SIRVA® Worldwide Relocation & Moving

2018 Mobility Report

TALENT MOBILITY FOR BUSINESS GROWTH – ALIGNING PRACTICES TO DRIVE ORGANIZATIONAL IMPACT

Aligned to Deliver

How the Mobility Function Impacts Experience

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The SIRVA Mobility Report, *Talent Mobility for Business Growth – Aligning Practices to Drive Organizational Impact,* builds on our 2017 annual report and continues to focus on the challenges and opportunities that mobility encounters to better align mobility with the business growth and workforce priorities of the organization.

In many instances, mobility transformation efforts focus solely on policy redesign; however, all organizations should also consider the way in which mobility support is delivered to both the internal mobility customer (business leaders, human resources business partners, other stakeholders) and the relocating employee.

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NOTE: *When reviewing the report and interpreting the data, please note that the percentages are calculated based on the companies who responded to each question. Not every question is relevant to all companies that participated in the survey, so percentages may vary between questions. All percentages have been rounded to the nearest whole number.*

Introduction

The 2018 SIRVA Mobility Report explores the continuing demand for mobility programs to play a more strategic, value-add role within the organization. There is a demand for mobility functions to execute the operational components of the program at a high level, while also providing guidance and insight to organizational stakeholders regarding the appropriate level of investment in workforce and talent deployment.

Mobility leaders are recognizing that modifications to the mobility policy framework alone will not produce the results that the company requires, both from an investment (cost) rationalization perspective and from an experience perspective. The structure and capabilities of the mobility function must demonstrate the ability to manage the mobility life-cycle from start to finish – candidate selection and assessment, package design and implementation, ongoing relocation support, and (where required) repatriation, localization or onboarding support. All with a focus on maximizing the impact of the investment in talent; finding the balance between operational effectiveness and strategic business partnering is an ongoing challenge for mobility functions globally.

Most organizations conceptually understand that mobility is a critical lever for the organizational to achieve growth and talent priorities; an organization cannot grow without the ability to deploy resources to new or existing locations to build or grow operations in that location. Similarly, the ability of an organization to attract, develop and retain talent may be tied to opportunities for employees to benefit professionally from experiences outside of their home location. However, many organizations struggle with defining a roadmap that will assist with navigating from a purely operational function to a strategic business partner.

Our Annual Mobility Report will explore some of the key mobility challenges for global organizations, as well as opportunities to bridge the gap between operational and strategic focus.

Participants

SIRVA's 2018 report provides data and insights on mobility program administration and components of policy support delivery based on 245 respondents representing 235 unique organizations.

Just as in the report published last year, this year's survey results indicate areas of program misalignment that may limit the effectiveness of mobility to facilitate and promote organizational growth and talent priorities. SIRVA offers insights on topics such as program demographics, customer and employee experience, mobility partnerships, policy and delivery approach and organizational change – all of which play a critical role in the link between impact and efficiency.

SIRVA would like to thank and acknowledge the companies who participated in the survey. Their contribution offers valuable insights into the strategic alignment of mobility as it relates to business growth and workforce development.

Survey Participants at a Glance

HIGHLIGHTS

41% Non-US Corporate Headquarters

74% Global and Domestic Mobility Populations

56% with annual revenue of over $1 Billion; 5% with annual revenue less than $1 Million

INDUSTRIES REPRESENTED

- Transportation and Warehousing
- Accommodation and Food Services
- Construction
- Educational Services
- Finance and Insurance
- Government
- Health Care and Social Assistance
- Information Technology Services
- Management of Companies and Enterprises
- Manufacturing
- Mining, Quarrying, and Oil and Gas Extraction
- Professional, Scientific, and Technical Services
- Retail/Wholesale Trade

EMPLOYEE POPULATION SIZE *(GLOBAL)*

49%
Over 15,000

- **7%** Under 100
- **5%** 100 – under 500
- **17%** 1,000 – under 5,000
- **14%** 5,000 – under 10,000
- **8%** 10,000 – under 15,000

MOBILITY POPULATION SIZE *(GLOBAL, EXCLUDES FREQUENT BUSINESS TRAVELERS)*

28%
Under 50

- **12%** 50-under 100
- **26%** 100-under 500
- **14%** 500-under 1,000
- **14%** 1,000 under 5,000
- **6%** Over 5,0000

MOBILITY DEPLOYMENT DRIVER:

57%
To fill a specific resource gap in the host/ destination location

28%
Leadership or Talent Development Program/Initiative

12%
To gain cultural awareness and experience (including corporate culture)

16%
Self-Select (Volunteer)

ANTICIPATED POPULATION INCREASES AND DECREASES *(BY MOVE TYPE)* IN THE NEXT ONE TO THREE YEARS

International Long Term Top/Senior Employees
Increase = 26%
Decrease = 10%

International Long Term Mid/Lower Tier Employees
Increase = 29%
Decrease = 12%

International Short Term
Increase = 41%
Decrease = 5%

Extended Business Traveler
Increase = 44%
Decrease = 3%

International Permanent Relocation – "Plus" Package
Increase = 30%
Decrease = 8%

International Permanent Relocation – Standard Package
Increase = 34%
Decrease = 5%

Domestic One Way
Increase = 30%
Decrease = 7%

Temporary Domestic Assignment
Increase = 20%
Decrease = 6%

Mobility is Significant

Organizational growth (53%), cost management (19%) and talent development (13%)* are ranked as the top three organizational priorities by participants. Mobility is a critical lever that is pulled to achieve organizational growth and talent development by deploying resources to meet growth objectives and workforce development needs. Without mobility, organizations would not be able to enter new markets or expand in existing markets. Without mobility, organizations would not provide the opportunities that the talent market demands for professional development and career advancement.

Furthermore, 80% of organizations rated deploying talent as "extremely important" or "very important" to the overall success of the organization; 49% of participants rated career/work experience outside of an employee's home location as a key requirement for career advancement.

From a functional perspective, mobility leaders must be able to design and implement programs that recognize and support the needs of the organization. A best in class mobility program will still fall short of expectations if the policies and processes of the program do not align with organizational priorities, and do not deliver against organizational expectations for flexibility, efficiency and compliance.

**As compared to the 2017 SIRVA Annual Survey where organizational growth (38%) and talent development (22%) were ranked as top priorities.*

Without mobility, organizations would not be able to enter new markets or expand in existing markets.

Mobility Program Demographics

We continue to see a shift in the makeup of cross-border move types. Over 41% of respondents expect an increase in short-term assignments in the next one to three years; over 43% expect an increase in extended business travelers during the same period.

Temporary domestic moves (defined as two-way moves within the same country) are expected to increase by close to 20% in the next one to three years.

56% of organizations do not adjust the ratio of mobility professional to relocating employee based on move type.

Different move types require varying levels of attention from mobility professionals and partners during the relocation lifecycle. Some move types, such as a long term temporary assignment, will require support during the pre, on and post assignment stage. A short-term relocation would have the same stages, but potentially would require less mobility time investment given the shorter duration of the move, and the fact that certain other administrative tasks (e.g., change in payroll) may not be required. However, over 56% of organizations do not adjust the caseload of the mobility professional by move type, resulting in a too high or too low mobility professional to relocating employee ratio. Organizations should consider the time investment for each move type and better align mobility professional ratios accordingly to maximize the employee and customer experience and to leverage mobility professionals at full capacity.

Regarding long-term international moves (top and mid-tier employees) and one-way domestic moves, volumes are expected to remain the same (53%, 47% and 46%, respectively).

Recent shifts in the geo-political environment may be contributing to changes in mobility demographics. Many countries are introducing barriers to talent deployment such as increased tax costs (for the employee and/or the organization), increased focus on tax and immigration compliance, more transparency and data sharing between geographies and resistance to a diverse workforce. These barriers and restrictions, both perceived and real, limit the ability of an organization to leverage mobility as a driver of organizational growth and expansion, or to utilize it as a market differentiator to attract, develop and retain critical talent. In some cases, organizations are struggling to find employees that are willing to relocate due to a particular destination's geopolitical climate. If an organization cannot deploy or import talent, competency, resource and opportunity gaps will limit the ability of the organization to grow and manage the global workforce.

In addition to the compliance and logistical challenges of deploying talent, employees are demanding more customization and flexibility options for the relocation support that they receive, as well as the way in which the support is delivered. In some cases, employees are reluctant to accept opportunities that will take them away from their homes and disrupt their families for an extended period, which partially explains the anticipated rise in short-term and extended business travel opportunities. Business and mobility leaders are challenged with identifying creative ways to balance employee priorities and preference with organizational demands to manage mobility investment. Mobility opportunities are no longer reserved only for a narrow, elite population within the organization; the war for talent globally has resulted in a need to expand the global talent pool; some may argue that today's mobility landscape is a "buyer's market" for employees who are open to career opportunities outside of their home locations.

The implication of these demographic shifts is that mobility programs need to include programs (policies) and processes that support a wide range of move types. Additionally, mobility professionals need to be well informed and knowledgeable regarding the nuances and complexities that accompany different move types. These include country-specific entry and departure compliance requirements, relocation package structure and delivery requirements/best practices, and cultural awareness and sensitivity.

The structure of the mobility function must also reflect the diverse composition of move types to provide the appropriate level of focus and expertise to drive successful deployments.

Immigration in Real Life – the Value of Partnership *A United States citizen married to a former Hong Kong national was being relocated to China. The employee's mother-in-law and disabled brother-in-law, both former Hong Kong nationals, were also living with the employee. The employee's mother-in-law and spouse had legal guardianship of the brother-in-law.*

The brother-in-law does not qualify as a dependent of the employee under Chinese immigration law.

To enter China, the brother-in-law would need to apply for a single-entry tourist visa (L) separately from the family. The L visa is valid for three months from the date of issuance, and the recipient may enter China at any point during the three months; however, once the recipient enters China, the visa is only valid for thirty days. To remain in China with his family, the brother-in-law would need to leave China and re-enter with a new visa. The new visa may be issued with extended validity and may allow multiple entries into China.

Issue: Does the brother-in-law need to travel back to the United States to get a new visa, or can he travel to Hong Kong to apply for a new visa before re-entering China? It is unclear if the brother-in-law would qualify to have a new Chinese visa issued in Hong Kong. An immigration provider would need to review the individual's Hong Kong ID, along with other required documents, and confirm eligibility with the local Chinese authorities in Hong Kong. If the brother-in-law does qualify to receive a visa in Hong Kong, he can re-enter China immediately after the new Chinese visa is issued in Hong Kong.

If the family does not receive their residency permits before the brother-in-law needs to exit China, none of them are able to accompany the brother-in-law to leave China and re-enter. Even if the family applies for their residency permits as soon as they enter China, issuing the permits may take longer than 30 days. The family cannot leave China while the residency permits are in process.

Issue: If the brother-in-law needs to exit China before the family's residency permits are issued, who will accompany the brother-in-law to leave China for his new visa to be issued. Once the family receives their residency permits, and based on the type of permit received, the brother-in-law may be eligible for a multiple S2 visa with a longer duration stay (up to 180 days), which would only require him to repeat the exit/return process if the family resides in China for longer than 180 days.

This scenario presents multiple challenges, particularly for an internal corporate mobility professional who may have limited experience of knowledge of the complexities explored above. A global immigration provider would have the expertise to advise the organization of the various challenges and would be able to assist with all applications and renewals.

Mobility Policy and Lump Sum Delivery Approach

"Lump Sum" is a popular term used by the relocation industry. Lump sums provide an option to deliver support to a relocating employee while potentially minimizing administrative needs and providing more predictability to anticipated relocation costs. A lump sum approach will not be ideal for some employees but may provide benefits when leveraged appropriately.

Lump sum delivery approaches include the following:

Lump Sum Covers 100% of Relocation Costs

SELF SERVICE

The lump sum is provided in lieu of all benefits and services. Employees receive the cash lump sum and coordinate their own move and services. Employees receive no support other than the cash payment.

LIMITED SUPPORT

The lump sum is provided to cover all benefits and services. The Relocation Provider offers guidance on how to maximize the lump sum, connecting employees with preferred suppliers to assist with services and helping them understand how to coordinate relocation services with their relocation timeline. Support can be provided through a relocation counselor or through a technology portal.

Lump Sum Covers Designated Relocation Expenses

CORE BENEFITS

The lump sum is provided to assist with designated core relocation benefits that would have otherwise been provided as part of a reimbursement:

- **Home Finding Trip**
- **Final Move**
- **Temporary Housing**
- **Excess Baggage**
- **Cultural Training**

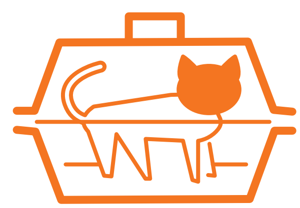
$8,000 lump sum to cover two home finding trips and final move expenses.

FLEX BENEFITS

A lump sum can also provide an element of flexibility when used to assist with Flex Benefits offered in a relocation policy.

Flex Benefits may include:

- **Spousal Support**
- **Additional Home Finding Trip**
- **Return Trip to Home/Origin Location (Home Leave)**
- **Pet Shipment**
- **Extended Temporary Living Benefits offered**



In both instances referenced above, the Relocation Provider offers guidance on how to maximize the lump sum, connecting employees with preferred suppliers to assist with services and helping them understand how to coordinate relocation services with their relocation timeline. Support can be provided through a relocation counselor or through a technology portal.

64% of organizations include a lump sum component in one or more available policy types (domestic and global). 37% of organizations offer a "lump sum only" package where the employee is not provided any additional support.

When calculating the value of the lump sum, 29% of organizations base the amount on defined policy provisions (e.g., final move expenses based on home/host location and family size).

In instances where a lump sum is applied, the payment is most commonly intended to cover:

- **Temporary Housing (41%)**
- **Travel to/from the Host Location (40%)**
- **Household Goods Shipment (39%)**
- **House-Hunting Trip (33%)**

In this context, a lump sum will differ from a miscellaneous relocation allowance (a common component of domestic and global relocation packages). The miscellaneous relocation allowance is provided to the employee to cover incidental relocation costs that are not covered elsewhere in the policy (e.g., pet shipment or gratuities). In contrast, a lump sum is defined as a cash payment to a relocating employee that is intended to cover all or a portion of relocation services that would otherwise be delivered directly to the employee (e.g., reimbursement for final move expenses, cultural training).

The application and calculation of lump sums should be carefully considered, keeping in mind the impact that the approach has on the success of the deployment, specifically the employee experience.

Lump Sum Approach Advantages

A lump sum approach for delivering relocation support has advantages and disadvantages, all of which should be weighed during review and implementation. Some advantages may include:

- **Fixed cost of the lump sum provides transparency for budgeting.**
- **Flexibility and Autonomy – employees have the option to use the funds at their discretion; some companies may require documentation that the lump sum was (or will be used) to purchase relocation-specific support; most companies do not require this documentation, minimizing the administrative requirements of the program.**
- **Some employees prefer to receive a cash payment in lieu of individual benefits/reimbursement.**

Lump Sum Approach Disadvantages

- **Burdensome for employees to manage move with less assistance.**
- **Employee expectation to receive concierge services and assistance based on past mobility experience.**
- **Increased cycle time of relocations due to reduced resources and assistance.**
- **Increased time away from work for employees.**
- **Delay in receiving funds if new hires are not yet on company payroll.**
- **Potential for mismanagement of funds.**
- **Lost tax benefit in US domestic programs (i.e., home sale assistance program and no closing cost loan program).**
- **Large lump sums (i.e., in lieu of a full program) can impact employees' tax brackets, which can affect eligibility for financial aid for school-age dependents, for example.**
- **Loss of metrics tracking, making it difficult to determine if the amount provided is appropriate.**

When using a lump sum approach, the Company must set employee expectations that the lump sum will not cover all relocation needs. It is often difficult for the employee to determine which relocation needs are critical (versus nice to have). Some mobility policies are written in such a way that a large list of options is provided to the employee; however there is a lack of education regarding the cost of relocation benefits and services against the lump sum that is provided.

Mobility Experience

A failed assignment or relocation may have an impact on the ability of an organization to retain critical talent and may jeopardize internal perception of the mobility program.

Many organizations are focused on designing mobility policies that reflect the priorities of the organization and delivering support to maximize the employee and customer experience. However, if an organization does not consider how program support is best delivered (service delivery model), there is a risk of "noise" in a relocation program. Business leaders must look at mobility programs holistically (policy and delivery) if the intent is to prioritize employee and internal customer (mobility stakeholder) experience. To maximize mobility experience, organizations should consider the following:

Alignment of Mobility Strategy with Organizational Strategy Is mobility a purely operational function, or is "thoughtful" mobility critical to the success of organizational priorities such as growth and talent development? Mobility can play a role in candidate selection and assignment/relocation planning to advise internal business partners on both applicant and location challenges that may impact the success of the assignment or relocation. A failed assignment or relocation may have an impact on the ability of an organization to retain critical talent and may jeopardize mobility branding. If the perception of mobility within the organization is that the program does not provide the appropriate level of support for employees to relocate, the deployable talent pool within the organization is reduced. Business partners and mobility leaders are encouraged to look beyond the move at hand to understand the wider implications of a failed deployment on the organization and the mobility program as a whole. Similarly, if the mobility program is perceived as "too rich," the business may feel justified in developing their own program with limited employee assistance or a lump sum only payment to support relocation. This approach is not favorable for many reasons, mainly the impact to employee experience and the ability to leverage existing processes and vendor relationships. Over 68% of organizations describe their global mobility program as "traditional" or "stuck in the dark ages" – not an overwhelming endorsement of the mobility function's ability to support organizational strategy.

Understanding the role that mobility plays in achieving organizational priorities is the first, critical step to mobility transformation, and may be a challenge for some individuals. The perception that mobility is an operational support function permeates most organizations. When one considers that cost management (61%), process efficiency (46%) and speed to deploy (33%) are ranked as the top mobility challenges for survey participants, it is not surprising that mobility struggles to reposition the function as a strategic business partner. If the mechanics of the program are failing to deliver against expectations, the mobility user is likely reluctant to engage mobility for consultative services.

Mobility Scope of Services Once the mobility strategy within the context of the organizational strategy is defined, mobility must evaluate the service delivery model by reviewing the types of services that the mobility function delivers to customers and employees (either directly or through a vendor). If the services that are provided by mobility do not align with the defined organization or mobility strategy (e.g., focus on program administration versus business partnering), modifications must be considered. Business leaders and partners will not leverage a program that does not meet their needs; they will look for alternative solutions that potentially introduce increased risk and/or cost of an existing mobility program. Deviations from defined mobility policies and processes may denigrate the mobility brand in many ways. For example, the use of out-of-network vendors may limit the ability to leverage relocation volumes for favorable pricing models. Additionally, lack of consistency in experience from one business line to another may negatively impact the overall brand image of the mobility function. Over 37% of organizations characterize the alignment of the mobility service delivery model (people, process, technology, vendor partners) as "completely misaligned," "somewhat misaligned" or "neutral;" yet in instances where the role of the mobility function/team had changed to be more consultative with regard to resource deployments, an increased focus on compliance and risk awareness was the change driver (over 47%).

Evaluating the competencies of the mobility team to deliver against the defined scope of services is another key assessment that should be undertaken. Do the skills and experience of team resources sync with specific job descriptions? Should the internal team or an external partner provide the service? Evaluating the answers to these questions will help an organization to identify if there are more efficient ways to deliver mobility services and may require the involvement of internal or external partners.

Many organizations struggle to find the right balance between operational excellence and business/employee partnership, and often find that the mobility function is overly reactive versus proactive. The implications of a positive customer and employee experience may extend beyond a one-time relocation and may contribute to the perception of the overall mobility experience and function within the global workforce. As such, it is critical that organizations focus on their philosophy for employee and customer experience and align the mobility function to support that philosophy.

Mobility Partnerships

Partnerships between mobility teams and internal/external subject matter or process experts provide the option to leverage the knowledge, expertise, global reach and operational infrastructure of each stakeholder. The specific business drivers for working with a partner differ by region and range from a desire to elevate mobility to a more strategic level to companies seeking to reduce costs. Partnerships within the mobility space may be particularly beneficial under the following circumstances:

- Market entry or expansion: Companies that are opening in new locations or expanding existing operations in global and/or domestic markets may benefit from a mobility partnership in terms of operational support and expertise.

- Resource limitations: Looking outside the company for mobility support makes sense if internal resources are lacking in volume and/or required competencies. It is critical to evaluate corporate culture and employee management approach (e.g., high touch, personalized), as well as mobility scope of services, to ensure that resources can provide the appropriate support. Leveraging partnerships will also provide support for mobility volume fluctuations by shifting the need to add or remove dedicated resources from the internal corporate team to the external partner.

- Cost minimization and transparency: Companies looking for ways to reduce costs without sacrificing mobility capabilities or employee satisfaction can find value in working with a mobility partner. Similarly, companies that require additional insight to mobility spend at the program and/or component level can utilize the robust reporting options of the mobility partner.

As the role of mobility shifts towards consultative and advisory support for the business, there is a need to create capacity for the mobility team. We would expect to see an increase in the use of internal and external partners to support mobility operations, yet over 61% of respondents assign a member of the mobility team as the primary point of contact or coordination for the relocating employee. Most organizations (63%) believe that they can improve the customer and/or employee mobility experience by maintaining program control internally.

The requirement of an organization to maintain program control does not necessarily require that the internal team manage mobility program administration. Where programs have successfully leveraged vendor partnerships, program oversight has been retained within the organization, with an emphasis on education, training, corporate culture awareness and defined rules of engagement for the vendor partners

The use of an internal resource as the primary point of contact or coordination for the relocating employee limits the ability of the mobility resource to prioritize business partnering and mobility advisory services.

Additionally, despite a focus on employee customer experience (47%), the data regarding top mobility challenges (cost management, process efficiencies and speed to deploy) indicates that programs are failing to meet expectations.

Leveraging external partnerships provides access to vendor expertise, resource scalability, process consistency, third-party purchasing power and operational efficiencies, in addition to generating capacity for internal resources to focus on business partnering. External partners may also assist in education on current trends and program improvement opportunities, which may be missed by internal teams who are focused (and often overwhelmed) by the operational components of managing a mobility program.

As the role of mobility shifts from operational to consultative, there is a need to create capacity for the mobility team to focus on business partnering opportunities.

Organizational Change

Mergers and acquisitions activity is accelerating without any indication of slowing down. According to a Deloitte report, *The State of the Deal – M&A Trends 2018,* about 68% of executives at US-headquartered corporations and 76% of leaders at domestic-based private equity firms say deal flow will increase in the next 12 months. Additionally, 59% of those surveyed during Worldwide ERC webinar, *Mergers, Acquisitions and Mobility – Are You Ready?* answered that their organizations have either experienced an organizational change in the past year, are in the middle of a transformation, or anticipate a change in the next year.

Organizational change can include:

- Merger: Two organizations combine into one
- Acquisition: One organization is purchased or obtained by another organization
- Divestiture: Subsidiary business is sold
- Outsource: Functional activities or an entire function is contracted to an external provider
- System implementation: Internal management system change

These types of changes can result in a significant negative impact on mobility programs where there is a lack of early and proper planning. Risks can include:

- Failed assignments/relocations
- Loss of top and critical talent
- Decline in employee morale
- Increase in costs, whether permanent or temporary
- Increased exception request volume
- Negative organizational and mobility function branding

To reduce exposure of the mobility programs to these potential risks, it should be determined early on, how in-process relocations and assignments will be handled (will they continue with the benefits they were originally authorized for, or will they adopt the new program, if one is established?), as well as future relocations and assignments (will one of the organizations' mobility programs be adopted, will a new program be developed for the newly formed organization, or will each company continue to operate individually for a time?). The same questions need to be answered regarding existing service partners, systems, and resources.

Identifying, anticipating and addressing risks is critical to the success of the transition plan. Making appropriate plans, taking early measures and utilizing key resources and subject matter experts can facilitate a smooth and successful transition to legal day one of the new organization.

Strategic Mobility

Over 56% of organizations indicated that the role of the global mobility function/ team had changed in the past one to two years. The change is driven by:

- The need to better address strategic business objectives that require the deployment of talent (resources)
- A focus on employee and customer experience
- The need to create awareness of and focus on compliance risk mitigation
- Recognizing mobility as a key component to drive talent development

These change drivers indicate a preference for mobility to play a more strategic role within the organization. Strategic (or Talent) mobility comes in all shapes and sizes: one organization may expand into a new location where local resources do not have the appropriate skill set, so resources must be imported; another may want to instill the corporate culture in all global offices through frequent, short-term assignments. Strategic mobility starts with understanding the needs and priorities of the organization. Mobility leaders must be engaged with organizational leaders to translate the needs of the business to design and implement mobility policies and processes that reflect the way in which mobility is used. Mobility policies and processes must find a balance between structure and flexibility to facilitate program cost management and customer and employee experience, and must acknowledge that requirements may differ from one region or location to the next.

The governance model of a mobility function may play a role in the ability of the function to operate more strategically. The majority of mobility programs (82%) state that decisions regarding the governance (oversight) of the mobility program are made at the headquarters location (centralized program management). A centralized mobility program drives business partnering program control, and consistency of process, policy application, and both the employee and customer experience. This program model will also allow for advantageous global vendor relationships. For example, a global vendor may be able to offer a more favorable pricing model based on global relocation volumes, versus a local vendor who may only see a small percentage of relocations and, therefore, cannot leverage economies of scale for their pricing model. A centralized model provides an opportunity to review mobility drivers and populations holistically, with a focus on pairing the right individual with the right opportunity and the right package.

Organizations who are looking to shift from a decentralized model to a centralized model will need to focus on:

- Stakeholder engagement
- Business case for change (cost minimization, process improvement, customer/employee experience)
- Identification of regional or local nuances to consider

Among the biggest challenges for a mobility function that wants to move along the spectrum from operationally focused to strategic partnering are brand awareness and communications. Mobility is traditionally considered a back office, administrative support function. Our insights show that conceptually, global organizations recognize the significance of mobility as a critical lever to achieve organizational priorities. Despite this, businesses continue to engage mobility late in the process, rather than at the scoping and planning phase. When one considers the variety of experience and data that mobility can gather about past relocations and associated insights about their challenges and opportunities, it seems without question that mobility would be engaged early in the relocation lifecycle.

"As strategic business advisors, Global Mobility delivers experiences that promote a cultural connection and cultivate leadership capabilities"

Kathy Greisiger, *Global Mobility Leader, Owens Corning*

Yet this is not the case. For some organizations the challenge is that the business does not have a clear line of sight to the scope of services that mobility provides (either directly or via external partnerships). The business may not have significant volumes of mobile employees and, therefore, they are only engaging with mobility on an as needed, infrequent basis.

For other organizations the challenge is tied to quality. For any mobility function to play more of a strategic role within the organization, the operational components of the program must run smoothly. The goal is to move away from the primary focus of today's mobility teams – operational troubleshooting. This focus limits the team's ability to focus on strategic partnering, and, ultimately, translates to missed opportunities to provide consultative advisory services that enable the business to make informed decisions regarding mobility investments.

Prior to launching a re-brand and communications campaign, mobility teams should conduct an analysis of their current programs and processes to ensure that, operationally, they are structured to provide efficient, quality services that align with the needs of the business.

When mobility is ready to promote their services within the organization, success will require the proactive "sell" of mobility across the organization to both stakeholders and employees, communicating the value proposition of engagement and education regarding investment, timelines and anticipated results.

Glossary

Domestic Permanent Relocation Permanent/indefinite move in which the employee moves within a specific country to live/work in the destination location for an indefinite period of time.

Employee Primary Point of Contact The individual who serves as the first/primary point of contact for the employee to provide support and information related to the relocation. The primary point of contact is typically responsible for initiating or coordinating relocation and compliance services on behalf of the employee.

Expense Management Services provided to receive, audit and process expense reimbursement requests from vendors and/or the employee. Services include expense tracking and reporting (as required).

Extended Business Traveler Employee who frequently crosses international and/or domestic borders to meet the requirements of their position. The employee may trigger tax and/or immigration compliance requirements as a result of their frequent travel.

Immigration Compliance Services pertaining to the provision of immigration advice/guidance and the preparation and filing of all required immigration documentation for the destination location.

International Long Term Mid/Low Tier Employees or Packages Temporary moves where the employee crosses an international border to live/work in the destination location for a period of time (typically one to five years). At the end of the assignment period, it is expected that the employee will either return to the origin location, localize in the destination location, or move to a new destination location. Mid/low tier employees are defined based on organizational-specific criteria, but typically refer to new hires or employees who are in the early/mid stages of their careers. Mobility support for these moves is typically provided at a basic or moderate level.

International Long Term Senior/Top Tier Employees or Packages Temporary moves where the employee crosses an international border to live/work in the destination location for a period of time (typically one to five years). At the end of the assignment period, it is expected that the employee will either return to the origin location, localize in the destination location, or move to a new destination location. Senior/top tier employees are defined based on organizational-specific criteria, but are typically limited to senior level executives above a defined band/grade (or similar) within the organization. Mobility support for these moves is typically provided at the highest level.

International Permanent Relocation "Local Plus" Permanent/indefinite move where the employee crosses an international border to live/work in the destination location for an indefinite period of time. The employee typically transitions to the compensation and benefits scheme of the destination location (as a local hire), but may receive some additional one-time or ongoing support specific to his/her relocation. Examples may include a one-time lump sum payment of a housing or education allowance, as well as physical relocation support (household goods shipment, relocation travel, spouse/partner assistance, language training, cultural training) and limited compliance support (immigration and tax, as required).

International Permanent Relocation: Traditional with Basic Support Permanent/indefinite move where the employee crosses an international border to live/work in the destination location for an indefinite period of time. The employee typically transitions to the compensation and benefits scheme of the destination location (as a local hire), but may receive some limited support specific to his/her relocation. Examples may include physical relocation support (household goods shipment, relocation travel) and limited compliance support (immigration and tax, as required).

International Short Term Temporary moves where the employee crosses an international border to live/work in the destination location for a period of time (typically three to twelve months). At the end of the assignment period, it is expected that the employee will either return to the origin location, transition to a long term assignment, localize in the destination location, or move to a new destination location.

Management Reporting Mobility data reports that capture data required by the organization to manage business. Reports may include data points such as employee name, employee ID, origin/destination location, estimated assignment length and relocation cost.

Mobility Program Strategy Mobility-specific plan of action designed to support organizational priorities and objectives. What mobility policies are needed to facilitate employee deployment? What operational support is required?

Mobility Transformation Redesign of mobility strategy, policy and/or process to recognize mobility as an integral component of an organization's strategic workforce planning and business growth initiatives.

Move Planning Relocation/assignment planning that may include the preparation of cost estimates, terms and conditions letters, payroll setup and instruction and immigration compliance services initiation.

Policy Management Enforcing the terms, conditions and guidelines of the mobility organization that govern the support provided to relocating employees.

Program Support Delivery The organization's mobility policies will dictate the support that is provided to the employee in conjunction with his/her move. Support may include services that are delivered by an internal or external vendor, such as household goods shipment or home sale services. The delivery of the elements of policy support are defined as program support delivery.

Talent Management Anticipation of required human capital and the planning to meet those needs. Includes recruiting, retention, development, reward and strategic workforce planning.

Tax Compliance Services pertaining to the provision of tax planning advice/guidance and the preparation of tax returns in line with requirements of the origin and/or destination location.

Third-Party Suppliers External vendors who provide support and/or services related to the mobility program (e.g.,household goods shippers, destination services providers, tax services providers, relocation management companies).

Vendor Management Management of internal and external vendors that provide information and/or support services pre, during and after the move. Vendor management includes contract management, service level agreement monitoring and invoicing.

Contact us with questions at communications@sirva.com

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About SIRVA Worldwide Relocation & Moving

SIRVA Worldwide Relocation and Moving is a global leader in moving and relocation services, offering solutions for mobility programs to companies of every size. With 58 locations in 177 countries, we offer unmatched global breadth supported by localized attention and innovative technology that strikes the right balance of self service and human support. From relocation and household goods to commercial moving and storage, our portfolio of Brands (SIRVA, Team Relocations, Allied, northAmerican, Allied Pickfords & SMARTBOX) provides the only integrated moving/relocation solution in the industry. By leveraging our global network, we deliver a superior experience that only a "one-stop shop" can provide.

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