Press Release

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Sharp rise predicted in global assignments as organisations try to plug skills gaps, says PwC research

* Over two thirds of graduates want an overseas assignment during their career, but only 11% are willing to work in India and only 2% in mainland China
* 15% of organisations were unable to achieve growth forecasts in overseas markets due to talent constraints
* Females will make up over a quarter of all assignees by 2020
* The traditional flow of talent from West to East will be reversed

PwC research predicts the number of workers taking on global assignments is set to increase by 50% in the next decade as companies re-think where their talent needs to be based to fulfil their growth ambitions.

PwC’s ‘Talent Mobility: 2020 and beyond’ report, based on data from over 900 global companies, reveals that companies will need to offer new forms of global mobility to respond to skills shortages, changing business needs and employee preferences.

According to the research, only 1% of people are now doing traditional assignments which involve three years in a different country and then returning home. The number of mobile workers, including long-distance commuters (who spend a week or two at a time in another country), has increased and now account for around 8% of the working population. The research reveals that the average length of a posting has now dropped to 18 months and the number of females taking on global assignments is predicted to increase. Women are projected to make up over a quarter of all assignees by 2020.

PwC’s analysis reveals that companies need to increase the number of globally mobile employees to deal with talent constraints. PwC research with over 1,400 HR directors globally reveals that 15% of organisations were unable to achieve growth forecasts in overseas markets due to talent constraints. This has led to nearly two thirds (64%) changing their approach to global mobility.

Carol Stubbings, UK international assignment services leader at PwC, said:

“Many companies are facing the reality that they don’t have the right talent in the right places to fulfil their global growth ambitions. Skills gaps in overseas markets, the changing business world and preferences of a new generation of employees will force many organisations to increase global mobility opportunities for their staff.

“The era where assignments meant a three or four year relocation is coming to an end. New forms of global mobility are developing in response to business demands and employee preferences, many of which don’t involve relocation at all. Long-distance commuting, virtual mobility, project-based and assignee-led projects are all set to become the norm. These will offer greater flexibility for both employers and employees and should help to reduce global mobility costs.”

Companies are adapting their mobility strategies to the new generation of workers. New graduates, who make up the millennial generation, see international opportunities as a key part of their career advancement. The report reveals that over two thirds (71%) of millennials want an overseas assignment during their career. However, this generation has clear preferences over where they want to work, with the US, UK and Australia firmly at the top of their wish list. According to the report, only 11% are willing to work in India and only 2% in mainland China.

Carol Stubbings, UK international assignment services leader at PwC, added:

“It is great news for employers that the next generation of workers want to work abroad but the issue will come when trying to align employees’ expectations and companies’ needs and growth prospects. Companies are likely to need workers to go to fast-growing emerging economies and new urban hotspots, rather than the more popular and developed locations favoured by graduates.”

Changing demographics and the growing importance of emerging markets means that the traditional flow of talent from West to East is likely to be reversed. Instead, skilled workers from emerging economies will increasingly be moved into developed markets, often on short-term assignments, to gain valuable experience which can then be used in their home market.

Iain McCluskey, director, UK international assignment services at PwC, said:

“The historically high value placed on experience earned in the West looks set to be overtaken by demand for skilled workers from emerging markets. Local workers with international experience will be much more attractive to domestic employers than foreign workers in the same market. These workers are likely to use the skills earned in the West to cement new regions as international business hubs.

“Investment in education in Asia and Africa is creating a steady stream of talented youngsters who will increasingly be in demand at home and abroad. Global companies need to consider their potential talent shortfalls and source and train more talent from different regions.”

**Notes**

1. Our report ‘Talent mobility 2020 and beyond’ is based on information from 900 global companies. Our survey ‘Millennials at work: Reshaping the workplace’ is based on interviews with over 4000 graduates. Our HR Monitor survey asked the views of over 1,400 senior HR executives.
2. You can find more information at [www.pwc.com/talentmobility2020](http://www.pwc.com/talentmobility2020)

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