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## STEPS TO EFFECTIVELY WORK WITH A RELOCATION PROVIDER



## Relocation is rarely easy.

There are a lot of moving parts that all need to work in perfect rhythm for a move to go well. Throw in the unexpected — like weather that affects a household goods shipment or a negative inspection that delays a home closing — and there is a high probability that something will go wrong. And, depending on the emotional state of the employee and family, the definition of “catastrophe” can range from a scratch on the refrigerator to a major loss of personal possessions.



When emotions are at their peak for the employee, it can put a strain on the relationship between the employer and their relocation management company (RMC) — particularly if the employee is a VIP and internal politics come into play. To keep the relationship healthy and balanced, successful relocation partnerships require that the company and the RMC work together to avoid and resolve issues.

Here are some steps that organizations can take now, so they are prepared for whatever the next relocation challenge brings.

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STEP 1:

# UNDERSTAND THE UNIQUE NATURE OF RELOCATION

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Relocation is not like other employee benefits. It is stressful and highly personal for your employees. It invades their privacy by getting their employer involved in their personal financial situation, real estate choices, family issues, and even private lifestyle.

During the relocation period, an employer must understand that these stresses can bring out the worst in their employees. When that happens, someone needs to remain calm and objective. That job falls to both the organization and RMC. But the RMC cannot navigate these situations alone and must depend upon the partnership between the RMC and the employer to help neutralize emotional situations and preserve the effectiveness of the relocation program.

**KEY POINT:**

Acknowledge the unique challenges that relocation brings and be prepared to address them.

## 2 STEP 2: PRACTICE OBJECTIVITY

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Some relocation situations can become emotional and political. When a relocating executive is upset because the appraised value of her home is too low or a senior manager is asking, “What’s going on with a relocation?” it is not the time to search for a scapegoat or shoot the messenger.

Our experience indicates that in the vast majority of cases, the frustrations experienced by the employee during this very stressful time are the result of events that occur in any move, whether assisted by an RMC or not.

In such situations, it is always best for the employer and the RMC to first fix the immediate issue and then address the underlying cause of the problem at a later date. If you’re engaged with your RMC and have invested time in the partnership, navigating these rough waters will be much easier. When challenges occur, take a deep breath, remain calm, and partner with your RMC to find a solution. As is often said in this business, “Keep Calm and Relo On.”

### KEY POINT:

Fix the immediate issue for the employee, and then deal with the root cause of the problem.

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STEP 3:

# TRACK EXCEPTIONS AND LEARN FROM THEM

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Tracking exception requests, outcomes, and total exception spend is a useful way to spot areas of your policy where improvements can be made.

An exception request is an indication that a policy component is not meeting the needs of a particular employee or group of employees. Here's a good rule of thumb: If exception costs equal 10 percent or more of your annual relocation spend, it's time to do some analysis. Also keep in mind that any deviation from your policy (even one that does not cost more money) should be tracked, so you have accurate data regarding where your program is not meeting employee needs.

For each exception, your RMC should track the cost category, total cost, reason, and final outcome. Having this information, and working with your RMC to understand what your exception behaviors mean, can result in a relocation program that is much more cost-effective and provides a better experience for your employees. It will also help to strengthen your relationship with your RMC.

## KEY POINT:

Use exception data to improve your program and strengthen your RMC relationship.

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STEP 4:

## KEEP POLICIES CURRENT

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Changing real estate markets, employee demographics, and business climates can all impact the relocation support that you provide to new or existing employees. At a minimum, you should conduct an annual review of your relocation policies to ensure that they are up to date.

If your RMC doesn't make policy recommendations, ask them to do so. In addition, ask your RMC to provide ongoing information during the year to help identify trends that are developing or problems that need more immediate attention.

**KEY POINT:**

Take what you learn from your RMC and put it into action in your program.

## 5 STEP 5: ENGAGE WITH YOUR RMC

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Recent surveys indicate that the time invested by corporations in relocation continues to decrease as corporate professionals take on more diverse roles and higher workloads.

In fact, a recent NuCompass survey showed that over 80 percent of our client contacts spend less than 20 percent of their time on relocation. This lack of focus on relocation can result in a misunderstanding when an issue occurs or a tough decision needs to be made.

Investment in understanding relocation and partnering with your RMC is directly proportional to the overall success of a relocation program. Stay engaged with your RMC by having regular (perhaps monthly) meetings to discuss current challenges, trends that are developing both within your program and in the marketplace, and new ideas in relocation.

### KEY POINT:

**Be prepared. Don't wait for major issues to develop before engaging with your RMC. By then, it could be too late.**

## 6 STEP 6: MAKE IT PERSONAL

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Your RMC wants to get to know you, your team, and your organization so they can understand the personal and cultural aspects of how relocation works within your company.

How does the company deal with employee stress and the politics of relocation? What are your most pressing issues? What internal roadblocks do you or your team face in getting decisions made or managing challenging situations with VIPs? What type of information do you need to deal with internal challenges — and in what format?

Having a more personal knowledge of you and your company will help your RMC offer program recommendations that are suited to your culture and provide a better road map for managing stressful situations.

### KEY POINT:

Invest personal time with your RMC contacts. It can pay big dividends later.



## 7 STEP 7: EDUCATE UP AND OUT

Most RMCs provide access to valuable data about the relocation industry, as well as statistical and trend data about the corporation's specific relocation program.

Program data is usually available via a client portal provided by the RMC and should include dashboard information showing year-over-year comparisons and other trends. Companies should also be able to order or create customized reports from the RMC.

If you want your organization to be prepared for the challenges of relocation, or to embrace policy changes that your program needs, educating “up and out” is an important activity. The data and information sources described above allow you to educate senior management about the challenges inherent in relocation. You can also use data to educate “out” — to division managers, recruiters, and others who touch relocation. These are all critical players in the success of your relocation program. Having them on board with trends and challenges can improve program performance, create higher satisfaction with your relocating employees, and strengthen your relationship with your RMC.

### KEY POINT:

Use the reporting technology provided by your RMC and other sources to educate your organization about relocation.

## SUMMARY

Relocation has a unique set of characteristics that are unlike most other corporate employee benefits. It involves the company in the employee's financial, family, and personal life in ways that employers don't normally engage in. Yet, relocation is a necessity for organizational growth and marketplace competitiveness.

Due to its unique nature, relocation is not something that can just be handed off to an RMC for service delivery. Rather, it requires an investment of time and education by company staff and the RMC to develop the type of partnership that will lead to open communication, collaboration, and trust.

When this happens, the result is an effective relocation program that will support, and perhaps even propel, the company's key objectives. It also provides a relocation experience for employees that will make the next assignment or move a much easier decision.





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