



SIRVA[®] Worldwide
Commercial Moving

Commercial Moving Guide

Addressing the Complexities of a Commercial Move

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Commercial moves come in all shapes and sizes, from moving a 100-person office across town to transitioning 50 retail stores across the country simultaneously to moving a global headquarters across the globe. Regardless of the size and scope, the objective is the same—plan and execute the move as efficiently and as cost-effectively as possible with minimal disruption to normal business operations.

Mismanaging a commercial move can lead to expanding timetables, downtime, lost productivity and revenue, increased moving costs, insurance claims, and plummeting employee morale. There's a lot on the line, so it's important to get it right. This guide will provide an overview of what to expect when managing a commercial move, the benefits of partnering with a commercial mover to ease the administrative burden, and the factors to consider when evaluating a commercial moving partner.



Components of a Commercial Move

The components of a commercial move vary depending on the size and scope of the project, but they will include some or all of the following elements:

▼ **Strategic planning.** From developing budgets, inventories, and timetables to identifying key stakeholders, and understanding the objectives of the new space, strategic planning is vital to a commercial move's overall success.

▼ **Space planning.** The design of the new environment will not only have an immediate impact on employees' collaboration, efficiency, and productivity, it must also provide for future growth.

▼ **Furniture planning and design.** Companies that won't reuse their office furniture in the new environment should consider how to repair, sell, recycle, or donate their assets to minimize environmental impacts and recoup purchasing costs.

▼ **Asset management and warehousing.** Before moving assets, you'll first need to account for all technology, furniture, and other effects stored onsite or in warehouses and determine what needs to go with you. You may also have to secure warehousing in your new location or clear out storage facilities in your previous space.

▼ **Selecting a commercial mover.** Given all the variables involved in a commercial move, a reliable and trustworthy partner is a must. The right commercial mover can help you plan and facilitate the move, manage all the parties involved, ensure a quality experience, and ease the complexities of such a large-scale project.

▼ **Vendor management.** There are numerous players in the commercial moving supply chain, and it is crucial to carefully manage these companies to ensure they remain on task, on schedule, and on budget.

▼ **Employee communication.** Developing and executing an employee communication strategy will help keep employees informed and aware of their responsibilities.

▼ **Packing up the office.** A commercial move entails much more than simply packing up the cubicles. You'll need to understand how to stage office furniture during the move, how to protect technology assets so it isn't damaged during transit, and how to secure sensitive files and other information so it's not compromised.

▼ **Technology and network installations.** From transporting and reassembling workstations to managing network and infrastructure installations, ensuring all technology is up and running on Day One will minimize downtime.

▼ **Unpacking.** Unpacking a commercial move isn't limited to emptying cardboard boxes. You'll need to organize and unpack boxes by department, set up common areas such as lobbies and kitchens, and conduct a detailed inventory to ensure everything is accounted for.

▼ **Clean up.** Determine whether your movers will clean up the new facility after unpacking or if that will be your responsibility. In addition to your new location, you'll likely be responsible for cleaning up your old office if specified in your lease.

▼ **Post-move follow-up.** Conducting post-move surveys with employees as well as commercial moving partners will help you understand what worked and what could be improved during your next move.

Commercial Move Challenges

Commercial moving presents a unique set of challenges, including long timetables, extensive administrative responsibilities, access to van line capacity, limited transparency among the various providers in the supply chain, and unpredictable costs.

As unemployment continues to decline and wages continue to increase, qualified drivers and laborers are leaving the moving industry for employment in other sectors. This exodus has created a ripple effect across the moving industry and has resulted in fewer van line drivers, which means fewer trucks on the road and less capacity. It also means fewer customer service staff, which results in declining customer satisfaction and insufficient laborers which, in turn, leads to increased liability risks and higher costs.

This driver shortage is impacting local fleets as well as long-haul fleets and is a significant issue for companies selecting long-term moving relationships. Even a large agent group or small van line can suffer unforeseen difficulties, causing them to cut corners in labor to improve immediate cash flow.

The driver shortage is a significant issue for companies utilizing a commercial mover that relies on only one or just a few agents or van lines for transportation. Such limitation can result in a moving company being fully staffed one day to scrambling to fill driver vacancies the next. When this situation occurs, access to transportation can dry up overnight, which can negatively impact a company's moving timeline and budget.

The best way companies can eliminate this risk is to work with commercial movers that have access to an extensive network of service agents that can reallocate drivers and labor from one region to another to compensate for driver shortages as they happen. An even better way to minimize risk is if the commercial moving company and service agents are all managed under the same roof.

It's common for commercial moving companies to subcontract certain moving elements, such as driving and packing to loading/unloading with local contractors. While this is common across the industry, challenges can arise if the commercial moving provider does not have control over every aspect of the move. Without direct downline visibility and control into how each subcontractor is executing its piece of the puzzle, a commercial move can easily slip off schedule and quality can suffer.

In addition to customer service and liability risks, this lack of transparency also leads to cost uncertainty and higher moving costs, as clients typically pay mark-up costs for each subcontractor in the supply chain. Total moving costs can further increase because laborers are often paid by the hour and thus are financially incentivized to take longer to complete a move, as the more time it takes, the more they earn.



Single-Source Commercial Moving Providers

To overcome the challenges inherent with a large-scale commercial move, consider partnering with a company that offers single-source, managed, end-to-end commercial moving services. Single-source commercial moving providers do not work with subcontractors and, instead, manage all elements of a commercial move in-house. This “ownership” of the entire process results in better quality control and security, greater transparency, cost savings, and a more seamless experience from planning to implementation.

A single-source commercial mover can manage the move, reduce office disruptions, and get clients back up and running more efficiently and faster than if clients manage all the components themselves or subcontract with multiple providers.

Additional benefits of working with a single-source commercial moving provider include:



More successful moves. Single-source commercial moving providers who offer local, regional, national, or global direct delivery of services execute higher quality and more successful moves.



Guaranteed capacity. Asset-based commercial moving providers that operate their own van lines can guarantee capacity and driver availability. They can also screen drivers to ensure they are reliable, safe, and trained to provide the highest quality customer service. Access to guaranteed capacity means never having to compromise the moving schedule due to outside factors.



Lower (wholesale) moving costs. Commercial moving providers use either a wholesale pricing model, in which they charge a fixed, flat rate for their services, or a retail model, in which they markup their subcontractors' costs and pass these combined fees to the customer. On average, working with a single-source commercial moving provider that uses wholesale billing can lower total costs by 12% to 21%. And because wholesale commercial movers set their prices, they can clearly outline costs up-front in the contract, so there are no surprises. In contrast, with a retail pricing model, customers are at the mercy of subcontractors' rates and fees, which increase dramatically during peak moving seasons when capacity is limited.



Greater control. Single-source commercial moving providers have more downline visibility and control over every component of the moving process, from planning to shipping to unpacking. Single-source providers don't rely on agents to self-report metrics but, instead, have direct, unobstructed visibility to all aspects of their business, down to the quality ratings of each crewmember. Because of their control over the process, single-source providers can ensure a higher quality and consistent moving experience from start to finish.



Seamless administration. Instead of managing multiple vendors, companies working with a single-source commercial moving provider have a single point of contact. Having one contact means it's easier to get move updates and answers to questions that could otherwise take days when reaching out to multiple individuals.



Integrated technology tools. Technology has become crucial to staying one step ahead during a commercial move and provides unparalleled support to both clients and account managers. Because single-source providers "own" and have transparent, real-time command and control over all of the components of a commercial move, they are in a unique position to create innovative technology tools that connect and simplify the process. Some single-source commercial movers have developed proprietary software that acts as a consolidated virtual warehouse, providing a single portal for managing all assets. Such a portal offers real-time visibility into crew locations and reduces administrative duties and costs.

Typical Commercial Moving Proposals

Companies looking to procure a commercial mover are likely to encounter a variety of pricing and proposal models, each of which has advantages and disadvantages. It's essential to understand how these pricing models differ, as how a commercial mover bills its services can have a significant financial impact on the overall costs of a move.



Fixed unit pricing:

In a fixed unit pricing model, the customer pays a single price for an agreed upon scope of work. This is one of the most common commercial moving agreements. A mover can work with you to develop a tiered scope of work that covers all of your needs. Fixed unit pricing models include per person, per piece, per square foot and per station options.

- *Consider a fixed unit proposal when:* You want to know the costs upfront, there are multiple components to the move and/or the move is complex and time-consuming.
- *Be aware:* If you decide you need additional services after accepting a fixed unit proposal, you'll incur extra expenses as the fixed unit proposal only covers those services outlined in the scope of work.



Time and materials:

With a time and materials pricing model, the customer pays a standard per-hour labor rate and the costs of any materials used during the move. Labor rates can vary per individual based on activities performed.

- *Consider a time and materials proposal when:* Your requirements are likely to shift, or you're not sure what services you require before beginning the move.
- *Be aware:* With time and materials pricing, all costs are calculated after the move. Since service providers are paid by the hour, there is no incentive for them to provide fast, professional service.



Blended model:

In a combined model, there is an agreed-upon scope of work billed at a fixed unit price. Any services provided that fall outside of the scope of work will be billed using time and materials pricing.

Selecting a Commercial Moving Partner

When choosing a commercial moving partner, it's vital to scrutinize their services and offerings, as all providers are not created equal. Selecting the right provider will have a significant impact on quality, costs, efficiency, timelines, move administration, and the overall experience.

When evaluating single-source commercial movers, look for those that guarantee access to capacity, exclusive technology, asset-based service delivery, in-market redundancy, and market-based pricing.

Specifically, consider the following factors when selecting a provider:



The services they provide:

Commercial moving entails a variety of aspects, so it's vital to clearly understand what services a potential provider offers.

- Do they offer complete end-to-end services, including intrastate, interstate, international, and air freight?
- Can they support you during every phase of a move from planning through high-value shipping, packing, and custom crating, large equipment moves, and spare-parts inventory?

Also, it's wise to ensure they can customize a program to suit your specific needs if a standard program isn't sufficient.



How they keep costs transparent and reasonable:

Ensure your commercial moving partner has programs and strategies in place to keep moving costs transparent and reasonable.

- Can they pass along savings as a result of economies-of-scale?
- Do they have technology tools that reduce the administrative burden and related administrative expenses?
- Do they mark up their services?

In addition to keeping fees reasonable, ensure any potential partner can clearly articulate how they calculate costs for complete transparency.



Ability to support global and local moves:

Commercial moves, especially those resulting from a merger or acquisition, often entail moving multiple offices in different cities or regions of the world. It's essential that a commercial moving provider can deliver the same quality, services, and expertise whether they are moving an office in Dallas or Dubai.



Moving network size:

Determining the breadth and strength of a provider's moving network is crucial to ensure that you don't end up at the mercy of a company with limited resources or geographic restrictions. Commercial movers that own a van line, as well as a large fleet of trucks, are less susceptible to market dynamics such as driver availability, capacity issues, and labor shortages. The more extensive the moving network, the more likely a provider can support you wherever you need them.



How they leverage technology:

Technology simplifies nearly every aspect of a commercial move, but while some commercial move providers might use standard, off-the-shelf products, others develop their own tools from the ground up. Consider whether a provider can customize their technology to your program, how easy the tools are to use, and whether they genuinely simplify the process or add another level of complexity.



Level of experience:

Ensure your commercial moving partner has the experience, knowledge, and resources to support you on a local, regional and global level. Keep in mind that moves in some regions of the world might face unique challenges, so it's important that any moving partner understand these situations and have local resources available to ensure a smooth process.



Ability to safeguard sensitive information:

Confirm any potential partner has safeguards in place to ensure the security of your sensitive and confidential information.

- Do they conduct background checks on their drivers and laborers?
- Do they have processes in place to store and protect sensitive files during transit?



Customer satisfaction:

When evaluating a potential partner, review their customer satisfaction scores so you can clearly understand how they deliver moving services to customers in the real world.

Conclusion

Commercial moves are unlike any other corporate move. Due to their size and scale, they require a high level of planning, coordination, integration, oversight, transparency, and execution. Working with the right commercial moving partner can simplify the process, reduce office disruptions, and get you back up and running faster.





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