

Global mobility is on the increase with more and more organisations moving towards globally integrated operation models in an effort to develop, retain and attract the best talent.

Here at Buzzacott we are no exception to this and over the years we have increasingly expanded our offering to the benefit of our clients and our people. In fact, 2013 witnessed one of the biggest changes to our firm – we broke our near 100-year-old tradition and opened Buzzacott's first office overseas in Hong Kong. 'Practicing what we preach', we relocated Partner Carlo Gray to Hong Kong to lead this new venture. Supported by the resources of the 50-strong Expatriate Tax Services team in London, Carlo went on to

be an expat in Hong Kong for over three years where he helped others like himself to overcome the challenges that a global assignment can bring. Carlo has since returned to the UK and Partner Justin Dillingham has expatriated to Hong Kong, where he leads a team of five, including Hong Kong nationals and UK expatriates. Based on our expertise and the team's own experiences, here we've given a brief overview of the different stages of the lifecycle of an expat and what businesses and assignees should be aware of.

Together, Buzzacott's Expatriate Tax Services and HR Consultancy teams help employers managing an internationally mobile workforce handle a multitude of individual wants and needs, as well as providing expert advice on tax and compliance risks. Whether you are in need of specific tax, HR or general global mobility advice, please get in touch to see how we can help.

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The life cycle of a global assignment

The employer

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Stage one

Pre-assignment planning

It is essential for businesses to identify why exactly they are launching a global assignment. Building a business case and clarifying the overall objective will help employers to identify the required skill set, select the right candidate and increase their chances of seeing a return on their investment. From the pre-assignment stage and beyond it is essential that both HR and Finance teams work as one to make the process as smooth as possible for all parties. Together they must manage a number of different factors ranging from the assignment policy and terms, budget and forecast assignment costs, payroll set-up, crosscultural support and tax planning opportunities (to name but a few).

Stage two

On-assignment

Having officially launched the global assignment, it is crucial that a strong line of communication and support is upheld between the employer and the employee. Working in a foreign country can be daunting as every aspect of the assignee's life will be impacted by new responsibilities and unfamiliar routines. On the compliance side of things employers can help ease the burden by providing support on tax registration and returns, expenses reporting and administration. For HR, understanding the different stages of the lifecycle of an expat will help them anticipate what the assignee will need and actively support them with the right means. Specific support in the form of a mentoring program or regular performance appraisals can help the employee overcome any potential hiccups along the way

Stage three

Repatriation

Be this two years down the line or even 10, the procedures for the repatriation stage are just as comprehensive as the preassignment stage. Factors such as repatriation tax planning for all parties, reaffirming professional development objectives, payroll adjustments and a forecast of closing costs will need to be taken into consideration. This is essentially a whole new global assignment for the employer and the employee, but this time the assignment location is home. Although 'home' may have changed considerably during their time abroad, HR can facilitate this by providing regular updates on organisational changes and career path developments.

The assignee

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Stage one

Preparation

That indescribable feeling of excitement of what lies ahead, is tempered by the assignee's mild panic over what needs to be done before they leave. Most fears will be masked by their focus on packing, finishing work, planning their new life and saying goodbye. When all those tasks are complete there is nothing else to focus on except that fear that creeps in – the second guessing. But that slight window of doubt is shortlived as the excitement of the assignee's imminent departure takes over – it's time to go.

Stage two

1. Honeymoon

A new country, a new life! The thrill of being in their new home makes everything from unpacking to work enjoyable – every day is a new adventure, full of surprises. The honeymoon stage can be perceived as some sort of extended holiday as the assignee is relieved of the responsibilities and routines of everyday life. This momentary idyll shrouds the challenges that lay ahead.

2. Culture shock

The initial 'firsts' have now become routine. As the realisation that this is no longer a holiday sets in, the cultural differences become more apparent. It is natural for assignees to feel homesick and overwhelmed by how everyone seems to know exactly what to do – except them. Frustrations can manifest into anger and resentment, but most assignees will subconsciously develop coping mechanisms by incorporating home comforts into their new lives.

3. Adaptation

Without even realising, small changes begin to happen in their everyday life. Following tremendous upheaval and culture shock, the assignee is now becoming more productive in their new setting. Now acquainted with the local culture, language barriers are no longer a big issue, and friends and social networks have been made. With a new lease on life, a feeling of community and a sense of home starts to develop.

Stage one

Preparation

Expats that have been abroad for years or have completed successive international assignments can find the process of returning home to be just as difficult as the initial relocation. The home environment to which they are returning may have changed significantly and their idea of 'home' may not be what awaits them when they return. The repatriation stage is another cultural transition, but this time on home soil.