

The Dangers Lurking In Your Legacy Mobility Management System

There is a cliché in IT: if something is not broken, do not fix it. Or, more accurately perhaps, do not replace it. What that means in reality for large organisations with big legacy systems is that imperfect and ageing technology that just about does the job is left to tick over.

And it is understandable. Sticking with what is known can seem a safer option than ripping out a tried-and-tested system of record and replacing it with something new. There is a fear of the unknown.

However, as the world of global mobility management (GMM) evolves, this approach of keeping old legacy applications on life support, with sticky tape fixes, is not sustainable. At some point the wheels will come off. And not only does staying put on legacy create all sorts of hidden costs and risks to the business, but it also prevents organisations taking advantage of the many cost, flexibility and efficiency benefits of modern cloud-based software.

Hidden Costs Of A Legacy GMM System

Typically, when it comes to existing GMM systems, many large organisations will have their own home-grown bolt-on to the HR system. And while they can get information from the HR system, it is not connected to other internal systems or their vendors for services such as immigration or relocation. When it comes to pulling together the full assignment cost estimate, the legacy system might cover demographic data and compensation, but not the costs and associated tax of relocation or immigration, as an example. Filling those gaps means using inaccurate spreadsheets or paying external providers to make calculations.

Take relocation service vendors, for example. They provide multiple services, but the mobility team does not have the visibility to pre-empt costly issues such as delays because all the information sits in the vendor's system, which is not connected to the internal legacy system.

Smaller organisations might rely completely on spreadsheets or an Access-type database, which cannot be shared nor track who has made changes. And other organisations might just fall back on outsourced service provider technology, in which case all the data and insights sit on a third-party system with very

limited access, resulting in a lack of visibility and transparency.

For those larger organisations with a home-grown system, the reality is that after a couple of years it will only be providing up to 50% of the functionality they need. And the hidden cost to the business lies in all the duplication, manual effort, errors and huge numbers of workarounds developed over time. It might not be a visible cost, but the time for a full-time employee running reports because they have to pull the data from 25 different sources soon adds up. As do the fees for having to plug those functionality gaps in disconnected legacy systems by paying third parties to run cost estimates, compensation calculations and even payroll – all of which are now easily supported by modern GMM solutions. And for those organisations that stay with document-based instructions, there is a very high risk to the accuracy of payroll data that is received and processed by the various payrolls.

Legacy Risks Lurk Beneath The Surface

There are other legacy risks too. IT organisations may be taken over or go out of business, or the software may be retired, meaning the legacy solution is suddenly unsupported. Internally, most IT departments are also under severe pressure and simply do not have the time, skills or capacity to continue making updates to a home-grown GMM system. Sometimes an organisation will decide to outsource the IT department completely. Either way, patches and fixes end up in a queue for months.

And internal audit could shut the system down because there are too many points of potential failure due to manual input. Or there is a lack of version control visibility and tracking who has accessed and changed things.

Things may appear to be working adequately on the surface, but all these hidden risks and costs build up until they suddenly reach breaking point. A very revealing exercise is to assess all the internal workarounds that have been put in place to support an inadequate legacy system that is stuck in time.

The only visible sign of these underlying legacy issues is the frustration and noise gradually getting louder from dissatisfied assignees due to avoidable errors, such as incurring a fine due to missing a tax filing deadline, or an immigration or social security document expiring.

Changing Global Mobility Management

At the same time, GMM and the nature of assignments is evolving and this is putting more pressure on those outdated legacy systems.

The standard employee assignment lifecycle is changing and HR departments and mobility teams must be able to adapt. More employees are moving in non-standard ways – shorter-term assignments and extended business travel, for example – and that means the lifecycle is different from case to case. The expectation of self-service and personal choice from assignees is increasing and the overall assignment lifecycle is getting shorter and shorter as the speed of time-to-post increases. Legacy systems simply cannot support this level of sophistication.

A GMM solution needs to have the agility to adapt to ever-changing legislation and political events that impact employees on overseas assignments. Recently we have had the EU General Data Protection Regulation (GDPR), and Brexit is still a huge unknown. One of the key upcoming changes due to come into full force in 2020 is the revised 1996 European Posted Workers Directive. This covers workers employed by a company in one EU country who are assigned to temporarily work in another EU country. The new rules are aimed at ensuring equal pay levels for the same work being done by these posted workers and local employees. That will affect calculations for wage scales, annual leave, expense reimbursements and allowances, as well as creating requirements for document and data retention on time sheets, salary payments, social security and health insurance.

There is generally an expectation of more flexibility and self-service around employee assignments as well. Younger entrants to the workforce expect to have more personal choice based on their circumstances. It needs a modern, joined-up GMM system to be able to offer that flexibility and personalisation, while also ensuring it is all trackable and reportable.

Let us not forget the battle for talent within the mobility team itself, either. When it comes to employees in the mobility management team, graduates and new talent do not want to work with spreadsheets and old legacy systems and spend their days doing tedious manual entry into spreadsheets and databases. Those who have grown up in the digital world will choose to work for companies that offer them the opportunity to work with the latest technology. Bad tools could increase attrition.

Why Switch To A Modern Cloud-Based Solution?

The compelling argument and business case for switching from those ageing legacy mobility management systems is the cost and efficiency savings that a modern cloud-based solution provides. Think about the savings from a connected, automated system that eliminates all the manual entries employees are making into multiple payroll databases and downstream systems around the world.

In the cloud all the organisation's data is in one place with real-time visibility across the network of systems, making it easier to track changes. The security level provided by cloud vendors is usually much higher than most organisations could ensure themselves. Encrypted connections are in place and availability is higher with less downtime. This enables organisations to control access for only the people who need the information, and track that too.

A cloud-based solution also reduces the operating costs for an organisation and the maintenance and upgrading of legacy hardware and software. The right cloud vendor takes care of hosting and automatically updates to the newest versions of the software and the latest functionality. The cloud is also more scalable and can easily be ramped up or scaled down according to business needs.

But organisations need to plan and be realistic about migrating to the cloud for

mobility management. How easy it is to make the switch depends on the type of mobility programme, its complexity, how many different policies there are and how many HR and payroll systems the organisation is trying to migrate.

The danger with a legacy system is that it has been there so long nobody actually knows how it is calculating things, what the numbers are and what data it is using, and why it was that in the first place.

The right vendor can map out a clear path based on the organisation's own situation. But if significant changes are planned to the mobility programme at the same time as migration, be prepared for it to take significantly longer.

All of this is to say nothing of how to get the business case for making the switch approved. Mobility teams are well accustomed to how frustrating and difficult this can be. There are endless barriers to overcome, with multiple stakeholders and layers of approval. And it is about navigating the corporate culture. Often there is a right way of presenting it. The best advice is to find someone who has done it successfully and get them, along with the right cloud solution vendor, to help navigate that maze.

Ultimately, the message is to be proactive. Organisations cannot afford to just ignore those growing risks and costs lurking in legacy GMM systems. Start now to plan for the future and stay ahead of the competition.



VICKI MARSH

SVP Solutions Consulting, Equus Software. Equus Software is the global leader in cloud-based international relocation and mobility solutions. More than 300 organisations around the world rely on Equus tools and technology to automate mundane, transactional work so that global mobility teams, talent management professionals and other key stakeholders can focus on adding value to the business.

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