Global Mobility

How do you define Global Mobility?
Is global mobility...

- Talent management?
- Project management?
- Professional growth?
- Leadership development?
- Technical needs?
- All of the above?

Global mobility...

has several characteristics that define one key concept: the movement of your workforce for which you need data, tools and advice.
Everyone is talking about the economy. Mercer is actually providing solutions for successful global workforce management.

Today’s environment is your opportunity to effectively manage global consistency, transparency and financial responsibility for your mobile workforce environment.

Let us introduce you to Mercer’s global mobility solutions!
All you need to know when sending an employee to an overseas location

Calculating expatriate compensation package

Cost-of-Living allowance 6
Housing allowance 8
Education costs 10
Hardship/location allowances 10
Mobility premiums 11
Personal tax and social security contributions 12

Customized expatriate management reports

Cost-of-Living allowance 13
Housing allowance 13
Education costs 14
Per diem allowances 14
Transport in the country 14
Hardship/location allowances 14
Personal tax and social security contributions 15
Methodologies 15

Calculating compensation packages for employees on short-term assignments

Per diem/Short-term allowance calculator 16
Single-status accommodation 17
Hardship/Location allowance 17
Learn how Mercer puts this together for you...

### Localizing employees

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Host country compensation levels</td>
<td>19</td>
</tr>
<tr>
<td>Benchmark of expatriates to local and local-plus levels</td>
<td>19</td>
</tr>
<tr>
<td>Localization approaches and practices</td>
<td>20</td>
</tr>
<tr>
<td>Accommodation and education</td>
<td>21</td>
</tr>
<tr>
<td>Employment conditions and statutory benefits information</td>
<td>22</td>
</tr>
</tbody>
</table>

### Benchmarking policies and costs

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>International assignments survey</td>
<td>23</td>
</tr>
<tr>
<td>Benefit survey for expatriate and globally mobile employees</td>
<td>24</td>
</tr>
<tr>
<td>Compendium of expatriate compensation</td>
<td>25</td>
</tr>
<tr>
<td>Customized policy benchmark analysis</td>
<td>26</td>
</tr>
<tr>
<td>Total assignment cost estimations</td>
<td>27</td>
</tr>
<tr>
<td>Cost-of-Living allowances audit</td>
<td>28</td>
</tr>
<tr>
<td>How to deal with currency challenges</td>
<td>28</td>
</tr>
</tbody>
</table>

### Information that is essential for employees to become familiar with a location and the assignment process

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Mobility Guides and MercerPassport®</td>
<td>29</td>
</tr>
<tr>
<td>Living in a country</td>
<td>30</td>
</tr>
<tr>
<td>Quality-of-Living information</td>
<td>32</td>
</tr>
<tr>
<td>Cultural integration</td>
<td>32</td>
</tr>
</tbody>
</table>
Calculating expatriate compensation packages

Offering the right expatriate package is a major factor in attracting, retaining and motivating your global workforce. Mercer has many years’ experience in working with the world’s leading organisations in designing, implementing and managing expatriate assignment programmes for a globally mobile workforce in a highly competitive and cost-conscious business environment. Based on this experience, Mercer has developed a variety of precise information and web-based tools that can help you to achieve consistent, competitive and equitable expatriate compensation packages.

With offices in 44 countries and territories, Mercer brings you factual, objective price information for 301 cities around the world.

Mercer Global HRMonitor®’s tools support both traditional solutions (such as home country balance-sheet calculations) and new solutions to intra-regional and third-country-national transfers. Mercer Global HRMonitor® is the most sophisticated and easiest to use integrated global mobility database on the market, allowing instant access to data, reports and calculators. The online calculators let users customize our data and ensure the timely delivery of high-quality information, presented in a manner that meets the needs of individual HR programs, administrators and employees.

Cost-of-Living allowance

www.imercer.com/col

Mercer’s Cost-of-Living surveys are based on more than 200 goods and services; our biannual surveys are conducted simultaneously by professional researchers in each of the 301 locations we cover. Carefully chosen vendors reflect only those outlets where your expatriates can buy goods and services of international quality. Mercer’s precise cost-of-living information allows companies to assess fair and competitive cost-of-living allowances.

The Cost-of-Living survey report includes:

- City-to-city index comparison
- Home spendable income tables
- Home country housing norms
- Expatriate accommodation costs
- Education costs
- Actual price lists
- Lists of all stores and sources surveyed

**COST-OF-LIVING INDICES**

Mercer’s **Cost-of-Living indices** are designed for today's multinational companies that transfer employees to and from a multitude of countries.

Our unique international basket of goods and services is the result of extensive research on actual expatriate spending habits, allowing our indices to reflect actual international spending patterns. Mercer provides three cost-of-living indices to accommodate differences in shopping habits:

- The reversible **Mean-to-Mean Index** is the best indicator of overall differences in prices between two locations because it compares the mean prices (average price of each item) in the base city to the mean prices in the host city.
- The **Efficient Index** applies to a relatively experienced shopper and compares the average of the low and mid prices in the base city to the mean prices in the host city.
- The **Convenience Index** applies to a less-experienced shopper, or a newcomer in the location, and compares the average of the low and mid prices in the base city to the high prices in the host city (except for selected categories, for which it compares mean base prices).

Our indices comprise the following categories, weighted according to our research results:

<table>
<thead>
<tr>
<th>Food at home</th>
<th>Home services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alcohol and tobacco</td>
<td>Utilities</td>
</tr>
<tr>
<td>Domestic supplies</td>
<td>Food away from home</td>
</tr>
<tr>
<td>Personal care</td>
<td>Transportation</td>
</tr>
<tr>
<td>Clothing and footwear</td>
<td>Sports and leisure</td>
</tr>
</tbody>
</table>
HOME SPENDABLE INCOME

Spendable Income Tables report the typical amount an employee spends on goods and services in his/her home country. Used in conjunction with our Cost of Living indices, they support you in determining appropriate cost-of-living allowances. These reality-based Spendable Income Tables are based on national statistics for major countries. The tables are broken down by income level and family size, from single employees to couples with four children.

Mercer’s web-based Global HRMonitor®’s Spendable Income, Home Housing Norm and Savings Calculator instantly estimates spending patterns, identifies those components of spending that require compensation, and allows for differentiation based on family size, income and home housing norm for you to use when developing expatriate compensation.

If the spendable income portion of a salary is too small, no index can adjust it to make it sufficiently competitive. To address this problem, Mercer has developed International Spendable Income Tables and Calculator, which allow companies to substitute non-competitive home-country spendable income with benchmark spendable income levels. The International Spendable Income Tables provide you with the ability to develop competitive spendable incomes for your employees – wherever they come from – while allowing you to keep a consistent “home country” compensation approach.

COST-OF-LIVING ALLOWANCE

Mercer’s web-based Global HRMonitor® application contains flexible and powerful calculators that enable you to customise our Cost-of-Living information to meet your specific requirements. The Cost-of-Living Allowance Calculator calculates the actual cost-of-living allowance amount based on your employee’s base salary, family size and spendable income portion. The calculator allows you to adjust our Cost-of-Living indices for exchange rate, inflation and unavailable products in the host location while also allowing you to customise the index components and access the actual price list supporting the index.

Housing allowances

Housing allowances remain one of the most sensitive components in the expatriate package negotiation process, not only because of their considerable cost to the company, but also because of their significant financial and social impacts on the assignee and family.

EXPATRIATE ACCOMMODATION COSTS SURVEY

www.imercer.com/housing

Mercer’s Expatriate Accommodation Costs Survey provides typical monthly housing rental costs in four different types of expatriate accommodation cost tables for each of the 301 locations covered in the surveys.
The data are updated for every location every six months.

For fast-changing real estate markets, Mercer monitors and updates the data more frequently and includes alerts on the homepage of Global HRMonitor®.

Mercer’s Expatriate Accommodation Costs Calculator provides monthly rental costs by number of bedrooms and family size, based on your employee’s income level.

SURVEY OF EXPATRIATE HOUSING COSTS AND PRACTICES IN MAJOR CITIES WORLDWIDE

www.imercer.com/expathousing

In addition to the typical monthly rental cost tables, Mercer provides detailed information on expatriate accommodation costs for 50 major cities worldwide to help you make better-informed expatriate housing decisions. Mercer’s detailed reports on expatriate accommodation costs include full descriptions about locations of international schools. The reports cover three different categories of areas:

- Good level of accommodation in areas popular with both locals and some international assignees
- Excellent level of accommodation in areas preferred by international assignees
- Superior level of accommodation in exclusive areas

The areas are grouped and classified according to 10 major criteria: noise, loitering, security in the area, security of the property, convenience, pollution, public transport, social surroundings, sports facilities and the general characteristics of the area.

Mercer’s new report, *Survey of Expatriate Housing Costs and Practices in Major Cities Worldwide*, presents housing policies and practices as well as complete, current housing-related cost survey data to help you apply them. The report will help both decision makers and assignees with information on pricing and availability for preferred expatriate neighbourhoods in each city covered. It can also help your employees relocate with confidence knowing that housing issues will be handled effectively and fairly.

HOME HOUSING NORMS

Mercer has developed Home Housing Norm Tables to enable companies to assess housing cost differentials between a home and host location when sending employees on international assignments.

Our research involves gathering and analyzing data based on the latest national statistics on family expenditure patterns in each of the countries covered.
These tables provide the hypothetical amounts that employees normally spend on housing in their home countries, and they are broken down by income level and family size, from single employees to couples with four children.

**Education costs**


**Hardship/location allowances**

[www.imercer.com/qol](http://www.imercer.com/qol)

Consider these questions...

- Do you have clear, objective information on quality-of-living differences among cities around the world?
- Can you easily assess competitive hardship allowances for your employees on international assignments?
- Are you consistent when setting your hardship allowances around the world? Can you justify them objectively?
- Are your allowances based on significant international quality-of-living factors?

...Obtain the right solution

Based on 39 factors within 10 categories and additional optional factors such as travel time, communication facilities, extreme environmental conditions, level of remoteness of the locations and cultural differences, Mercer’s Quality-of-Living Reports contain all the key elements you need to calculate hardship allowances for transfers to more than 330 cities worldwide.

“Hardship allowance” refers to premium compensation paid to expatriates who experience – or should expect to experience – a significant deterioration in living conditions in their new host location.

**Key features and benefits**

- Tangible values for qualitative perceptions to establish an objective assessment
- Carefully selected factors representing the criteria considered most relevant to international executives
- City-to-city index comparison that summarises the difference in the quality of living between any two cities
- A score report summarising the quality of living for each of the 39 factors
- Mercer’s recommended Quality-of-Living Allowance Grid, which allows you to translate the quality-of-living index into percentage benefits and define competitive hardship allowances where applicable.
The total index is based on the following categories:

- Political and social environment
- Economic environment
- Socio-cultural environment
- Medical and health considerations
- Schools and education
- Public services and transport
- Recreation
- Consumer goods
- Housing
- Natural environment

Our Global HRMonitor®’s Quality-of-Living Calculator is a flexible and powerful tool that allows you to customise your hardship allowance calculations and access details of the scores used in calculating the index. The calculator also lets you account for additional factors, such as travel time and communication facilities between home and host country and extreme environmental conditions.

**Mobility premiums**

Considerable differences exist, depending on the industry sector. Factors contributing to these differences include the relative scarcity of employees who are willing to undertake an international assignment in certain industry sectors and assignees’ perceptions of assignments’ impacts on their careers.

Mercer’s International Assignments Survey is a well-established source of information on expatriate management, addressing the key issues that affect international assignments. Based on data from major multinational firms, this report presents the latest international assignment practices and policy developments.

**www.imercer.com/intlassign**

**Key features include:**

- Expatriate allowances and benefits including cost-of-living, hardship, mobility, premiums and allowances
- Localization
- Per diem, allowances and benefits for short-term assignments
- Return on investment of international assignments
- Outsourcing
- Commuters
- Support provided to assignee sand family members before, during and after assignments.
Personal tax and social security contributions

www.imercer.com/pt

Mercer’s Personal Tax Reports are authoritative guides on tax requirements and social charges in nearly 83 countries worldwide. The reports outline, in simple-to-read terms, how the tax system is built and the implications for both local executives and expatriates. They also summarize individual liability for tax and social charges. The reports include comprehensive tax tables that show the effective tax burden on a wide range of salaries for single persons, married couples, and married couples with two children. Mercer GlobalHRMonitor®’s Hypothetical Tax Calculator provides you with approximate gross-to-net and net-to-gross calculations – you just select your employee’s family size and base salary to obtain the tax breakdown for your selected country.
Customized expatriate management reports

It can be a challenge to find precise and reliable information for some expatriate destinations; at Mercer, we can leverage the expertise of our extensive network of researchers, analysts and expert consultants to provide you with all the information you need in one report, to help you manage expatriate moves to these locations.

Mercer’s customized expatriate management reports will take you through each step you need to take to create a competitive assignment programme in your chosen location. Unlike many publications, these reports are researched and compiled according to your individual specifications. No reports are created in advance; upon your order, we compile your report using the very latest available Mercer data.

Introduction to the country

A detailed country overview gives insights into getting settled in the host location, with valuable advice on health and safety, finding accommodation, the banking system and transport, public holidays, and general advice and health care, being among some of the topics covered.

This report will help you to carry out the necessary calculations to provide a fair and equitable expatriate package. We will guide you through the various elements of the package to allow you to calculate appropriate expatriate allowances for your chosen location.

Cost-of-Living allowance

When sending an employee overseas on an international assignment, the Cost-of-Living index will indicate the adjustment needed to the employee’s salary to enable purchasing parity in the employee’s host location. We provide Cost-of-Living data, as well as detailed explanations of how to apply the indices.

Housing allowances

The Expatriate Accommodation Cost Table provides accommodation costs for a range of three areas where the transferred expatriates and their families are likely to move to. These tables contain prices for several different types of accommodation including both furnished and unfurnished houses and apartments.
**Education costs**

Mercer’s **International Education Cost Tables** provide accurate information on tuition and fees for different schools: American, English, French, German, International, Italian, Japanese and Scandinavian.

**Per diem allowances**

Short-term assignments usually involve “single status” foreign assignments lasting for 12 to 18 months, with the employee remaining under a home company contract. Practices in terms of compensating for the living costs of assignees on short-term assignments are relatively consistent across regions. Per diem or daily allowances are usually meant to cover expenses such as meals (at home and/or at restaurants), public transportation to and from work, some leisure activities, some household products and some basic personal care items.

This section is designed to provide you with a reliable comparison relating to short-term assignment and business travel costs. The data refers to hotels, meals, taxis and other miscellaneous expenses. A daily rate calculation is provided to represent typical daily costs including and excluding hotel costs or a furnished apartment for one person.

**Transport in the country**

This section is designed to provide you with reliable information on the transportation conditions in each country and costs based on our research and surveys.

**Hardship/Location allowances**

“Hardship allowance” refers to premium compensation paid to expatriates who experience – or should expect to experience – a significant deterioration in living conditions in their new host location.

The **Quality-of-Living Index Comparison** provides you with an indication of the relative differences in quality of living between two locations. The results are presented in an index format, with the base city at 100 index points. The use of the weighted index comparison means that you can assess, at a glance, the relative Quality-of-Living difference between the base and host city. Each city is evaluated in terms of 39 factors across 10 different themes, on a scale from 0 (lowest score) to 10 (highest score).
The individual scores for each of these factors are listed for your information. It is important to note that the different categories carry different weightings, designed to reflect the degree of impact that a change in one of the factors may have on an expatriate.

**Personal tax and social security contributions**

*Mercer’s Personal Tax Reports* are authoritative guides on tax requirements and social charges in nearly 83 countries worldwide. The reports outline, in simple-to-read terms, how the tax system is built and the implications for both local executives and expatriates. They summarise individual liability for tax and social charges.

**Methodologies**

To support the personalised data we provide in the reports, we also provide you with methodology explanations, covering issues such as adjusting for exchange rate and inflation movements. Expatriate compensation approach and practices include:

- Cost-of-Living index
- How to apply the Cost-of-Living index
- Adjusting for exchange rate changes
- Cost-of-Living basket inflation indicators
- Adjusting for inflation
- Expatriate accommodation
- Spendable income and home housing tables
- Education costs
- Transport allowance
- Quality-of-Living
Calculating compensation packages for employees on short-term assignments

Companies are competing on a global stage, driven by improvements in technology, travel and communication networks. Short-term assignments provide a suitable solution for responding quickly to business needs.

Employees are not usually accompanied by their families, so their living costs are different to those who are on long-term assignments. On the other hand, the duration of the expatriation lasts longer than business trips and involve expenses of a wider nature, such as personal care products, laundry and entertainment. To ensure that short-term assignees are treated fairly and consistently, companies need to have well-defined policies on what and how to compensate for their expatriates’ living costs.

**Practices in terms of compensating for the living costs of assignees on short-term assignments are relatively consistent across regions.**

To fulfil the need for objective and reliable information on short-term costs, Mercer, in collaboration with major multinationals, has developed standard regular short-term allowance tables with major multinationals for more than 300 cities worldwide. The tables are designed to help your company determine adequate daily allowances for short-term assignees in a fair and consistent manner. They are produced twice per year for each city covered.

Mercer has developed appropriate categories of expenses to help you determine a daily allowance for employees who are temporarily transferred abroad on a single status. These categories include:

- Food (at home and away from home)
- Laundry and dry cleaning
- Personal care
- Entertainment
- Transportation
- Telephone
- Hotel room or furnished accommodation

**Per diem/Short-term allowance calculator**

Mercer Global HRMonitor’s Short-Term Assignment Allowance Calculator helps determine the daily living costs of your employees on short-term assignments. It allows you to adjust Mercer’s standard basket to meet your specific needs – you can add, remove or change the frequency and quantity of items in the daily allowance.
Single status accommodation

Mercer surveys provide daily hotel room costs and typical one- or two-bedroom furnished accommodation rental costs, with or without services, for each of the 301 locations covered in the surveys. The data are updated for every location every six months.

Mercer Global HRMonitor’s Short-term Assignment Allowance Calculator allows you to adjust your per diem with daily hotel room costs or rented accommodation costs.

Hardship/location allowances

www.imercer.com/qol

Consider these questions...

- Do you have clear, objective information on quality-of-living differences between cities around the world?
- Can you easily assess competitive hardship allowances for your employees on international assignments?
- Are you consistent when setting your hardship allowances around the world? Can you justify them objectively?
- Are your allowances based on significant international quality-of-living factors?

...Obtain the right solution

Based on 39 factors within 10 categories and additional optional factors such as travel time, communication facilities, extreme environmental conditions, level of remoteness of the locations and cultural differences, Mercer’s Quality-of-Living Reports contain all the key elements you need to calculate hardship allowances for transfers to more than 330 cities worldwide.
“Hardship allowance” refers to premium compensation paid to expatriates who experience – or should expect to experience – a significant deterioration in living conditions in their new host location.

**Key features and benefits**

- Tangible values for qualitative perceptions to establish an objective assessment
- Carefully selected factors representing the criteria considered most relevant to international executives
- City-to-city index comparison that summarises the difference in the quality of living between any two cities
- A score report summarising the quality of living for each of the 39 factors
- Mercer’s recommended Quality-of-Living Allowance Grid, which allows you to translate the quality-of-living index into percentage benefits and define competitive hardship allowances where applicable.

**The total index is based on the following categories:**

<table>
<thead>
<tr>
<th>Political and social environment</th>
<th>Public services and transport</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic environment</td>
<td>Recreation</td>
</tr>
<tr>
<td>Socio-cultural environment</td>
<td>Consumer goods</td>
</tr>
<tr>
<td>Medical and health considerations</td>
<td>Housing</td>
</tr>
<tr>
<td>Schools and education</td>
<td>Natural environment</td>
</tr>
</tbody>
</table>

Our Global HRMonitor®’s Quality-of-Living Calculator is a flexible and powerful tool that lets you customise your hardship allowance calculations and access details of the scores used in calculating the index. The calculator also lets you account for additional factors, such as travel time and communication facilities between home and host country and extreme environmental conditions.
Localizing employees

Host country compensation levels

www.imercer.com/paymonitor

Wherever you have operations, Mercer’s Total Remuneration Surveys (TRS) provide consistent, high-quality market data, including all forms of cash compensation, long-term incentives, and benefits. The surveys cover 250 benchmark positions from the executive to administrative level in more than 119 countries across all regions. Human resource professionals at some of the world’s leading organizations have obtained this information from Mercer to remain cost-effective and competitive in the global marketplace. TRS surveys delivered through Mercer PayMonitor make market pricing a snap. This online tool allows quick access to market data using template reports or custom reports specific to the situation.

Benchmark of expatriates to local and local-plus levels

www.imercer.com/singaporecompendium

Mercer’s Compendium of Expatriate Compensation aims to provide the HR professional with a concise overview of the content, composition and range of expatriate compensation packages and how they differ from local and local plus packages. Whether you are hiring expatriates and wish to know how much to pay them or you need to assess the competitiveness of your current expatriates’ package, the Compendium will provide you with a quick, at-a-glance answer.

Unlike traditional expatriate compensation surveys which are based on expatriates’ actual compensation values, the Compendium calculates packages of typical transfers based on data taken from Mercer’s expatriate policy information database.

The Compendium covers budget, standard and premium compensation packages for traditional long-term expatriates to a specific country from a selected range of home countries: Australia, France, Germany, India, Japan, Sweden, Switzerland, United Kingdom and United States.
Transferring employees abroad for short-term, long-term or permanent assignments is more challenging than ever. Aligning your company’s expatriation practices with the best practices in the marketplace is critical to your expatriation program’s success. Mercer’s *International Assignments Survey* is a well-established source of information on expatriate management, addressing the key issues that affect international assignments. Based on data from major multinational firms, this report presents the latest international assignment practices and policy developments.

**Key features include:**

- Expatriate allowances and benefits including cost-of-living, hardship, mobility, premiums and allowances
- Localization
- Per diem, allowances and benefits for short-term assignments
- Return on investment of international assignments
- Outsourcing
- Commuters
- Support provided to assignee sand family members before, during and after assignments.

Benefit programmes for globally mobile employees often cause major difficulties for multinational companies, mainly due to the complexities of providing equitable packages across borders. The biggest challenge is achieving a globally consistent approach for such a disparate group of employees.

Mercer’s *Benefits Survey for Expatriates and Globally Mobile Employees Report* identifies multinational company policies and trends for providing employee benefit programmes for these globally mobile employees. The report, which highlights current trends, can help you structure and offer competitive, equitable benefit programmes for your international assignees. Major elements surveyed include retirement benefits, medical benefits, risk benefits, localisation, and general policies and trends.

www.imercer.com/expatbenefits
Accommodation and education

ACCOMMODATION COSTS

Mercer’s housing survey report provides typical monthly housing rental costs in four types of expatriate accommodation cost tables for each of the 301 locations covered in the surveys. The data are updated in every location every six months.

For fast changing real estate markets, Mercer monitors and updates the data more frequently and includes alerts on the homepage of Global HRMonitor®.

The Expatriate Accommodation Costs Calculator provides monthly rental costs by number of bedrooms and family size, based on your employee’s income level.

SURVEY OF EXPATRIATE HOUSING COSTS AND PRACTICES IN MAJOR CITIES WORLDWIDE

www.imercer.com/expathousing

In addition to the typical monthly rental cost tables, Mercer provides detailed expatriate accommodation costs information across 50 major cities worldwide to help you make better-informed expatriate housing decisions. Mercer’s detailed expatriate accommodation costs reports include full descriptions about areas and locations of international schools.

Three categories of areas are covered:

- Good level of accommodation in areas popular with both locals and some international assignees
- Excellent level of accommodation in areas preferred by international assignees
- Superior level of accommodation in exclusive areas

The areas are grouped and classified according to 10 major criteria: noise, loitering, security in the area, security of the property, convenience, pollution, public transport, social surroundings, sports facilities and the general characteristics of the area.

Mercer’s new report, Survey of Expatriate Housing Costs and Practices in Major Cities Worldwide, presents housing policies and practices as well as complete, current housing-related cost survey data to help you apply them.
The report will help both decision makers and assignees determine pricing and availability for preferred expatriate neighbourhoods in each city covered. It can also help your employees relocate with confidence in knowing that housing issues will be handled effectively and fairly.

EDUCATION COSTS


Keeping track of continual changes in laws and regulations in every country where you do business is time-consuming and expensive. Worldwide Benefit and Employment Guidelines (WBEG) is, quite simply, the most comprehensive, reliable resource available for managing your global workforce. Wherever you have operations, you need reliable information on employment conditions, statutory employee benefits and typical employer benefit practices. With extensive analysis and narrative reports, Mercer’s WBEG is the definitive reference on mandatory and private benefit practices around the world. Offering unparalleled quality and depth of data and analysis from 65 countries, WBEG is available in five easy-to-use volumes for the major economic regions of the world. We also offer one-off country reports in PDF format.

Mercer’s Global HRMonitor® Employment Conditions comparator compares employment contracts and statutory provisions between the countries of your choice.

Mercer’s Global HRMonitor® Statutory Benefits comparator compares statutory benefits and contributions required by law between the countries of your choice.
Benchmarking policies and costs

Competition for employees willing to accept an international assignment is strong. It is therefore crucial for companies to have inside knowledge of the type of packages expatriates receive in the market and to be able to make informed decisions on expatriate policy elements. It is equally important for companies to have information at their fingertips to communicate the value of expatriate compensation programs to management and employees.

With a very diverse expatriate population (different home countries, types of contract, etc.); traditional expatriate benchmarking surveys based on actual market data are very time-consuming and costly.

An innovative alternative benchmarking method based on companies’ typical compensation models requires less effort for input and output and can produce a highly reliable reference regarding expatriate compensation. This approach is tailor-made and off-the shelf for our Mercer clients.

International Assignment Survey

www.imercer.com/intlassign

Mercer’s International Assignments Survey is a well-established source of information on expatriate management, addressing the key issues that affect international assignments. Based on data from major multinational firms, this report presents the latest international assignment practices and policy developments. Key features include:

- Expatriate allowances and benefits including cost-of-living, hardship, mobility, premiums and allowances
- Localization
- Per diem, allowances and benefits for short-term assignments
- Return on investment of international assignments
- Outsourcing
- Commuters
- Support provided to assignee sand family members before, during and after assignments.
Benefit programmes for globally mobile employees often cause major difficulties for multinational companies, mainly due to the complexities associated with providing equitable packages across borders. The biggest challenge is arriving at a globally consistent approach for such a disparate group of employees. Mercer’s Benefits Survey for Expatriates and Globally Mobile Employees Report identifies multinational company policies and trends for providing employee benefit programmes for these globally mobile employees. The report, which highlights current trends, can help you structure and offer competitive, equitable benefit programmes for your international assignees.

The survey was one of the largest of its kind ever conducted, covering 243 multinational companies and more than 94,000 expatriates. It includes retirement benefits, medical benefits, risk benefits, localisation, and general policies and trends.

According to Mercer’s 2008/2009 Benefits Survey for Expatriates and Globally Mobile Employees, the number of employees on international assignment has doubled over the last three years. The survey, which covered more than 240 multinationals (with more than 94,000 expatriates), also showed that 95% of the companies surveyed stated that the number of Global Nomads (generally an employee who has a number of consecutive assignments without returning to the home/headquarters location) is either stable (57%) or increasing (38%).
Mercer’s **Compendium of Expatriate Compensation** aims to provide the HR professional with a concise overview of the content, composition and range of expatriate compensation packages and how they differ from local and local-plus packages. Whether you are hiring expatriates and wish to know how much to pay them or whether you need to assess the competitiveness of your current expatriates’ package, the Compendium will provide you with a quick, at-a-glance answer.

Unlike traditional expatriate compensation surveys which are based on expatriates’ actual compensation values, the Compendium calculates packages of typical transfers based on data taken from Mercer’s expatriate policy information database. The Compendium covers budget, standard and premium compensation packages of traditional long-term expatriates to a specific country from a selected range of home countries: Australia, France, Germany, India, Japan, Sweden, Switzerland, United Kingdom and United States.
Customized policy benchmark analysis

Three main factors compel today's companies to review their international assignment policies. The first is new organizational structures focusing on customer needs and lower costs. The second is the different pace of business dynamics around the world. The third factor is regional integration and the search for expatriate candidates globally.

A policy has to fit within the context of global human resources opportunities if it is going to be adhered to.

Mercer consultants are involved by the management of many of the world's leading companies to audit, design and benchmark their expatriate policies and practices. The transfer of this know-how is our business. Mercer's specialized policy audit and development process aims to fully clarify the role of expatriation and to identify corresponding practices to achieve strategic objectives. Below are a few of the insights we provide in the policy audit and design process:

- The contract
- Benchmarking practices
- Compensation models
- International structure
- Localization policy
- Talent management
- Pension and benefits
- Short term and commuters practices
- Schooling and housing policy
- Spouse support programs
- Cost analysis
- Expatriate management processes audit

Type of assignments:

Mercer runs customized policy benchmarking studies on a global or regional scale based on actual data from a specific peer groups or industry sector. Those studies include analysis of specific positions and comparisons of different expat compensation approaches as well as local and local plus packages.
Mercer’s ExpatMonitor™ is an enhanced expatriate compensation calculation management tool. This tool allows users to perform expatriate compensation calculations in compliance with their organization’s policy, review/update these calculations, track deviations from policy, perform what-if calculations, and issue reports. All information on your international assignees is collected in a single-web-platform.

**Main ExpatMonitor™ features:**

- Automate expatriate compensation calculations and facilitate updates
- Issue reports on various cost elements for a selected population of assignees
- Capture expatriate compensation-related elements in one place

**Key ExpatMonitor™ advantages:**

- Simple and user-friendly yet powerful and sophisticated
- Usable off-the-shelf yet highly configurable tool
- Ability to directly access Mercer mobility data yet also usable with other data sources
- Ability to evolve with your needs and benefit from regular updates
- Cost-effective
- Developed by our experts in global and local compensation management
Cost of living allowances audit

Mercer recently measured the actual Cost-of-Living allowances (or Goods and Services allowances) among a group of the world’s leading multinational firms in the US and Europe. Based on (1) same salary, (2) same host/home combination, and the (3) same family size, we learned that there is a 1:10 variation in the net value of the Cost-of-Living allowance. The importance of the Cost-of-Living allowance is not how high or how low it is, but knowing what your position should be and how it is communicated to the employees is important.

For any given position level and home host combination, the resulting cost-of-living differential allowance can vary between 100% and 300%. Most companies do not know that there are many possibilities to align the Cost-of-Living allowance to their compensation philosophy. If you do not take care to align these you may end up overpaying significantly or underpaying. The impact of the Cost-of-Living allowance policy differences are magnified at the higher-level positions you transfer abroad.

Mercer’s audit approach reviews your current expatriate compensation methodology and expat data, and then identifies and recommends cost savings. On average, we are able to provide our clients with 20%–30% cost savings. Share your policy with us and a listing of your current Cost-of-Living allowances by home/host combination in local currency, date and family size and we can provide you with a graph analysis and summary tables comparing your current situation to peer situation and recommended alternatives.

How to deal with currency challenges

In an economy with highly fluctuating currency values, expatriates tend to start to question their own Cost-of-Living allowances and overseas purchasing power. Therefore, it is important to communicate more often with your expatriates. It is possible that the expatriates are not actually spending the whole host part of the salary in the host location; they are saving more than expected and sending more money back home.

Consequently when a currency devalues strongly – such as the Indian, South African, South Korean and British currencies have against the euro – the expatriates are losing on the additional saving opportunity with the salary. Therefore, the discussion about the Cost-of-Living index evolution with your expatriates may not be a true concern about their Cost-of-Living allowances but in reality a concern about their additional savings opportunity.

Mercer’s Exchange Rate and Inflation Calculator enables you to compare time to time changes in the value of many currencies and to view historical official local inflation data.
Information that is essential for employees to become familiar with a location and the assignment process

Employee Mobility Guides and MercerPassport®

www.imercer.com/mercerpassport

Consider these questions:

■ How can we provide solid, up-to-date information to prepare our employees – and their families – for an international assignment?

■ Where can we find reliable information, such as for housing or education, to support compensation decisions?

■ Is there a comprehensive resource that provides references and valuable tips on interacting with a country’s people and integrating into their way of life?

MercerPassport® is the next generation of our trusted Employee Mobility Guides and a valuable source of information for organisations who are developing their expatriate policies, expatriates who would like to know more about their new host country, and business travellers and those working in the international environment. Mercer’s new Start Guides comprise the key components of Employee Mobility Guides and cover up-and-coming locations in the Middle East, Central Asia and Africa. These guides are only available on MercerPassport®.

Now covering a total of 95 destinations, each report on MercerPassport® contains reliable, in-depth information on the culture, logistics and resources of that country. In addition to presenting the fundamentals of foreign living, MercerPassport® also provides insights into the costs and availability of essential goods and services in the host country as well as dual career support, and includes articles that help expatriates to understand how they can better adapt to international assignments.
Moving to the country

This section provides an introduction to and information on the logistics of moving to the country.

Topics include:

**Introduction to the country and its people**
- Country demographics, religion, geography and climate

**Advice and tips on moving**
Entry requirements, customs, and import regulations
- Passports, visas and work/residence permit requirements for the family
- Health requirements
- Bringing your pet into the country
- Duty-free allowances
- Importing a vehicle
- Household effects
- Importing of currency

**Administrative procedures upon arrival**
- What to do when you arrive; where to register and what documentation you must obtain

Living in a country

This section focuses on everyday issues and circumstances one would experience from an economic and social perspective when living in the country. Information includes:

- Political and social environment
- Public services and transport
- Economic environment
- Recreation
- Socio-cultural environment
- Consumer goods
- Medical and health considerations
- Housing
- Schools and education
- Natural environment
Finding accommodation
- Real estate agencies
- Lease and rental conditions
- Costs and availability
- Areas and districts
- Utilities
- Domestic services

Education
- Introduction to the education system in the country
- International schools contact details and overview

Travel and public transportation
- Air, bus, rail, sea and river travel
- Focus on urban transport in the cities covered

Owning a car
- Registration
- Driving rules and regulations
- Obtaining a driving license

Communications
- Making a call, mobile and public telephones
- Getting connected to the internet
- Satellite, television and radio
- Newspapers, postal services and bookshops

Health and safety
- General advice, medical care and emergency contact numbers
- Hospitals, pharmacies and dentists
- Health insurance
Money and banking

- Banks and opening an account
- Cash, cheques and credit cards
- Personal taxes

Quality-of-Living information

www.imercer.com/qol

MercerPassport covers more than 330 cities around the globe. Focusing on living standards and the local environment, this provides users with a picture of the level and availability of a range of facilities within a given city.

The Quality-of-Living information includes the following categories:

- Political and social environment
- Public services and transport
- Economic environment
- Recreation
- Socio-cultural environment
- Consumer goods
- Medical and health considerations
- Housing
- Schools and education
- Natural environment

Cultural integration

This section provides valuable tips on interacting and integrating with the country’s people. It also provides information on leisure and recreational activities. Information includes:

Business etiquette

The do’s and don’ts when doing business abroad

Language

Phrasebook and details on courses to learn the local language

Social Etiquette

What to do when meeting people, giving and receiving gifts and attending social events
Public holidays

Integration

Useful website links

Listings and contact details of international associations and clubs

Leisure

Shopping – department stores, supermarkets and malls

Eating out – local specialities, restaurants

Nightlife – bars, clubs and casinos

Entertainment – museums, cinemas, theatres, entertainment for children

Sport – golf clubs, tennis clubs, fitness centres, swimming pools, sports for children.
Mercer is a leading global provider of consulting, outsourcing and investment services, with more than 25,000 clients worldwide. Mercer consultants help clients design and manage health, retirement, and other benefits and optimise human capital.

The firm also provides customised administration, technology and total benefit outsourcing solutions. Mercer’s investment services include global leadership in investment consulting and multimanager investment management.

Mercer’s global network of 18,000 employees based in more than 40 countries, ensures integrated, worldwide solutions. Our consultants work with clients to develop solutions that address global and country specific challenges and opportunities. Mercer is experienced in assisting both major and growing, midsize companies. Providing high-quality human resource information is an integral part of our business.

Around the world, Mercer conducts more than 600 compensation, benefit, total remuneration, and employee mobility surveys. Our software solutions help organisations align compensation and benefit programs with strategic business objectives.
International contacts

Asia
imercer.com/asia
+65 6327 5377
hrsolutions.ap@mercer.com

Australia/New Zealand
imercer.com/australia
New Zealand +612 8864 6985
customerservice@mercer.com

Canada
imercer.ca
+1 800 631 9628
info.services@mercer.com

Europe
imercer.com/europe
+48 22 434 5383
client.services.europe@mercer.com

Latin America
imercer.com/latinamerica
+1 305 341-5057
humancapitalLA@mercer.com

Middle East/Africa
imercer.com/europe
Africa +48 22 434 5383
client.services.europe@mercer.com

United States
imercer.com/us
+1 800 333 3070 or +1 502 560 8290
surveys@mercer.com
<table>
<thead>
<tr>
<th>Country</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>Malaysia</td>
</tr>
<tr>
<td>Australia</td>
<td>Mexico</td>
</tr>
<tr>
<td>Austria</td>
<td>Netherlands</td>
</tr>
<tr>
<td>Belgium</td>
<td>New Zealand</td>
</tr>
<tr>
<td>Brazil</td>
<td>Norway</td>
</tr>
<tr>
<td>Canada</td>
<td>Philippines</td>
</tr>
<tr>
<td>Chile</td>
<td>Poland</td>
</tr>
<tr>
<td>China</td>
<td>Portugal</td>
</tr>
<tr>
<td>Colombia</td>
<td>Singapore</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>South Korea</td>
</tr>
<tr>
<td>Denmark</td>
<td>Spain</td>
</tr>
<tr>
<td>Finland</td>
<td>Sweden</td>
</tr>
<tr>
<td>France</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Germany</td>
<td>Taiwan</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>Thailand</td>
</tr>
<tr>
<td>Hungary</td>
<td>Turkey</td>
</tr>
<tr>
<td>India</td>
<td>United Arab Emirates</td>
</tr>
<tr>
<td>Indonesia</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Ireland</td>
<td>United States</td>
</tr>
<tr>
<td>Italy</td>
<td>Venezuela</td>
</tr>
<tr>
<td>Japan</td>
<td></td>
</tr>
</tbody>
</table>

For further information, please contact your local Mercer office or visit our websites at:

www.imercer.com/mobility
www.mercer.com/managingexpats

Mercer
Aleje Jerozolimskie 94
00-807 Warsaw
Poland
Tel +48 22 434 5383
Fax +48 22 456 4021
client.services.europe@mercer.com

www.mercer.com
www.imercer.com