

Glomads and the Great Resignation

The COVID-19 pandemic dramatically impacted businesses and individuals. Virtually overnight, working remotely became a norm causing millions to rethink their life choices, including where they wanted to work and live. In response, employers chose to be more flexible, allowing employees the ability to earn a living from virtually anywhere in the world. Helping clients adapt to these new lifestyle trends is another value-added service of the professional insurance agent.

The Great Resignation was one result of the pandemic. Millions of workers decided it was time to leave their current jobs for various reasons, including wage stagnation, boredom, wanting to work from home, and overall job dissatisfaction. Economic sectors that were heavily impacted by the mass exodus were education, healthcare, and hospitality. In 2021, a record 47 million people left their job. Even more - over 2.6 million - did so in 2022 (bls.gov). According to cnbc.com most did not leave the workforce altogether, but rather for new opportunities. This is seen in the fact that a record number of people, 77.2 million workers, were hired in 2022 (bls.gov).

Many people dream about traveling and living abroad. With advances in technology and the work from home experiences of the pandemic, global nomads, or glomads, have taken the step to live the life of their dreams. They have moved and continue to work - either permanently or on a temporary basis - in a foreign country.

Employers with workers in other countries have a number of issues to consider, including local employment and tax regulations, cyber risk, workers compensation for job-related accidents, and health insurance. In addition, it is essential to have an emergency plan in place in case something, such as illness, accident, or political unrest does occur. Some countries have strict regulations for employee termination. There may be tax implications if an employee is considered to have changed residency - even for those temporarily in other countries. Working permits and residency permits may be required. At minimum, employers must have a method to keep track of where their employees are, as well as their immigration status.

An employer with staff employed in another country on a short-term basis may be subject to compliance with local laws regarding such things as public holidays and work hours (mtradelaw.com). Transfer of personal data for expats - or employees working in another country - may also be subject to local data protection laws.

Cyber risk management is a concern for all employers, especially those with employees in different companies with perhaps questionable security. Employees accessing public Wi-Fi or using unsecured networks or personal computers for business can increase the employer's cyber risk.



Some state workers' compensation policies do provide coverage for employees who are injured while working in other countries. However, they may not extend to those out of the country for extended periods, endemic diseases, or costs to evacuate or repatriate. Employees hired outside the United States would also not be covered. Foreign Voluntary Workers Compensation (FVWC) is available to cover work-related injuries sustained by employees in foreign countries and not covered by domestic policies.

Another important consideration for world travelers is health insurance. Purchasing international health insurance is especially important for those who plan to travel back and forth. Visas are required to travel to or work in some countries and having health insurance may be a prerequisite for getting a visa. Domestic health policies may cover foreign injuries or accidents, but there could be a delay in payment of claims or benefits.

The face of the workplace is changing. Flexible work locations and schedules, including the option to live and work in a foreign country, may help companies retain good employees. Providing advice on important considerations such as international health insurance is another sign of the true insurance professional.



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