The Cornerstones of Programme Design: Building a Strong Foundation to Support Global Mobility Strategy

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RELOCATION RESOURCES

Introduction

A well-designed mobility programme recognises that need for balance and seeks to ensure that all the forms of relocation assistance are implemented effectively and economically while helping relocated employees maintain their job productivity during the transition period. As employee mobility continues to play a critical role in organisation's talent acquisition and management processes, effective relocation and assignment benefits are paramount to reaching corporate goals. Programme Design is more than just establishing policy provisions and the final document. Consideration should be paid to underlying drivers of mobility.

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Cornerstone 1: Philosophy "The Why"

A question every organisation needs to ask itself is "What drives mobility?" Often times, other Corporate benefits programmes may hold the answer. Most Companies are either employee-centric, cost-driven, or in most cases somewhere in between. Employee-centric companies are driven by employee satisfaction. Benefits are commonly more robust, and can have more focus on meeting the individual's needs. Alternatively, cost-driven organisations take a "lean" approach to offerings; providing enough to meet the business need, with more focus on the "bottom-line" versus the individual.

The War for Talent also plays a role in mobility structure. Recruiting initiatives tie directly to relocation and international assignments as multi-national organisations may be forced to seek out talent in the global marketplace. Relocation can present challenges to the employee, not only emotionally, but financially. For example, establishing a new residence is costly and relocation benefits can be considered taxable income to the transferee. Does the company want to share in the additional tax burden as the cost of doing business? Or is the employee to take on some of the risk? In addition to compensation, relocation assistance can be a crucial element in a job seeker's decision to select one company over another. Does the organisation want to be consistent with other organisations tapping the same pool of candidates; do they want a competitive edge?

Benchmarking can be an effective tool in measuring competitiveness. Conducted on an annual basis, a benchmarking study and analysis reviews the existing relocation policy and procedures against industry best practices, market data information about key relocation benefits and offerings within the respective industry to ensure that the Company is competitive in their marketplace.

As with all facets of any business, relocation trends change and evolve. In addition to benchmarking, periodic programme assessment surveys may also reveal valuable

information.

Surveying the transferring employees / assignees, as well as the internal business owners / users may identify what is working and what is not working. Utilising a third-party service provider to conduct the review may solicit more candid feedback.

Cornerstone 2: Population "The Who and Where"

Move population demographics play a crucial role in establishing relocation benefit levels. Often, the best relocation programmes reflect the Company's culture and specific needs of its employees. Each employment level presents its own challenges that can be addressed specifically with multi-tiered programme. By obtaining a clear picture of who is relocated, the positions and frequency with which they move, and what location-specific challenges may exist, the programme can be designed appropriately.

Mobility may also be a companion to an employee's development through an organisation. Beyond the traditional within borders relocation programme; summer intern programmes, recruitment support services, short-term assignments, domestic plans in foreign locations (other than headquarters), international assignments, and one-way transfers to cross-border locations may be a good adjunct to career pathing. Through the use of the global relocation programme continuum, understanding move demographics and adding a formal structure to the process will help the organisation stay agile.

Cornerstone 3: Administration "The How"

Administration of the relocation programme, whether centralised or decentralised may drive the complexity of benefits. In developing relocation programmes of scale, the proper people and processes must be in place. Outsourcing to a third-party service provider may be an effective means. Often times, relocation programme administration and vendor management is just one aspect of a much larger core set of responsibilities. The third-party service provider is strictly focused on the mobility aspects of human resources, freeing up valuable company resources. In addition, third-party service providers can manage vendors directly and offer group purchasing discounts on services the company would not otherwise be able to obtain on its own.

Cornerstone 4: Compliance "The Why"

The Company should assess its risk threshold and ensure all measures in place are compliant with local / government regulations. Not only should benefits be within regulations, but processes need to be well-defined and communicated to protect the Company in the event of an audit.

Cornerstone 5: Communications "The What"

As with other corporate benefits, creating defined guidelines of assistance is necessary to ensure equitable and consistent administration, while allowing the organisation's business units to create realistic budgets. Administrative features of the relocation programme should also be clearly outlined and articulated. Specific definition as to the who, what, where and when of the programme is necessary to provide the employee with a more efficient means of understanding the relocation programme, process and resources that have been made available in order to ease the transition to the new location. Clearly stating these elements will increase employee satisfaction, and reduce internal workload. Programme collateral should include comprehensive policy documents, high-level programme matrices detailing the main provisions of each plan (for internal use only), as well as a cost estimator tool to properly estimate a budget for each move.

In addition to having the communication materials in place, a formal rollout should be conducted. Consistent messaging of the programme to end-users, from those authorising relocation benefits to those receiving assistance will further set realistic expectations.

Putting it All Together

Regardless of what relocation benefits are chosen to implement, incorporating the cornerstones of good programme design will help set the stage for a strong mobility foundation.

About the Author

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Karen has 11 years of professional experience including positions in account management, recruiting and event planning. Her relocation background includes six years with leading relocation providers in domestic operations and consulting. While in operations, she was awarded top honours for transferee satisfaction. Applying her insight from operations to cultivate approaches to policy design that both appeal to the client's bottom line while providing relevant benefits to increase employee satisfaction, Karen has designed new relocation programmes for several large clients, developed cost modelling tools and conducted several research projects and benchmark studies.

Karen holds a B.A. in English with an emphasis in Technical Writing from Northern Illinois University in Dekalb, IL. In addition, she has continuing education credits in Illinois Real Estate Practices and Real Estate Appraisals.

About Paragon Relocation Resources

Originally founded as a relocation consulting company in 1987 specialising in domestic and international relocation and global assignment programme development consulting, Paragon Relocation's mission was to develop cost-effective mobility programmes that offered more services to the transferring employee, at less cost to the organisation. Today, Paragon Relocation maintains an extensive consulting practice focused on global mobility issues in their entirety.

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