

Cigna and National Foreign Trade Council Global Mobility Trends Survey Results

WILMINGTON, Del., 05 November, 2015 - Cigna Global Health Benefits (NYSE: CI) and the National Foreign Trade Council (NFTC) recently surveyed more than 2,700 expatriates working in 156 countries to better understand how they and their families experience, perceive and value various elements of assignment terms and programs. While many surveys tell the global mobility story from the perspective of the employer, this survey is unique because it gathers candid feedback from the globally mobile themselves-information employers are rarely able to gather on their own.

Expat profile

Among people who work outside of their home country, three things are true: they are male (81%), middle-aged and have a family. Beyond that, all bets are off.

The globally mobile are growing older; Gen X is entering its peak earning years and Baby Boomers are remaining in the workforce longer than did previous generations. According to the survey results, many expats are leaving their families at home for various reasons. Today, many assignment locations are in emerging markets or a remote location, which is one reason expats might leave their families at home. In recent years, there has also been a dramatic increase in business and technology-related assignments with shorter durations; generally between six and 12 months. Thirty-eight percent of respondents reported that they did not bring their children with them during assignment.

Although most expats still hail from the U.S., their numbers are down by 10% from just two years ago (and down 24% from the 2001 survey). Globalization is likely a factor with more companies having operations across the globe with access to qualified local talent. The U.S. tax regulations may also be a reason for the decline, making expatriation of U.S. nationals more expensive than expatriates from other countries.

Accessing medical care abroad: more expats look locally

The proportion of expats accessing medical care on assignment stayed consistent from 2013 at 79%. Seventy-five percent of expats said they access local providers for routine medical care.

Gender appears to play a role in which type and where expats and their families access care during assignment. While the rate at which men accessed care stayed about the same (78% this year versus 77% in 2013), the share of women accessing care rose five percentage points to 83%. Even though a larger percentage of women are accessing care while abroad, they are slightly less likely than men to seek care locally. However, more women (47%) said they were much more likely to seek treatment locally for serious medical care than they did in 2013 (38%).

Mobility benefits packages: Flexibility and customization

Greater flexibility in plan design was a common theme when employees were asked what employers might change or add to their global mobility assignment packages to make them more useful.

"Similar to what we saw in the 2013 results, a one-size-fits-all approach to mobility program services can lead to potential dissatisfaction, or worse, an unexpected end to a global assignment," said Leah Cotterill, vice president, North America Client Management, Cigna Global Health Benefits. "Global mobility directors have to be cognizant of striking a balance between the needs of the business and those of the expats and their families. While the trend toward managing costs through benefits reduction might save companies money in the shorter term, the approach may not lead to longer term satisfaction, loyalty, trust or success."

Support and communication

Results from this year's survey indicate that certain gaps - whether real or perceived - still exist between the resources employers say they provide to expats in comparison to what employees say they need.

Communications - before, during and after assignment - are critical to expats and the success of their assignment. Survey responses indicate that employers shouldn't be worried about over-communicating.

- 38% of respondents received only one communication prior to departure and nearly a third received two to three.
- More than 75% received information about their global mobility program benefits during assignment. Of this group, one in four received messages on a quarterly basis.
- Email and phone calls with HR/global mobility representatives were the top two forms of communication with 90% and 70%, respectively.

Overall, the support employers have traditionally made available aligns with what expatriates say is needed. More than three-quarters of respondents said their employer provides help with moving household goods; setting up utilities and other settling-in needs, as well as help with finding doctors and getting vaccinations. Yet, globally mobile employees say they need more, particularly related to local culture and lifestyle.

Only 20% of information sent to expats before assignment covered local lifestyle resources such as grocery stores, child care, etc. "Prepare employees better for the cultural shock they will experience, particularly for newcomers," said one respondent.

The use of digital communications, particularly social media, increased dramatically since the 2013 survey. More than twice as many expatriates chose Facebook this year than they did in 2013, which reflects the increasing use of social media as a human resources portal by employers.

There also appears to be a dramatic change in the perceived usefulness of digital resources. Nearly twice as many expatriates in 2015 said their employer intranet is an effective communication tool. Interestingly enough, almost half (44%) said that they either didn't know or their employer didn't offer online access to information concerning their mobility benefits program.

"Globally mobile employees and their families want reliable and consistent communication from employers from preparing them for assignments before they depart and ensuring they feel appropriately supported and connected while away," commented Cotterill. "While many employers are making strides in this area, more can be done to better facilitate communication concerning global mobility program features and services for employees and their families."

"As businesses continue to expand and compete in today's global marketplace, the importance of global mobility has never been greater," said Bill Sheridan, NFTC Vice President of International Human Resources. "This year's survey results not only reflect this, but also reveal key insights into how global mobility and the expectations of expats have changed since 2013 - insights that should influence how employers meet the needs of their expats going forward."

Expatriation: A lifestyle choice, not just an economic obligation.

This year's results demonstrate that global mobility is no longer just an economic obligation, but is instead a lifestyle choice evolving into a career unto itself. The spirit of adventure, the potential to hone one's qualifications and the appeal of living abroad remained the greatest influences on the decision to accept a first assignment.

One key difference to note is the proportion of expats who indicated they went abroad because they wanted to versus feeling they had to-down by 12.5% since the 2013 survey. Additionally, the number of expats who have been on five or more international assignments increased sharply to 25% from 18% in 2013. This may indicate that global mobility is becoming an occupation in its own right.

Repatriation: Just as difficult as expatriation.

Slightly more than half (54%) of expats who responded to the survey say their employer has a formal repatriation program - and yet most employers report they offer one. In fact, many respondents expressed that repatriation is effectively as difficult as expatriation.

Expats find a return home can result in culture shock. Changes in finances and taxes for the household were a big concern, as was finding new employment. "My family and I will probably need as much (if not more) help repatriating than we have needed on assignment," said a respondent.

Many expats recommended beginning repatriation arrangements at least three months before departure. Commenting on a return home after assignment, one respondent said, "I'd like to see a repatriation program in which we are given news of the return home at least three months prior to the move so we can prepare."

For more information about the Cigna/NFTC global mobility trend survey and its results, go to <http://www.cigna.com/newsroom/new-survey-results-expat-expectations> or www.nftc.org.

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