

# Cheat Codes for Workforce Mobility Cost Savings

A “how to” on doing more with less!





Give the couch cushions a rest (trust us, there's nothing lurking under there except for stale Cheetos).

There's a better way to keep your mobility dollars from slipping through the cracks. And the great news is, cost efficiency doesn't have to be a trade-off for a great employee experience or an eco-friendly program. We've scoured every inch of the mobility stratosphere to bring you the smartest, savviest cost savings cheat codes, guaranteed to help you to do more with less, keep your senior leaders happy, and win the battle for the brightest talent. Ready, Player 1? Let's go.

## **POLICY PULSE CHECK**

The true driver of mobility spend is your company's policy, which can dictate as much as 98% of the costs you incur. A policy review is often overlooked as an effective technique to reduce or contain costs; aim to review your policies every few years.

For domestic programs, the most expensive policy components are related to home sale/purchase. Scorching-hot real estate markets and higher interest rates have only increased costs and led to a growing reluctance to relocate.

- Taking advantage of tax-deductible expenses and leveraging home sale programs that comply with tax avoidance strategies can minimize the tax bite.
- Our counselors arm employees with tools and strategies to make quick decisions during the home search process so they get the properties they want. Faster moves reduce costs (for things like extended temporary living) and accelerate productivity.

When it comes to long-term expatriate and international assignments, typical taxes are equal to 40% of the cost. And tax planning is the most effective means of reducing this cost driver.

- Rely on your tax providers to guide you through the local tax regulations when planning international assignments.
- Avoid out-of-scope expenses since one of the more troublesome and complicated processes of managing global mobility is the gathering of compensation and in-kind payments that have to be tracked for compensation reporting.

## PLAYER BEWARE

Costly mistakes that increase mobility spend include:

- Running a non-compliant program that results in penalties, fines and/or rework
- Distributing payroll reporting instructions in an ad hoc manner or using the tax firm to coordinate this effort for a fee
- Relying on your tax firms and internal resources to coordinate and collect compensation data
- Not collecting TEQ overpayments



## POLICY ADMINISTRATION & OTHER COST CONSPIRATORS

How you administer your mobility program is a significant cost driver.

- **In-House Programs:** In-House Programs: Organizations typically can't deliver a level of expertise and accountability when it comes to the ever-increasing complexity and compliance of relocation/assignment-related support and affiliated concerns. Outsourcing the administration of your program may be the key to streamlining administration, unlocking savings opportunities, and, not to mention, freeing up some time to focus on your to-do list.

- **Decentralized Programs:** Within this structure, activity can magnify costs because managers at the local level are not capable of negotiating with and monitoring vendors effectively or taking advantage of volume discounts. Lacking the perspective of the big picture, the result is often poor service compounded by excessive costs and an inconsistent program.
- **Exceptions:** by granting exceptions, managers can unintentionally destroy program consistency and dramatically increase relocation costs. The result? A conservative policy quickly bloats.
- **Rogue Spending:** Stealth mobility and excessive sign-on bonuses often exacerbate total spend.

## DARE TO GO GREEN

It has truly never been more affordable to be a little gentler on mother earth. In fact, many sustainable practices and policy options can translate to immediate savings for your mobility program. These solutions can help you improve your triple bottom line: people, planet and profits.

- Provide ride-share credits to use during travel
- Provide a furniture allowance in lieu of a shipment



We partner with Move For Hunger, a non-profit organization that works with relocation companies and van lines to collect leftover food from from relocating employees in the moving process, diverting it to food banks and community pantries. This reduces food waste, helps feed vulnerable populations, and reduces shipping costs for companies. We are proud to note that through our work with Move For Hunger, our colleagues have helped provide over 1 million meals for families in need.



## A SUPPLY CHAIN OF SAVINGS

Effective program and supply chain management – ideally, an integrated triad of system, service and procedures -- can yield serious savings through volume discounts. The perfect balance involves aggressive supply chain management, a competitive policy, and relentless attention to the details like accurate tax gross-up and monitoring exceptions.

## MOVING STUFF IS TOUGH

It's been a long, hard road out of the pandemic for the world's supply chains, and no entity has been more profoundly affected than transportation. At Weichert, we've curtailed dramatic price increases with the industry's most effective supply chain management, leveraging volume, upholding demanding service expectations, and offering a wider variety of cost-friendlier options, such as containers, small shipment solutions and furniture rental, to name a few. Here are our expert's hot tips for keeping your employee's stuff moving at the best price:

- Revisit your long-term storage policy. If given the option, employees may be more likely to store something they'd otherwise toss, resulting in increased costs.
- Utilize standard industry containers in lieu of weight when authorizing air shipments.
- A lower household goods estimate doesn't always result in overall savings, especially in the realm of household goods shipping. If the price seems too good to be true, it's probably going to be more expensive in the long run.



## CHECK YOUR TECH

The right mobility tech can unlock a world of efficiencies and cost-cutting opportunities by opening more communication channels, streamlining operational processes, and offering enhanced reporting capabilities.

If you are still managing your program with a combination of spreadsheets, you know that there has to be a better way. Excel overload, anyone? These manual processes can lead to duplication of effort, and human errors can occur that expose the company to compliance risks. Leveraging a proven system eliminates the painstaking process of global payroll/expense/tax and compensation processing and reporting, and it relieves the burden and risk of software updates, potential data integrity issues and the cost of funding such specialized technology and reporting capabilities in-house.

As well as empowering relocating employees with tools (and apps) to be more flexible with their relocation choices, **Weichert Go** offers mobility managers heightened control over spend and tracking, with dashboards that provide one true view of their entire program.

## CLICK, CHECKOUT AND CHILL!

Thanks to the evolution of technology, we're living in an era of hyper-personalization and ease. AI-powered retail sites present us with what we need at that moment (with startling accuracy), and with a few clicks, the purchase is on its way to our doorstep. Developed within our Weichert Go platform, the Go Flex tool brings the Amazon effect to our client's mobile employees, empowering them with the flexibility to select from a pre-determined list of benefits and curate a relocation experience that fits their needs.

**Go Flex** supports a wide array of flexible mobility programs and drives efficiency by allowing us to tailor policies to specific budgets and talent management goals. But best of all, it's as easy to use as our clients' interface and other social apps that employees already enjoy.

As we continue to explore and integrate AI-powered components, we'll uncover even more ways to enhance cost savings through automation and deliver experiences that are more intuitive than ever.



## A TALENT MANAGEMENT PERSPECTIVE

Talent is a hot commodity right now. The process of recruiting, training, and developing the right talent requires a huge investment in time and resources. So, holding on to your top performers may be the ultimate cheat code to ensuring the long-term success of your company and containing costs!

- Does your program align with your talent mobility objectives?
- Reduce “failed assignments” with more effective candidate selection, family transition assistance, and settling in services
- Reduce attrition with mentoring and repatriation services
- Consider flexible mobility program options to offer employees a degree of choice in curating a relocation experience that aligns with their needs. If thoughtfully designed, flexible mobility programs – like Core/Flex – can streamline administration, save money, and empower your employees to choose their own adventures!



**Bonus Points:** By appealing to a broader employee demographic, programs that offer choice in benefits can help curate a more diverse mobile employee population, bringing you closer to DE&I objectives.

## PRE-WORK GOES A LONG WAY

Offering Pre-Decision Assistance is a very effective strategy proven to minimize losses, decrease requests for exceptions, and reduce marketing timeframes. By collecting information on the role, destination, and relocation program early on, the employee can expedite their decision to accept a move or assignment and reduce the overall timeframe and the cost of “unforeseen” obstacles. The most significant cost savings (often overlooked) is the reduction of failed moves and assignments that could have been avoided through early information obtained through pre-decision assistance.



## THE BIG PICTURE

The winning strategy is a delicate balance of the right policy, administered effectively and supported by the right services and suppliers. Only when you are armed with solid cost tracking can you more effectively evaluate the performance of the service partner, your policy and the total cost of the program.

Hey, Player 1, before leveling up your mobility cost-cutting game, quick pause. It's vital that you maintain a macro-view of your program when considering changes, big or small. Keep these in mind:

- Factors such as program demographics (renters vs. homeowners), location, family size, and employee home values can have a significant impact on costs.
- Changes to your program should support the organization's long-term strategies that need to be aligned with talent mobility, which may include mergers, divestitures, or skill transfer in certain locations.
- The program should continue to reflect the company's culture and employee brand.
- Include other stakeholders (in talent acquisition, HR, or business partners) about proposed changes to your program. There's little sense in making changes now if they conflict with the needs of your internal customers. Their support will also help you to communicate changes to the program.

**CHEAT CODES: UNLOCKED** 

To be the first to tap into more game-changing mobility intel, subscribe to our [Newsletter](#) or follow us on your favorite social platform.

Looking for help navigating some sticky traps stalling your program? **Talk to us!**





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