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Towards a more
sustainable global mobility
and remote work policy



Global mobility, remote work & ESG

The changing mobile employee landscape has accelerated towards remote work at an unprecedented pace due to the COVID pandemic.

To remain relevant, Global Mobility programs should incorporate remote work into their purview to solve some of the organization's greatest challenges, benefiting from the opportunities remote work can bring for the workforce and workplace. Remote work can not only help to drive the talent agenda, but also the broader business and sustainability¹ or ESG² objectives.



Wellbeing, sustainability and compliance challenges in an international working world

40% of the global workforce is considering leaving their employer. However, 73% of the employees are more likely to stay if their employer will support remote working moving forward (results from Global Deloitte GES Conference Survey November 2021). Especially in times where the war for talent is raging heavily and where we are seeing the impact of the Great Resignation, employers are looking in many directions for instruments to create attraction and retention. Remote work can be one of these solutions, if thought through well and executed properly.

Next to the talent agenda, remote work can also help organizations in achievement of their sustainability goals through the significant reduction in travel and consumption. Organizations need to take the road towards the net-zero.

Embracing remote work will reduce employees' presence in the office, reducing miles driven (and carbon emission) and time lost in traffic, freeing up some more personal time. This will also require less office space, giving companies further freedom to redesign the workplace of the future.

Virtual meetings can complement or (partly) replace business trips, reducing the pollution linked to airmiles and helping organizations cope with the ever-increasing red tape linked to international travel. Organizations that want to reduce their carbon footprint should be reflecting on the reasons for travel and global mobility assignments in the first place.

Businesses are keen to get the right people back into the right places to drive the next wave of growth, and global assignments will have a key role in the future, but it must be on a sustainable basis and a remote work approach (and policy) is not an easy task. In addition to bringing employees to where a job is located, global assignments help develop culture, collaboration, and innovation in ways that cannot be achieved in a virtual environment.

Tax authorities are becoming more severe, focusing on international remote work situations. There is international collaboration between authorities and a desire to ensure correct taxation and combat base erosion and profit shifting. This impacts employers, who need to manage corporate tax exposure or who need to comply with reporting and withholding obligations, and employees, when completing their personal income tax obligations, are faced with increasingly complex situations. Administrative complexity is increasing, but time-frames to achieve compliance are decreasing.



¹ "Sustainability" is often used to refer solely to environmental matters such as climate change, but the term can also refer to what it takes for an enterprise to achieve long-term existence, profitability, and growth. Thus, sustainability is not synonymous with ESG; rather, it encompasses ESG, because all three elements of ESG contribute to the sustainability of the enterprise.

² "Environment, Social, and Governance." While the meaning of "environment" and "governance" may be obvious, "social" may not be. "Social" refers to a broad swath of matters, ranging from human capital management and workforce issues to human rights to the company's role in society.

Policies in practice

Remote work, domestic and international, is high on the agenda of companies: in the war for talent or for achieving sustainability goals, remote work can play a role. However, implementing a remote work policy requires a multidisciplinary approach and several aspects need to be addressed and balanced. Creating an effective approach requires the input and effort of multiple functions necessitating strong project management and clear objectives. A simple approach, starting from the why, and leveraging existing policy and experience can be a foundation for a successful framework.

The volatile working world where we are in now requires companies to rethink work, workforce, and workplace in a holistic, pragmatic way. Many companies are reflecting on how they can integrate remote work in their organizations. Some companies that made decisions at the start of the pandemic – in one direction or another – are assessing whether their choice is still fit for purpose. A policy, set in stone, might not be the right solution in this very volatile working world.



Questions for the talent mobility leader to consider

01. Remote work policy: Do you have a clear remote work policy in place, aligned with the organization's business and sustainability strategy? Have you considered the different stakeholders to ensure a well-thought policy, taking into account the balancing act between employees' needs and the organizational limitations? How did you communicate the policy to your employees? Is the remote work policy really fit for purpose and future proof?
02. Compliance: Have you considered the different compliant angles for a remote work request and set some guardrails to ensure a good balance between compliance and feasibility? Do you have the right resources and competencies to govern this in practice? Is the remote work policy also compliant with and feasible for tax (both payroll tax as transfer pricing and corporate tax), immigration and international social security?
03. Compensation & benefits and Reward: Is the compensation & benefits package considering remote work? Are any compensations, allowances, cost reimbursements, insurances etc. adapted to a hybrid and/or virtual setting? Is the remote work policy enabling you to retain or attract key talent?



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