SRRC Fall Conference

September 19th & 20th, 2018
Jacksonville, FL
Determining Your ROI: Examining Relocation Costs and Employee Experience

September 19th & 20th, 2018
Jacksonville, FL
Speakers

- Holly Clontz, CRP, GMS-T – Manager, Global Talent Mobility Solutions, HR Operational Services, Ingersoll Rand
- Mary Beth Nitz, SCRP, SGMS-T, GPHR – Vice President, Global Consulting, Altair Global
Ingersoll Rand Policy Redesign

Drivers

- Policies not benchmarked in almost 10 years
- Results of “Voice of the Customer” (VOC) feedback indicated need for change
- Restructuring of team led to need to ensure global support and solutions
The Journey

- **VOC in 2015** – Included business and HR leaders, employees, spouses, children
  - Hosted focus groups to discuss feedback
- **2017 benchmark to address flexibility**, *no silver bullet*
  - Options – leave “as is”, offer core/flex, move to “value-based segmentation” policy
- **Q2** – Market competitive benchmark by benefit
- **Q3** – 2-year “deep dive” utilization of benefits
- **Q4** – Created and implemented core/flex employee choice program
Momentum Productivity Study

- Two separate studies with a focus on identifying areas where an employee loses work focus and productivity during the course of a relocation.
- U.S. Domestic Study, published in 2015, surveyed 546 employees who had relocated within the domestic U.S.
- All employees surveyed were relocated under a comprehensive, “full benefits” policy that provided benefits (both logistical and financial) in support of all relocation activities.
Momentum Productivity Study

**U.S. Domestic Study**

**Top Productivity Impacts**

1. Finding the destination community – 58%
2. Securing the destination residence – 49%
3. Disposing of the departure home – 44%
4. Arranging household goods transport – 42%
5. Job training / employee orientation / professional development – 38%
6. Adapting to the new work environment from a social and cultural perspective – 33%

*Homeowners lost at least 19.8 days of work productivity.*

*Renters lost at least 15.6 days of work productivity.*

**International Study**

**Top Productivity Impacts**

1. Finding a destination residence – 66%
2. Establishing a residence in the new location – 61%
3. Coordinating and managing the immigration process – 57%
4. Understanding the compensation-related specifics of the assignment/move – 48%
5. Arranging and overseeing household goods – 45%
6. The decision making process with regard to financial situation – 34%

*Based on high impact activities, employees lost at least 24.4 days of work productivity.*

*Adding high and low impact activities resulted in a loss of at least 39.2 days of work productivity.*
Voice of the Customer (Employee) – Ingersoll Rand

Q12 Do you believe you were adequately prepared ahead of time for the relocation process and to live in your new location?
- Yes
- No

Q13 What helped you to feel prepared?
- Company assistance
- Supplier assistance
- Preparation you did on your own

72.3% of employees indicated the preparation they did on their own helped them feel prepared for the relocation.
Voice of the Customer – Momentum Productivity Study

- “Did own research and scouting alone”
- “Managing school search without assistance”
- “Needed more time to prepare for relocation”
- “I had to handle many things myself”
- “Overwhelmed with actions at beginning of relo process”
- “Needed time off work to handle settling in administration”
- “Anxiety things wouldn’t get done”
During our most recent relocation, I was the primary point of coordination.

During our most recent relocation, my spouse (employee) was the primary point of coordination.

During our most recent relocation, my spouse (employee) and I shared responsibility for coordination.
Voice of the Customer – Momentum Productivity Study

- Single employees
  - “Research was time consuming. No spouse to assist with relocation details.”
  - “No spouse to assist”, noted as 2nd greatest impact to employee’s productivity during relocation

- Employees with spouse/partner/family
  - “Spouse and kids in hotel more than a month...very distracted with the situation”
  - “Spouse and kids in different location for extended period of time”
  - “Spouse career assistance would have helped”
  - “Took personal time to help spouse adjust”
  - “Needed in-depth spouse assistance”
Top Productivity Impacts

- U.S. Domestic Study
  - Finding the destination community
  - Securing the destination residence
- International Momentum Study
  - Finding and selecting the appropriate residence/home in the new location
  - Establishing a residence in the new location including utilities, registrations, etc.
International Momentum Study

Destination Services / Settling-In Assistance

- Participated: 89%
- Did Not Participate: 8%
- Was not offered/provided: 3%

Destination Services / Settling-In Assistance Impact on Work Productivity

- Highly Improved: 36%
- Moderately: 26%
- Somewhat: 18%
- N/A: 12%
- Not at all: 9%
What are the Lessons Learned?

- It’s not just about benefits listed in a policy
- It’s about providing **support & solutions** and **enhancing the employee experience**

“Post-relocation support is critical.”

“Provide follow-up support such as focus groups, brown-bag lunches, or round tables.”

“Program or onsite forum for expats to share knowledge with upcoming, new expats.”
## Cost Impact of Productivity Loss

<table>
<thead>
<tr>
<th>Move Type</th>
<th>Average Cost per Lost Work Day</th>
<th>Average Lost Productivity (# Days)</th>
<th>Volume of Moves</th>
<th>Annual Lost Productivity Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeowners</td>
<td>$601</td>
<td>19.8</td>
<td>300</td>
<td>$6,415,200</td>
</tr>
<tr>
<td>Renters</td>
<td>$450</td>
<td>15.6</td>
<td>300</td>
<td>$2,021,760</td>
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<tr>
<td>All Moves</td>
<td>$1,051</td>
<td>17.7</td>
<td>600</td>
<td>$8,436,960</td>
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</tbody>
</table>

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</tr>
</thead>
<tbody>
<tr>
<td>High Impact Days (x3)</td>
<td>US $901</td>
<td>24.4</td>
<td>300</td>
<td>US $6,594,077</td>
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<tr>
<td>High (x3) and Low (x1) Impacts</td>
<td>US $901</td>
<td>39.21</td>
<td>300</td>
<td>US $10,598,463</td>
</tr>
</tbody>
</table>

### U.S. Domestic Study

### International Study

![SRRC Logo: Southeastern Regional Relocation Council](image-url)
Thank you!

- For more information, feel free to contact:
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  - Mary Beth @ mbnitz@altairglobal.com or 972-468-3462