

What is the True Trend: More Expatriate Assignments by 2020?



Presented by Scott Maras

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Observations, Analysis and Opinion from a Person Operating Within the International Insurance and Benefits Industry

Primary 3rd Party Info Sources:

- Finaccord Market Report 2014

Global Expatriates:

*Size, Segmentation and Forecast for the
World Market*

- Associates for International Research,
Inc. Mobility Outlook Survey 2014

Other Sources:

Global Insurance Carriers
Benefit Consultant Partners
Global Mobility Specialists
Clients

Important!

- Finaccord: only known study done at the global level.
- Finaccord: General lack of information and consistent sources across countries makes it very difficult to know the true expatriate numbers.
- Some disagreement in my industry.
- Ind'l organizations may have plans that run counter to overall trends.

Finding the True Trend

"I need to determine where in this swamp of unbalanced formulas squatteth the toad of truth."



*- Sheldon Cooper, PhD
(TV's The Big Bang Theory)*

Finaccord:

A leading market research,
publishing and consulting company
specializing in financial services.

Finaccord Report: First Ever Worldwide Analysis of Global Expatriates

Detailed Analysis of 30 Inbound
and 25 Outbound Countries for
2009, 2013 and projected for 2017

Five Expatriate Categories:

Individual Workers
Corporate Transferees
Students
Retired Expatriates
Others (dependents)

Finaccord

Expatriates Defined:

Individuals who establish residence in the territory of another country for a temporary period expected to be at least 12 months and a maximum of 5 years, having previously been a resident of another country

Finaccord

Total Expatriates Worldwide in 2009:

46 Million

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Total Expatriates Worldwide in 2013:

50.56 Million

2.4% annual growth since 2009

Finaccord

Total Expatriates Worldwide Projected in 2017:

56.84 Million

3.0% annual growth projected

51 Million in 2013

Individual Workers (73.6%)
Others (dependents) (12.8%)
Students (8.8%)
Retired Expatriates (3.7%)
Corporate Transferees **(1.0%)**

Corporate Transferees Defined:

Individuals entering a country on a company posting who are considered to have already worked for the same company in another country and who have been transferred within the company to the country of destination on a temporary basis

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Corporate Transferees **(1.0%)**

510,000 in 2013

**reflects a 2.8% annual decrease
since 2009**

Finaccord

57 Million in 2017
3.0% annual growth

Individual Workers (3.2%)
Others (dependents) (2.3%)
Students (3.6%)
Retired Expatriates (2.9%)
Corporate Transferees **(2.8%)**

Fun Fact

Expatriate Host Countries:

1-Saudi Arabia – 8.9M

2-UAE – 5.4M

3-United States – 4.8M

Fun Fact

Expatriate Countries of Origin:

1-India – 6.7M

2-China – 3M

3-UK – 1.2M

4-United States – 839,000

Total Expatriates Worldwide Projected in 2020:

62.11 Million

if 3.0% annual growth continues

**5.27 Million more expatriates
in 6 years**

Corporate Transferees Worldwide Projected in 2020:

619,000

if 2.8% annual growth continues

More Expatriate Assignments

Total Expatriates Worldwide in 2013:

51 Million

30 Million was the old number used
throughout my industry.

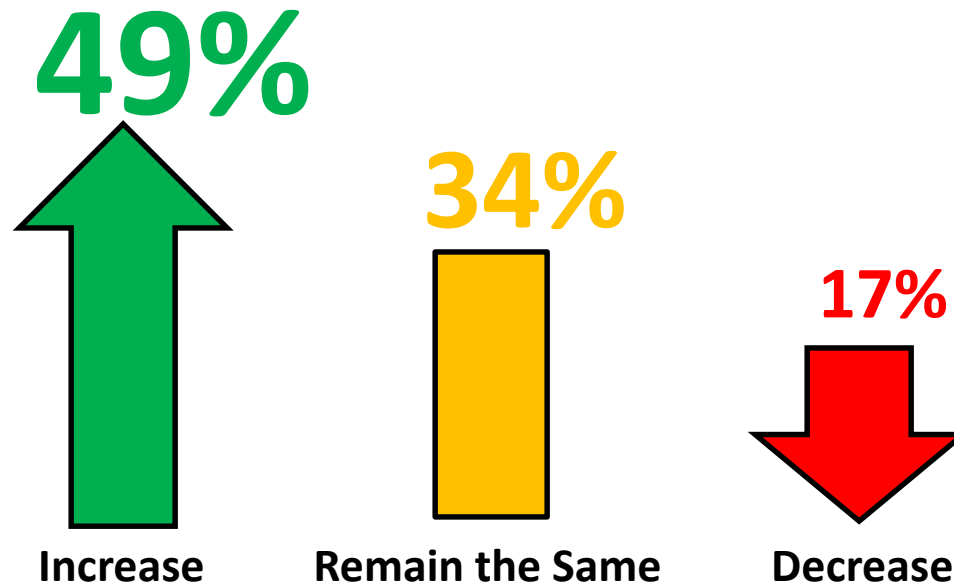
So what is true?

Associates for International Research, Inc. (AIRINC)

A human resources consulting, data and technology firm dedicated to facilitating global mobility.

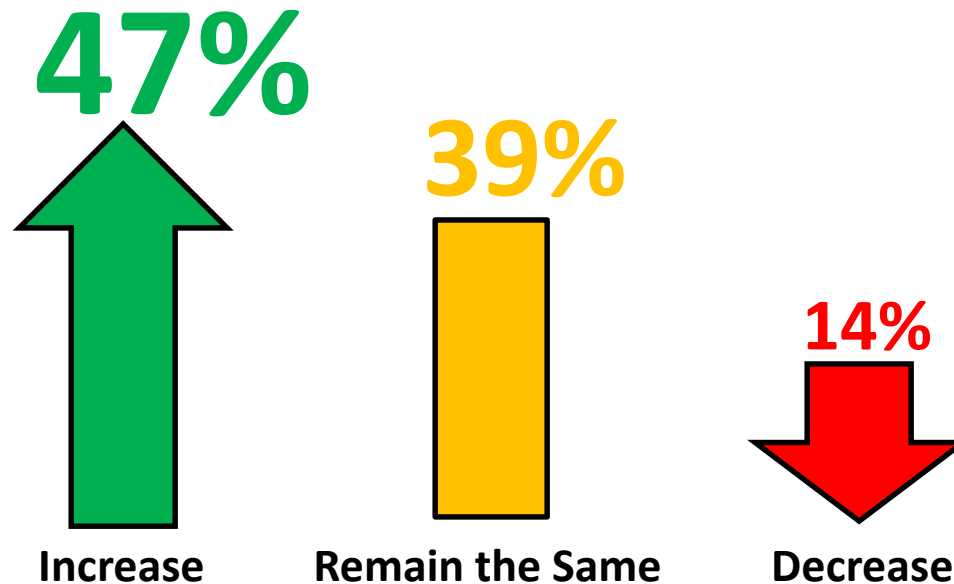
AIRINC Mobility Outlook Survey 2014

Int'l Assignees over the past year:



AIRINC Mobility Outlook Survey 2014

Int'l Assignees over next 12 months:



Fun Fact

AIRINC Mobility Outlook Survey 2014 Top Sending Locations

	2013	2012	2011
1 United States	71%	75%	80%
2 United Kingdom	62%	63%	71%
3 Australia	29%	26%	31%
4 Canada	25%	24%	26%

Fun Fact

AIRINC Mobility Outlook Survey 2014 Top Receiving Locations

	2013	2012	2011
1 United States	58%	63%	65%
2 United Kingdom	43%	41%	50%
3 Singapore	30%	28%	29%
4 China	29%	34%	41%

Projections from Clients

Case 1

Diana W

Director of Human Resources

Virginia IT firm performing
infrastructure and program
management services to federal and
commercial clients worldwide

Expat Assignments will remain steady through 2015.

*Although the number of our personnel on existing contracts may be reducing, we are seeing an **increase in the number of contracts and diversification across a larger global landscape.***

*From a cost perspective, **hiring local is preferred.** But with the additional challenges we face as a government contractor with added security clearance requirements, we are often sourcing within the U.S. for international deployments.*

*Millennials will be 50% of the workforce by 2020, **companies will have to adjust their values to meet their new workforce's demands.***

*Meaningful work, good pay, and a sense of purpose will drive Millennials' employment decisions. **The norm will be to move from project to project, company to company and maybe even country to country** to make their way in the world without the fear of change or need for commitment.*

***Everyone is a consultant.** It's no longer what you know but what you do (and doing what you love) that makes all the difference.*

Case 2
Carrie M
Director of Human Resources

California Telecommunications
Software Industry

*Our short term view is the **expatriate assignments will increase over the next 3 years.**
By how much we're not sure.*

*In regards to new hires,
the preference will be to hire locally.*

*Past 2017 towards 2020, we have no idea.
Increase is expected, but only time will tell.*

Case 3

Judi E.

VP of Human Resources

U.S. Aviation Manufacturer

*We have employee and contractors in China full time.
That will increase by about 60% by 2017.*

*We also send people to China for various shorter timeframes:
2 weeks to 3-4 months.*

The shorter assignments in China will continue to grow.

*We also have people from China coming into the US
from 2 weeks to 3-4 months for training purposes.
**We expect that shorter-term US inbound training
to also increase.***

*Our Chinese parent company is working
to transfer knowledge.*

By 2020, we expect to have more "joint projects."

Your Projections

Your Questions

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*- Sheldon Cooper, PhD
(TV's The Big Bang Theory)*

Have we hit upon the Truth?

**More expatriate
assignments by 2020?**

YES!

I really believe we got it right,
but... what if we're wrong?

“There’s a fine line between wrong and being a visionary. Unfortunately you need to be a visionary to see it.”

*- Sheldon Cooper, PhD
(TV’s The Big Bang Theory)*



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