

Community discussion about #RemoteCompensation

Berlin, May 2022

In collaboration with [Deel](#), the platform built to help companies hire remotely, [People Mobility Alliance](#) hosted an intimate community event around the topic of remote work. Experts, providers, employees and freelancers attended to discuss one of the hottest topics in the world of people mobility right now.

What does remote work mean?

Before diving into the main topic of remote compensation, the first discussion centred around defining exactly what remote work means. Popular questions on this topic include:

- Does remote work refer to the popular “working from anywhere” option?
- Is remote working just working from home all the time?
- If so, what difference does it make if you work in your country of residence or another country?

Of course, anyone within the people mobility, global mobility and talent mobility sector already understands that the answer to the final question makes all the difference! This is largely due to compliance issues.

While it is difficult to have a conversation about anything remote work-related without including compliance, talk of it was kept to a minimum to allow maximum time for discussion around the main topic.

How to implement remote work?

Many longstanding companies are still in the beginning stages of implementing remote working setups into their existing programmes. Some industries are not in desperate need of bringing remote work into their world yet. This leads to differing views and interesting ways of defining

exactly what remote work should and can look like.

Contributions during the People Mobility Alliance discussion came from everyone including Talent and Global Mobility Managers, Recruiters, HR specialists and People Managers.

For example, one recruiter specialising in IT shared that remote working benefits in his industry are not as important as salary compensation. On the other hand, an HR Manager explained that building remote work into employees’ benefits packages is important in order to create an attractive value proposition for candidates.

Industries often struggle to find the right candidate in their local area, so offering remote working benefits is necessary. In the 2022 [AIRINC](#) Mobility Outlook Survey, 45% of companies said they allowed it on a case-by-case basis to eligible employees.

24% of companies said they use remote work as part of their offering whereby they allow staff to do short stints working remotely/from anywhere for fixed periods in order to be an attractive employer.

However, these “short stints” can sometimes only be 15 days. Many employees looking for remote working options are looking for longer stints. The reason for such short, fixed time periods is based on some of the complexities of setting up remote working benefits.

What about jobs that cannot be performed remotely?

There are, of course, some jobs that simply cannot be performed remotely. And many companies have both kinds of employees on their payroll.

The question was raised: How can the company justify treating some employees differently to others? They can't.

"It's the nature of the job" is not a sufficient excuse. It was agreed there have to be other benefits to compensate for those employees unable to perform their jobs remotely.

How to compensate remote employees

What was our topic, however, was how to compensate those remote employees. We talked first about what kinds of packages they would get. Would the move, a school for children or a housing allowance be paid? The answer to that was, as so often... 'it depends'. And it does: it depends on whether the move is company-initiated or employee-initiated. It depends on whether the employee is already in the location they want to work in or not. It depends on so many factors.

The big question of the event focused on how exactly companies can compensate remote employees going forward. What is the best way to approach this complicated topic?

The talk started around what kinds of compensation packages would be available. For example, would relocation, a school for children or housing allowance be included? Nobody was able to give a clear answer on this yet. The collective answer was: "it depends." And it's

true. There are so many factors that go into deciding upon mobility compensation packages that it's never easy to give one answer.

Salary compensation is less complicated. Comparisons can easily be made by taking into account differences in the cost of living, taxes and housing. Ultimately, companies must respect the employee's purchasing power without treating them like a "traditional expat" on an over-generous package.

AIRINC implemented a tool that can run such comparisons and provide potential employees with a base salary that allows them to keep their purchasing power. If the company already has a salary range based on existing employees in the same area, the AIRINC tool can provide an assessment of how the offered salary compares to the current one which can be useful for employers preparing for salary negotiations.

Remote work is here to stay

Despite some differing opinions on what is considered to be remote work and how to fairly and properly compensate remote work, attendees were united about one thing: remote work is here to stay.

There are a number of organisations within Germany, such as [Noah Mobility GmbH](#) and [CLEVIS GmbH](#) offering help to organisations and individuals looking to make use of remote work.

However, it's vital that companies prepare exactly how to add remote work to their programmes and how to compensate all employees fairly. Remote work packages have to be beneficial to everyone and it is important to get it right before rolling it out within a company.