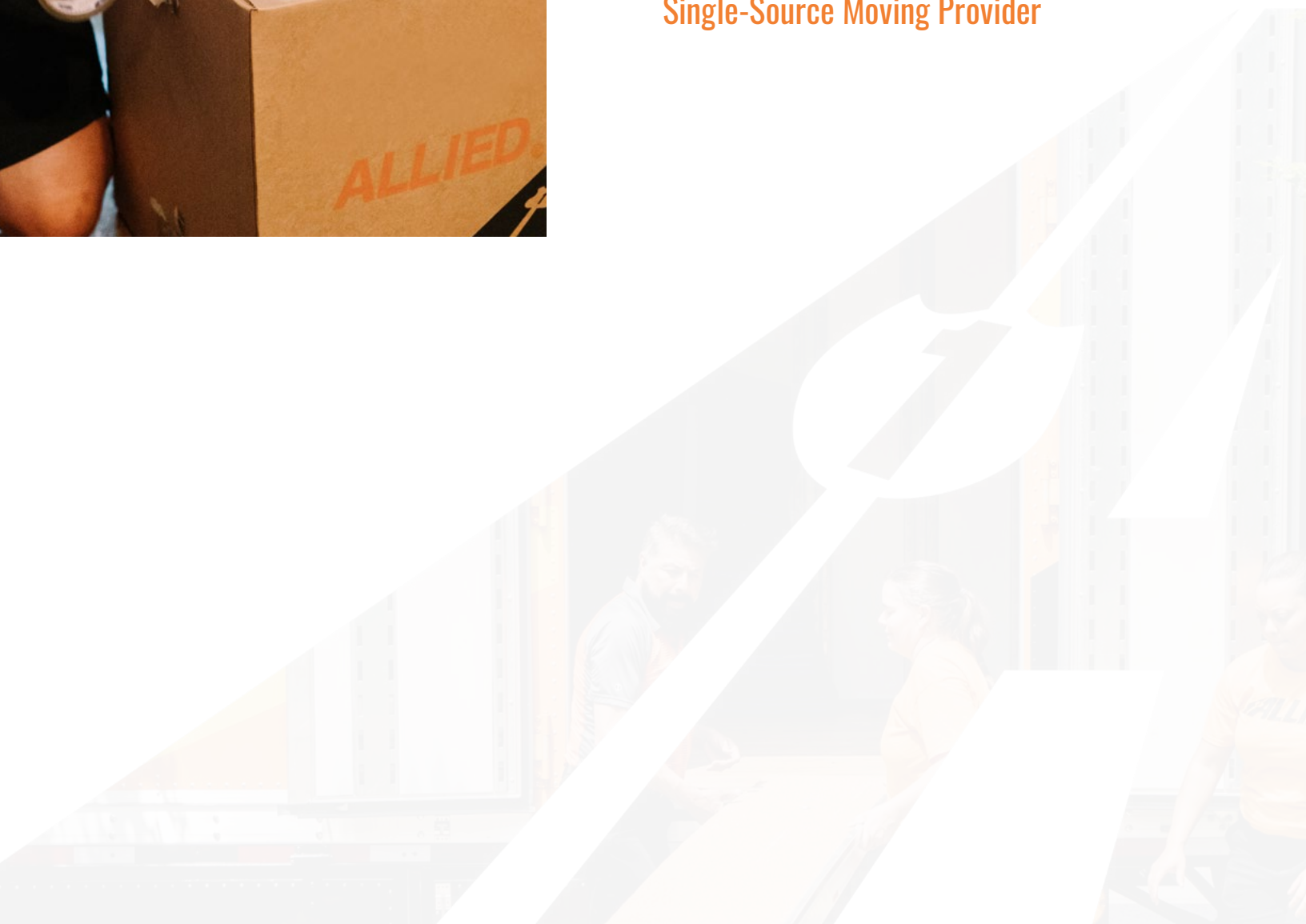




The ROI on Establishing a Corporate Moving Partner

How to Contain Costs by Investing in a
Single-Source Moving Provider



This white paper explores how partnering with a corporate moving provider results in a strong return on investment when compared to managing relocations in-house, including the soft ROI of productivity and the controlled costs of single-source management.

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The Key to Cost Management

It is becoming increasingly critical for businesses to offer corporate moving services, especially as the opportunity to seek career advancement and explore new areas has grown more appealing post-pandemic. Unfortunately, relocation can be a time-consuming, expensive and stressful experience for both employers and employees when not managed properly.

One of the top priorities for an efficient corporate moving program is cost management. Relocations can **cost up to \$25,000** for an employee who rents and up to \$80,000 for a homeowner, but **the majority** of mobility stakeholders are not able to pinpoint exactly how much is spent per employee move. If HR leaders are unable to quantify the costs related to relocation, not only does it become more challenging to manage the costs, it's also difficult to explain the value or return on investment to executives.

Procurement professionals can help reduce the stress on HR while lowering overall expenses on corporate moves by identifying an experienced third-party supplier. Instead of handling employee moves in-house, your organization can partner with a corporate moving provider like Allied Van Lines, supported by a full-service global relocation provider like SIRVA® Worldwide, Inc., to know exactly what money is being spent and where it's going, making it much easier to determine an ROI.

Investing in professional corporate moving services brings value to an organization in several ways. The return can be found in improving HR productivity by removing tedious tasks from their workload, creating an adjustable budget by establishing tiered relocation packages and reducing costs through a centralized, single-source provider.

**RELOCATIONS
CAN COST
UP TO:**

\$25,000

for an employee who rents

\$80,000

for an employee who is a homeowner

Give Back Time and Resources to HR

Corporate moving has quickly become a must-have in the talent market, so it's important to offer in order to remain competitive in attracting and retaining top employees. Nearly three-quarters of employees who recently left their jobs claimed they would have been more likely to stay if a relocation had been offered. Out of those currently looking for a new role, 81% say they are willing to relocate for the right job. Offering a corporate moving program helps expand recruiters' access to potential hires and retain employees who want to grow their careers.

As important as it is for HR to offer corporate moving services, it isn't necessarily feasible for them to handle the program on their own.

Human Resources departments have a lot on their plates. From recruiting and ongoing performance reviews to benefit and payroll management, HR teams lead several efforts to support the business, management and all employees. Adding corporate moving coordination to this list of responsibilities rather than outsourcing the work to an experienced third-party provider will end up costing a company more money by reducing HR productivity.

Relocation tasks could also become time-consuming and daunting for procurement professionals as they balance relationships with multiple vendors. Coordinating a corporate move includes:

- Negotiating and managing contracts with moving companies, real estate brokers, storage facilities and more
- Maintaining policies and budgets specific to relocations
- Staying in constant communication with the relocating employee

And that just applies to a fairly simple move.

By sourcing an experienced corporate moving provider, procurement professionals give HR teams access to a vast network of services through one managed contract. The relocation account manager can handle every aspect of every move while HR is able to focus on their more critical responsibilities.



Flex Your Budget with Relocation Options

When managing corporate moves on their own, most companies are likely to only offer a lump sum package with the assumption that it controls costs and reduces administrative work. However, without proper management, a lump sum can make it difficult to track costs and cause frustration for the moving employee.

With lump sum relocation packages, businesses typically have a set budget per move that they provide directly to the employee. More than half of companies provide the lump sum to assist with travel expenses while 44% expect the funds to cover the entire cost of relocation. The average lump sum employees receive is \$7,200, but the amount typically falls between \$2,500 and \$5,000.

Although a lump sum package often requires less work for the company, there are some downsides to this approach when not managed by a corporate moving expert:



The whole process will usually take longer as the employee has to figure out all the details of their move under a limited budget, with even more challenges if the move involves selling or buying a home.



If an employee is told they will receive compensation for their relocation, it may be an unhappy surprise to discover the funds are not enough to fully cover the move, potentially giving the employee a negative perception of the company or leading to an uncomfortable situation where the employee comes back for more money.



Employees do not need to account for how the lump sum is spent, so companies have no way to track whether the funds are being spent appropriately or determine if the budget is above or far below what the employee needs.

When managed effectively by a corporate moving service, lump sum relocation packages can work. A provider can direct the employee to trusted vendors who fit within their budget, open access to discounted rates on services the provider has connections with and keep in touch with the employee through every step to avoid confusion and frustration.

Corporate moving providers can also help companies see a greater ROI on employee moves by managing different levels of relocation packages. With the time and resources to coordinate every move from end-to-end, corporate moving providers can help your company establish and manage the solution best suited to your needs and budget.

Corporate moving packages include:

Lump Sums

As mentioned before, a lump sum package involves a predetermined set of funds allocated to the employee for their moving costs. Employees are typically free to use these funds as they see fit and pocket any cash not needed. When a corporate moving provider is involved, they can direct the employee to resources and services to best fit within the budget.

Tiered Financing

Tiered moving packages adjust financing and support to the level of employment — from lump sums for entry level new hires to full coverage for transferred senior level managers and executives. The corporate moving service will manage the budget and level of support based on the established level, so the investment is relevant to the expected employee output.

Capped Budget

A capped budget works like a lump sum, but with a lot more control by the employer and corporate moving provider. The employer sets a max budget for each move and asks the provider to make the relocation work within the budget rather than asking the employee to figure it out alone.

By working with a corporate moving provider to establish the moving package best suited to your company, you gain more control over spending and create a more positive experience for the employee.



Centralize Costs Through Single-Source Management

While all the various corporate moving packages are more effective when managed by an experienced provider, a single-sourced, end-to-end managed package involves full coverage and support for the entire relocation. The provider will coordinate every aspect of the move, including assistance with buying and selling a home, and will maintain regular communication with the employee.

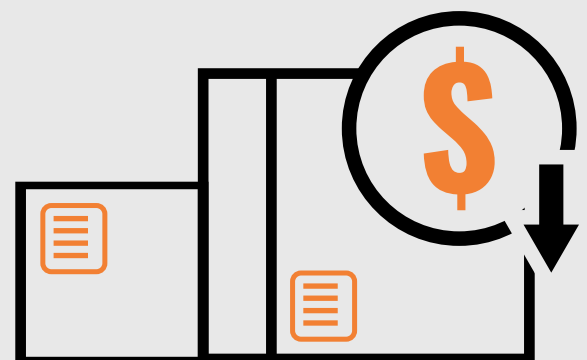
Sourcing a single-source managed corporate moving provider ensures funds are used efficiently. The provider helps your company maintain complete control of costs throughout the process, removing the workload from HR and procurement teams while costing less than employing a full-time, in-house relocation manager at the [average salary](#) of \$119,841.

Single-source corporate moving management saves your company money on every move by:

- Managing all elements of the move in-house rather than relying on subcontractors, ensuring the quality, cost and availability of services
- Maintaining consistent communication with the relocating employee to increase the speed and efficiency of the move while making the employee feel comfortable throughout the process
- Reducing managerial processes between the start of a relocation and the employee's arrival at a new home
- Consolidating access to household goods moving, real estate, storage and other services under one contract

Centralized management with an expanded, in-house network translates to a substantial average cost savings of \$500 to \$1,000 per move.

Partnering with a corporate moving provider can save an average of \$500 to \$1,000 per move



Maximize Your ROI Potential with Allied

To get the highest potential return on relocations, invest in a single-source corporate moving service with the experience, strong central management and extensive national network to keep costs low and positive experiences high.

[SIRVA Worldwide](#), the leading global relocation provider and parent company to Allied Van Lines, has the experience and expertise to manage full mobility programs for companies of all sizes. Through their relationship with Allied, SIRVA can manage your organization's relocations with localized attention and innovative technology.

Allied Van Lines has been supporting corporate relocations for more than 90 years. As a single-source, direct-delivery provider with one of the largest national moving company networks, we can guarantee access to transportation and labor capacity, exclusive technology, asset-based service delivery, in-market redundancy and market-based pricing.

Maintaining ownership of the entire process in-house results in better quality control and security, greater transparency, cost savings and a more seamless experience from planning to implementation. Compared to managing all the components of a move yourself or subcontracting with multiple suppliers, our process has reduced overall program administrative costs by up to 82%.

With considerable experience and expertise to get the job done well, Allied is committed to helping your company achieve a positive ROI on corporate moving services. [Learn more.](#)

For more information, visit www.allied.com or contact your local Allied agent.

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