

# Managing Home Leave

**Expatriate reward is a critical issue when companies are planning and implementing a successful assignment. It can be complicated to balance expectations of reward and then design and promote the benefits to an internationally diverse workforce. This report aims to provide tips to make reward and benefits meet the needs of the assignee and their employer.**

Is there a connection between Home Leave and employee attrition/retention? Home Leave was intended to help minimise the effects of the culture shock of an international assignment. It allows assignees to maintain family ties and stay current with home business contacts and associates; and keep connected with their community and culture. Still, attrition rates upon completion of assignments remain high. Is there a disconnect between the philosophy of the home leave provision and its actual impact to assignment satisfaction?

An important question for an organisation is whether its Global Mobility programme should require the assignee to use the Home Leave benefit to return home or if they may be permitted to visit another location of their choosing? The answer to this question should determine how this benefit will be defined and administered within an organisation's assignment policy.

The dynamics of international assignments have evolved through the years. In the early days of international mobility, expatriates were mostly unaccompanied on long-term assignments. Separated from immediate family, the home leave was a practical solution to ensure stable family relations. Upon completion of the long-term assignment, the assignee would return to the home location.

These days, the story is a bit different – short term assignments continue to increase in popularity, lessening the time an employee spends in the host country. Succession planning is becoming more prevalent too, indicating an increase in subsequent assignments rather than simply repatriating the employee.

As the workforce becomes more diverse, where is home for these inter-cultural families? As distances between home and host locations increase, advances in technology (e.g. teleconferencing, video conferencing, e-mail, webinars, etc) are closing the gap. All things considered, Home Leave may be a bit of a misnomer as many companies do not restrict travel for this benefit to the employee's departure/home location, while other companies provide a leave benefit to give the assignee and family members the freedom to use the trip as an "extra break". Still, providing some rest and relaxation may be beneficial to an assignee's emotional well-being. This is particularly true for employees on assignment in locations considered 'hardship' locations.

Often times, organisations may even provide an additional Rest and Relaxation allowance or a Hardship trip to a family or employee, to advocate that the employee leave on holiday to "recover from the hardships of an assignment" or obtain medical exams. Why not apply the same philosophy to the Home Leave benefit? In designing an effective "home" leave benefit, flexibility and feasibility should lie at the core.

## Recommended Provision

First, a budget should be established for the assignment. Of the companies surveyed in Paragon Relocation's monthly 'Paragon Pulse' survey, approximately 42% indicated that they establish the budget based upon the estimated cost of advanced-purchase airfare between the host location and the employee's point of origin.

Next, the maximum number of round trip tickets will be based upon the assignee and number of eligible dependents. Rather than providing this as a lump sum to the assignee, which could have additional tax implications dependent upon location, the final figure should serve as a 'not-to-exceed' value when the employee books travel. A conventional approach is to provide one Home Leave trip per year while on assignment, consisting of roundtrip airfare for the employee and family, effective after the employee has been in the host country for twelve months.

**Does your company's policy offer a provision for home leave?**

Short Term Assignments (defined as up to 1 year)	62%
Long-Term Assignments (defined as 1-5 years)	85%
No	15%

**What are the number of days allowed for home leave?**

	Short Term Assignments <i>(defined as up to 1 year)</i>	Long-Term Assignments <i>(defined as 1-5 years)</i>
5 days	25%	14%
7 days	50%	14%
10 days	25%	71%

**Is home leave deducted from vacation time?**

Yes	75%
No	25%

**What options are available for home leave?**

Point of Origin	42%
"Lump Sum based upon airfare to point of origin, but can go to destination of their choice"	42%
Family to visit in lieu of trip home	0%
Cash equivalent in lieu of trip	8%
Other, please specify	

**What is your company's philosophy for offering home leave?**

Stay connected with home business contacts	67%
Stay connected with home community	67%
Provide break during assignment	42%
Other, please specify	8%



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Last, to offer maximum flexibility, the assignee should be able to book to any location of their choosing. Should the travel costs exceed the budget, the assignee would be responsible for any additional charges. Since there is an element of personal choice with this structure for the Leave benefit, the days during leave should be deducted from the assignee's time off (e.g. Paid Time Off - PTO) balance, unless business is being conducted at the destination.

## Short-Term Assignments

Traditionally lasting less than one year in duration, short-term assignments are generally unaccompanied and continue to increase in popularity for organisations. While on assignment, the family maintains the connections and relations in the home country. Because of this, it may be more advantageous to the family to visit the assignee and share in the experience by visiting the host location. This may further ease repatriation as the family will have a common reference.



## Long-Term Assignments

The family typically accompanies the expatriate employee on long-term assignments. While it may be necessary to reconnect with the home country through annual trips, assignees and their families may choose to take advantage of the offered time and funds to explore different parts of the world within the region where they are assigned; ultimately enriching the family's experience and enhancing the overall success of the assignment. Since most Long-Term Assignments are one to five years in duration, a flexible, budget-based approach to what we loosely refer to as a "Home Leave" benefit, offers the flexibility for the family to connect one year and explore the next.

### Conclusion

In offering a "Home Leave" benefit, keep in mind that the organisation's primary goal should be to foster an employee's sense of connectivity. Whether the assignee wishes to re-connect with friends and family at home or with people of an entirely different culture, the ultimate goal of the assignment programme and the Home Leave benefit is to ensure that the assignment is successful. It is therefore important to keep in mind that what may make an assignment successful for one employee may vary dramatically from another.

In short, Global Mobility managers may want to leave it to the employee to decide if they wish to go home or go elsewhere. The way to enable this is to

consider adding a budget based Home Leave benefit that allows personal choice in how and where the trip is spent.

### About the Author

*Karen Kason has over 8 years of global relocation experience with leading service providers in operations and consulting. She has successfully designed and implemented new relocation programmes for a number of well-known, multi-national organisations by applying her front-line experience to cultivate approaches to policy design that both appeal to the client's bottom line while providing relevant benefits to increase employee satisfaction. In addition, Karen's portfolio of work includes benchmark studies, customised research projects, White Papers, as well as recently being published in Mobility magazine. Karen holds a B.A. in English with an emphasis in Technical Writing from Northern Illinois University in DeKalb, IL. In addition, she has her CRP (Certified Relocation Professional) and GMS (Global Mobility Specialist) designations, and is presently pursuing her Project Management Professional (PMP) certification.*

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