

Mobility Program Considerations for Clients in the World of COVID-19

Mobility Program Considerations

The rapid spread of the recent coronavirus (COVID-19) is having a significant impact on the global economy and the way in which organizations are adjusting business options in response. Mobility is no exception. As with any rapidly evolving situation, mobility-related practices are also quickly changing. SIRVA is encouraging all organizational leaders, as well as internal functions (inclusive of mobility) to leverage government and health organizational information to better understand the virus, the ways in which individuals can aid in containing the spread of the virus, and the locations that are impacted by the virus. Pertinent information and valuable resources can be found on the websites of the [Centers for Disease Control](#) and the [World Health Organization](#).

During times of crisis and uncertainty, it is critical that organizations understand their responsibilities with regard to their employee populations. The following is intended to provide guidelines for mobility leaders and teams that will help them support their organizations in efforts to minimize the impact of the virus. We encourage you to review it in its entirety, including the Resources section, which provides valuable links to employers regarding various aspects of dealing with COVID-19.

As a reminder, good hygiene is fundamental to both the prevention and containment of the COVID-19 pandemic. SIRVA strongly encourages organizations to remind their associates to pay heightened attention to good hygiene practices as they travel on their relocations and assignments.

Enhanced Support

Assignments for employees working outside of their home locations may be stressful in the best of situations; the addition of a potential health threat will no doubt increase the concerns of your on-the-ground employees and their accompanying families. In addition, it is equally stressful for employees who are scheduled to depart on a relocation in the near future. Employees and families may require additional services (with associated expenses) in order to proceed with a planned relocation, or to support an existing relocation where alternative schooling, housing and travel arrangements may be required. These may include the purchase of safety equipment, pet transportation/quarantine, making alternative travel arrangements (including accommodations), and finding temporary accommodations (if the home or host residence has already been vacated).

Business continuity plans should provide support for an organization's responsibilities to the employee (and accompanying family), but additional considerations may exist because of the mobility arrangement of the employee. Several considerations are highlighted below to facilitate advanced planning for these situations as they arise.

Cash Flow Challenges

Impacted employees may have additional out-of-pocket expenses as a result of contingency plans being implemented by an organization. Such costs may be difficult to manage.

- **Unexpected Costs:** Impacted assignees will have unexpected costs that will need to be covered quickly and many assignees may not have the immediate funds or available credit to cover large out-of-pocket expenses or ongoing expenses for an extended period of time. Examples of these expenses may include flights, hotels, meals, temporary housing costs, a rental car, alternative education costs, etc.
- **Company Funded Support:** Organizations should determine what costs the company will be covering and implement direct-bill opportunities when possible, in an effort to minimize employee out-of-pocket expenses. When direct bill arrangements are not feasible or practical (based on time and other constraints), organizations must ensure that expense-reimbursement processes are efficient to minimize reimbursement turnaround for employee-funded expenditures. Look to your suppliers for support with setting up direct bill arrangements, assisting with the management of funding approvals, and establishing effective funding mechanisms. Ask your supplier if they can advance funds and obtain payment from you.
- **Lump Sum Payments:** In some instances, providing a lump sum may be appropriate to address miscellaneous expenses outside of larger ticket expenses such as flights, hotels, and temporary housing that could typically be covered directly.

Mobility Process Timeline Delays

COVID-19 may have an impact on mobility timelines in impacted locations. It will be important to understand where delays could be encountered, how delays could impact deploying talent, and how these delays could impact costs based on each organization's population demographics.

New Authorizations:

- In many cases organizations are continuing to move forward with as much of the mobility process as they can for new mobility requests: sourcing and recruiting talent, vetting talent, designing packages, reviewing cost projections, approving moves, initial immigration and tax authorizations, and reviewing mobility timelines.
- Depending on the destination location, some moves will continue forward while others will be paused until further guidance is given by the organization. Employee preference to relocate during uncertainty may result in self-select delays and/or opportunity declines if personal health or other concerns are an issue. Organizations should consider contingency plans for increased decline rates specific to new authorizations.

In Process Moves:

- Moves that are in process may proceed depending on the departure/destination locations. Others may be cancelled or paused until further guidance is given by the organization.
- Moves that continue forward may encounter timeline delays with vendors providing logistics support as they, too, are being impacted by new guidance, restrictions, or suspension of local operations (e.g., household goods (HHG) shipment).

- Some delays may require additional support with regard to temporary housing (in the home and/or host location, depending on the employee's ability to access accommodation in the home and/or host location), immigration delays (limiting the ability for the employee and accompanying family to enter the new location), schooling options (in cases where schools are closed or new enrollments are delayed), as well as delays in the provision of providing destination-specific support such as area tours, school tours and settling-in services.

Potential Unplanned Costs

Impacted locations could see increased costs as a result of unplanned expenses, such as the following:

- **Duplicate Expenses:** In some cases, organizations may find that they are paying for expenses in both the home and host location regarding:
 - Housing
 - Transportation
 - Education
- **Surcharges:** Be prepared for potential surcharges as vendors try to offset additional costs for supplying services: hotels, airlines, port charges, storage of HHG, immigration fees, etc.
- **Supply and Demand:** Some services may see spikes in costs as a result of supply and demand impacts, including rates and fees associated with hotel stays, car rentals and corporate housing.
- **Timing Costs:** Impacted employees may not be able to book the most cost-effective flight due to timing and availability issues, so airfare costs may be higher than normal.
- **Rental Furniture:** If impacted employees have returned to their homes or alternate, temporary residences during the interim, they may need assistance with furniture rental costs if their furniture is in-transit or remains in the host location.
- **Cell Phones:** Impacted employees may have additional cell phone fees if they had converted to a host location cell phone plan and they are not in a location where that phone plan supports their communication needs.
- **Education Costs:** Impacted employees may have returned to their home (or alternate, temporary) location during the interim and will need to enroll their children in school for the duration. In some cases, the employee may incur additional education expenses.
- **Temporary Housing Expenses:** Impacted employees that have left their host locations may need temporary housing in alternate locations until it is determined that they are able to safely return to their host locations. Typical expenses could include corporate housing/hotel costs, utilities, and meal expenses if cooking facilities are not available.
- **Rental Car:** Impacted employees may need a rental car in the home/interim location.
- **Extended Storage:** Impacted employees may require extended storage in transit if goods have been put on hold and goods are already in transit.
- **Backlog:** Impacted locations may see backlogs for services which will create additional delays and the potential for additional costs as the delay impacts other mobility milestones (e.g., immigration, HHG shipments, etc.).

- **Cleaning Costs:** The Centers for Disease Control (CDC) has developed a [series of recommendations](#) for the routine cleaning and disinfection of households. Additionally, local health departments may have developed approved cleaning procedures to combat the spread of COVID-19. Impacted employees should be supported as they observe these recommendations and/or work with their housing providers on approved cleaning procedures.
- **Medical/Medical-Related Needs and Costs:** As a result of COVID-19, impacted employees and their families may require testing, additional medical attention, hospitalization in the host country, quarantine, masks, sanitizer, and/or antibacterial cleaners and wipes. It will be important to anticipate and respond to these needs, as these will likely be additional out-of-pocket expenses that will need reimbursing.

Vendor Impacts

COVID-19 may have an impact on how your Relocation Management Company (RMC) and vendors are able to provide services in impacted locations.

Travel Departments

- **Employee-Paid Travel Reimbursement:** When companies do not have internal travel departments for booking employee travel, the organization may not be able to accommodate COVID-19-related emergency employee-paid travel bookings (and associated reimbursement processing). If your employees are asked to book emergency travel independently, consider expediting the reimbursement process through your relocation partnerships or internal expense processing.
- **Increased Volume:** Some travel departments may not be able to support the additional assistance that will be needed for impacted employees (travel changes, travel cancellations). A contingency plan should be developed, implemented, and communicated to employees to assist with travel arrangements.

Household Goods

- **Additional Safety Protocols:** Vendors will be taking additional measures to ensure the safety of their on-the-ground staff so certain processes may be modified and additional protocols may be implemented.
- **Virtual Support:** Where appropriate, HHG vendors may increase utilization of virtual surveys to minimize on-the-ground exposure.
- **Shipping Delays:** Additional safety measures and country requirements may impact shipping timelines, thus having an impact on temporary housing costs.

Host Schools

- **Current School Year:** Certain locations have already temporarily suspended classes and other locations may follow suit depending on how that location is impacted.

- **Registration Process:** For impacted locations, the typical interview, vetting, and application process may be modified or suspended until further notice. Tours and face-to-face meetings may not be possible until further notice; virtual alternatives may be implemented.

Destination Services Providers (DSPs)

- **Changes to Support:** For impacted locations, the typical DSP support may be modified to address safety concerns for DSP staff. Additional support may be provided virtually to limit face-to-face exposure. Many vendors will have questionnaires to be completed and specific processes that must be followed to ensure the safety of their employees (e.g., travel and medical declarations). In some locations, all support may temporarily be unavailable. This may present challenges for new moves, in-process moves, and on-assignment support that may be needed. Additional patience will be needed as vendors navigate through their local challenges, which may impact their ability to meet service-level agreements and timelines.

Language Training/Cultural Training

- **Changes to Support:** For impacted locations, face-to-face support may be modified to address safety concerns; more support may be provided virtually. Many vendors will have additional questionnaires and specific processes that will need to be followed to ensure the safety of their employees (e.g., travel and medical declarations). In some locations, all support may temporarily be unavailable.

Immigration Support

- **Delays in Timeline:** Expect delays in immigration processing for impacted locations. Some locations may have temporarily suspended processing any work or residency permits. Immigration timelines will need to be fluid as changes to processes and requirements may fluctuate daily. Employees and stakeholders should be notified of adjusted timelines, as available.
- **Delayed or Held Documents:** Impacted locations that have suspended or delayed services may adversely impact employees if required documentation (e.g., passports) have already been submitted.

Local Registrations

- **Delays in Timeline:** Expect delays for impacted locations as some locales have temporarily suspended operations or are limiting registration processing. Anticipated timelines will need to be adjusted and communicated to impacted employees and organizational stakeholders.

Mobilization

Once the concern of COVID-19 eases for particular locations and organizations relax or remove mobility restrictions, organizations will be keen to quickly mobilize currently parked talent and get back to business as usual with new moves. It will be key for organizations to communicate and strategize with their RMC and/or vendors on how to expedite this process. Organizations may be ready to resume mobility activities, but impacted locations and vendors may be slower to respond.

- **Strategy/Prioritization:** Once the organization has made a decision to start moving parked/on-hold employees to host locations it will be important to:
 - Set clear processes for qualifying/clearing impacted employees to travel to host locations
 - Assess location challenges with their RMC and/or vendor
 - Set a process for authorizing a return and re-engagement of any suspended services: allowances, relocation services, etc.
- **Delays Due to Backlog:** Once an organization decides that moves will resume, it is recommended that they check with their RMC or vendor to ensure they are ready to start providing support. Organizations should be prepared for potential delays as vendors themselves ramp up to normal activities that may still be modified and they address in-process work that had been suspended as along with the influx of new initiations and requests.

If you haven't already done so, consider taking these recommended immediate actions:

1. Identify your global population:
 - Where are your mobile employees located?
 - Compare the locations of your mobile employees with current COVID-19 impacted-areas
 - Proactively contact employees in impacted locations to share status updates and suggested protocols
 - Understand employee concerns and required response
2. Partner with your risk mitigation (and other internal teams) to define and implement emergency protocol procedures (as appropriate)
3. Review mobility policies to understand emergency/evacuation protocols and repatriation options (as appropriate)
4. Work with your mobility partner network to identify support options for implementing emergency/evacuation and repatriation protocols

Valuable Resources

There are a variety of resources available to companies during this challenging time:

- Johns Hopkins' real-time dashboard for monitoring various statistics associated with global cases of the COVID-19:
<https://www.arcgis.com/apps/opsdashboard/index.html#/bda7594740fd40299423467b48e9ecf6>
- WorldAware's coronavirus intelligence and advice hub:
<https://www.worldaware.com/resources/intelligence-alerts/sars-cov-2-and-covid-19-coronavirus-intelligence-hub>
- Mercer's roundup of COVID-19 resources for employers:
<https://www.mercer.com/our-thinking/law-and-policy-group/roundup-novel-coronavirus-resources-for-employers.html>

The impact of COVID-19 on mobility is fluid. SIRVA will continue to monitor, gather, review, report information, and provide relocation management guidance around this important topic. SIRVA encourages organizations to work closely with their account managers and internal organizational functions to navigate the complexities and concerns surrounding the COVID-19 impact on mobility support.

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