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MOBILITYINSIGHTS

Information from Cartus on Relocation and International Assignment Trends and Practices

Cartus FLEXIBLE MOBILITY Series

Demystifying *Flexible Mobility*: Dispelling Myths and Outlining First Steps on a Journey of Policy Transformation

Despite its current trendy reputation within the relocation industry, the concept of "flexible mobility" is not, at its heart, new news. In fact, it has been an established component of the relocation narrative for a number of years—ever evolving and rebranded through various iterations, in line with emerging trends and latest best practices. Today, however, with an increasing focus on supporting a diverse workforce, its significance is on the rise.

While often presented as individual models, relocation program designs frequently include a number of different approaches intended to inject flexibility:

- Tiered
- Lump sum
- Cafeteria models
- Core/flex
- Fully flexible design strategies

Today, with organizations' increasing focus on supporting a diverse workforce, flexible mobility has never been so important.

All of these offerings form part of an ever-broadening spectrum of options, which provide both businesses and their relocating employees with a more flexible mobility program compared to a classically structured approach.

With numerous models available, each with their own set of considerations, strategic approaches, and logistical decisions, a truly flexible program can be an overwhelming concept. So much so that many organizations seeking to make meaningful changes to their programs may find it challenging to even identify a logical starting point.

Improved technology, combined with the right relocation services partner, means that finding a suitable flexible program to meet your organization's requirements need only be limited by your own strategy and imagination.

WHERE TO BEGIN?

When starting a journey of program transformation, there are a number of key considerations that you and your organization should prepare for:

1. One size does NOT fit all!

There is no template that you will be able to follow to create your flexible program. Your business, employees, and the groups within them, each have their own unique needs. These variables (along with others) within your business are very unlikely to be identical to that of another company.

Template options and tested methodologies are often a great starting point, and a useful benchmark to implement against, but being reliant upon them to move an organization past square one of this process would make achieving a total program transformation near impossible.

Simple answers to complex questions may be easier to digest and communicate, but may not always address your actual needs. For example, converting a relocation program to provide lump sum support only may achieve the objective to provide individual choice and predictable, forecastable spending. It does not, however, address user experience or ensure an employee's ability to be fully productive in their new role while managing their own relocation.

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Do you know your tiered policies from your defined ones? The wealth of options and terminology for mobility policy philosophies and types can be overwhelming.

Policy-types and Navigating Terminology

The wealth of options and terminology for policy philosophies and types can be overwhelming. To cut through the jargon, here is a list of common policy-types, structures, benefits, and challenges.

Policy Type	Structure	Benefits	Challenges
Lump Sum	Employee provided a calculated sum to self-manage relocation	• Full flexibility • Minimal business administration	• Laissez-faire approach leaves some feeling unsupported • Lack of supplier oversight and quality control can create time-consuming problems for employee to resolve
Defined Policy	Employee gains access to services and benefits defined by move type	• Overall parity by design • Supports business vision for service provision	• Region-specific nuances may drive differential support • Lack of recognition of divergent needs leads to dissatisfaction or exception requests
Tiered Policy	Employee gains access to varying degrees of services based on job band	• Allows cost containment and mitigation, controlling spend on large population bands • Promotes high service satisfaction among VIP populations	• Exception requests may still remain prevalent based on employee circumstances • Hierarchy-based disparity may disengage some employee groups
Cafeteria Model	Flex-lite option, with employee selecting support options within defined framework	• Framework provides degree of flexibility while maintaining overall business control	• Limited flexibility may continue to frustrate a diverse employee base for whom options appear insufficient
Business-driven Flex	Program owners/line managers have the ability to define the services offered to a specific relocating employee or group, based on perceived need	• Most suitable for recruiting departments • Provides benefits to entice headhunting targets	• Requires individual engagement • Potential to drive disparity between peers
Core/flex	All relocating employees receive access to core benefits in addition to gaining an ability to "purchase" flexible services based on their individual need	• Provides balance of flexibility within framework • Ensures engagement with safeguarding and compliance-based services • Parity of choice exists across employee base • Retains options for tier-driven budget considerations	• Increased complexity to adequately configure solution • Appropriate technology platform is key to meaningful user experience
Total Flex	Expanded core/flex model with enhanced decision surrounding service allocation, inclusive of cash-out options	• Provides ultimate flexibility with the safeguards of expertly curated and managed service providers • Meets the needs of diverse employee base	• Reduced control to ensure critical compliance steps are not missed • Meaningful engagement and expert guidance central to experience limited ability to predict spend for budgeting purposes

Your in-house HR/mobility team, whether working alone or with an external relocation services partner, should prepare to engage fully and invest the time to ensure your new policy is fit for purpose.

2. Meaningful and Sustainable Change Requires an Investment in Time and Effort

Even with the advances in analytical tools and user interfaces, designing and implementing an effective flexible relocation model is not as simple as flipping a switch. There will be questions, data to gather, opinions to collate, numbers to crunch, feedback to assess, and communications to send.

Your in-house HR/mobility team, whether working alone or with an external relocation services partner, should prepare to engage fully and invest the time to ensure your new policy is fit for purpose.

3. Reflecting and Understanding Your Priorities is Crucial

Flexible design models differ in terms of suitability, broadly based on the requirements of an individual stakeholder or the guiding principles of your business overall.

When considering designs for your flexible policy, you may find yourself weighing the merits of employee experience versus cost containment, or technology integration versus the need to make changes to a strict timescale. The simple answer is, of course, "Yes to all." While this is an admirable goal, we recommend assessing all of your priorities and goals for a policy transformation and ranking them in order of priority. Taking the time to establish what *must* be achieved and what are secondary "nice-to-haves" is key to successful policy redesign.

Hypothetical example:

A company is undertaking a full policy redesign, moving from a designed, uniform policy to a total flex model. The following have been established as priorities:

1: Retain and improve overall employee satisfaction levels with the policy (address requests for more choice)
2: Continue to offer same suite of services as under existing policy
3: Deliver 25% savings on current spend, with application of user service budgets

By examining data, these weighted priorities can be considered and factored into design principles. Sustainability and viability of service options versus desired budgets can be assessed before a single employee is impacted by policy adjustments.

Should the data suggest that a 25% savings is unobtainable (if the same suite of services are offered), the company can refer back to the ranked priorities to create a solution.

In this example, there are two options:

A. Remove a high cost component from employee benefit options to ensure the desired savings are viable
B. Continue to offer the existing services and achieve a reduced (though still significant) savings percentage

With prior consideration and business socialization having indicated that employee satisfaction was the most crucial factor, the business may choose Option B in alignment with established and agreed-upon priorities.

Remember that articulating these key points to the wider organization is critical to showcase progress against shared objectives.

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CARTUS IS HERE TO HELP

As the industry leader in global mobility, with unparalleled experience in designing and delivering flexible mobility programs, Cartus is ready to support you in discussions around potential policy transformation.

Below are three case studies from core/flex policy modeling alone, detailing the business drivers, approach, and timings associated with transforming a mobility program, from inception to roll-out:

	Case Study 1	Case Study 2	Case Study 3
Industry Sector	Retail	Technology	Consumer Goods
Drivers for Change	• Business growth • New talent recruitment • Competitive industry	• Increase consistency • Corporate restructure • Focus on talent management	• Simplification • Optimize spend in line with talent management • Employee satisfaction and flexibility
Policy Framework	Tiered approach with mix of business-prescribed core and flexible points-based modeling for employee selection. Inclusion of a decreasing cash-out option to encourage utilization of services but providing choice to those that have unused points.	Flex benefit menu chosen entirely by employee with focus on one-time relocation benefits. Core support limited to immigration and tax with employee choice the driver of all other flexible benefits. Flexible benefits selected using points that vary by job grade and family size.	Tiered core support based on job grade. Flex benefits chosen against a dollar amount with reduced cash-out provided for unused funds. Overhauled host compensation policy alongside core/flex policy change.
Implementation Approach	Phased	Big bang – all new authorizations as of defined "go live" date	Big bang – all new transfers from "go live" date and compensation policy shift for exiting expatriates
Timeline (design to launch)	9-12 months	3-6 months	12-18 months

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