

How R&R Policies Have Changed Over Time

Virginia G. McMorrow

While many expatriate families worry about traditional concerns such as language difficulties, unfamiliar currency, reputable schools, adequate accommodations and spousal employment, those assigned to hardship locations have an added layer of anxiety. Expatriates assigned to such locations – in Africa, the Middle East, Latin America, certain parts of Asia, and a few European cities

– face more serious issues brought about by harsh living conditions, unreliable medical care, political instability and other significant factors.

In some of these places, expatriates live in secure compounds or remote outposts, sometimes apart from their families, due to the nature of the host environment or the work in which they are involved. Exacerbating

the situation is the rising tension in certain regions of the world, making it essential that rest-and-recreation or, (R&R) trips retain their importance for the expatriate family. Many employers allow the expatriate (and their accompanying family) additional time away from the host location beyond vacation and home leave.

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Regional R&R Policy Comparisons

Region	2004	2010
Asia	36%	36%
Europe	25	20
North America	43	30

Source: Mercer's Worldwide Survey of International Assignment Policies and Practices, 2004 – 2010/11 editions



Trends Over Time

In recent years, and perhaps as a result of cost-saving initiatives, the percentage of companies providing R&R leave declined from 37% in 2004 to 29% in 2010. Mercer's *Worldwide Surveys of International Assignment Policies and Practices* (2004 – 2010/11 editions) indicated a 38% response in 2006, which dropped to 33% in 2008.

Regional comparisons provide insight into cultural nuances with regard to R&R. For example, although the prevalence of R&R leave was

the highest in North America (43% in 2004), it dropped to 30% by 2010. Asian companies reported fairly stable prevalence rates. (See chart, "Regional R&R Policy Comparisons" on page 7.)

Practices vary widely by industry category, as well. The highest percentage in 2004 was 70% for the energy industry. In contrast, the highest percentage in 2010/11 was 50% for two manufacturing industries: aerospace and military, and vehicle and heavy machinery. (See chart, "Industry Comparisons 2004-2010/11.")

Employers Still Send Assignees on R&R

Depending on the company's policy, size of the expatriate population, resources, local conditions – and in spite of demands for cost containment – expatriate policies continue to include R&R trips. Although employers vary in their generosity levels, they continue to recognize the need to send the expatriate family to a safer, more hospitable city for a "breather." And for those expatriates who live apart from the family, the need to reunite them, however briefly, remains important.

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Industry Comparisons 2004-2010/11

Industry	2004	2010/11
Construction & engineering	69%	43%
Energy	70	42
Life sciences	34	15
Manufacturing: aerospace & military	55	50
Manufacturing: chemicals, rubbers & plastics	35	39
Manufacturing: consumer products	51	32
Manufacturing: electrical & electronics	19	29
Manufacturing: vehicle & heavy machinery	47	50
Manufacturing: all others	30	30
Mining	56	46
Multi-industry	61	30
Technology	21	7
Telecommunications	52	30
Transportation, distribution & logistics	39	31

Source: Mercer's *Worldwide Survey of International Assignment Policies and Practices, 2004 – 2010/11 editions*