



CONVERSATIONS WITH MOBILITY LEADERS

Fit for the Future: Is
Now the Right Time to
Review Your Mobility
Policies and Programs?

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sirva



In our continuing series, “Conversations with Mobility Leaders”, Sirva explores how the evolving global landscape translates to the world of global mobility and necessitates the review and enhancement of mobility policies and programs to address the needs and concerns of today’s mobile workforce.

With so much happening in the world on the technological, political, and geopolitical fronts, organizations find themselves needing to respond to the mobility support they are providing and the way in which they are providing it. Our recent discussions with mobility leaders have delved into the following key areas:

- Trends in policy and talent management
- Duty of care
- Flexible benefits
- Global mobility costs
- Shifting assignment types
- Sustainability

BACKGROUND

Amidst the changing global mobility landscape, leaders in the field are increasingly compelled to review and revise their relocation policies and programs. As they examine current trends, one central question emerges: what are the catalysts for changes within mobility policies and programs? The answer lies in the intricate interplay of technological advancements, political dynamics, and geopolitical shifts that are shaping our modern world.

The emergence of critical new developments in these areas often calls for a proactive response from organizations across policy and program practices. Global mobility leaders are tasked with not only identifying what is driving the need for change, but also crafting strategies that align with the evolving needs of mobile workforces worldwide.



DUTY OF CARE BALANCING ACT

Many global mobility managers have indicated that there has been an even greater focus on duty of care in terms of the employee experience in recent years, and organizations need to ensure that their policies account for this.

Examples of Policy & Program Support Expansion

Formal contingency plans for housing and shipping challenges

Accessibility and adaptive support

Direct coordination of services

Acclimation support

- Assessment tools
- Cultural training
- Ongoing support and coaching
- Family support allowances
- Arrival support

Well-being & mental health programs

Program Flexibility

- Extension of home purchase

Financial support

- Direct payment of services
- COLAs
- Lease deposit assistance
- Rental subsidies
- Home purchase support: mortgage subsidy/differential, MIDA, and points
- Refinance support
- Rental incentives
- Company loans
- Loss on sale

Another area of focus for mobility managers is achieving flexibility and maintaining some semblance of cost control when it comes to duty of care. Right now, in many cases, options are driven by the business and, as such, the business leaders have oversight of the costs. A chief concern for many organizations is that relocation should not be perceived as “a free for all”. This is in sharp contrast with the feeling that relocating employees generally have, which is that they may need or desire services or assistance beyond what is being offered and feel that the company is not being flexible or generous enough.

Sirva is seeing that some organizations are struggling to gain traction in terms of finding the right skillset for certain types of assignments regardless of whether the moves include hardship locations, but due to personal circumstances, such as moving with dependents, which have become a major factor for those considering an international relocation.

With that said, some mobility managers have indicated that, much to their surprise, they had not received any negative feedback from their mobile employees, indicating that someone hadn't turned down a move because of their policies, which they took to mean that both the business and global mobility are successfully working together to balance cost and flexibility. Interestingly, many mobility managers shared that the business did make certain concessions both during the pandemic and in the immediate aftermath, for example, providing cash in lieu of household goods and pet shipments, and paying rent in lieu of temporary living. Companies made a concerted effort to provide mobile employees with what they felt they needed without costing the business more.



FLEXIBLE BENEFITS

Speaking of achieving balance, one Mobility Manager indicated that it has been challenging to strike the right chord between employee satisfaction and cost containment and feels that a Core-Flex program may be one possible answer. Other mobility managers note that their organization is interested in employing a Core-Flex program in part, but that they don't want to move to that model completely. While they are interested in taking their program to the next level in terms of flexibility to improve their mobile employee satisfaction rates, they are not interested in having it be a business-driven decision and would prefer not to have the business involved.

One Mobility leader shared that their organization had worked to implement a domestic-only Core-Flex program (international was deemed too complex to implement) as it was felt that the flexible benefits originally offered were not truly generous or helpful for their mobile employees. The team ultimately expanded its policies to include options of Core-Flex or lump sum and found that most mobile employees opted for the lump sum option. The business took an average and calculated about 60% of whatever the cost of that benefit would have been, and that determined the amount of the lump sum payout. If an employee took the lump sum and signed off on moving themselves, then that was it, but employees opting to utilize a lump sum to relocate themselves received access to affinity services, so they at least had a network to help support them.

Many organizations are struggling to strike a balance between employee satisfaction and cost containment. A Core-Flex program may be a possible solution.

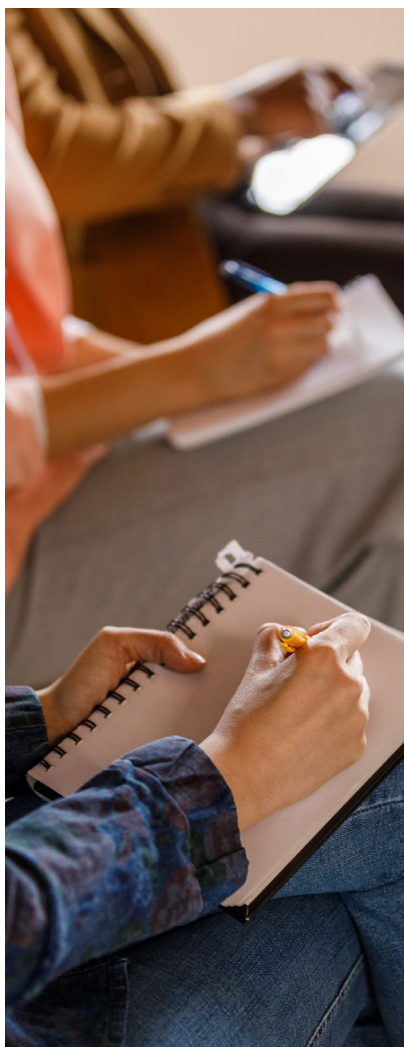
One organization conducted a mobility program review and gathered a great deal of feedback from stakeholders, the business, and mobile employees. They learned that the structure of their program was an issue as expats were shown as too expensive to the business because the policy parameters included a one-size-fits-all approach whether you were a manager or a senior vice president. From the employee's point of view, however, there was no flexibility – if they didn't need something, they lost the benefit and there was no alternative. For permanent transfers, the employee has the flexibility, not the business, so they established some core services they wanted to provide (e.g., compliance pieces, a flight, DSP services). The business worked hard to bucket the flexible options. For instance, if 30 days of temporary housing is the main offering, they determined what alternatives can be offered so they meet an employee's needs but won't necessarily increase the cost to the business. This allows Mobility to still provide a budget to the business based on averages, but each part of the move has some flexibility built in. For example, a cash option was provided for shipment of household goods or temporary living, and many employees decided to take that option. This was seen as a successful approach because relocating employees tended not to revert to Mobility or their hiring manager for additional funds or vendor issues.

When it comes to assignments, of which there are fewer, the Mobility team has the opportunity to confer with the business on determining employees' requirements and setting up a manageable budget so everyone's needs are met. The organization is very strict about staying within the confines of the Core-Flex policy.





CONTROLLING GLOBAL MOBILITY COSTS



In general, companies are interested in finding ways to mitigate relocation costs. Sirva continues to see that global mobility leaders need to educate the business on the value Mobility brings by demonstrating the return on investment (ROI) of a successful assignment.

Mobility wants to be sure to educate the executive leadership within their organization and do so by nurturing their relationships with business leaders who, in turn, will feel they can turn to the Mobility team as their go-to resource. One of the biggest challenges that Mobility faces is that there is a lot of turnover in key business roles. One way to solve this is to ensure that their website and materials are always up to date so that they can serve as a good resource for employees new to their roles.

One mobility leader shared that over the past few years, the mobility team made sure their business partners viewed their department as a strategic partner. Previously, their organization had adopted the philosophy, “anyone can go on assignment and are allowed benefits almost indefinitely, even if it’s a one-way move.” Mobility worked to change their policies, adding parameters and definitions. Now, a business case form must be filled out by the business to determine the value of the move. Calculations are then completed on the back end, which include several different variables, including specific and current data, to determine realistic costs. Mobility is now putting more thought into their decision-making approach, as they previously had generic cost estimate amounts. Mobility also confers with the finance team on a monthly basis to ensure alignment on costs. As a result, relocation is looked at more holistically as the total cost of the assignment versus just the individual relocation benefits. This also creates a partnership within other areas of the company and demonstrates the value of the mobility function as a truly strategic business partner.

Global Mobility leaders need to educate the business on the value that Mobility brings and by demonstrating the ROI of a successful assignment.

ASSIGNMENT TYPES (VIRTUAL, HYBRID, ROTATIONAL)

A common question asked by mobility practitioners is: how does global mobility compete in a world where talent is shifting more in the direction of a gig worker environment? Some Global Mobility programs are looking at those shifts in the workforce and how they can give a broader variety of work to their talent; for example, going on a rotational assignment. Some organizations have set up a formal program where they rotate talent teams around specific areas of individual product lines or different functions across the business, which is supported through a rotational policy.

One organization has looked at virtual rotational assignments for talent development opportunities, where an employee may do their regular job four days a week and then are reassigned to work on another project, supporting a different team elsewhere one day a week. This would be for a specific, set period of time (e.g., three months). If the job is in a different location, then the employee might initially travel to that location for a kick-off meeting and then again for a successful wrap-up but, on the whole, it would prove to be more a cost-effective approach for some, such as Gen Z employees interested in having more flexibility and variety, and adding additional skill sets to their repertoire.



SUSTAINABILITY AND ENVIRONMENTAL IMPACT

When speaking about the subject of sustainability and environmental impact, many organizations have shared that they are in the beginning stages of exploring these topics. In looking at areas such as the shipment of household goods, they would like to see the cost of their benefits packages decreasing, from both a financial and environmental point of view. Many organizations feel as though it's necessary to focus on sustainability and environmental impact not only from a compliance and legislation standpoint, but because it aligns with their company's values.

Linking the topics of sustainability and duty of care, Sirva is seeing climatic impact provisions trending which are now more frequently being included as a key component in mobility policies. For example, where there are potential weather challenges or extremes, mobile employees are asking their employers what support the company will offer in the event they take an assignment in a location with a very different climate than that which they are coming from (wildfire, heavy rain, extreme heat or cold, tornadoes, etc.). This extends, too, to geopolitical situations or events, such as the Ukraine-Russia crisis. What is the company's evacuation policy? Who does it extend to (e.g., pets)?

Sirva is seeing the key considerations, including: assurance of life; what happens to an employee's personal belongings, indemnification against loss, and the answer to the questions: where will I live now, and what's next? Does the employee return home or go to a third country? Planning and risk mitigation is a trending area that is falling on global mobility's lap and needs to be addressed in today's world.

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CONCLUSION

The significance of mobility leaders dedicating time and resources to reviewing their company's relocation policies amidst today's political, technological, and geopolitical climate cannot be overstated. As the dynamics of global mobility evolve, it becomes increasingly clear that organizations must prioritize the well-being and overall satisfaction of their mobile workforce. Factors such as duty of care, sustainability, new and varied assignment types (including gig workers, hybrid, and virtual employees), as well as flexible service options, are emerging as considerations to optimize the employee experience while minimizing overall mobility costs.

By addressing these key areas, mobility leaders not only demonstrate a commitment to the welfare of their employees, but also position their organization for success in an ever-changing global landscape. This discussion must continue to evolve and adapt in tandem with emerging trends and challenges. As the world continues to undergo rapid transformation, the dialogue surrounding relocation policies and practices must remain dynamic and responsive, ensuring that organizations remain equipped to meet the changing needs of their mobile workforce and maintain a competitive edge in the global marketplace.

If you are interested in joining Sirva's "Conversations with Mobility Leaders" program, please reach out to your Sirva representative or email us at marketing@sirva.com.



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