Report by Localyze shows the role of global mobility in business planning for 2025

With an increasingly competitive market for top talent, global mobility is growing in importance for businesses looking to expand internationally – and People teams play a significant role.

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From crisis mode planning, cost-cutting measures and adjusting to more flexible working, business leaders and their People teams have had a lot to navigate over the past four years. As the dust settles on that era, teams are now looking to plan for and implement longer term strategies for 2025 and beyond that could have a big impact on their operation – and that includes global mobility.

Global mobility is an HR function that refers to companies transferring employees across borders from one location to another – it's also sometimes known as employee relocation. These transfers or assignments can broadly be classified as business travel, short-term, long-term or permanent, but all have the key purpose to boost the operation and presence of a business internationally.

A report by Localyze titled '<u>The State of Global Mobility 2025</u>' explores the connections between businesses, talent and movement across borders, looking at how companies are managing their global mobility strategies and whether it's a driving force for international growth.

Budgets and benefits

The 'vast majority' of the 200 HR business professionals and decision makers based in Germany, the UK and the Netherlands spoken with for this report said their companies are looking to grow their operations. More than half confirmed they're focused on expanding in their existing markets and 64% said that a core business priority is to grow internationally.

Successful international growth will lean on a clear picture of factors like where to open new entities, where employees can and can't work, and how to acquire new talent or retain high performers – and these are all important points that will define People teams' roadmap into 2025.

When asked about global mobility budgets, 55% said theirs had grown over the past two years, and 32% stayed the same. These figures reflect the understanding of the importance of global mobility to business growth.

Flexibility and hybrid working models are key in today's working world as more businesses move away from the remote-only approach many adopted from 2020. While addressing bigger strategic goals, People teams are also under pressure to replace fully remote work with a new kind of flexibility fulfilled, in part, by perks.

Visa and growth renewals (65%), business trips (64%), workations (58%) and relocations (54%) were ranked in the report as the most common global mobility benefits companies offer.

The report found that visa renewals were a more pressing priority for teams in Germany and the UK, as both are influenced by changing immigration policies with Germany's new naturalisation law and the UK's handling of post-Brexit work permits and shifting political decisions on visa requirements.

The report also found that in 2024, long-term relocations have focused on bringing talent to existing hubs, and flexible working now means more short term work abroad through business trips and 'workations'.

Workations, meaning when employees work away from their home or the office in another location, were the most popular benefit for businesses in the Netherlands, with 62% having these on offer.

58% of all respondents said they offer employees the option to temporarily work from a country different from where they normally reside. When asked why, the overwhelming response was that there had been high demand from employees for this perk – 42% also said that workations are a way to give hybrid workers some remote working-style flexibility.

Compliance efforts

When it comes to business trips, these were flagged as an important enabler for international expansion, but businesses said they find it complicated to arrange the correct visas in house. Nearly all respondents confirmed they have a policy in place to stay on top of their employees' time abroad – but 36% said they struggle to enforce it consistently.

Interestingly, 39% admitted to walking a fine line between meeting compliance obligations and accepting a moderate level of risk so as to enable bigger business moves.

The burden is even greater for large enterprises who need to stay on top of every compliance review, and this is where outsourced support comes into play.

The report found that over three-quarters of businesses (77%) lean on external vendor support to review workation and business trip requests. Of these, 27% outsource every review and 52% outsource only for markets where they don't have in house expertise.

Notably, many still think it's too early to tell if generative AI can help with these tasks effectively. The report says that there is an appetite for more efficient tools to support compliance. but the expertise of People and global mobility leaders will continue to play an important role.

A new era

The report highlights that businesses are at a crossroads, signalling the perfect time for People teams and global mobility experts to step up and guide decisions that can define ways of working for years to come.

Budgets and costs are still at the forefront of decisions, but companies are showing more faith in global mobility's impact on strategic moves. Global mobility as a function will continue to change, becoming more complex and more essential to companies' operations as they look to grow market presence internationally.

Heading into 2025, businesses will continue to focus on long-term global mobility options such as relocations and visa renewals, which are seen as an important factor to bringing talent back to in-office work. They will also lean on short term mobility such as business trips and workations to establish stronger connections in international markets and balance out returns to office with a new kind of flexibility for staff.

Compliance is also a pressing factor that must be considered, and one that businesses will rely on outsourced partners for support in order to meet the requirements associated with the cross-border movement of employees.

Check out Localyze's report *The State of Global Mobility 2025*.

The State of Global Mobility 2025

Connecting the dots between business, talent & movement across borders with data from 200 experts



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