



Engaged and Driven: Challenges and Opportunities for Expatriate Employees

A report based on
MetLife's 17th Annual
U.S. Employee Benefit
Trends Study 2019



65% of Gen Z are interested in the ability to work abroad or take work assignments in a foreign country.

The world is experiencing a rapid increase in the expatriate population.¹ Estimates for the total number of people living or working outside their home country is around 66 million.² This figure is up more than 14 million in five years and is set to reach more than 87 million by 2021.³

There is a similar trend in the globally-mobile employee landscape. Two-thirds of senior executives indicate that their companies expect to increase their global footprint.⁴ It's foreseeable that they will rely on sending employees on short or long term assignments on behalf of the company.

MetLife's new expatriate study based on the 17th Annual U.S. Employee Benefit Trends Study (EBTS) indicates that globally-mobile employees are more likely to be highly educated executives and have a more positive outlook towards work.

Taking care of this highly motivated and loyal talent pool is now a key challenge for three-quarters of business leaders.⁵

This trend is not just about growth or talent retention. The next generation of employees have broader expectations. 65% of Gen Z are interested in the ability to work abroad or take work assignments in a foreign country. Additionally, the 2019 MetLife Worldwide Benefits Study found two-thirds of American employees are interested in taking an assignment abroad lasting at least three months.⁶ Satisfying this growing employee motivation for travel demands employers take a fresh look at managing globally-mobile employees.

Creating a compelling employee value proposition for globally-mobile employees can be challenging due to their unique work situations. It is important to understand the profile of this group, and leverage customized benefits and improved communications to enhance their employee experience and maximize their productivity. Additionally, this study demonstrates that focusing on globally-mobile employee benefits is a valuable talent acquisition and retention strategy.



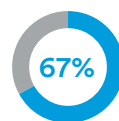
Defining globally-mobile employees

MetLife EBTS defines the globally-mobile employee as a combination of expatriates and inpatriates.

Expatriates are U.S. citizens who have lived and worked outside of the U.S. for at least six months.

Inpatriates are foreign workers in the U.S. on a work visa or company-sponsored assignment for at least six months.

American employees want to work abroad... but rarely do.⁷



American employees are interested in taking an expatriate (expat) assignment through their employer — stints lasting three months or more in another country



American employees who are unsure whether their employer even offers expat assignments



American employees who have taken an expat assignment

1. "Global Expatriates: Size, Segmentation and Forecasts for the Worldwide Market." *Finaccord*, www.finaccord.com/Home/Reports/Global-Expatriates-Size,-Segmentation-and-Forecas. 26 August 2019.

2. *Ibid.*

3. *Ibid.*

4. *Forbes*, www.forbes.com/sites/grouphink/2015/03/04/uncovering-the-hidden-costs-of-global-expansion/#54cfe4a837d3.

5. *Ibid.*

6. "American Employees Have a Strong Desire to Work Abroad, But Rarely Take the Opportunity." *MetLife*, www.metlife.com/global-employee-benefits-knowledge-center/american-employees-have-a-strong-desire-to-work-abroad-but-rarely-do/. 31 July 2018.

7. *Ibid.*

01

Understanding the Evolution of Globally-Mobile Employees



Globally-mobile employees are diverse. Typically, expats were male, middle-aged, American or European, and took a long term (three-year plus) assignment to manage an overseas operation.⁸

Today, we're seeing a blend of short-term 'commuters' and long-term assignees as well as more globally-

mobile employees from non-Western origins (particularly from Asia).⁹

Globally-mobile employee status is particularly attractive to younger employees. They're less likely to worry about family upheaval and more likely to want international experience before they settle down.¹⁰

Snapshot of the globally-mobile employee

This study found distinct demographic differences between globally-mobile employees and non globally-mobile employees (defined as employees who have not lived and worked outside their home country).

Average age of globally-mobile employee is younger

38

versus

45

for non globally-mobile employee

More educated

Have an advanced degree

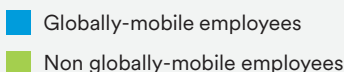


Majority male



Rising talent

Under age 45 and in executive leadership roles



Workplace outlook:

80% of globally-mobile employees took pride in their work **compared to 68%** of non globally-mobile employees

78% of globally-mobile employees felt successful in both work and life, **versus 66%** of non globally-mobile employees

77% of globally-mobile employees agree that their work helps define who they are **compared to just 55%** of non globally-mobile employees

8. "American Employees Have a Strong Desire to Work Abroad, But Rarely Take the Opportunity." MetLife, www.metlife.com/global-employee-benefits-knowledge-center/american-employees-have-a-strong-desire-to-work-abroad-but-rarely-do/. 26 August 2019.

9. Ibid.

10. Ibid.

02

Globally-Mobile Employee Benefits Strengthen Talent Strategy



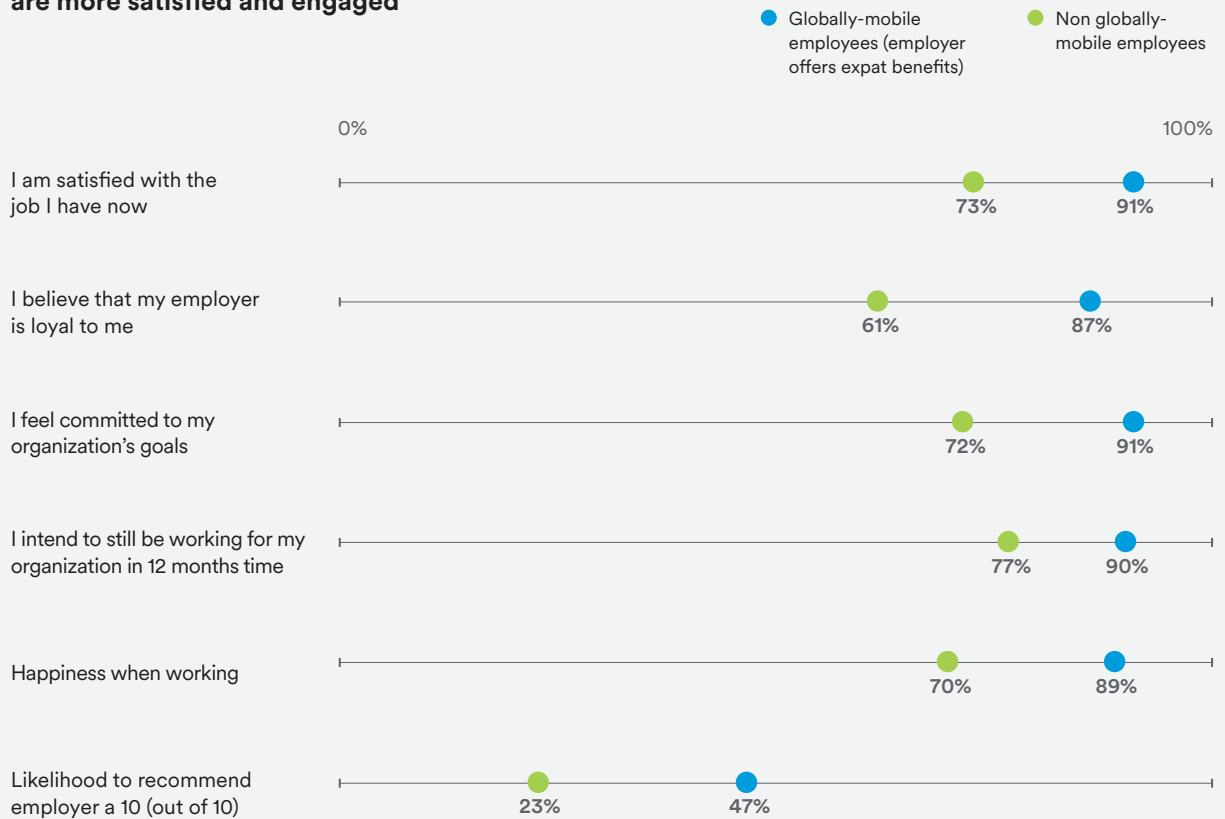
Seventy-two percent of employers said they prioritize attracting employees and 79% prioritize retaining them — indicating that significant resources are being spent on talent. Targeted, well-communicated benefits are an effective way to support these goals. Additionally, targeted benefits offer a double dividend for globally-mobile employees.

The data reveals that globally-mobile employees are more engaged, productive, and display a higher appreciation of benefits. Ninety-one percent of them, whose employers offer expatriate benefits packages, are satisfied with their jobs compared to 73% of non globally-mobile employees. Likewise, 91% of globally-mobile employees, whose employers offer expatriate benefits packages, feel committed to their organization’s goals versus 72% of non globally-mobile employees.

This indicates that taking foreign assignments positively impacts employee perception of their employer as well as improves the employee on-the-job experience as a whole. Savvy employers who promote globally-mobile opportunities may have a competitive advantage in markets experiencing low unemployment and talent shortages.

Despite this, while 45% of employers operate in two or more countries, only 16% of employers offer benefits tailored to globally-mobile employees — a missed opportunity. Even among multinationals with more than 25,000 employees, only 35% design packages for this key group.

Globally-mobile employees are more satisfied and engaged



03

Empowering Globally-Mobile Employees with Customization





Globally-mobile employees believe, much more than their non globally-mobile employees peers, that employers have a responsibility to provide personal and family security through employee benefits. Becoming a globally-mobile employee means leaving behind familiar safety nets and operating in new work environments, so this security is a high priority. Employers who design customized benefit packages can help alleviate stress and uncertainty surrounding these challenges.

76% of globally-mobile employees say they are looking to their employers to achieve financial security through employee benefits compared to 60% of non globally-mobile employees

This study provides a benchmark around the benefits employers say they are offering globally-mobile employees, what employees believe they are getting, and what benefits they would like to receive.

For example, even though two-thirds of globally-mobile employees would like to receive specific support to navigate the local healthcare system and 64% of employers said they offered that service, only 42% of globally-mobile employees said they have this service as part of their benefits package.

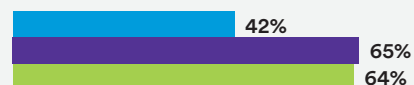
Benefits perception gap between globally-mobile employees versus employers

Pre travel support

(Visa, educational country guides)



Support in navigating the local medical system (accessing care, finding doctors / hospitals etc.)

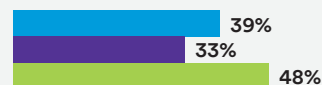


Local compliance guidance

(tax support)



Relocation services for the family (language support, finding schools and housing support)



- Resources received by globally-mobile employees
- Resources globally-mobile employees are interested in receiving
- Resources being offered by employers

Another trend is a growing interest in ancillary benefits which is prevalent among globally-mobile employees versus their counterparts. An example is concierge programs that help with travel, entertainment and family care needs; these benefits are particularly attractive for employees living in foreign countries.

66% of globally-mobile employees express a considerable interest in ancillary benefit

as compared to

39% of non globally-mobile employees

Demand for ancillary benefits



04

Getting the Message Across to Globally-Mobile Employees



One solution to the perception gap is improved communication. EBTS results show that the more employees know about and understand their benefits, the more engaged they are with the benefit solution itself. Globally-mobile employees demand more communication about their benefits. Seventy-eight percent of them would like year-round communications on benefits, compared to 61% of non globally-mobile employees. This suggests employees on assignment consider benefits a lifeline when far from home.

This message is starting to resonate with employers, half of whom acknowledge it is important to improve communication to this employee group.

48%

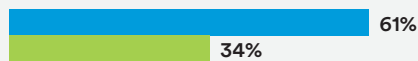
of employers said it was important to improve the effectiveness of benefit communication to expats on assignment

51%

of employers said it was important to ensure employees on assignment abroad understand how the benefits offered would meet their needs

Employer communication needs to work harder

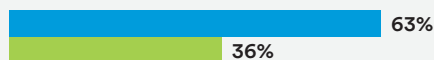
I am confused about some or all of the information regarding my benefits



I want my employer to communicate with me about my benefits year-round, not just at annual enrollment



I felt stressed by the process of enrolling in my benefits plan



- Globally-mobile employees
- Non globally-mobile employees

Building better channels for dialogue between employers and globally-mobile employees has significant upside for their general sense of connection to their home country, as well as ensuring they are using, and valuing, their benefits.



Turning Insights into Action

The right benefits approach for globally-mobile employees ensures they can thrive in their work and personal lives, successfully adjust to their new surroundings, and cease worrying about support for potential health and financial security issues. Suggested best practices, include:

- ✔ **Partner with your benefit provider to optimize the overseas experience.** Your benefit provider can cater to the granular needs of the globally-mobile employee and their dependents. This includes looking beyond standard cover to include concierge and ancillary benefits that can be tailored to specific destinations.
- ✔ **Get creative with communication.** Don't assume a benefits information pack or annual update is enough. All employee groups indicate they appreciate multiple and diverse channels to learn about benefits throughout the year and not just around the time of enrollment. Globally-mobile employees are more eager to have open lines of communication — which helps them feel connected to the home organization while they're away.
- ✔ **Embrace their role as ambassadors.** Globally-mobile employees serve as defacto ambassadors for their organization — with local staff, suppliers, customers, as well as with peers back home when they report in or return from assignment. It's a reminder that the best organizations take a holistic approach to talent. Serving the needs of committed and engaged globally-mobile employees is an outstanding way to polish the reputation of a business, while giving a major boost to recruitment and retention.

Methodology

MetLife's 17th Annual U.S. Employee Benefit Trends Study was conducted in October 2018 and consists of two distinct studies fielded by Engine Insights — a practice area of Engine, a data driven marketing solutions company.

The employer survey includes 2,500 interviews with benefits decision makers and influencers at companies with at least two employees, including 768 with decision makers with responsibility for

expatriate benefits at multinational companies. The employee survey consists of 2,675 interviews with full-time employees, ages 21 and over, at companies with at least two employees, augmented to include 454 interviews with globally mobile employees, defined as being an inpatriate (n=296), workers in the U.S. on a work visa or company-sponsored assignment for at least six months, or expatriate (n=158), U.S. citizens who have lived and worked outside of the U.S. for at least six months.

Employees

Gender	
Male	55%
Female	45%
Marital status	
Married	55%
Single, not living with partner	26%
Single, living with partner	9%
Divorced/Separated	8%
Widowed	2%
Ethnicity	
Caucasian	73%
African-American	12%
Asian	9%
Other	6%
Hispanic	16%
Non-Hispanic	84%
Family status	
Do not live with children under 18	55%
Live with children under 18	45%
Employer size (staff size)	
2-9	8%
10-49	12%
50-199	14%
200-499	11%
500-999	11%
1,000-4,999	17%
5,000-9,999	7%
10,000+	20%
Geography	
South	34%
West	25%
Northeast	21%
Midwest	20%

Age	
21-24	5%
25-34	24%
35-44	23%
45-54	22%
55-64	23%
65+	3%
Personal income	
Under \$30,000	10%
\$30,000-\$49,999	23%
\$50,000-\$74,999	21%
\$75,000-\$99,999	18%
\$100,000-\$149,999	16%
\$150,000 and over	9%
Prefer not to answer	3%
Industry	
Other Services	16%
Healthcare and Social Assistance	11%
Educational Services	10%
Manufacturing	9%
Retail	8%
Information Technology	8%
Finance and Insurance	7%
Professional, Scientific & Technical Services	5%
Construction	5%
Transportation and Warehousing	4%
Accommodation and Food Services	3%
Public Administration	3%
Real Estate	2%
Wholesale Trade	2%
Utilities	1%
Administration and Support and Waste Management and Remediation	1%
Arts, Entertainment and Recreation	1%
Agriculture, Forestry, and Fishing	1%
Information	1%
Mining, Quarrying, and Oil & Gas Extraction	0%
Management of Companies and Enterprises	0%

Education

Bachelor's degree	28%
Some college credit, no degree	22%
High school graduate or the equivalent	18%
Master's degree	17%
Associate degree	8%
Professional/Doctorate degree	7%
Some schooling completed/ No high school diploma	0%

Employers**Employer size (staff size)**

2-9	20%
10-49	20%
50-199	17%
200-499	5%
500-999	5%
1,000-4,999	13%
5,000-9,999	10%
10,000+	10%

Industry

Professional, Scientific & Technical Services	11%
Other Services	11%
Healthcare and Social Assistance	11%
Information Technology	10%
Manufacturing	10%
Finance and Insurance	7%
Educational Services	7%
Construction	7%
Retail	6%
Real Estate	4%
Transportation and Warehousing	3%
Wholesale Trade	3%
Public Administration	2%
Accommodation and Food Services	2%
Arts, Entertainment and Recreation	1%
Administration and Support and Waste Management and Remediation	1%
Agriculture, Forestry, and Fishing	1%
Information	1%
Management of Companies and Enterprises	1%
Utilities	1%
Mining, Quarrying, and Oil & Gas Extraction	0%
Not sure	0%

Geography

South	33%
West	27%
Northeast	20%
Midwest	20%

ABOUT METLIFE WORLDWIDE BENEFITS

MetLife Worldwide Benefits has been providing personalized solutions for globally-mobile employees for nearly 60 years. MetLife Worldwide Benefit's products are underwritten by Delaware American Life Insurance Company, a MetLife affiliate domiciled at 600 North King Street, Wilmington, DE, 19801, and other affiliates. For more information, visit www.metlifeworldwide.com

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