



# Global Employment Company: A strategic HR project



## Global Employment Company: How to get a step closer to the seat at the table.

Over the years there has been a long struggle of HR to get the famous seat at the table. It's a recurrent subject in HR magazines and many consulting firms refer to it as a plus in corporate strategic management.

When it comes to Global Mobility, the sentiment is that they have been getting further away from having an impacting say. Although there were years of glory back in the early 2000s, where boosted by globalization many corporations massively spread operations and saw their expatriate population boom. Things since then have gotten back to "normal". The pulse of flows found its pace, local teams reached a level of expertise allowing them to work autonomously and in full compliance while companies' global approach made almost common to deal and integrate other country nationals in their policies and organizational development.

What was once a whole department and the reflection of companies' globalization is now very often a sub function of Talent Management, Comp & Ben, Reward or sometimes a Shared Service.

Too often considered as good contributors but not actual players or decision makers, great coordinators but not initiators, Global Mobility has been clustered into a specialized support function.

One amongst other ways to step out of it and bring an impact has been through Global Employment Company projects carrying a strategic dimension.

In most cases, incorporating and organizing a Global Employment Company requires Executive Committee approval and follow-up. It establishes a new paradigm in Global Mobility philosophy, answers, reward structure, processes and legal environment. The duration of the project conceptualization, its validation, implementation and go live takes in average 24 months bringing Global Mobility the aspired exposure.

Incorporating a Global Employment Company (a new legal entity) demands full set-up involving many corporate stakeholders such as Legal, Finance, Operations, IS and Human Resources. The game changer for Global Mobility is that it no longer acts as counselor or specialist, it becomes initiator and actor of a corporate project, seeking support and collaborating over many subject matters such as corporate tax, global payroll, transfer pricing, financial consolidation, pension funds investments long term risks, applicable jurisdiction...

The worldwide scope of the project under the seal of the Executive Committee helps overcome reluctances this type of project may be confronted with.

Global Mobility will get full ownership and accountability for the implementation and expected benefits.

Once the Global Employment Company is up and running Global Mobility keep playing a significant role within the entity, most frequently with a position of Board Member and/or Executive Vice President ensuring permanent representation towards all stakeholders and authorities, internal and external audits, validating annual financial results, guaranteeing service quality and compliance and most importantly having an impacting say.

### *About the author*

*Gordon Zovko is a recognized expert in Global Mobility and Global Employment Companies matters with significant collaboration on behalf of Blue-Chip companies. He also intervenes as Corporate Advisor for International Human Resources key topics such as Compensation & Benefits, Global Mobility policies, international working contracts, management of TCNs, Quality Management Services, rebilling and control, cost containment vs package "attractiveness" and expatriation process efficiency. His profile combines in-house, consulting and client services delivery expertise..*

*Gordon is a frequent keynote speaker at various HR seminars.*

*Telephone : + 41 22 308 11 00 / Email [gz@expad-sa.com](mailto:gz@expad-sa.com)*