

What is the ideal time to explore a GEC?

In the demanding world of global mobility, where urgent operational matters consistently compete for attention, it is natural to defer strategic evaluations that are not immediately pressing. “Urgent” matters may not always be of strategic importance, but can account for a large portion of a Mobility professional’s time. More strategic initiatives can, therefore, be postponed to an undefined “later date”. In this context, it is not surprising to find that when the topic of Global Employment Companies arises, many Global Mobility professionals indicate that they are “not planning to explore a GEC that at this stage.” However, while understandable given competing priorities, this response may inadvertently create a blind spot with lasting implications.

The Question Behind the Question

The challenge with deferring GEC exploration is not about timing; it’s about framing. The decision facing organizations is not whether to implement a GEC right now, but rather whether a GEC model would create value for their specific circumstances. These are fundamentally different questions, yet they are often conflated in the pressure of day-to-day operations.

Every organization with internationally mobile employees exists somewhere on a spectrum: at one end, those who would derive substantial benefit from a GEC structure; at the



other end, those for whom it would represent unnecessary complexity and cost. The critical insight is that an organization’s position on this spectrum doesn’t change simply because the question hasn’t been examined. The opportunity cost (or the waste of an unneeded structure) exists regardless of awareness of it.

The Two Legitimate Conclusions

There are, in fact, only two defensible positions regarding GECs: (a) having explored the model and concluded it would add value; or (b) having explored it and determined it wouldn’t. Both conclusions require the same prerequisite, i.e. a thoughtful evaluation of feasibility, advantages, and disadvantages within the organization’s unique context.

The risk of implementing a GEC without genuine need is readily apparent.

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Creating an underutilized legal entity, establishing governance frameworks, managing compliance obligations, and maintaining operational infrastructure for marginal benefit represents a visible and quantifiable cost. Finance teams and senior leadership would rightly question such an investment.

Less visible, but potentially more significant, is the opposite scenario: not having a GEC when having one could meaningfully benefit the organization. This mistake accumulates quietly over time. Inefficiencies in policy implementation persist. Opportunities for streamlined governance and enhanced agility go unrealized. Tax and Social Security optimization possibilities remain unexplored. Years, or even decades, may pass with the organization operating at a structural disadvantage relative to what might have been achieved, all without the absence of a GEC ever being identified as a contributing factor.

The Value of Exploration

A high-level exploration of what a GEC could accomplish for a specific organization represents time invested, not wasted. These discussions need not be extensive or resource-intensive initially. They are about understanding whether the model aligns with strategic objectives, workforce composition, growth trajectories, and operational realities. They are about asking “what if” questions that provide clarity rather than commitment.

Such exploration serves multiple purposes beyond the immediate GEC decision. It deepens understanding of how employment structures intersect with business strategy. It surfaces questions about governance, efficiency, and workforce deployment that have value regardless of the conclusion reached. Most importantly, it transforms an “unevaluated status quo” into an “informed strategic position”.

For mobility professionals navigating complex stakeholder landscapes and finite resources, the invitation to explore GECs should not be seen as a call to immediate implementation, but as an opportunity to achieve strategic clarity. Whether the conclusion ultimately is to establish a GEC or to retain the existing model, the evaluation itself ensures that employment architecture decisions are made deliberately rather than by default.

In a discipline where foresight and strategic planning separate exceptional programs from merely functional ones, taking time to objectively assess whether a GEC belongs in your organization’s future may be among the most valuable conversations you haven’t yet had.