

Global Compensation and Reporting: The Benefits of Partnering with SIRVA

Organizations have choices when it comes to addressing global compensation, reporting, and accounting. At a time when cost savings and projections have been more important than ever to mobility teams, it's important to consider these options wisely. When outsourcing, is it best to partner with a tax firm for compensation services or is seeking an end-to-end solution with SIRVA a better option? The information that follows explores why, for some companies, partnering with us could be a significant advantage.

Tax Firms or SIRVA

When it comes to taxes and accounting, a tax firm's core competency is compliance, specifically in the areas of preparing tax returns, tax planning, and consulting. SIRVA, however, can offer expertise that these companies can't – because our core competency revolves around the coordination of relocation services. Because our platforms are built specifically around mobility needs and our services are available and managed end-to-end, we can draw direct connections between compensation, mobility functions and norms, reporting, and future spend projections. Future spend projections result in an organization's ability to make better decisions in the long run: For example, our robust budget-to-actual reporting provides our clients with a more comprehensive view of their actual mobility spend, making it easier to make decisions that are better aligned with company goals, now and in the future. By partnering with SIRVA, our clients benefit from two important outcomes: fewer administrative burdens on internal teams and significantly reduced costs.

Partnering with a Tax Firm

There are a host of issues organizations need to consider when partnering with a tax firm on compensation and reporting. Depending on the organization's size, the complexity of their policy, and how much control they want to have over certain aspects of their mobility program, such partnerships can even prove to be problematic because the partnership ultimately results in the creation of an intermediary between the business and its supply chain. When not managed 'end to end,' timely troubleshooting and integration can be difficult to accomplish, along with the real-time transparency that is necessary for thorough reporting and assessment. Important operating steps can be missed when using this model.

Other disadvantages associated with using a tax firm for global compensation and reporting include:

Unexpected Out-of-Scope Costs

In addition to tax preparation, tax briefing, and contractual fees, tax firms typically charge 'out-of-scope' fees related to:

- Out-of-cycle balance sheet updates and/or unscheduled cost of living (COLA) changes to payroll instruction
- Manual payroll reporting versus posting data in their specified, required format (via tax provider eRoom) during compensation accumulation
- Compensation reconciliation activity
- Missed client reporting deadlines or the sending of incomplete data (Clients are charged hourly when tax firms must follow up)

Speed and Service

Because relocation coordination isn't a tax firm's core competency, this can equate to issues with both timeliness and customer service. Since no financial transactions can be processed by the tax firm, they will have no resident data in their systems. As a result, the firm must undergo a lengthy process to collect 100% of the data needed for processing tax returns.

Additionally, the tax firm operating model and client satisfaction scores are traditionally built around servicing tax returns and not around answering client communications or questions about compensation. This can result in a fragmented experience for the corporate client and corporate payroll groups.

Reasons to Partner with SIRVA:

- Reduced Fees
- Cost Savings
- Integrated Expertise / A Total Mobility Solution
- Service and Speed

Partnering with SIRVA

When partnering with SIRVA on global compensation and reporting, clients experience several benefits:

Reduced Fees

When organizations use SIRVA as an end-to-end provider, rather than just managing distinct aspects of their global compensation in house, there are no fees associated with the partnership. Fees that are typically considered to be 'out-of-scope' for tax firms are part of SIRVA's standard compensation administration and compensation offerings.

Cost Savings

By partnering with SIRVA and using our global compensation and budget-to-actual reporting services from end to end, organizations can save on both hard and soft costs: Internal teams are freed from compensation-associated activities, allowing them to focus on other organizational priorities and assignee-/transferee-related issues.

Integrated Expertise / A Total Mobility Solution

SIRVA offers global mobility support with a core competency in international assignment compensation services and expertise in all areas related to international assignments. In short, we employ teams that are dedicated to every phase of international assignments and that also take on related administrative tasks.

Service and Speed

When an organization is a SIRVA client, the majority of data needed for tax returns and reporting has already been processed and is stored within our existing platform. This means SIRVA already possesses more of the real-time data needed for reporting purposes. It also means that we can spend less time hunting down any data that may be housed outside of our organization. Additionally, SIRVA account managers are already in place, ready to answer questions and provide the customer service our clients rely on. Our goals and performance are driven by a customer-service-incentivized model.

Global compensation, data collection, and the kind of robust reporting that guides future decision making are important business priorities. To find the most efficient solution, stakeholders should examine a variety of factors, including data security, the importance of integrated mobility and reporting functions, and the potential impact data collection could have on future alignment between business decisions and organizational goals. For many companies, partnering with SIRVA is the right answer.

For more information on SIRVA's global compensation and budget-to-actual reporting capabilities – and how these services can benefit your company, please contact us at conciierge@sirva.com.

Contributors:

Elaine Baker, SVP Strategic Accounts and Global Support Services

John Zanni, SVP Sales

Sean Raney, SVP, Global Compensation and Payroll

Lisa Marie DeSanto, Content Marketing Manager