increasing protectionism adds a degree of difficulty to the execution of a good mobility strategy. Issues to consider include:

- **Visa and immigration risk** - With the visa volatility of the Trump administration, employees sent out of the US on firm business run the risk that they may not be able to return to their families if the rules change suddenly. Law firms also need to be more aware of which countries employees have worked or lived in in previously. More broadly, many countries are making employment for their own citizens a much clearer priority, and this can make obtaining work permits more difficult and time consuming than it ever has been before.

A closer to home example of this can be seen in the recently announced changes to the 457 visa program in Australia. In a clear effort to protect and promote the Australian workforce in excess of 200 occupations were removed entirely from the work visa eligibility list. At the same time a significant number of other overseas employees, including many senior management, marketing and finance professionals, will now only be eligible for a 2 year work visa (“Short Term Skilled Occupation List or STSOL”) with a maximum of one renewal opportunity and no clear pathway to Australian permanent residency. While legal occupations have remained on the 4 year visa category list (“Medium and Long Term Strategic Skill List or MLTSSL”) this is a clear example of how quickly and dramatically the immigration landscape can change.

In many countries, the definitions of what is ‘business’ (e.g. attending a conference using a business visa) versus what is ‘work’ (e.g. attending a client workshop that generates fees) is difficult to understand and is becoming increasingly blurred. Law firms need to carefully manage the risk of their people being caught on the wrong visa, especially with the increased aggression of many governments towards visa holders.

- **Tax risk** - Data sharing between tax and immigration authorities mean that even inbound deployments of just a few weeks are now much more likely to attract scrutiny from tax authorities. From both a compliance and a cash flow perspective, firms need up-front planning to understand where tax obligations may be triggered, and must be able to track their short-term business travellers to avoid any unpleasant surprises. Potential issues here range from employees triggering personal tax liabilities to employers triggering withholding and reporting obligations. They could also include corporate tax exposure, arising from mobile employees inadvertently exposing companies to corporate tax in new locations.

Visa and taxation mistakes can quickly damage brand and reputation, erode profits on jobs with unexpected costs, as well as alienate employees. Taken to the extremes, breaches of domestic law in these areas can lead to prosecutions, fines and - in many jurisdictions - imprisonment.

---

**Who's driving your workforce mobility?**

[2] Professional Services insights
Robotics Process Automation will revolutionise the legal workforce

Like most rules-driven, data and research-intensive professions, robots have the potential to revolutionise the legal industry. In future, high-cost administrative and research tasks will be performed by a virtual workforce of software robots, leaving humans to perform ‘higher value’ tasks such as relationship building, client management, negotiation, cultural awareness and creativity. Law firms will also need leaders who are skilled at managing the change and people impacts that robotics will bring.

Leaders need to be developed with this future in mind. Tomorrow’s legal Partners will require a much more dynamic approach to client management, with more focus on the potential benefits that a mobility assignment will bring. Shorter experiences in a wider variety of roles, locations, cultures and jurisdictions, if well managed, is an excellent way to build these future leaders.

Four things law firms should be doing today

**Talk to your clients.** Understand their demographic profiles, likely expansion locations and diversity targets - and ensure you are ready to respond.

**Refocus mobility strategies** away from long term, senior expatriate secondments to millennial friendly mobility programs that are an integrated component of your strategic talent management plan.

**Focus on data driven candidate selection** with an eye on a candidate’s post assignment career path.

**Ensure appropriate systems, policies and processes are in place** to manage mobility efficiently and on a tight budget in a more highly regulated world. Harness the sharing economy to drive down mobility costs.

To discuss topics raised in more detail please contact us.

---

**Campbell Jackson**  
Partner, EY Australia  
campbell.jackson@au.ey.com  
+61 3 9288 8182

**Joanne Avasti**  
Partner, EY Australia  
joanne.avasti@au.ey.com  
+61 3 9288 8212

**Ben Renshaw**  
Director, EY Australia  
ben.renshaw@au.ey.com  
+61 3 9288 8086

**Charlotte Xu**  
Director, EY Australia  
charlotte.xu@au.ey.com  
+61 3 8650 7834

---

Professional Services insights  
Who’s driving your workforce mobility?
About EY
EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organisation, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organisation, please visit ey.com.

© 2017 Ernst & Young, Australia.
All Rights Reserved.

APAC no. AU00002958
P1730504
ED None

This communication provides general information which is current at the time of production. The information contained in this communication does not constitute advice and should not be relied on as such. Professional advice should be sought prior to any action being taken in reliance on any of the information. Ernst & Young disclaims all responsibility and liability (including, without limitation, for any direct or indirect or consequential costs, loss or damage or loss of profits) arising from anything done or omitted to be done by any party in reliance, whether wholly or partially, on any of the information. Any party that relies on the information does so at its own risk. The views expressed in this article are the views of the author, not Ernst & Young. Liability limited by a scheme approved under Professional Standards Legislation.

ey.com