



CROSS-BORDER WORKFORCE COMPLIANCE TRENDS 2024/2025

# Transforming cross-border workforce compliance: from outdated processes to strategic innovation

From assignments and business travel, to workations, commuters, virtual assignness, matrix managers, and other cross-border scenarios



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# Foreword



## Pieter Manden LLM MBA

CO-FOUNDER & MANAGING DIRECTOR, WORKFLEX

Entrepreneur and taxation expert with over 15 years of experience in global employment compliance. He formerly led PwC Germany's solutions for remote work as a Tax Director. Pieter holds a Master's Degree in Tax Law from Amsterdam University and an Executive MBA from ESCP Business School in Paris.

The Covid-19 Pandemic changed many things, and definitely also the global mobility and international HR space. Historically, the focus in this industry was mainly on expats - servicing ca. 2% of the employee population, and spending well over 90% of the budget on that service. Over the past years, the importance of expats has decreased - and this trend is expected to continue. At the same time, business travel has picked up again and, in the light of fewer expats - is expected to continue to increase in importance. Even more interesting is the rise of new global mobility scenarios. Whether you call them workations, flexible work from abroad or work-from-anywhere arrangements; they have established themselves as a new, widely adopted global mobility use case.

This report deep dives into all of these scenarios, but also other up and coming mobility use cases, such as virtual assignees and matrix managers. It includes the results of an extensive survey that WorkFlex conducted on trends in the area of cross-border workforce compliance. More than 300 companies across DACH region and the UK completed the survey, which we complemented with insights from 200 WorkFlex client work-from-anywhere policies. The result is an extensive report with valuable perspective on the evolving landscape of workforce mobility. The report consists of three sections. Section one covers major trends in cross-border employee mobility, for example AI and ESG. Section two focuses on a historically major mobility scenario: business travel. Section three covers a mobility scenario that originated only recently, and has been on an immense growth trajectory since: workations.

Additional to the survey results, we have asked several external subject matter experts to reflect on the survey results. A big thank you for this goes out to Christine Kraft (Vialto Partners), Daniel Zinner (People Mobility Alliance), Frank Jura, Paul Bennett (PerchPeek), and Dr. Jonas Jacobsen (HK2 Lawyers), for their contributions.

On behalf of the entire WorkFlex team, I wish you an enjoyable read through this report. Please reach out to me or a team member if you have any feedback or questions, or if you would like to learn more about what WorkFlex can do for your organisation.

Pieter Manden LLM MBA  
Co-founder WorkFlex



# 1

## Trends in cross-border employment and employee mobility

# Strategic importance of workforce mobility

As companies navigate the complexities of a global landscape, adapting workforce mobility strategies has never been more crucial. **HR, global mobility, and travel teams have a unique opportunity to become strategic partners with executive teams, driving business success through innovative cross-border employment and mobility practices.**

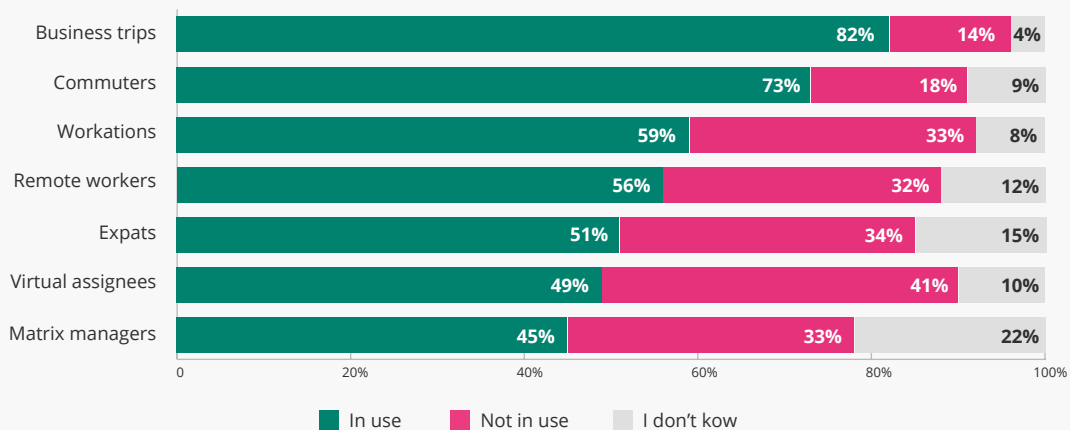
To assess the status quo, we asked employers to report on how they are utilizing various cross-border employment and mobility scenarios - from business travel to remote work and workations - and to predict the importance of these scenarios for workforce planning in the coming year.

## Current adoption of cross-border employment and employee mobility types

The most widely adopted cross-border mobility scenario is **business travel, with 82% of companies engaging in business trips**. Following this, **73% of companies have embraced the commuter model**, where employees frequently travel between two countries for work.

**Workations are becoming increasingly popular, with 59% of companies utilizing them**. However, 33% of companies consider workations irrelevant - a view that may be short-sighted. As discussed in Section 3 of the report, the flexibility to work temporarily from any location is highly sought after by employees. Ignoring this trend could significantly impact both talent attraction and employee retention.

### Is this cross-border employment/mobility scenario currently in use within your organization?



Source: WorkFlex survey (2024).

**Remote work is the fourth most widely used form of cross-border employment**, with 56% of organizations employing remote workers, although 32% still consider it irrelevant. **The use of expatriates is even less common**, with 51% of companies having some expatriates in their workforce. **The least adopted forms of cross-border employment are virtual assignees and matrix managers**, with 49% and 45% of companies, respectively, engaging in these practices.

Overall, the data shows that companies currently tend to favor more traditional forms of cross-border mobility, such as business trips and commuting, while newer cross-border arrangements—like workations, remote work, virtual assignments, and matrix management—are growing significantly in importance.

# Future outlook

Looking ahead, the expected trends in the importance of cross-border employment and mobility scenarios for next year are diverse. **Nearly 30% of respondents anticipate that workations, remote work, and virtual assignments will increase in importance.** These forms of cross-border employee engagements can help: 1) access untapped talent and expand the talent pool, 2) improve benefits and thus the success in attracting and retaining talent, 3) save costs compared to the more traditional global mobility scenarios - considerations that are crucial for many companies in Europe.

Additionally, **28% of respondents believe that business trips will become more important, while 15% expects them to decrease.** This variation in trends may indicate differing approaches to business expansion among industry players; some may prioritize remote business development or focus on local markets, while others may continue to rely on travel.

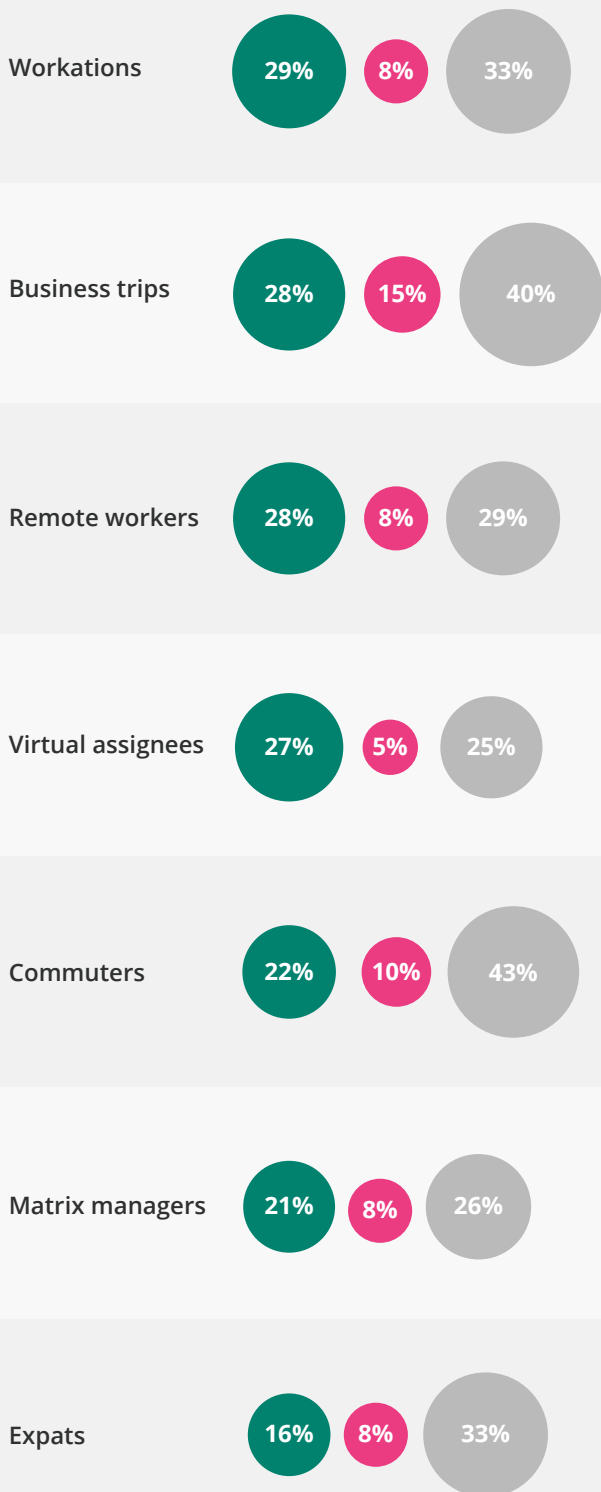
In contrast, the survey results suggest that forms of cross-border employee mobility and employment such as **commuters, matrix managers, and expatriates are more likely to either remain unchanged or decrease in volume.** This indicates they are viewed as less popular options for business development, talent attraction and strategic workforce planning.

Is this indeed the case? In the next section, we will explore, with experts in expatriate management, **when relocating an expert is the preferred option among the various alternatives.**



Please, indicate how you anticipate the importance (in terms of volume, time spent planning and managing, etc.) of these scenarios will change over the next 12 months.

● Increase ● Decrease ● Remain unchanged



Source: WorkFlex survey (2024).

Note: The results do not add up to 100% because survey participants were allowed to skip the question if they did not have an opinion on any of the scenarios.

## Strategic relevance of expats in the age of remote work



Paul Bennett  
CO-FOUNDER AND CEO | PERCHPEEK

The rise of remote work has indeed impacted the traditional role of expatriates in today's workforce. While according to the survey 51% of companies currently utilize expats, **the relevance of conventional expat assignments is being re-evaluated**, as remote work and flexible arrangements become increasingly viable options.

Nonetheless, there are situations where expat relocations remain crucial. When a role requires **on-the-ground presence for critical functions** - such as client relationship management, cultural integration, or leadership in key projects - relocating an expat may be the best choice. Additionally, companies aiming **to establish or strengthen their brand in foreign markets** can benefit from having expats who can build trust and foster relationships locally. At PerchPeek, we are also observing a shift in many organizations towards **permanent transfers rather than traditional expat assignments** to address staffing needs.

These evolving requirements of expats and remote or hybrid workers are causing mobility teams to rethink their strategies, and tailor their approach to a broader range of situations, rather than applying a one-size-fits-all model. By integrating data-driven insights into decision-making, businesses can identify when a physical relocation adds value and aligns with their overall goals.

In summary, while traditional expat roles continue to be valuable in certain contexts, **companies must stay adaptable and strategically evaluate the need for expat relocations in the context of the changing work landscape.**



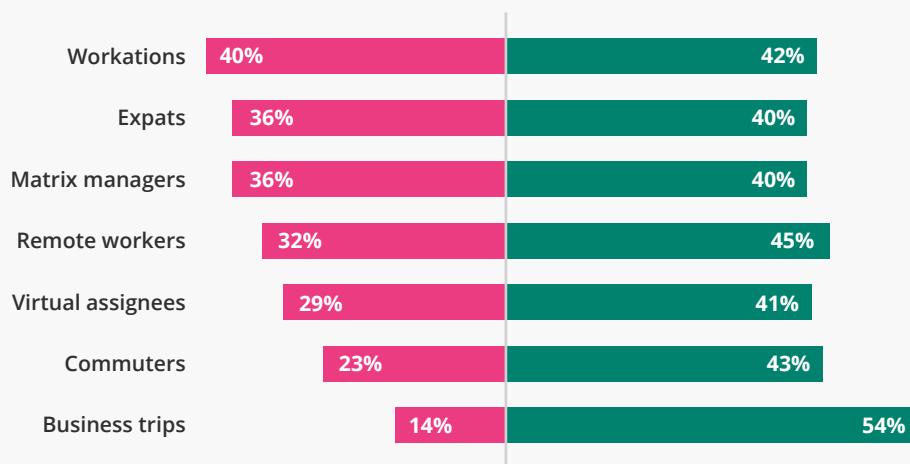
# Assessing the maturity of cross-border employment and mobility practices

Implementing new forms of cross-border employment and employee mobility requires careful preparation to ensure that processes are efficient, employee- and manager-friendly, and compliant. We asked respondents to evaluate the maturity of their practices across different employment and mobility types, where **“not developed”** indicates a lack of formal processes or strategies, and **“highly developed”** signifies optimized processes and continuous improvement.

The data shows that the scenarios with the most underdeveloped processes are workations, matrix managers, and expatriates. While expatriates and matrix managers are not among the most frequently used scenarios by employers in this survey, workations do rank in the top three. Therefore, **the fact that many companies operate without a formal process to manage these requests is concerning and could lead to compliance issues.** We explore this topic further in Section 3 of this report.

Please rate the maturity of your organization’s strategy in each scenario on a scale from 1 (not developed at all) to 5 (highly developed).

■ Not developed (ratings 1; 2)  
■ Well developed (ratings 4; 5)



Source: WorkFlex survey (2024).

Note: The results do not add up to 100% because only decisive answers (1, 2 - not developed, 4, 5 - developed) are included in the graph.

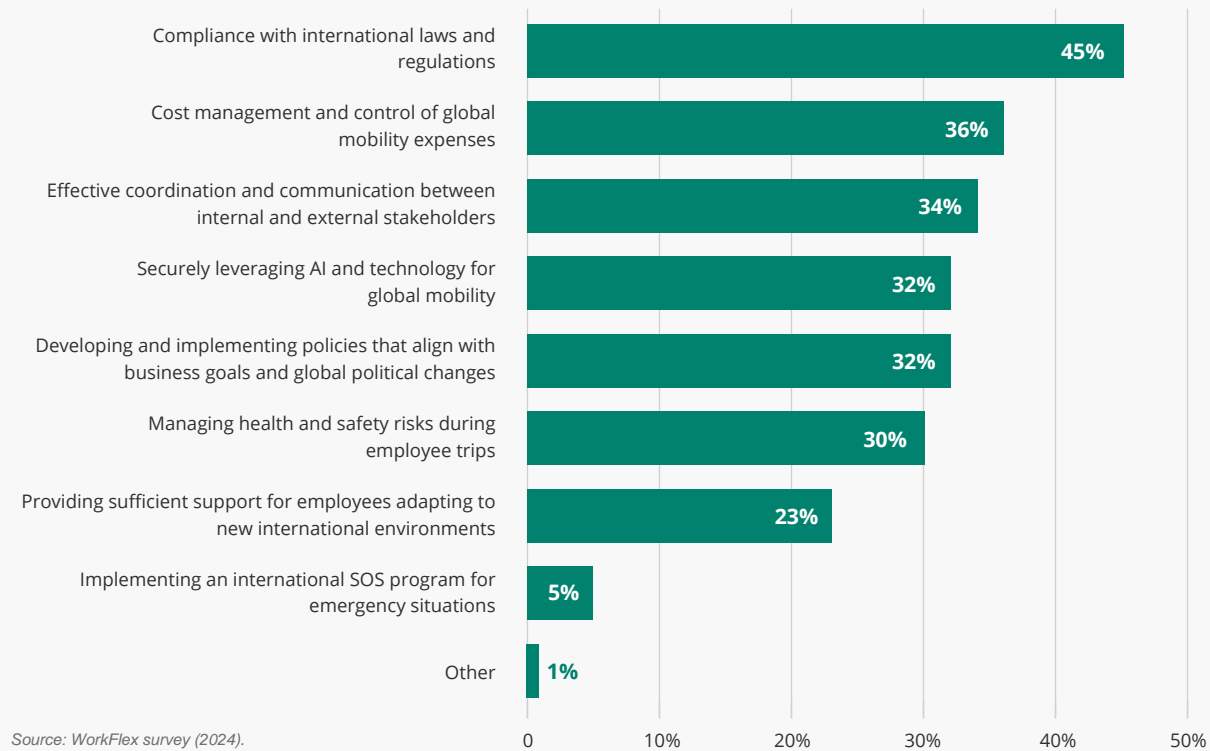
Conversely, **business trips are notable for having the highest maturity in management practices.** This aligns with the WorkFlex team’s experience, as companies have often invested heavily in managing business travel programs, including tools for approving trips, managing expenses, and booking tickets and accommodations. However, solutions for business travel compliance are often lacking. We delve into this topic in Section 2 of this report.





# Challenges and opportunities in travel and global mobility programs for 2025

When asked about the critical challenges companies must address to ensure the success of their travel programs, traditional concerns continue to dominate.



**Compliance with international laws and regulations is a top issue for 45% of respondents, followed by cost management and control of mobility expenses, cited by 36%.** This indicates a persistent view of global mobility as a cost center rather than a strategic asset - something executives together with HR, travel, and global mobility teams should work to change.

**Effective coordination and communication with internal and external stakeholders** are also significant challenges, reported by 34% of respondents. Some companies are addressing this by using all-in-one providers for trip organization and compliance, which can streamline coordination.

Additionally, **32% of organizations see leveraging AI and technology and aligning policies with business goals** as key challenges. Implementing technology and adapting policies can enhance efficiency and demonstrate the strategic value of global mobility teams.

**Activities related to employee well-being rank lower on the priority list.** While these areas may be assumed to be well-managed already and not a challenge for the future, it is essential to regularly re-evaluate employee safety and adaptation to new environments to ensure a positive experience. We explore this topic further with insights from experts.

## Balancing compliance, cost savings, and employee well-being in global mobility



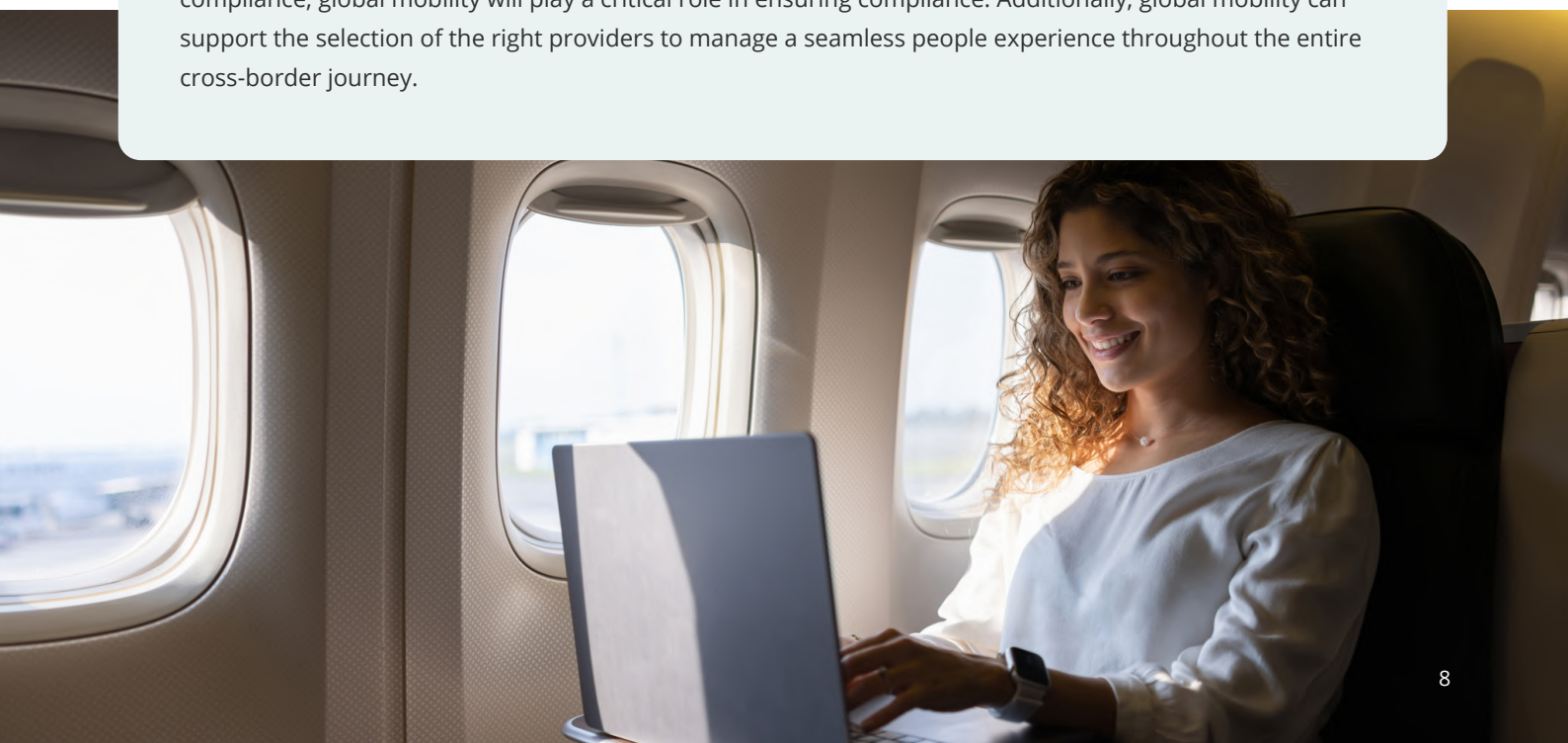
**Daniel Zinner**  
FOUNDER, PEOPLE MOBILITY ALLIANCE  
CONSULTANT, PMA CONSULT

At the People Mobility Alliance, we support companies in developing strategies and a culture of global collaboration. **Global collaboration encompasses various forms of people mobility**, whether it is global cross-border project travel, workations, virtual assignments, international new hires, traditional expatriate assignments, or the integration of refugees. Global mobility programs have established frameworks and guidelines to address the regulatory compliance requirements for these programs.

The WorkFlex study reveals that when organisations were asked about challenges in their global mobility programs, compliance (45%) and cost management (36%) emerged as top priorities. In contrast, support for employees (23%) and international security programs for emergencies (5%) ranked much lower. **This focus on compliance and cost management seems logical, as these have historically been the core challenges for global mobility functions.** Moreover, with the advent of technology, global mobility functions have the potential to structure processes more efficiently and cost-effectively.

Within the broader HR or People & culture organisation, global mobility plays a crucial role. Global mobility professionals have gained significant expertise in navigating the legal, financial, and technological aspects of cross-border mobility. Today, nearly everyone in a company may require or be entitled to some form of mobility. At the same time, businesses demand greater speed, while employees seek increased flexibility, the assurance of being treated with respect and mental well-being. **The era of purely scalable and process-driven HR operations is over. People & organization departments that prioritize individual workforce needs are better positioned to build collaborative and high-performing teams.** To achieve this, a strategic approach to workforce management is essential, with strong HR and Global Mobility Operations playing a crucial role.

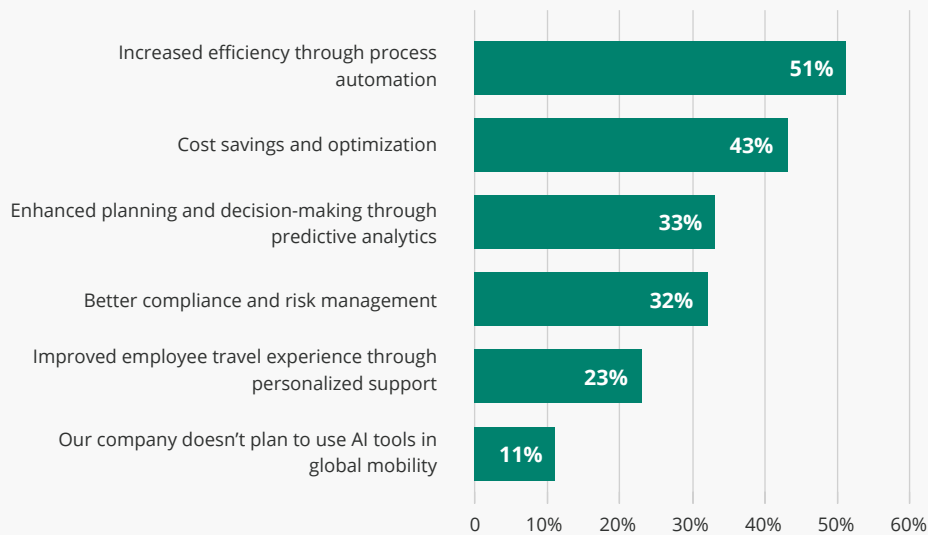
In my view, it is not the global mobility function that needs to become more strategic, but rather the CHRO who needs to elevate people's mobility opportunities and solutions on the corporate agenda. **The CHRO must seek strong alignment with the global mobility function, particularly in line with the international business and HR strategy.** Given its expertise in non-traditional HR areas such as regulatory compliance, global mobility will play a critical role in ensuring compliance. Additionally, global mobility can support the selection of the right providers to manage a seamless people experience throughout the entire cross-border journey.



# AI enhancements in global mobility

As AI technology continues to evolve, its integration into the global mobility landscape is becoming increasingly important for enhancing program efficiency and effectiveness. According to our survey, companies identified several key benefits they anticipate from implementing AI tools in their global mobility programs over the next 1-3 years.

## What are the greatest benefits you see in the next 1-3 years from using AI in your global mobility program?



Source: WorkFlex survey (2024).

The most significant benefit anticipated is **increased efficiency through process automation**, with 51% of respondents highlighting its potential to streamline operations. This can free up resources, enabling global mobility and travel teams to focus on strategic rather than routine tasks.

**Cost savings and optimization are also major goals**, cited by 43% of companies. AI can help allocate resources effectively, manage budgets, and reduce global mobility costs.

**Enhanced planning and decision-making through predictive analytics** were noted by 33% of respondents, emphasizing AI's role in providing data-driven insights for strategic decisions. **Improved compliance and risk management**, mentioned by 32% of companies, show that AI can aid in adhering to international regulations.

Lastly, while only 23% recognized **improved employee travel experience through personalized support** as a benefit, this underscores the potential for AI to enhance the overall mobility experience for employees.

Notably, 11% of companies indicated **they do not plan to use AI tools in their global mobility programs**, which may reflect a lack of awareness about AI's capabilities or budget constraints.

Overall, the evolving capabilities of AI present great opportunities for global mobility and travel programs. By embracing AI tools, organizations can enhance efficiency, achieve cost savings, and improve compliance, ultimately driving success in their global mobility initiatives.

Let's dive deeper into expert insights on the role of AI in global mobility and travel functions, exploring its transformative potential.

## AI's transformative impact on global mobility



Frank Jura

GLOBAL MOBILITY AND IMMIGRATION EXPERT

The introduction of AI into global mobility is poised to revolutionise our industry, addressing many of the challenges highlighted in recent surveys. As we securely harness AI and related technologies, **we can expect significant improvements in efficiency across decision-making processes, particularly in areas such as data analysis, compliance tracking, and the personalisation of employee experiences.** AI's ability to automate routine tasks – such as visa processing, policy compliance checks, and cost estimations – will allow global mobility teams to shift their focus towards more strategic initiatives and relationship-building.

Now is the time for global mobility departments to **proactively assess the potential benefits of AI technology**, develop strategies to enhance their value to the organisation, and prepare compelling business cases to secure the necessary budget and resources for implementation. While large global mobility programmes are likely to lead in adopting AI, medium and small programmes may face challenges due to investment barriers.

As AI and automation become increasingly integrated into our operations, **the role of global mobility professionals is set to evolve dramatically.** This shift presents a unique opportunity to transition from primarily administrative roles to becoming strategic advisors who leverage AI-driven insights to make decisions that align with broader organisational goals. By embracing AI, global mobility departments can expand their influence, supporting their organisations on a wider range of strategic issues related to cross-border employment, beyond just assignments. We can anticipate that future roles within global mobility will require new skills, particularly in data interpretation and strategic planning.

However, **it is essential to recognise and address the potential risks associated with AI in global mobility**, such as data privacy concerns and an over-reliance on automated systems. To mitigate these risks, we must establish robust governance frameworks, invest in comprehensive employee training on AI tools, and ensure strict compliance with data protection regulations.

The transformative power of AI and automation could redefine the landscape of today's global mobility departments. The developments over the next three to five years will be critical in shaping the future direction of our industry.



# The path forward: Becoming strategic partners

In an era of rapid transformation driven by technological advancements and global political shifts, adaptability is crucial. According to the World Economic Forum's Future of Jobs Survey 2023, businesses face significant challenges in transformation due to skill gaps and difficulties in attracting talent.

**This is a pivotal moment for companies, especially HR, travel, and global mobility teams, to enhance their cross-border employment and mobility practices. By promoting innovative forms of cross-border employment and employee benefits - such as workations, remote workers, virtual assignees, and matrix managers - these teams can play a key role in attracting and retaining the talent necessary for business success.**

Implementing workations can improve talent retention, while recruiting remote workers broadens the talent pool. Utilizing virtual assignees and matrix managers helps optimize skill allocation across the organization, ensuring resources are deployed where they are needed most. **By driving these and similar practices, travel, global mobility, and HR teams can become highly valued strategic partners within their organizations.**





# 2

## Business travel: Trends and compliance

# Business travel in transition: Embracing compliance challenges and opportunities

Despite predictions that business travel would decline due to the rise of remote work, it remains a vital component of cross-border mobility. **According to our survey, 82% of companies engage in at least some level of business travel, and 34% believe its importance will increase even further next year.**



82%

of companies engage in some level of business travel

↑ 34%

of companies believe its importance will increase next year

Source: WorkFlex survey (2024).

## A need to adapt to new compliance realities in business travel

Business travel has been an integral part to the corporate world for decades, significantly contributing to the trip volumes of overall travel industry. However, despite its prevalence, compliance measures for international business trips often lack robustness within organizations.

The COVID-19 pandemic has led to increased data-sharing among authorities regarding travel practices. Reports of authorities scrutinizing individuals with laptops in locations like hotel bars and co-working spaces have become more common. **Meanwhile, many companies have yet to adapt their compliance practices to address these increased risks and better protect their employees.**

When it comes to compliance measures for business trips, **visa applications and A1 certificates are the most commonly used.** However, very few companies address risks comprehensively by assessing them, preparing other relevant documentation, registering posted workers, and maintaining an audit trail of employee trips. We explore one of the less frequently addressed aspects with expert advice further – compliance with the Posted Workers Directive.

### How does your company ensure compliance in business trips?



Source: WorkFlex survey (2024).

Visa applications and A1 certificates are the most common compliance measures, but many companies still lack comprehensive compliance strategies.

## Key considerations for Posted Worker declarations



**Dr. Martina Menghi**  
SENIOR MANAGER LEGAL AND EMPLOYER  
COMPLIANCE  
WORKFLEX COMPLIANCE RESEARCH CENTER

As the global workforce evolves, companies must navigate the complexities of Posted Worker Declarations (PWD) to ensure compliance with local regulations. Understanding the essential aspects of PWD, the potential consequences of non-compliance, and the need for a proactive review of practices is crucial.

### **There are several factors employers should consider before employees travel abroad for work:**

- **Timely notifications:** PWD notifications must be submitted before the employee begins their service in the destination country. Timeliness is critical.
- **Local working conditions:** Employers must adhere to local working conditions, which means compliance involves more than just notifying authorities. Local factors, such as minimum wage and working hours, should also be considered throughout the work trip.

### **In the case of non-compliance, the consequences can be severe. Failing to adhere to PWD regulations can result in substantial challenges and penalties for the employer:**

- **Sanctions:** Countries like Switzerland, Austria, and France enforce strict penalties, with fines up to €5,000 for late or incorrect notifications.
- **Compliance responsibility:** Compliance responsibility generally falls on the employer, with potential shared liability with the service recipient.
- **Escalating consequences:** Previous violations can lead to harsher penalties for repeat offenses. Serious breaches can result in administrative sanctions, such as market exclusion or fines up to 1'000'000 euro.

Reviewing and maintaining compliance with PWD regulations is often simpler than employers might expect. First, many countries have introduced **convenient posted worker registration portals** that allow for digital employee registration. Second, platforms like WorkFlex can **streamline the process without adding extra administrative burden**. For instance, the WorkFlex platform assesses the need for PWD notifications, collects necessary data, submits the information, and outlines local working conditions.

By proactively reviewing and updating compliance strategies, companies can minimize risks and concentrate on their global business expansion.

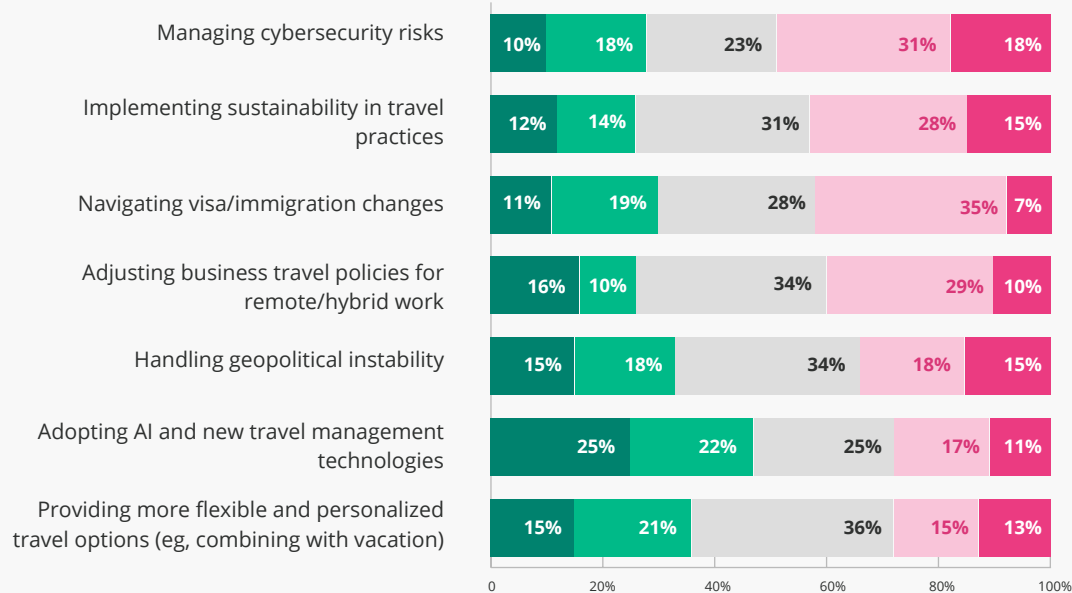
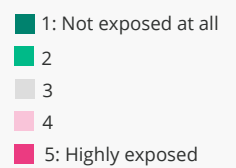


# Beyond basics: Expanding responsibilities in business travel compliance

The evolving landscape of business travel offers companies many opportunities **to enhance their compliance measures and overall travel experience**. Today, business travel involves more than just visa requests, an A1 certificate, and accommodation bookings.

Companies must navigate new global trends and complexities, such as **managing immigration changes, implementing sustainability measures, addressing cybersecurity risks, and adapting to the rise of remote and hybrid work**. Consequently, organizations have a broader range of responsibilities to stay compliant and competitive in their business travel practices.

On a scale from 1 (not exposed at all) to 5 (highly exposed), how exposed do you believe your company has been to the following challenges of business travel in the past 12 months?



Source: WorkFlex survey (2024).



# Expert view: Breaking down the top three business travel challenges

## CHALLENGE #1

### Managing cybersecurity risks



Dr. Jonas Jacobsen

LAWYER SPECIALIZING IN IT/IP LAW  
AND DATA PRIVACY | HK2 RECHTSANWÄLTE

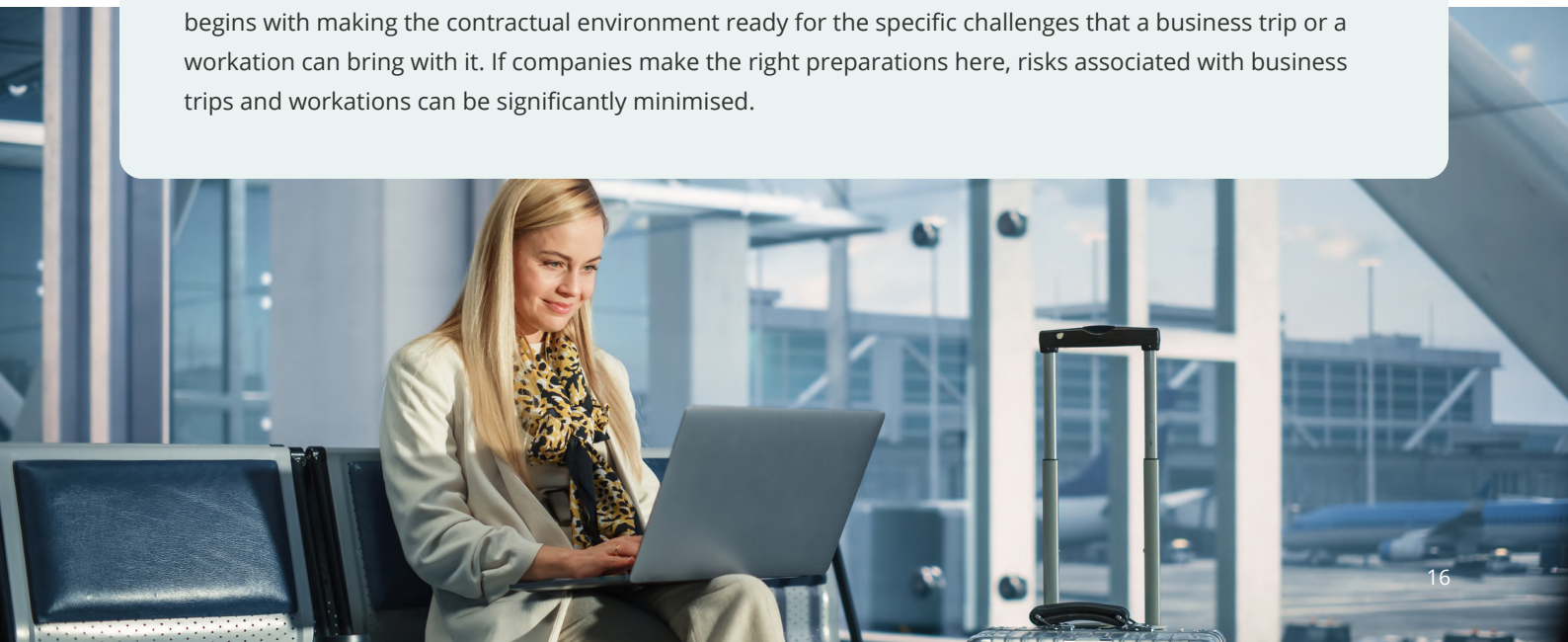
In the past year, managing cybersecurity risks has emerged as the top challenge for companies related to business travel. Organizations face a range of specific risks, including data breaches from unsecured Wi-Fi networks, the theft of devices containing sensitive information, and targeted phishing attacks aimed at traveling employees. Alarmingly, these risks have strengthened, particularly as cybercriminals become more sophisticated and increasingly target mobile professionals who may let their guard down while being on the road.

To enhance their cybersecurity protocols, **companies must implement comprehensive training programs that educate employees about potential threats and best practices while traveling.** This includes using virtual private networks (VPNs), securing devices with encryption, and establishing clear protocols for reporting suspicious activity. Additionally, organizations should invest in mobile device management solutions to remotely secure or wipe devices in the event of loss or theft.

Balancing the need for cybersecurity with the necessity of providing a seamless travel experience is crucial. Companies can achieve this by integrating **user-friendly security measures that do not impede productivity.** For instance, implementing single sign-on solutions can streamline access while maintaining security. It's essential to foster a culture of security awareness without creating a cumbersome experience for employees.

Looking ahead, **companies must proactively prepare for emerging cybersecurity threats.** This involves continuously monitoring the threat landscape, engaging in regular security audits, and leveraging threat intelligence to stay one step ahead.

In an environment where all stakeholders (employers, employees, other contractual partners, etc.) know exactly what IT-/data-security requirements they have to meet, **IT security is no longer a matter of magic but a matter of routine.** From my point of view of as an expert in IT- and contract law, this matter of course begins with making the contractual environment ready for the specific challenges that a business trip or a workation can bring with it. If companies make the right preparations here, risks associated with business trips and workations can be significantly minimised.



## CHALLENGE #2

# Implementing sustainability in travel practices



Christine Kraft  
SENIOR MANAGER GLOBAL MOBILITY  
VIALTO PARTNERS

Implementing sustainability practices in business travel has become a critical challenge, now the second most pressing issue for companies. This focus is driven not only by internal sustainability goals but also by **growing external pressures from global and local regulations, employee demands, societal expectations, and supply chain requests**. Every part of the company, including global mobility, can contribute to overall sustainability goals, and fortunately, more initiatives are emerging to support a sustainable future for global mobility.

First, let's focus on sustainability, particularly in relation to the environment. Given that global mobility is CO2-intensive, **organizations must realign strategies to prioritize avoiding, reducing, and, as a last resort, compensating for carbon emissions**. Achieving sustainability goals while streamlining processes requires a multifaceted approach. Companies should assess their travel practices to identify opportunities for emission reduction, such as travel, accommodation, local transportation, food, and waste management. Encouraging virtual meetings, prioritizing sustainable transportation, and enabling employees to offset flight emissions are essential steps.

**Investing in technology to streamline booking processes can boost sustainability efforts.** Travel management platforms that integrate sustainability metrics enable employees to make eco-friendly travel decisions aligned with company goals. Reviewing travel guidelines and policies to embed sustainability objectives and include flexible options is crucial. This approach also helps visualize and communicate sustainability goals to employees and stakeholders. Additionally, rethinking business trips in terms of frequency and duration can reduce emissions and make business travel more effective and cost-efficient.

Sustainability considerations encompass not only environmental but also social and governance aspects. Governance focuses on **ensuring compliance with local and global regulations for tax, social security, and visa and immigration issues**, requiring efficient global mobility management supported by technology to track employee movements. While many companies already address governance, the social aspects of sustainability also deserve attention. Embedding social objectives in business travel practices can support overall sustainability goals and reflect the company's diversity, equity, and inclusion strategy. Ensuring equal opportunities for business travel and maintaining a balance in trip conditions, duration, and frequency can positively impact employees' mental and physical well-being.

Fostering a culture of sustainability is essential. **Providing employees with training and resources** on sustainable travel practices raises awareness and promotes accountability. **Collaborating with partners who share similar sustainability commitments**, such as airlines, hotels, and transportation providers, can further advance sustainability goals. In conclusion, aligning sustainability practices in business travel with efficient processes is both possible and necessary. By taking a strategic and collaborative approach, **organizations can contribute to a more sustainable future while enhancing the travel experience for employees**. It is our shared responsibility to rethink global mobility and preserve the world for future generations.

### CHALLENGE #3

## Navigating visa/immigration changes

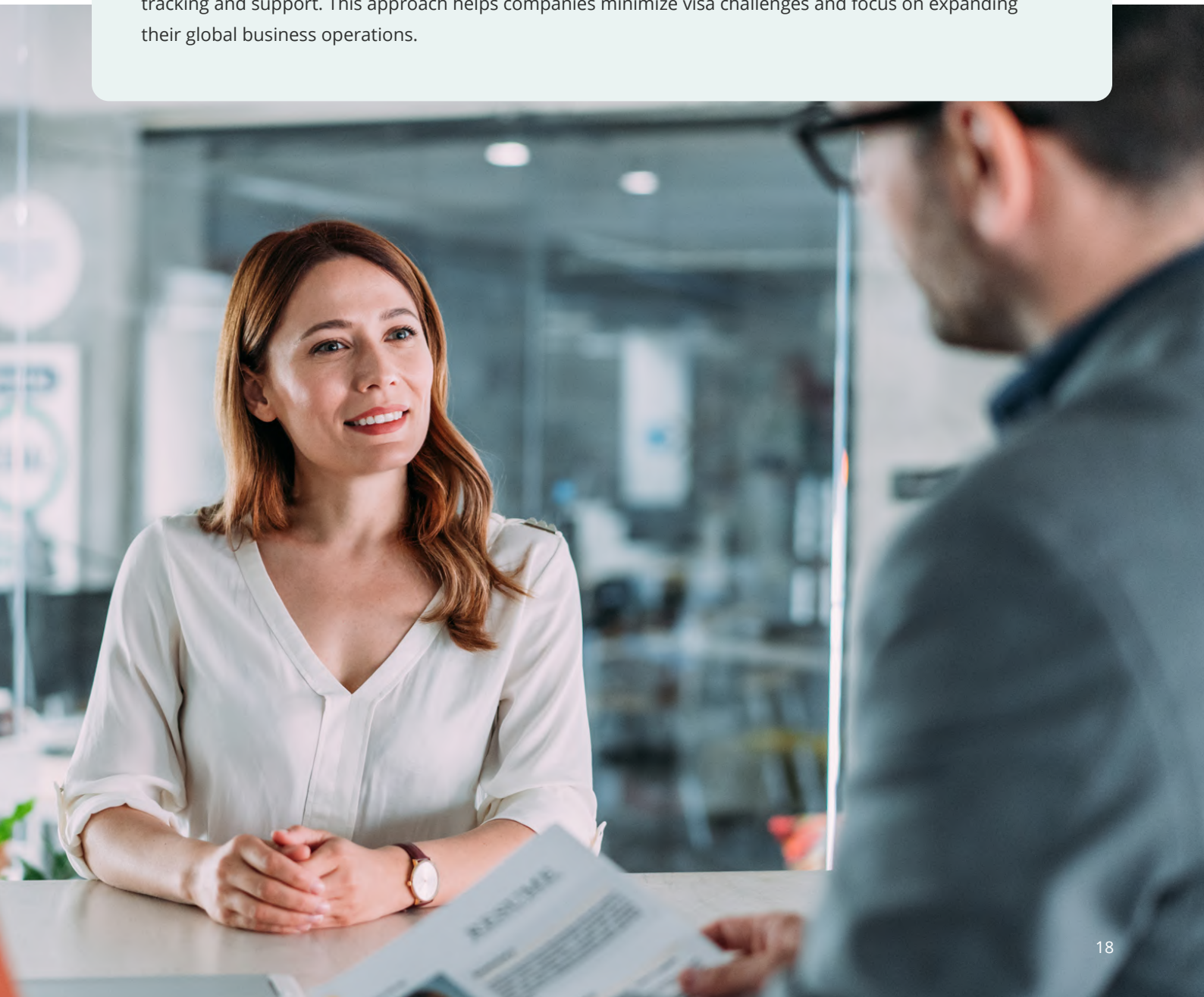


Anna Luisa Grebe  
MANAGER, VISA SERVICES | WORKFLEX

The global movement of talent to address labor shortages, expand internationally, and facilitate frequent business travel has increased the need for hiring foreign workers and securing business visas. This demand arises as regulations become more complex, influenced by both protectionist policies and globalization.

HR departments face significant pressure, often lacking the time or expertise to navigate various work permit and visa requirements. **Keeping up with these evolving regulations is challenging**, and the risk of visa denials - due to incomplete documentation, insufficient qualifications, or questions about the legitimacy of a job offer - remains high. Each denial affects not only the employee but also disrupts company operations and business objectives.

More employers are addressing these complexities by **outsourcing visa services to save internal resources and ensure compliance with the latest regulations**. Providers like WorkFlex Visa Services utilize advanced technologies to streamline applications, reduce administrative burdens, and offer real-time tracking and support. This approach helps companies minimize visa challenges and focus on expanding their global business operations.





# 3

## Workations: Trends and compliance

# Opportunity to temporarily work from abroad: A new norm

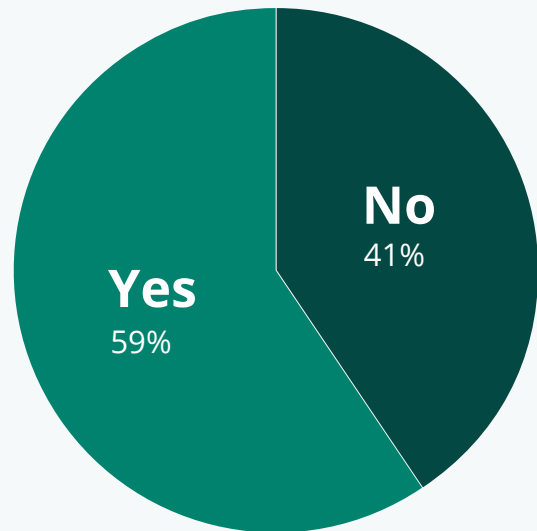
Nearly 60% of organizations offer work-from-anywhere schemes, making this benefit “the new norm”.

Based on the WorkFlex team’s experience, organizations introducing this benefit aim to adopt new work practices and remain competitive with their benefits offerings.

**Employees highly value this flexibility, especially international employees, who can visit their families abroad and work from there for a while.** Two additional popular use cases of the work-from-anywhere scheme are extending stays at vacation destinations and exploring new cultures through longer-term stays of over one month.

Despite some employers fearing employee productivity loss as a result of temporary work abroad due to lack of managerial oversight, organizations having the workation benefit experience the opposite.

Does your organization offer employees the opportunity to go on a workation?



Source: WorkFlex survey (2024).

Offering workations has proven highly beneficial for companies, dispelling fears about productivity and performance.

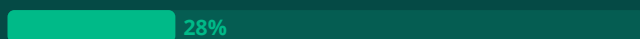
## What are the key benefits employers experience from having a work-from-anywhere scheme?



Enhanced employee satisfaction and well-being



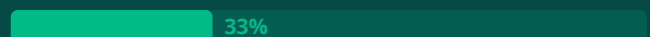
Positive impact on company culture



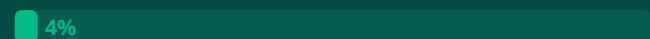
Cost savings on office space/utilities



Improved talent attraction and retention



Increased employee productivity



No effect

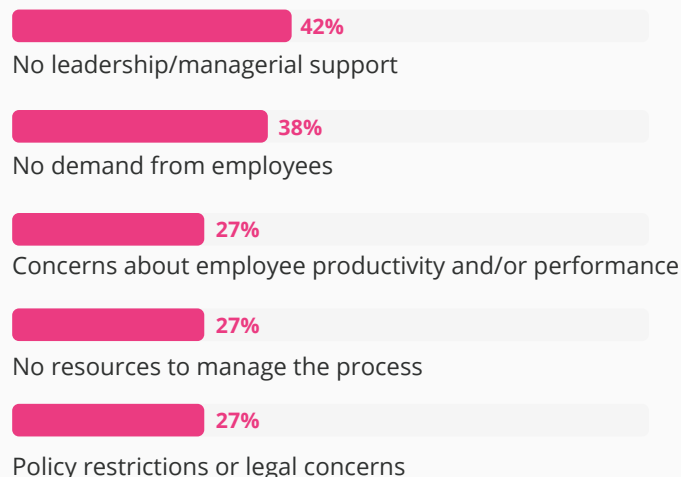
Source: WorkFlex survey (2024).

## Key reason for not offering work-from-anywhere opportunities: no leadership support.

Despite many studies proving that workplace flexibility is among the top factors in talent attraction and retention, **41% of employers still refrain from adopting work-from-anywhere schemes.**

Positively, 37% of them expect that the importance of workations will increase in their organization over the next 12 months, as reported in Section 1 of this report.

## Why doesn't your company offer workation opportunities?



Source: WorkFlex survey (2024)

## Handling objections to introducing work from anywhere as a benefit



Cara Benecke  
TEAM LEAD CUSTOMER SUCCESS | WORKFLEX

Arguments presented by survey participants often arise when speaking with HR teams about introducing the workation benefit for employees. Most of these objections can be addressed with a data-driven approach, help of experts and productivity tools:

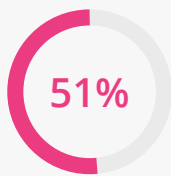
- **Leadership support:** Engaging leaders with data-driven insights on workations can shift their perspectives. Microsoft's *Future of Work* report (2022) shows that employees become more satisfied, stay longer with companies, and are more productive when given the flexibility to work from anywhere. Additionally, highlighting competitors' offerings underscores the competitive advantage in attracting talent. No company wants to lose top talent to a competitor.
- **Employee demand:** Initial demand may seem low since employees often do not proactively communicate their needs. Include a question about their willingness to have this benefit in employee surveys and feedback sessions to gauge demand. Also, consider the frequency of workations mentioned in interviews and recruitment processes.
- **Resource management:** Efficient resource management is crucial. Tools like WorkFlex streamline the process, keeping costs and administrative resources low. Clients who switched from manual processes to WorkFlex reported cutting costs by 70% and saving 1,5 hours of admin work per workation request.
- **Policy and legal concerns:** Collaborate with legal teams or providers like WorkFlex to develop clear policies and compliance frameworks. Setting boundaries and expectations ensures smooth implementation of work-from-anywhere benefit and effectively manages risk.
- **Productivity concerns:** Proper planning and clear objectives ensure workations do not negatively impact productivity. Many organizations report enhanced creativity and performance after workations. Previous WorkFlex surveys indicate that 87% of employees feel workations reduce stress and support increased productivity.

Introducing workations can offer significant benefits for companies. Workations not only meet the growing demand for flexibility but also give companies a competitive edge in attracting top talent. Embracing this trend could be a strategic move that positions your company for long-term success. By addressing managerial and other concerns with a data-driven approach and leveraging tools like WorkFlex, organizations can foster greater employee satisfaction, retention, and productivity.

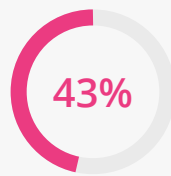
# Are employers equipped to handle workation compliance?

Survey results highlight that most companies are **not treating compliance measures for work-from-anywhere trips seriously enough yet**. Only **51%** of the respondents ensure employees are **introduced to the workation policy**. Furthermore, just **43% have implemented a formal approval process**, and even fewer provide essential guidance on travel health insurance (42%) or assess compliance risks before trips (40%).

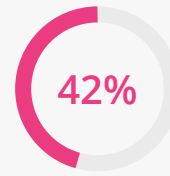
## How does your organization ensure compliance during workations?



Have employees read and agreed to company workation policy



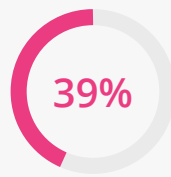
Implement a formal approval process for workations



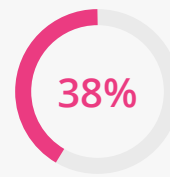
Provide guidance on travel health insurance



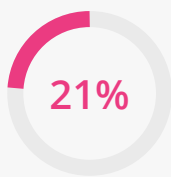
Assess potential compliance risks before each trip



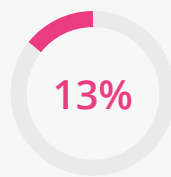
Prepare A1 certificates for social security compliance



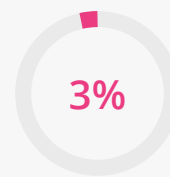
Provide employees with data security training



Provide guidance on visa applications



Use travel management systems to keep an audit trail on employee trip



None of the above

Source: WorkFlex survey (2024).

Additionally, **only 13% of companies are utilizing travel management systems** to keep an audit trail on employee trips. **Maintaining a clear audit trail is essential for managing compliance risks**, especially as statutory audits become more stringent. Moreover, employers have a duty of care to their employees, and failing to track their locations can hinder the organization's ability to assist them in case of an emergency.



# Making sure workations are compliant: what does it take?



**Dorothee Schweigard**  
DIRECTOR COMPLIANCE RESEARCH CENTER  
WORKFLEX

Workations have become a decisive advantage for employees by overcoming the fixed boundaries of the traditional workplace. While this flexibility often comes at little cost, it can create unexpected obligations for employers, in the form of compliance risks.

To avoid any compliance risks when employees go on workations, assessing compliance risks after a workation request has been received from an employee is crucial.

## Eight main risk dimensions relevant to work-from-anywhere compliance:

- 1 Visa & Work entitlement:** The risk that a workationer has no right to enter or work in the destination country.
- 2 Permanent establishment:** The risk that a workationer constitutes a Permanent Establishment for their employer in the destination country.
- 3 Wage tax:** The risk that a workationer triggers the obligation to pay wage tax in the destination country, thereby requiring the setup of a payroll in that country.
- 4 Social security:** The risk that a workationer or business traveler becomes socially insured in the destination country and/or drops out of the coverage of the home country's social security.
- 5 Posted Worker Directive:** The requirement to register business travelers or employees on workation in the destination country (for EU destinations).
- 6 Labor law:** The risk that local labor law becomes applicable to the employment of a workationer or business traveler.
- 7 Data protection:** The risk of non-compliance with a data privacy regulation as well as unauthorized access, breach, theft, or damage of data.
- 8 Travel health insurance:** The risk that the employer becomes liable if a traveling employee requires medical attention or suffers an accident while working abroad, obligating the employer to cover the medical costs.

Risk levels depend on various factors, including the employee's job role, nationality, and immigration status, as well as destination-specific factors. Considering all these variables, trip assessment is a crucial first step to avoid compliance risks. The WorkFlex Compliance Research Center has developed a comprehensive guidebook on managing temporary work abroad risks. Access the guidebook [here](#).

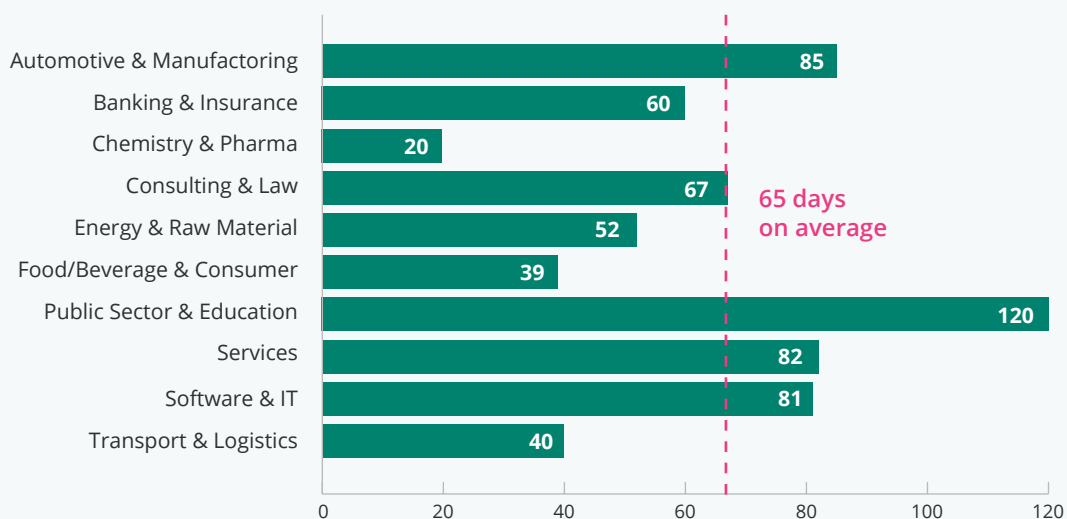
**Overall, compliance aspects should not hinder employers from introducing the benefit of working from anywhere temporarily. With relevant measures, the risks can be mitigated, leaving only the great benefits of improved flexibility.**

# Work-from-anywhere policies: how do employers handle this benefit?

When examining workation policies among companies using WorkFlex as their compliance management software, **the maximum number of days allowed abroad ranges from 20 to 120 per year across industries, with an overall average of 65 days.**

Although a solution helps manage workation-related compliance risks, work-from-anywhere thresholds still vary significantly across companies due to factors unrelated to compliance. Companies with a fully remote workforce typically set the threshold high - above 100 days abroad. In contrast, companies with on-site and hybrid workers often offer less flexibility to remote workers to ensure fairness. However, many companies provide alternative flexibility benefits to those who cannot work remotely, such as adjustable working hours, benefit package choices, and sabbatical opportunities.

## How many days per year can employees spend abroad?



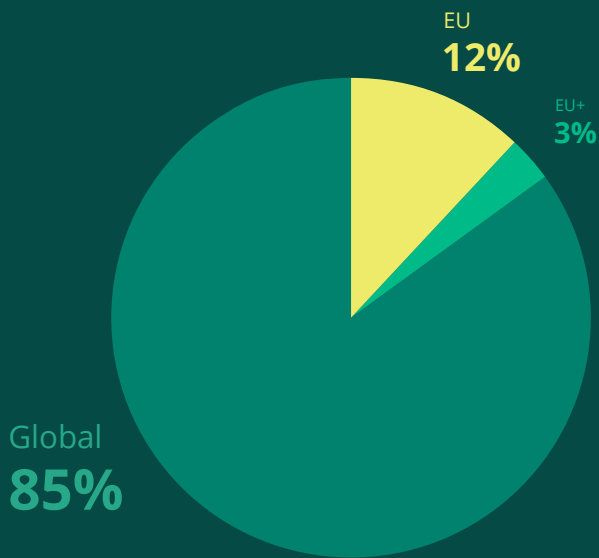
Source: WorkFlex analysis of 200 client work-from-anywhere policies (2024).

A concerning fact about workation policies comes from employers who have refrained from implementing official work-from-anywhere schemes so far:

**Companies with zero-day allowances do not necessarily prevent employees from working abroad; it often means employees take 'hush trips' without informing their managers, exposing employers to significant compliance risks.**

This is not an ideal culture to promote and can be dangerous for both the company and the employee, so being proactive with a proper policy is essential.

## What is the geographical scope of work-from-abroad policies?



Source: WorkFlex analysis of 200 client work-from-anywhere policies (2024).

Employers using WorkFlex for work-from-anywhere compliance offer significant flexibility in where employees can work from. **85% of companies allow workation requests globally**, excluding countries that are red-listed for security concerns. **15% have adopted a more conservative approach**, with 12% permitting workations only to EU destinations and 3% allowing work within the EU and the employee's home country.

While global destinations are widely available, requests are reviewed on a case-by-case basis to ensure compliance and manage any associated risks. This careful assessment helps **maintain a balance between flexibility and security**, enhancing the overall workation experience.

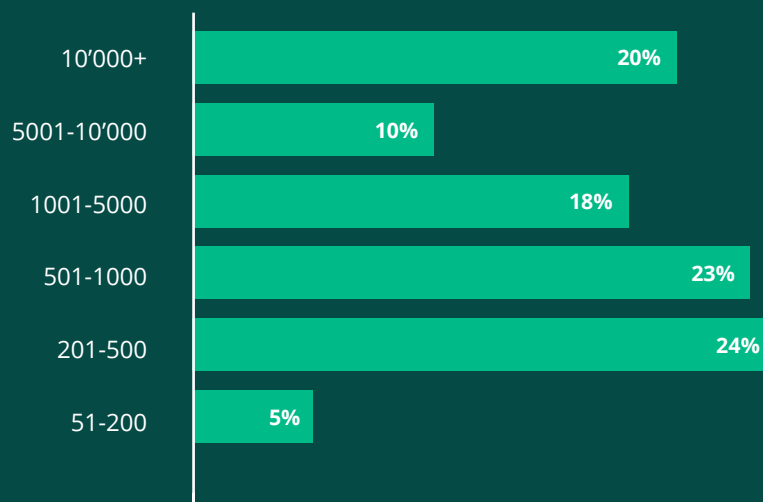


# About the report

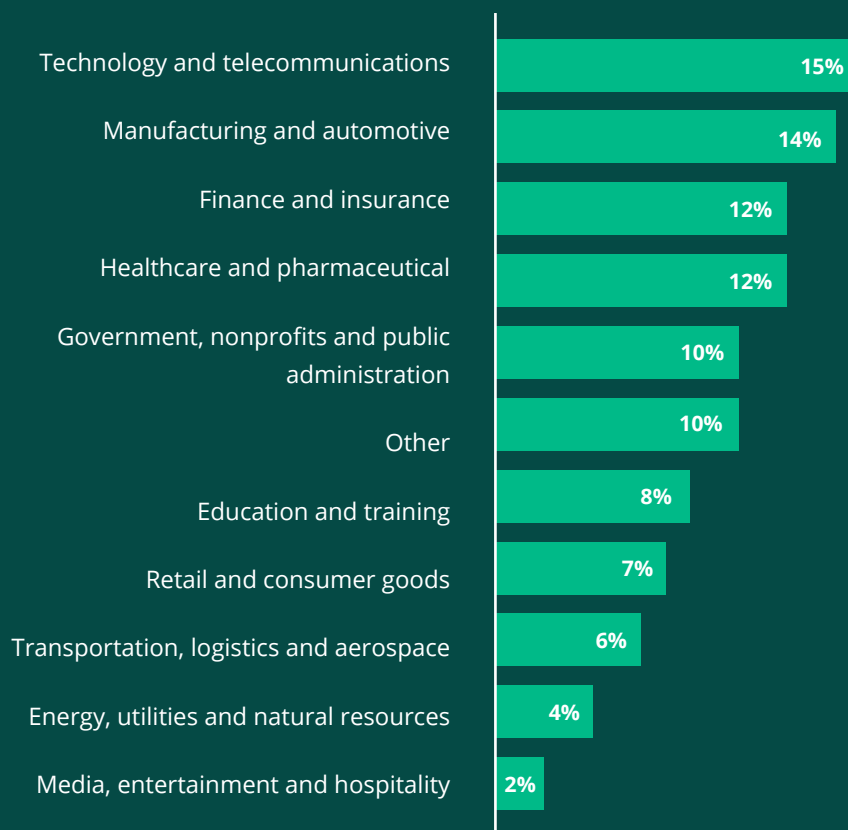
This report is brought to you by WorkFlex, the leading all-in-one solution for compliant and efficient global mobility management. The goal of this report is to equip HR, travel, and global mobility teams with the insights and strategies needed to adapt and thrive in an increasingly globalized and complex work environment.

The report provides an in-depth analysis of current trends, challenges, and opportunities in cross-border employment and global mobility. Drawing on survey data from 300 companies across the DACH region and the UK, as well as insights from 200 WorkFlex client work-from-anywhere policies, it aims to offer valuable perspectives on the evolving landscape of workforce mobility. The survey, conducted in July 2024, collected input from HR, Travel, and Global Mobility team members with decision-making power within their organizations.

Survey participants by company size (number of employees)



Survey participants by industry



# Thank you to our expert contributors

## Guest contributors

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Vialto Partners focuses on transforming the global mobility ecosystem by offering comprehensive solutions that support multinational organizations and their employees. Their services include tax solutions, immigration services, compensation and rewards, and dynamic work strategy implementation.

### **Daniel Zinner**

Founder of the People Mobility Alliance, Consultant at PMA Consult

PMA Consult specializes in consulting services that help companies strategically transform their business by leveraging people mobility and fostering global collaboration, enabling them to thrive in an increasingly borderless world.

### **Frank Jura**

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HK2 Rechtsanwälte is a Berlin-based law firm that advises companies of all sizes and industries on a wide range of legal areas, including IT law and data protection, intellectual property and copyright, advertising, competition and sales, and corporate law.

### **Paul Bennett**

Co-Founder and CEO at PerchPeek

PerchPeek combines an award-winning platform with a global team of relocation experts to deliver high-quality relocation services at a fraction of traditional costs.

## WorkFlex team contributors

WorkFlex is an all-in-one solution for efficiently and compliantly managing work-from-anywhere, business travel, and visa requests. With over 200 clients across Europe, WorkFlex is the top choice for enterprise-level employers seeking innovative solutions to streamline global mobility compliance and processes.

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