

Managing mobility and  
remote work arrangements  
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18 March 2024



## Managing mobility and remote work arrangements panellists:



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# Global mobility continues to evolve

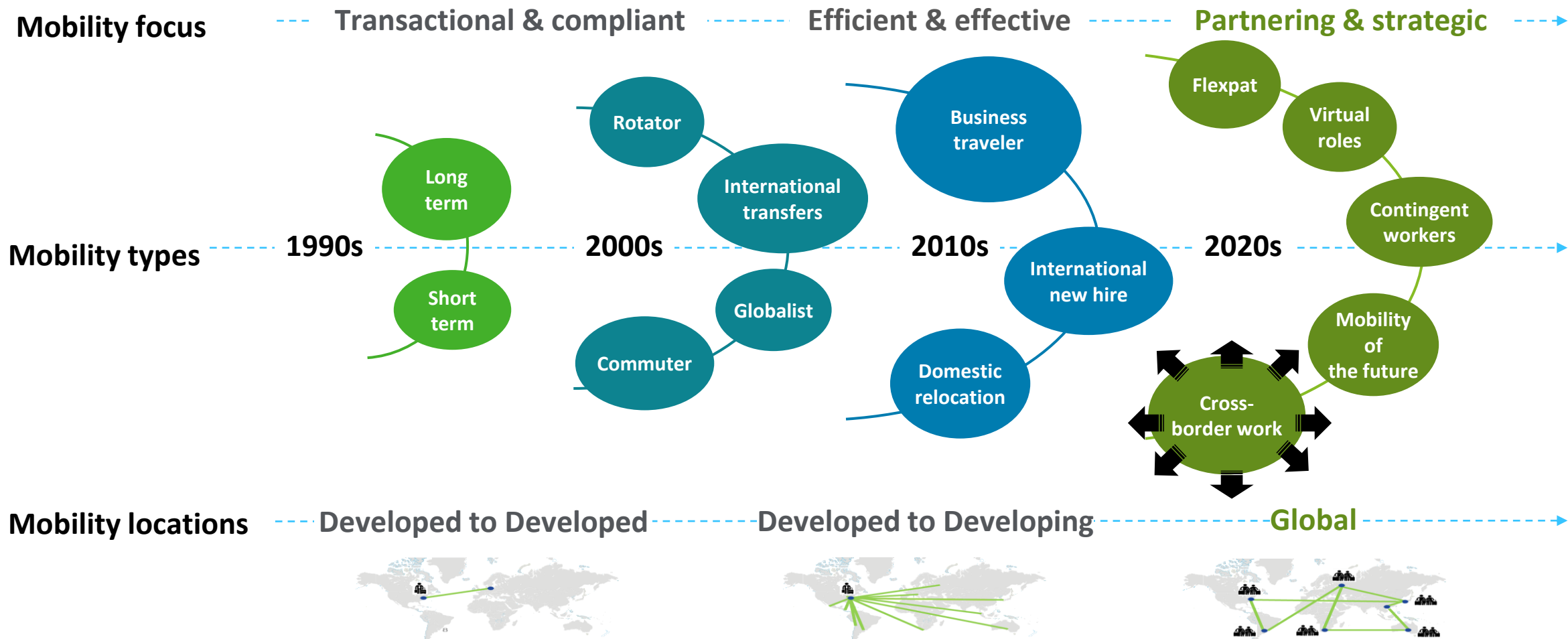
## Future of global mobility

- The changing mobile employee landscape has accelerated towards cross-border work at an unprecedented pace. Major aspects of organisations have already shifted. If the pandemic occurs in waves, these shifts are even more likely to become permanent, and the world of global mobility we know today will be changed.
- To remain relevant, global mobility programs can proactively incorporate cross-border work into their purview and begin to solve some of the organisation's greatest challenges and open doors to significant talent opportunities.

# Global mobility continues to evolve

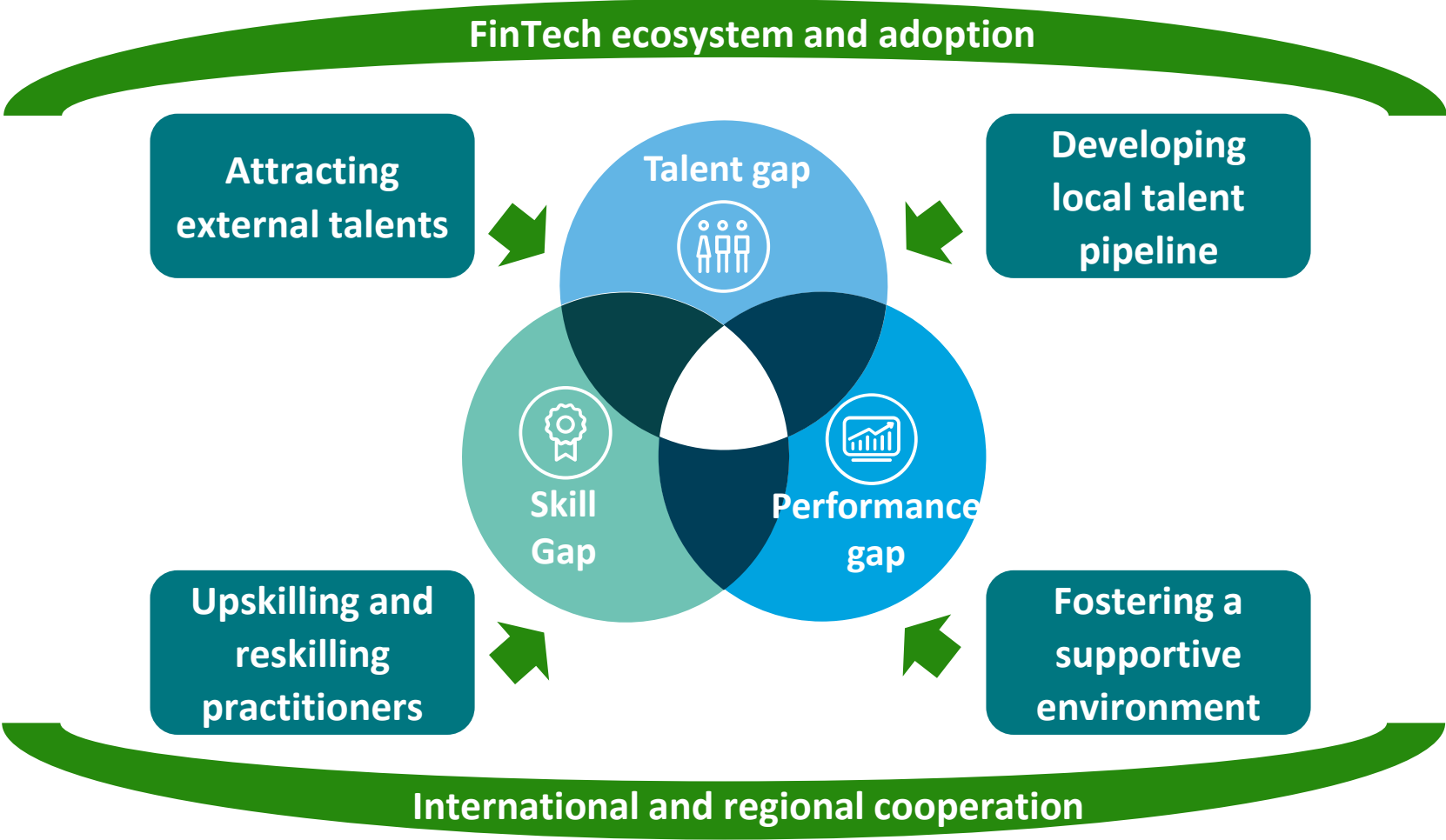
## Future of global mobility

### The changing mobile employee landscape



Talent landscape impacting financial services industry

A number of sociodemographic trends are disrupting the global talent landscape

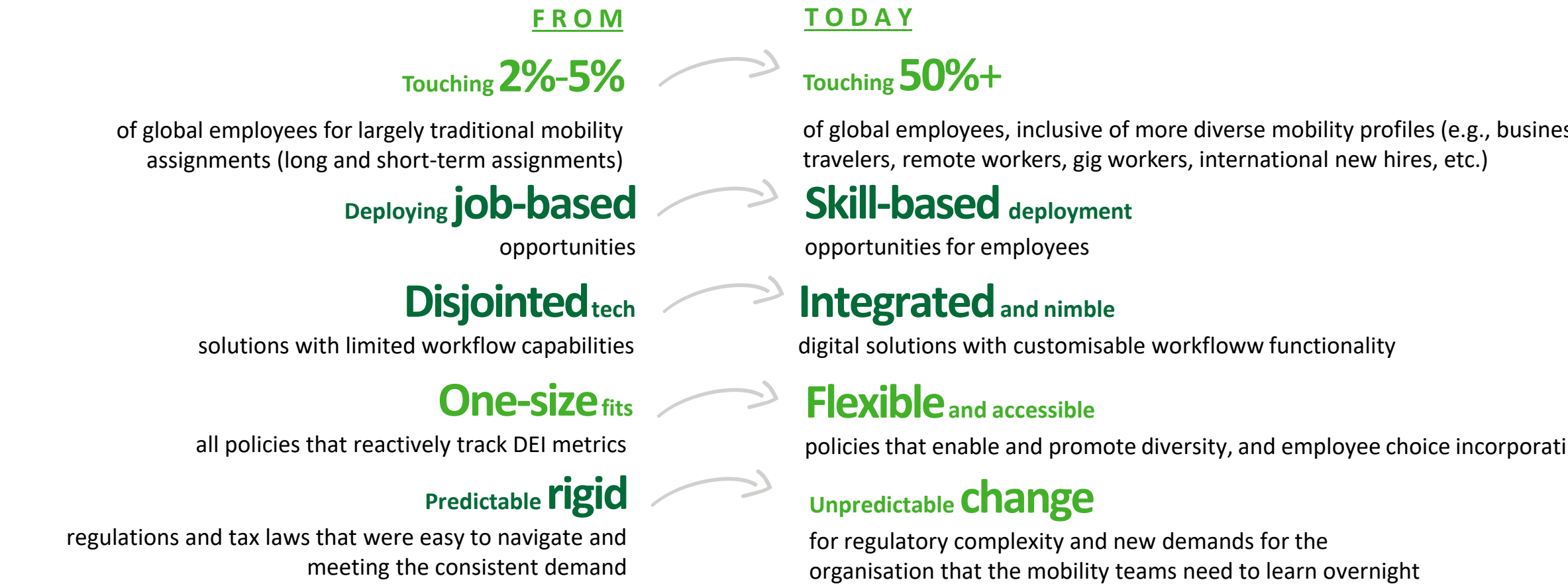


Source : Advancing Talent Development in Financial Services–December 2023. HKIMR Applied Research Report No.3/2023



# Today's evolving market landscape

Talent mobility plays a critical role in enabling a newly complex and dynamic global workforce. Many organisations are evolving to satisfy the rapidly changing needs of the business and the growing workforce it serves.



# Digital nomad visas

Digital nomads are remote workers who wish to spend short or extended periods of time abroad.

- Does not require a work contract
- Allows its holder to work while in the host country, as long as they do it independently and/or remotely
- Varied policies and regulations
- Varying costs and application processes depending on location



## Key considerations

- Untried and untested
- Not company sponsored visa
- Unclear on the position of family members
- Employment law/tax implications
- Not likely to lead to permanent residency rights

# Digital nomad visas

## Which countries offer digital nomad visas?

- Antigua & Barbuda
- Anguilla
- Aruba
- Argentina
- Bahamas
- Barbados
- Bermuda
- Brazil
- Cape Verde
- Cayman Islands
- Costa Rica
- Croatia
- Cyprus
- Colombia
- Curacao
- Dominica
- Ecuador
- Estonia
- Georgia
- Greece
- Hungary
- Iceland
- Malaysia
- Malta
- Mauritius
- Montserrat
- Mexico
- Norway
- Portugal
- Panama
- Romania
- Spain
- Saint Lucia
- Seychelles
- Thailand
- UAE

## Digital nomad visas in the pipeline.

- Belize
- Grenada
- Sri Lanka
- Italy
- Latvia
- Montenegro
- North Macedonia
- Serbia
- South Africa
- Indonesia

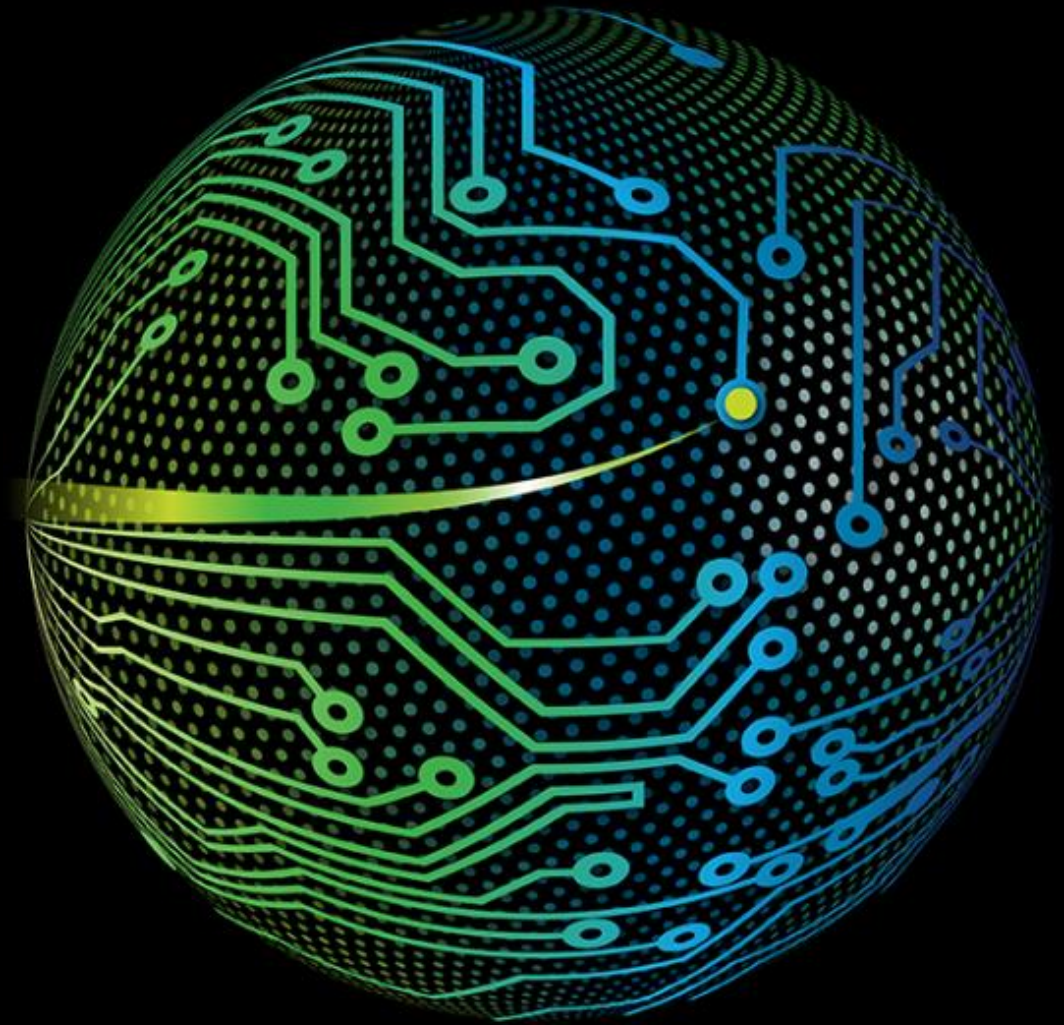
## Which countries offer freelancer/independent contractor visas?

Unlike digital nomad visas, freelancer visas usually require an individual to be self-employed and possibly hold a trade licence in the destination country.

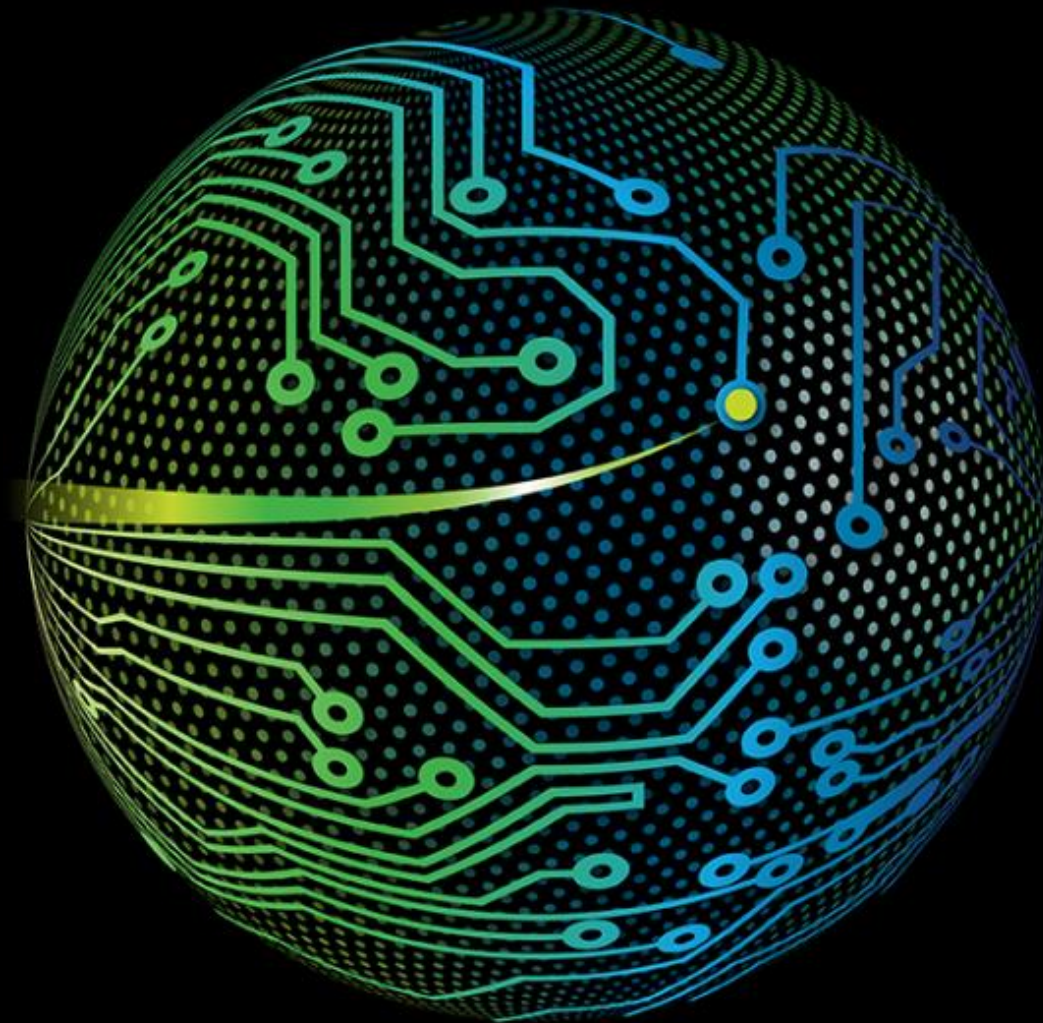
- Bulgaria
- Czech Republic
- Germany
- Italy
- Norway
- Portugal
- Spain



# Appendix



# Cross border considerations



Mobility/cross-border working requires a cross-functional effort  
Work involves numerous considerations and stakeholders. It's important to understand the significant implications and cross-functional cooperation needed to enhance and enable a cross-border working arrangement.

**CORPORATE TAX**

- Domestic and international corporate tax implications
- Permanent establishment risk
- Intercompany agreements & transfer pricing considerations
- Multistate, Sales and Use and Property Tax issues
- Credits and Incentives

**EMPLOYMENT TAX**

- Employment tax and social security assessments
- Income tax withholding and filing requirements
- Entity and payroll registration requirements
- Income and payroll tax reporting and cost projections

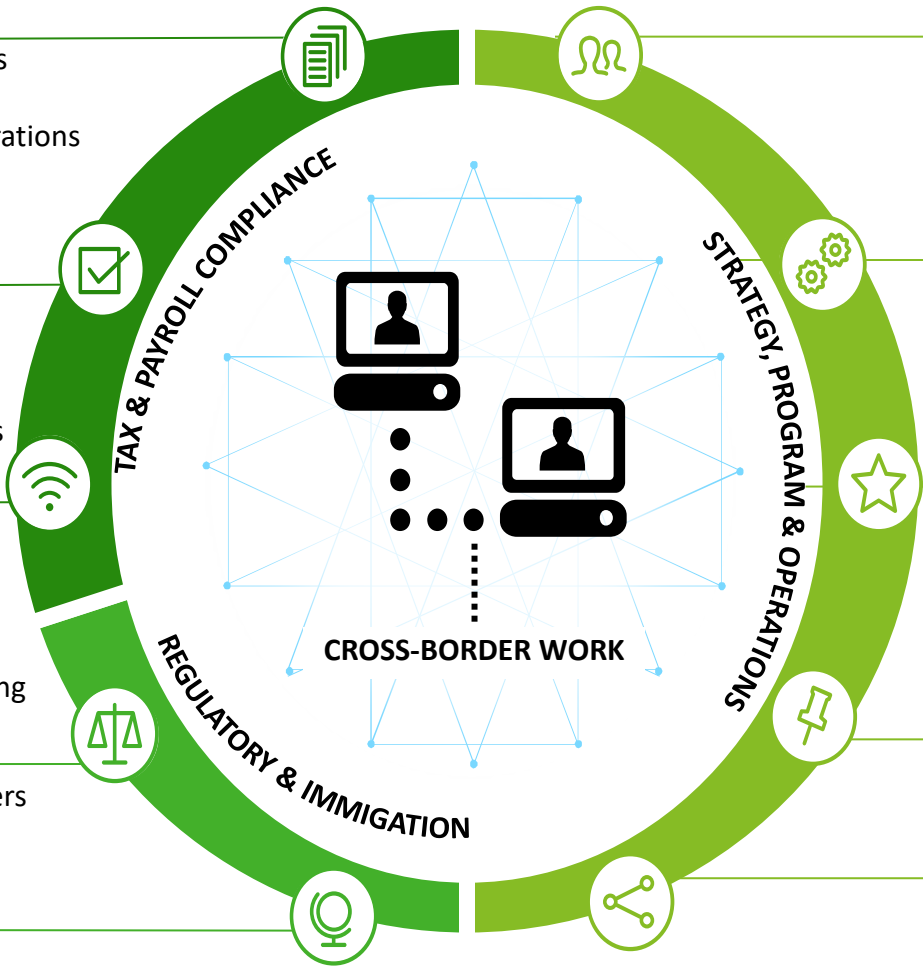
**DATA/TECHNOLOGY**

- Continuous data tracking and reporting
- Compliance analysis
- Flagging and quantification of risks
- Business travel tracking
- Approval process for cross-border working and tracking

**REGULATORY/WORKFORCE CONSIDERATIONS**

- Communicate relevant policies to cross-border workers
- Cross-border workforce expenses

**IMMIGRATION<sup>1</sup>**



**TALENT STRATEGY**

- Enterprise philosophy and strategy
- Workforce segmentation and job profile analysis
- High-performance team in a cross-border environment

**PROGRAM & OPERATIONS**

- cross-border Policies and guidelines
- Roles and responsibilities, processes, and tools
- Mapping key cross-border working scenarios
- Employee and stakeholder communications

**REWARDS**

- Compensation and benefits design and implementation
- Benchmarking
- Pension considerations
- Cross-border equity considerations

**EMPLOYMENT MODEL**

- Intercompany agreements & transfer pricing considerations

**IP & DATA SECURITY**

- Network security risks
- Intellectual property safety

<sup>1</sup>For legal and regulatory reasons, some of the DTTL member firms, including the United States member firm, do not provide immigration services. Immigration services are provided by the immigration practices of DTTL member firms outside the United States

# Compliance is integral to a successful cross-border work strategy

While it's important to go full steam ahead, organisations looking to accelerate their domestic and international cross-border work programs will need to consider the potential compliance implications for the business and the employee.



## Tax

- How does the organisation address cross-border workers that have triggered individual, employment, and corporate tax compliance risks?
- What are the broader domestic and international tax implications to the employee and company (income/corporate tax, social security, etc.)?



## Intra-Company Agreements

- How will they be adjusted when costs are borne by one entity but the employee is employed by another?



## Nexus and Permanent Establishment

- What happens when an employee is sitting in one state or country and working for an entity in another?



## Legal

- Have employment contracts and the taxability of benefits in certain jurisdictions been reviewed?



## Payroll/Reporting

- Is an entity registered in the location the employee wishes to work?
- How will income and payroll taxes be handled?
- How is the employee tracked, and are systems equipped to recognise different living vs. working jurisdictions domestically and internationally?



## Benefits

- What changes should be made to global rewards programs for cross-border workers in the new environment?



## Risk Profile

- What is the company's tolerance for legal and compliance risk?
- Are there "no go" locations because of risk?



## IP & Data Security

- Are networks sufficiently secure?
- Is the location safe for intellectual property?

## What are the risks?

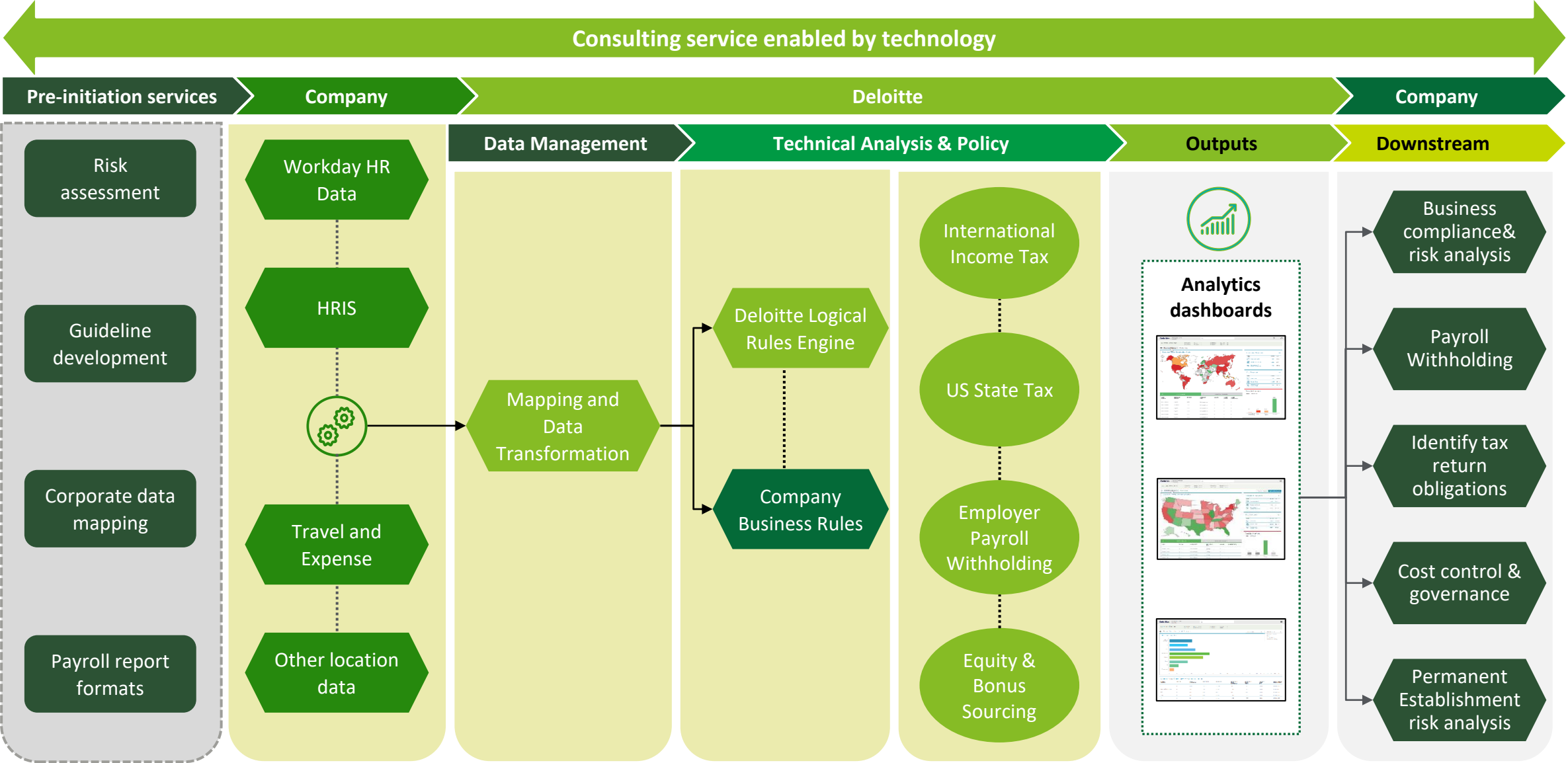
If governance and structure are not addressed now, Global Mobility may face the following risks:

- Corporate compliance implications due to mismanaged cross-border work decisions
- Poor employee experience when individual income tax implications are not assessed in advance or appropriately conveyed
- Lack of proactive talent planning, particularly for organisations that are still looking to grow

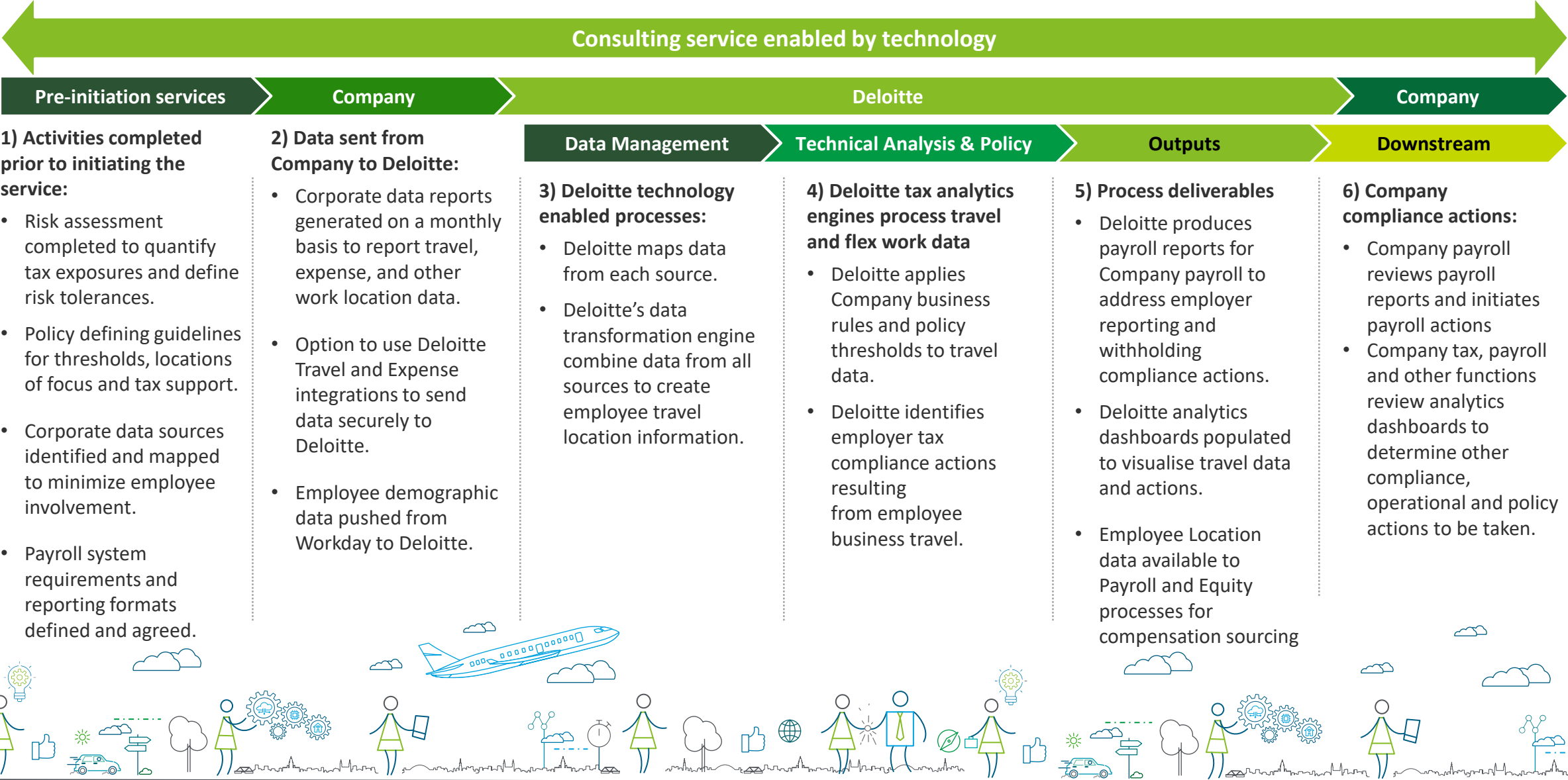
**Companies are setting strict guidelines around cross-border worker policies including location identification, restrictions, and employee movement**



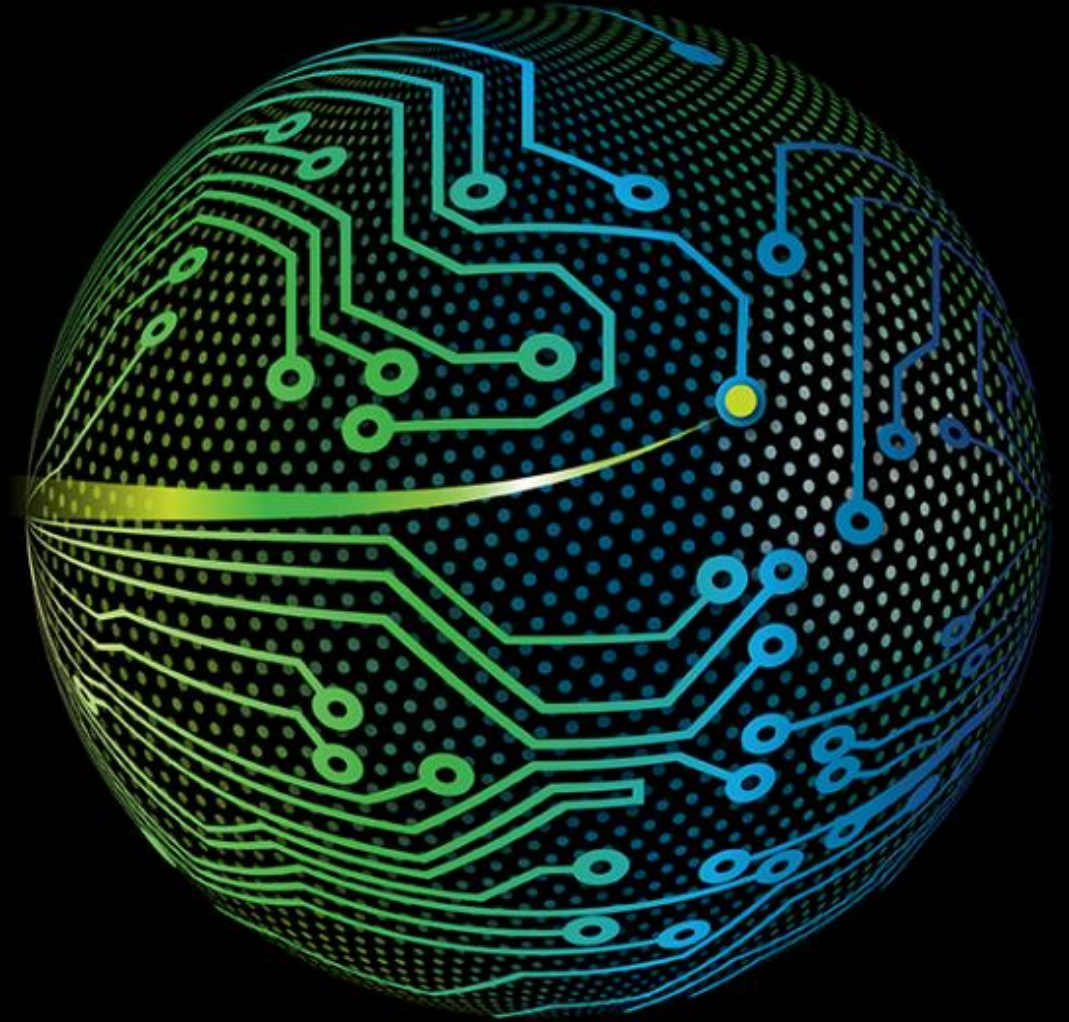
An example of cross-border work compliance process overview



# An example of cross-border work compliance process—Description [business travel focus]



# The demand for global movement





# Deloitte’s global workforce trends

## THE DEMAND FOR GLOBAL MOVEMENT

### Borderless Skills-Based Movement

In a world where talent shortages are one of organisations’ **most daunting challenges**, Global Talent Mobility can **tap into** a broader talent pool—and reduce recruitment cost—by matching candidates to opportunities **based on skills** and not geography.



### Expanded Risk

Financial, operational and compliance risks are familiar territory for organisations, but societal, environmental, and personal safety risks are creating new organisational demands, and are considered a top priority by many Talent mobility leaders.



### Growing Distributed Workforce

Changes to **how and where** work gets done, and the values it aligns to have had a profound impact on Global Talent Mobility programs, challenging teams to **align with stakeholders** across the organisation and display extreme agility. Strong **program leadership** and a **jointly defined mission with employees** are critical.



## ECOSYSTEM OPTIMISATION

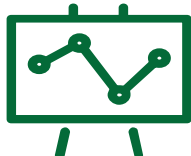
### Enable with Technology

Global Talent Mobility can enable today’s dynamic and disperse workforce through the right technology strategy. By prioritising integrated technology solutions, organisations can address a wide range of risks and optimise processes, costs and employee experience.



### Data-Driven and AI-Powered Insights

**New technologies such as AI** have evolved significantly over the past few years, and digitised data has grown exponentially. Global Talent Mobility has the opportunity to tap into these insights and technologies to improve **employee experience, compliance, and cost efficiency** with a well-defined data strategy.



### Do More with Less

Global Talent Mobility teams need to **prioritise efficiency and scale** while still considering purpose-driven initiatives such as diversity, equity and inclusion (**DEI**) and **sustainability**. As result leaders are taking a fresh look at their available resources and embracing new approaches.



# Growing distributed workforce

## ORGANISATIONAL CHALLENGES

The pivot toward distributed work **has increased** the scope and impact of global talent mobility. **Hybrid/remote work** programs rely on global talent mobility's ability to effectively partner with **a diverse group of stakeholders and bring increasing complexity.**

## THE DEMAND FOR GLOBAL MOVEMENT

### WORKFORCE TRENDS



**43%** of organisations want to focus on **aligning their mobility program** with talent strategy<sup>1</sup>



**47%** of organisations believe that by **adding headcount to their mobility team** it would allow them to **administer** their mobility program more effectively<sup>1</sup>

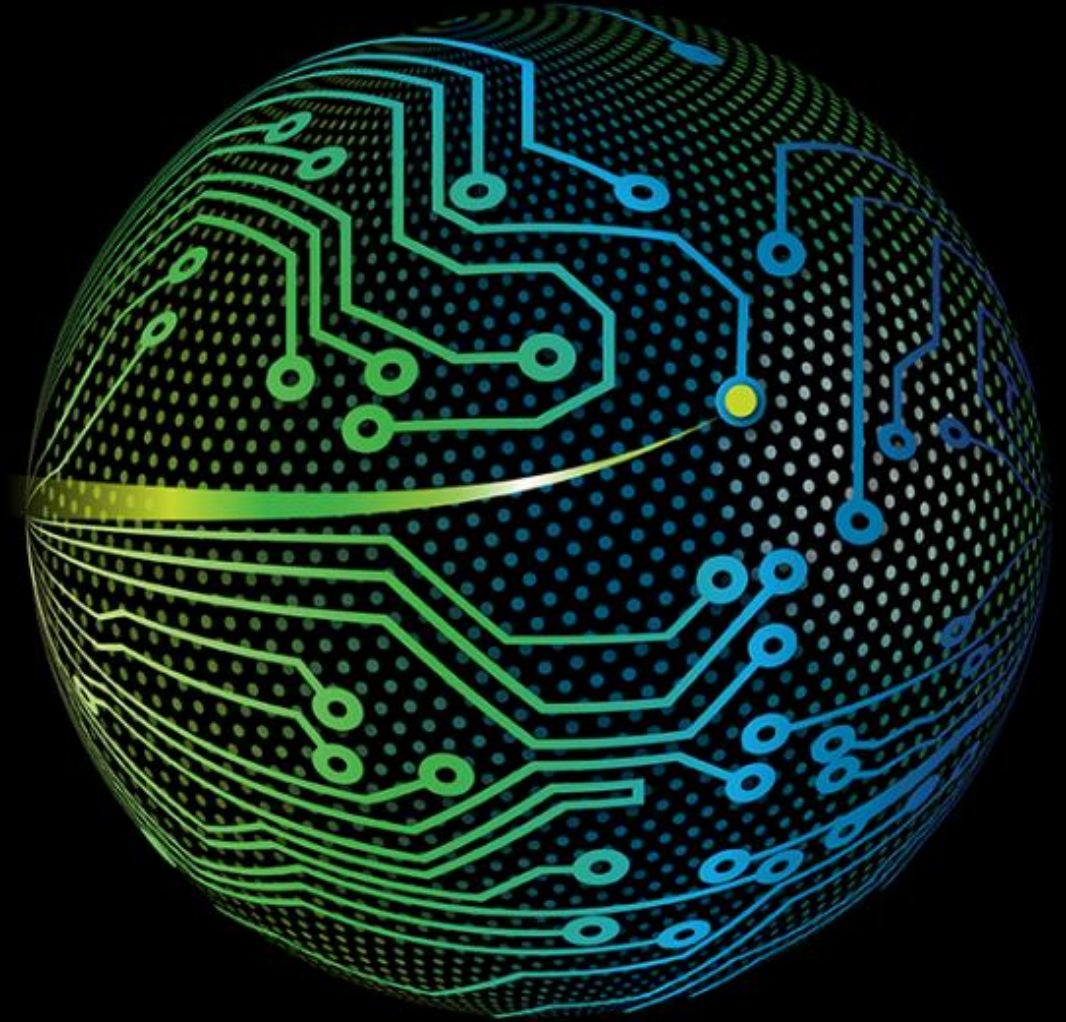


**80%** of organisations shared that they allow **some level of remote and hybrid** model for their employee's ways of working<sup>2</sup>

(1) 2023 Airnic Workforce Globalisation, Mobility Outlook Survey.

(2) 2022 Global Remote Work Survey

# Ecosystem optimisation



# Data-driven and AI-powered insights

## ORGANISATIONAL CHALLENGES

Organisations **aggregate large data** sets, many of which are underutilised because they span multiple systems or are difficult to analyse. By **centralising data and enhancing** data quality/reliability, it is possible to gain insights that drive **policy development, enhance compliance, promote DEI outcomes, and measure ROI.**

## ECOSYSTEM OPTIMISATION

### WORKFORCE TRENDS



**83%** of organisations believe that leveraging worker data to create **benefits for both the organisation and its workers** is important or very important to their organisations' success<sup>1</sup>



Only **19%** of organisation believe they are **very ready to leverage** their worker data<sup>1</sup>



**86%** of business leaders say **measuring DEI outcomes** is important or very important to their organisations' success<sup>2</sup>

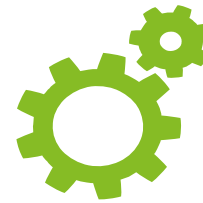
# Do more with less

## ORGANISATIONAL CHALLENGES

In a tight economic environment fewer resources may be allocated **to internal functions**, including global talent mobility, **although pressure to demonstrate value remains high**. Teams are balancing the demands of **optimisation, expanded scope, and purpose-driven program choices**, all while controlling costs.

## ECOSYSTEM OPTIMISATION

### WORKFORCE TRENDS



**75%** of organisations believe that **using new or enhanced technology** would **allow them to manage** their mobility program more efficiently<sup>1</sup>



Only **28%** of organisation want to **concentration on simplifying administration and streamlining operations** for the next few years<sup>1</sup>



**51%** of organisations expect to **see an increase** with their **overall** global mobility activity<sup>1</sup>



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