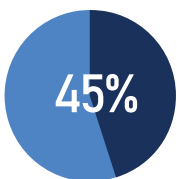
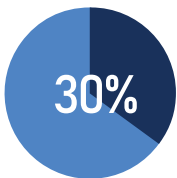


The following report references the results of a joint survey conducted by Cartus and Topia in 2022 on the topic of remote, hybrid, and distributed workforces in the global talent mobility space. The survey received responses from 50 international organizations across the fields of Consumer Goods, Energy & Utilities, Finance, Healthcare, Life Sciences, Manufacturing/Construction, Media, Medical Devices, Pharmaceuticals, Professional Services, Technology, and more. It expands on the findings outlined in our [Executive Summary](#), published earlier this year.



of respondents anticipate their organization will have **more than 1,000** remote workers by the end of 2022

As our joint survey confirms, remote work has become a top priority for mobility professionals, with 45% of survey respondents anticipating their organization will have more than 1,000 remote workers by the end of 2022 and an additional 30% expecting between 500 and 1,000.



of respondents anticipate their organization will have **between 500 and 1,000** remote workers by the end of 2022

With the number of remote workers increasing across the board, how many organizations have a formal policy to manage this type of population? Who owns that policy? And most importantly, does the policy achieve a balance between ensuring an organization remains compliant and providing employees and future talent with the flexibility they desire?

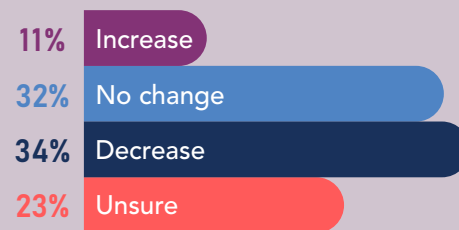
## IMPACT ON OVERALL MOBILITY PROGRAM

When widely introduced to combat challenges raised by the pandemic, remote and hybrid work was predicted to negatively impact the future of global mobility.



Instead of a decline in corporate relocation, remote work has been used by some organizations as a strategic tool. Nearly a third (32%) of respondents indicate remote work will have no impact on the number of employees they relocate. An additional 11% suggest the number of employees will increase as a direct impact of remote work, and 23% were still determining what impact it will have on their relocation population.

### What impact will remote work have on the number of employees relocating?



POLICY DESIGN

Building a meaningful and robust remote work policy can be complex. With a multitude of objectives to satisfy, there are many considerations and analyses required, especially if rolling out a policy that covers international remote or hybrid roles.

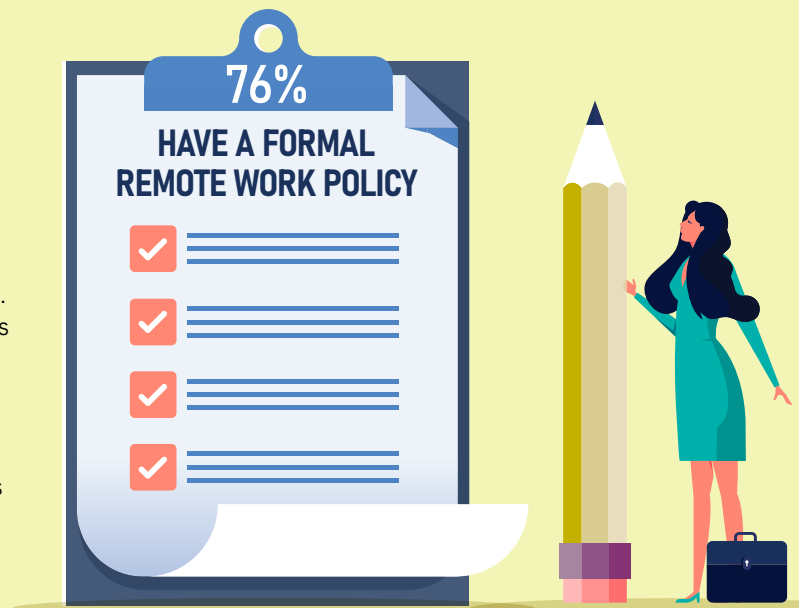
Once a policy is in place, however, it provides a template for all stakeholders to follow, avoiding costly exceptions or lengthy one-off approval processes. The majority of companies surveyed (76%) indicate their organization has a formal remote work or hybrid work policy.

According to respondents, formal remote work policies typically:

- Define available locations
- Differentiate between domestic relocation and international moves
- Provide a remote work request process
- Identify an approval process
- Outline specific time allowed in remote work location
- Share compliance risks and considerations (e.g., immigration, tax, social security)
- Identify who incurs relocation costs (employee, company, or both)
- Clarify which employee levels/positions and locations are exempt
- Detail any changes to employee benefits (e.g., health and wellness benefits)

Nearly a quarter (24%) of respondents indicate they do not have a formal policy, 58% of which are also not planning to develop one in the future. Our survey suggests that decisions about implementing a formal policy largely depend on a respondent’s industry. For example, respondents from the manufacturing sector commented that the industry does not lend itself to having a large remote worker population—presumably because employees need to be onsite to operate the equipment that produces the physical products. Respondents from technology companies indicate they prefer in-person collaboration to generate ideas and innovation.

Additional reasons respondents give for not creating a formal remote work policy include “risks involved” and the belief that “company values are best expressed working in an in-person environment.” This reflects a trend identified in our **Executive Summary** where 45% of respondents predict remote work will have a negative impact on company culture. Historically, companies have built their culture within the walls of their brick-and-mortar locations, but how do you create a cohesive culture where remote employees are recognized, engaged, valued, seen, and feel like they have growth opportunities? Having a formal policy in place will help support companies struggling to establish culture and values across remote worker populations.



## POLICY OWNERSHIP AND MANAGEMENT

Most respondents (93%) say HR teams are involved in owning their organization's remote and hybrid work policy, versus 16% indicating ownership by the Global Mobility function. Given the wealth of knowledge that global mobility professionals have about international tax and legal risks, it is surprising that they do not have great involvement in companies' remote work policies. Are companies overlooking the skillset and expertise global mobility can provide to organizations managing remote work populations?

According to discussions at a 2022 Cartus client meeting, this mindset may be changing, with many organizations suggesting the role of global mobility would soon evolve to include responsibility for remote workers as well as traditional relocation. This is especially true for employees wishing to move and work across borders. What toll will administering such a policy take if this is the case? Will impacted global mobility teams soon require additional staff, resources, and support?

More than half of respondents (57%) anticipate that managing remote work requests may take up to 19 hours per month, while 25% expect it could take up to 40 hours per month. Anecdotal evidence from Cartus' Global Talent Mobility team suggests many of our client organizations already feel overwhelmed by the volume of remote work requests and queries they receive, specifically around immigration requirements in different world locations.

When asked whether they are concerned about the increased work involved with managing remote workers, 55% say they are. This concern may stem from a lack of tools to support tracking and managing a remote/hybrid worker population. Many respondents currently use manual tracking systems like email or spreadsheets (27%) or existing HR technology platforms not built for remote work management (43%). Partnering with a relocation services company not only provides access to the correct tools, but also the expertise required to manage a distributed workforce efficiently.



## COMPLIANCE AND LEGAL IMPLICATIONS

Compliance concerns remain the most significant challenge when managing a remote or hybrid workforce.

Most respondents (82%) only allow remote/hybrid work in states and countries where the organization is either registered, already has employees, or has a legal entity. With the potential for hundreds of requests per year by employees who wish to work remotely, having a scalable remote work technology in place and an expert partner to analyze the data and surface best practice policy and program recommendations are key to managing remote work requests, remaining compliant, and ensuring high employee satisfaction and productivity.

Survey respondents indicate responsibility for monitoring compliance risks is often jointly managed by different parties—e.g., the remote worker’s direct line manager, the business’ global mobility and/or HR team, and the employee themselves. In situations where line managers or employees themselves hold at least partial responsibility for meeting compliance, there is the potential for several risks,

including the consistency in which a policy is administered and whether managers and employees fully understand local laws and regulations of the remote-work location. Detailing compliance responsibility for all possible scenarios is a key function of the Remote/Hybrid policy.

The survey also finds that companies hold employees accountable for the cost of compliance, with more than a third of respondents (36%) indicating employees bear the cost for self-initiated remote work moves—e.g., immigration and tax costs. Other respondents (20%) suggest the payee depends on employee level and location. In addition, if an employee posts for an available cross-border position, this type of move is considered standard mobility and not self-initiated; therefore, the company is responsible for compliance, not the employee.

### Who has responsibility for ensuring the organization remains compliant?\*



\* Respondents could choose more than one option



## RESPONDENTS REACT

### Additional comments by survey respondents on remote or hybrid workers:

- Communication is key—clear and concise information to all employees.
- We will likely focus policy on cross-border international remote workers.
- Previously our organization was 100% in office. With the COVID pandemic, the organization has moved to a remote/hybrid work environment and has decided to sustain that going forward. Part of the decision to sustain this work environment was due to feedback by candidates as well as exit interviews, where individuals clearly stated that the remote/hybrid work environment was an expectation for their employment.
- Our hybrid approach will be local...individuals will still have the requirement to be available to participate in meetings and meet vendors in the office. We will not support a “live where you want” approach.
- Automation and clear guidelines with the compliance team are especially important for a smooth experience.
- Remote work policy requires employees to stay in the country in which they are working.
- The company’s flexible work policy applies domestically only and varies by location.



When it comes to remote or hybrid work, there is no one-size-fits-all approach. However, with the correct planning and expertise, you can create a remote work policy that is robust enough to meet your evolving business objectives, provides employees with the flexibility they need, and improves the perception that candidates have of your company.

For more information about how Cartus and Topia can help manage such compliance risks, please visit [cartus.com/remotework](https://cartus.com/remotework).