

#relosolutions

Focus on the Mission

Launching and landing a successful mobility program requires mobility professionals to focus on the primary mission

“Mission focused”

I watched a documentary on NASA's Saturn V program last week. This is the program that got America to the moon. Confirmed as NASA's choice for the Apollo moon program in late 1962, the Saturn V rocket would see a man to the moon in just seven short years from concept to execution. And this was in the 60's when even the best computer was the size of a VW bus and still did not have the computing power of your smart phone. What struck me most was the absolute focus and determination NASA put on the program. Mission focus that included a total cost over 10 years of \$6.4 billion and over 400,000 engineers, scientists, and technicians.

As mobility professionals it is easy for us to lose focus on our mission. Competing time priorities and limited budgets can throw even the best of us off track.

The mobility mission

What is the mission for mobility professionals? Essentially, it is ensuring the right talent at the right place at the right time. Broken down, typical goals for relocation benefits include:

1. Get the employee or recruit to accept the offer and relocate
2. Get the move done quickly to avoid second thoughts or counteroffers
3. Keep the employee sane and productive during the move
4. Enhance employee engagement by demonstrating that the employer really does care about the employee and their family

Impact of budgets

Let's start by talking about the elephant in the room. Relocation can be an expensive proposition and most organizations do not have unlimited budgets. However, failing our mobility mission can also be very costly. Avoiding costs of turnover, recruiting, and training must be included when evaluating relocation program budgets. The productivity value of an experienced employee must also be given value over the productivity of a new hire when evaluating transfers.

Turnover Costs are defined by SHRM as, "...costs associated with an employee leaving the company, including items such as unemployment, COBRA administration, and lost productivity. It also includes the costs of hiring a replacement, orientation, and training."

In a group move scenario, you would also include severance and stay bonus costs. New employees also bring increased risk of error, accidents, and write-offs. All these costs together can be substantial and run well into six figures per individual at most companies. If your organization does not currently measure turnover costs, work with the appropriate team members to make this a priority. Mobility budgets are much more easily justified with costs avoidance as backup. Even for new recruits, the cost of a failed relocation will include recruiting and training costs, which will need to be repeated.

Cost avoidance

"Penny wise and pound foolish" tends to describe the budgets for many mobility programs today. Despite a strong economy and tight labor markets, employers often formulate mobility budgets without taking the primary mission into account. Fortunately, there are many relatively inexpensive tools available to mobility professionals to ensure mission success.

Hire a professional

First and foremost, hire a professional relocation management company (RMC) to run your program and take care of your employees. Few organizations have the bandwidth to focus on the complexities of day-to-day human resources tasks and still give sufficient attention to mobility, which is frankly a niche area. A dedicated RMC has the resources and expertise to ensure a top-notch experience for your employees for little or no additional costs. At most, RMC fees or other costs to the employer run low single digits as a percentage of the overall relocation spend. As a result of economies of scale and negotiating power, most RMC's will cost less than trying to handle your program internally.

Accepting the offer

The first step in a successful relocation or assignment is to get the candidate to accept the offer. This starts with having fulsome policies in place which detail the benefits provided (see "hire a professional" above). Secondly, work with your RMC to engage candidates with Pre-Decision Support. The Pre-Decision program is a suite of services designed to help relocation candidates, whether they be new recruits or transferees, become familiar with benefits offered, explore the new location, and consult with real estate and lending experts. Transferees and their family have many questions, Pre-Decision Support gets them the answers. HomeServices Relocation clients have access to Pre-Decision Support at no additional charge.

Get the move done quickly

The longer the entire process takes, the greater the opportunity for frustration on the part of the employee and their family. For employees that remain in the origin location for any length of time, there is an increased chance they will find another job that eliminates their need to move. Robust home sale support is important to ensure employees sell their homes quickly and

get to the new location without having to manage the sale of a home at origin. Fortunately, real estate markets are brisk, and homes are selling quickly. It will not always be this way. To combat slow real estate markets, some employers offer guaranteed buyouts (GBO) for homes in which the employee markets the home for 60 – 90 days and if not sold, the RMC will step in and buy the home on behalf of the employer, allowing the employee to get to the new location and get engaged with their new role. In tough markets, the use of repair and improvement (R&I) allowances can be very effective in speeding time-to-sale. A couple of thousand dollars can go a long way in making a tired home look bright and new.

Productivity and family support

General RMC support and the benefits of having a dedicated relocation counselor will be instrumental in ensuring employee productivity and sanity during a move. Additionally, utility connection concierge services help take the stress out of the move for both employee and spouse. HSR's concierge service works with the employee to set up utilities, cable, internet, and other needed services in the new location, so the employee can focus on work.

Family support is critically important. Relocation is a stressful time for family members who don't have the excitement of a new role to balance the frustrations of moving. New schools, clubs, church, and even new jobs, combined with the loss of much that was familiar is very stressful for spouses and children. Such stress can lead to conflict at home, resulting in lack of productivity and engagement at work. One of the most successful and often overlooked relocation benefits is Family Support Counseling. Serviced by specialized third parties, family support includes Needs assessment, Spouse job search assistance, and research and counseling on Education options, Special needs resources, Civic and charitable organizations, Hobbies, Sports, Childcare, and Pet services. Packages are available for both families and singles and are priced quite reasonably for the benefit provided to the employee and family.

Mission success

Success in the mobility mission requires constant focus and a willingness to provide the right level of services for employees and their families. HomeServices Relocation is here to help. Give us a call to see how we can enhance your employee's mobility experience.