

MOBILITY™

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CORE-FLEX:

WHAT YOU DON'T KNOW

MOBILITY ANALYTICS

A CALL TO ACTION

PRESCHOOL

TO PAY OR NOT TO PAY

IMMIGRATION SPONSORSHIP

SHARING THE COST





A pair of scissors with black handles and silver blades is positioned diagonally on a light-colored wooden surface. In the lower-left corner, several white puzzle pieces are scattered, some overlapping. The background is a warm, natural wood grain.

PRODUCTIVITY QUANTIFIED

How Much Time and Money Are
You Losing Through Relocation?

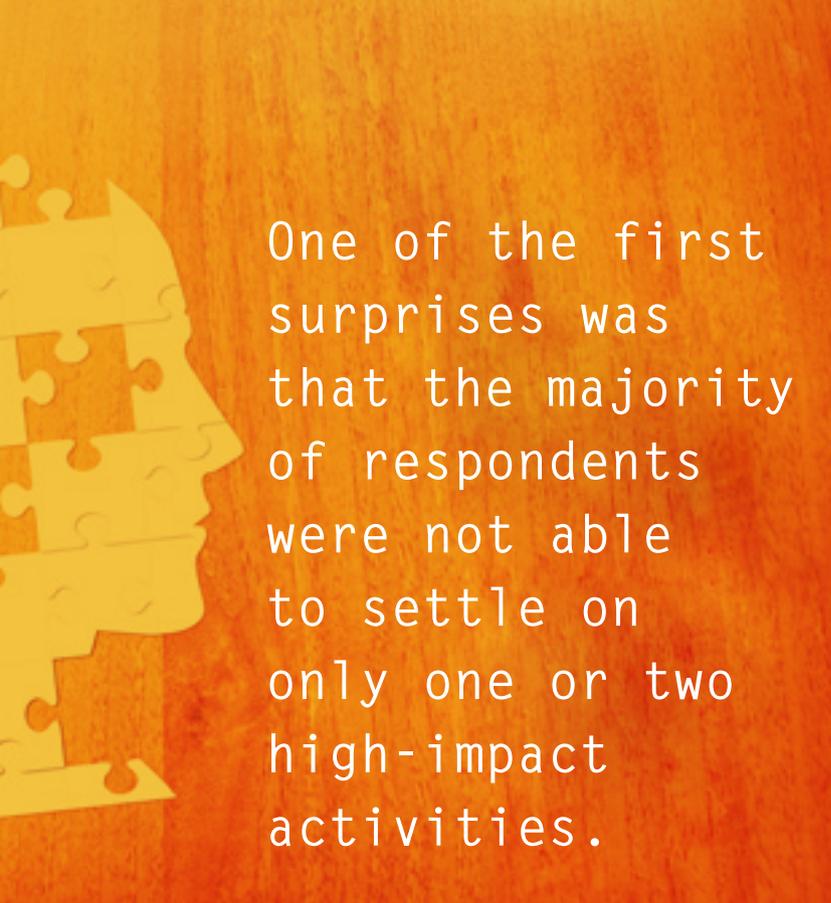
By Chad Sterling, CRP, GMS

*"You cannot mandate productivity; you must provide the
tools to let people become their best."*

— Steve Jobs

Maintaining employee productivity while in the midst of a relocation has always been a challenge for companies that have mobile talent. Ultimately, it is the role of the relocation management company, in partnership with the corporate client, to create solutions geared toward making the relocation process easier and more efficient. However, even with the tools and services offered, most employers find that an employee in the midst of a relocation will undoubtedly lose valuable work time. Productivity issues ultimately impact not just the transferee and family, but also the employer's bottom line. It is with this in mind that the idea for what is now known as the Momentum Survey Series was born.

This series focuses on employee productivity issues and seeks to identify creative and realistic solutions. The initiative is aimed at identifying the "pain points" that have the highest impact on transferee productivity, measuring their effect on



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workplace productivity and ROI, and translating the findings into action items that employers can utilize to positively impact productivity.

To echo Steve Jobs, you can't mandate productivity; but when you understand what causes a loss, you should very much be able to address the gaps and increase an employee's potential to remain effective even during a mobility event.

DEFINING THE DEMOGRAPHICS

The first iteration of the survey series, conducted in a partnership between Altair Global and RIS Consulting, focused primarily on domestic U.S. moves. In order to ensure a level playing field when comparing and contrasting the results, employees who were chosen to participate relocated under similar full-service policies and moved within a defined time frame. Ultimately, 12 client companies participated in the study. From those 12 companies, more than 1,250 transferees were invited to participate, and 546 transferees responded to the survey. Additionally, 40 live telephone interviews were conducted with survey respondents to further explore and discuss the productivity impacts identified.

THE METHOD BEHIND THE MADNESS

Respondents were asked to rate 22 different components, activities, and aspects of their relocation in terms of distraction level and time taken away from

job focus. The components and activities were categorized as being:

- **Relocation-related** — arranging the shipment of household goods; selling an origin home.
- **Work-related** — adapting to the new work environment from a social and cultural perspective; communicating and interacting with internal departments supporting the move process.
- **Personal/family-related** — communicating with and managing family issues during periods of separation; handling of spouse/partner career transition challenges related to the move.

To assess the work distraction and lost productivity posed by the different components, it was important to create a common, yet equally effective measurement scale. In an effort to simplify the process of completing the survey, we selected a straightforward but conservative scale, where "high-impact," "low-impact," or N/A (not applicable to the individual's relocation) were the options available for survey respondents to rate each activity/component.

A high-impact activity caused the employee to lose a combined three or more days of work productivity throughout the relocation process. A low-impact activity caused the employee to lose fewer than three days of work productivity combined throughout the relocation process.

One of the first surprises uncovered within the survey data was that the majority of respondents were not able to settle on only *one* or *two* high-impact activities, as was originally anticipated. In fact, the average number of items rated high-impact by respondents was six. This was echoed by many telephone interviewees when challenged to select only one top-impact item, as conversations suggested that participants found it difficult to separate high-impact situations. For example, it was common for interviewees to begin with homesale or homefinding issues, but it became clear that their situations were compounded by communication, coordination, or other administrative issues.

THE RESULTS

The findings of the survey confirmed what we already knew to be the high-need, high-impact assistance areas for transferees—validating that many of the core elements of relocation support are being recognized and met to varying degrees. However, the results also point to the need for improved and

INDUSTRY COMMENTS ON THE STUDY

“Mobility people have long held to a persistent but elusive hypothesis that relocation causes significant lost work time and productivity, affecting ROI and talent goals. By proving and quantifying this, we’d be able to gauge the effectiveness of traditional assistance programs, recalibrate relocation benefits, and cost-justify leading-edge services.

“The resulting robust data is inarguable. The startling, quantified high-productivity impacts are conservative and, if anything, understated. These findings are financially significant for all employers, industry sectors, and relocation volume levels. The Productivity Loss Estimator tool is an econometric model that enables any company to project its own annualized time impacts in dollar terms, which makes otherwise vague or ‘soft’ issues real and their program remedies more demonstrable. This is the tool for engineering the mobility industry’s next-generation solutions for social, family, and work environment issues.”

John B. Sculley, SCRP
Vice President—Managing Director
RIS Consulting Group

“Reviewing the ‘Momentum Productivity Study’ was an aha! moment. There it is—evidence! I believe the study provides a framework by which service partners can build best practices to achieve the goal of moving a corporation’s valuable population in less time and with reduced stress. Today’s transferee is tempted at every turn to complete their own research and take advice from others who mean well, but can derail the process and the employee. The importance of taking more

time to prepare the transferee, explain the services and support provided, and increase communication at specific times in their relocation was most evident. Building trust in the program and the partners provided is key.”

Sue Carey, SCRP, SGMS-T
Co-owner, Vice President Relocation and Corporate Services
Century 21 Kreuser & Seiler

“The industry is forever changing, and to stay abreast of what that means is so important to those that are involved in the overall process. We all know that relocating employees requires a great deal of touch points to make sure the experience is a good one for those involved in the move. Communication, cost, and productivity all play a key role in making sure the transition goes according to plan.

“The ‘Destination U.S. Momentum Productivity Study’ brings to the forefront key indicators that will help uncover ways to support those impacted by the move. It opens up a better understanding for the transferee and their families by helping them see what lies ahead and where they can go to get answers. It provides analytics so the corporate client can see upfront the cost and potential days lost getting the employee settled and productive in their new job. It aligns suppliers that are involved in the move with better tools of communication that will create a consistent process with clearly defined checkpoints along the way.”

Barry Matheny
Vice President
John L. Scott Relocation Services & eBusiness

customizable assistance for an increasingly diverse transferee population. The highest-impact activities included primarily “relocation-related” activities such as locating and selecting a destination community and residence, disposing of the origin-location residence, either through the sale of a home or the termination of a lease, and managing the shipment of household goods.

However, the study also identified the impact of the “socio-environmental” aspects of relocation. These issues represent the subtler, more personal aspects of relocation ... often referred to as the “soft” issues. Results for these impact areas point toward

significant opportunities to affect workplace productivity. Responses from these telephone interviews further suggest that program enhancements could help employees adapt sooner to their new environments. These may include personalized consultation or extended orientation services provided to transferees on an as-needed basis—as a select option, concierge-type counseling, and other customized approaches may support longer-term productivity.

The feedback from the telephone interviews also uncovered a very clear, common, and definitive theme: “I wish I’d known.” This result highlights the fact that pre-relocation and pre-decision support and



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information are invaluable. Many of the interviewees identified tools they felt would have facilitated a smoother transition. Some of them included:

- A priority checklist of activities and responsibilities.
- Support and assistance between acceptance of the job and the actual relocation effective date.
- Tutoring for children to help them keep up with schoolwork during the transition.
- Earlier and more proactive destination services.

Clearly, as the data and interviewee comments suggest, there is much more than just a productivity drain in the workplace. The resulting lost-time estimates have enabled us to project costs for productivity impacts that, even though conservative and understated, are startling in scale.

When the overall findings of the study are applied to a sample mobility program of 100 employees, consisting of 50 homeowners and 50 renters, the average homeowner loses a minimum of *19.8 days* of work productivity, and the average renter loses a minimum of *15 days* of work productivity. Considering the investment an organization makes in each of these employees, the lost days could equate to millions of dollars in lost productivity costs.

Employers have many opportunities to provide a much more time-efficient moving experience for their employees. Survey data suggests that improving mobility program performance is more a function of productivity preservation and recovery than of direct cost management. For example, providing spouse/partner and family transition services won't cost much per transferee, but it could result in substantial productivity gains for that impact area.

Quantifying work productivity losses resulting from relocation-related activities is innovative research in our industry. The interest in conducting this research is to help companies identify program-specific fixes that will improve their transferees' productivity during and after relocation. The ideas and solutions outlined in the "Destination U.S. Momentum Productivity Study" report are just the beginning of an industrywide transformation that is needed to address productivity and add quantifiable solutions to the business of relocation.

THE OUTCOMES AND SOLUTIONS

Altair's firsthand study of a diverse and robust domestic transferee population has generated definitive measures of lost work time attributable to mobility activities and issues. With the input of basic information about a company's mobile population, we are now able to provide a picture of productivity loss and equate that to solutions to stem the tide of lost work efficiency.

One of the original drivers behind the survey initiative was to further the effort of getting mobility teams a "seat at the table" within their organizations. CEOs and CFOs are continually evaluating the investment in mobility and how it will impact their bottom line. Without factoring in workplace productivity and looking only at the direct costs of employee relocation, we are telling only part of the story. The results from the Momentum study help to fully illustrate the return on investment a company realizes as a result of employee mobility.

Another goal of the study was to offer services and solutions that would benefit clients and keep their employees more productive and more engaged. Work has already begun in partnership with service provider partners and clients alike to begin to form innovative solutions around the challenges that were identified.

With the first study complete, Altair has also already commenced work on the second report in the Momentum Series, which will focus on international assignments and should provide even more relevant data and valuable insight for clients and our industry alike. *M*

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