

A low-angle, upward-looking photograph of two men in business suits shaking hands. The man on the left is wearing glasses and has a beard. The background is a bright blue sky with white structural elements of a building. A large, stylized graphic of the company's logo, in blue and red, is overlaid on the right side of the image.

RELOCATION & MOVING

SATISFACTION SURVEY 2020

The purpose of a relocation program is ultimately the same—moving talent to the places they are needed most.

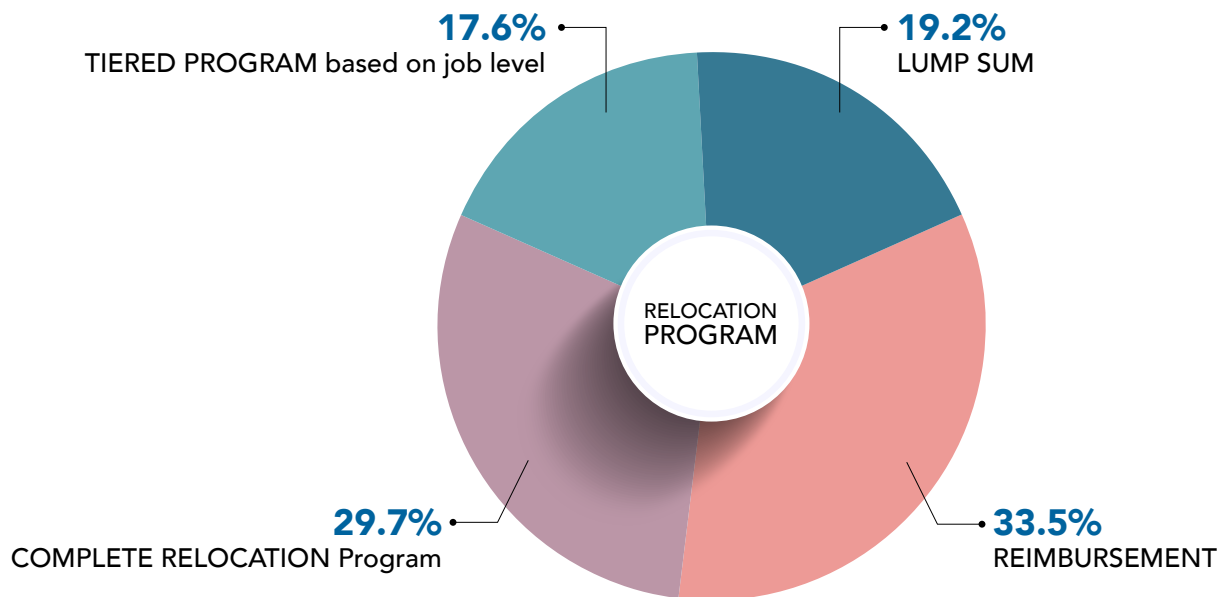
INTRODUCTION

There is no question that in today's competitive talent landscape relocation programs serve as a significant and valuable differentiator for firms seeking to hire and place top talent in the right roles. It is also true that relocating employees is challenging work, in which both the development and execution of a given relocation program dictates its success. Full-service relocation programs offered through professional relocation partners are often highly customized solutions that are created to suit the very unique needs of each client company they serve. As a result, while not all relocation programs and policies may be identical, the purpose of these programs is ultimately the same—moving talent to the places they are needed most.

For those tasked with managing employee relocations for their companies, it is important to know how their peers in other firms feel about the efficacy and quality of their relocation programs and those with whom they partner to execute and manage them. *Corporate Mobility Today*, a northAmerican® Van Lines publication recently launched a research study to help understand how successful companies viewed the performance of their 2019 employee relocation programs. Out of the 308 responses generated, 188 of the responses were captured by individuals who played an active role in relocating employees for their company in 2019. These 188 respondents and their answers became the basis for this survey.

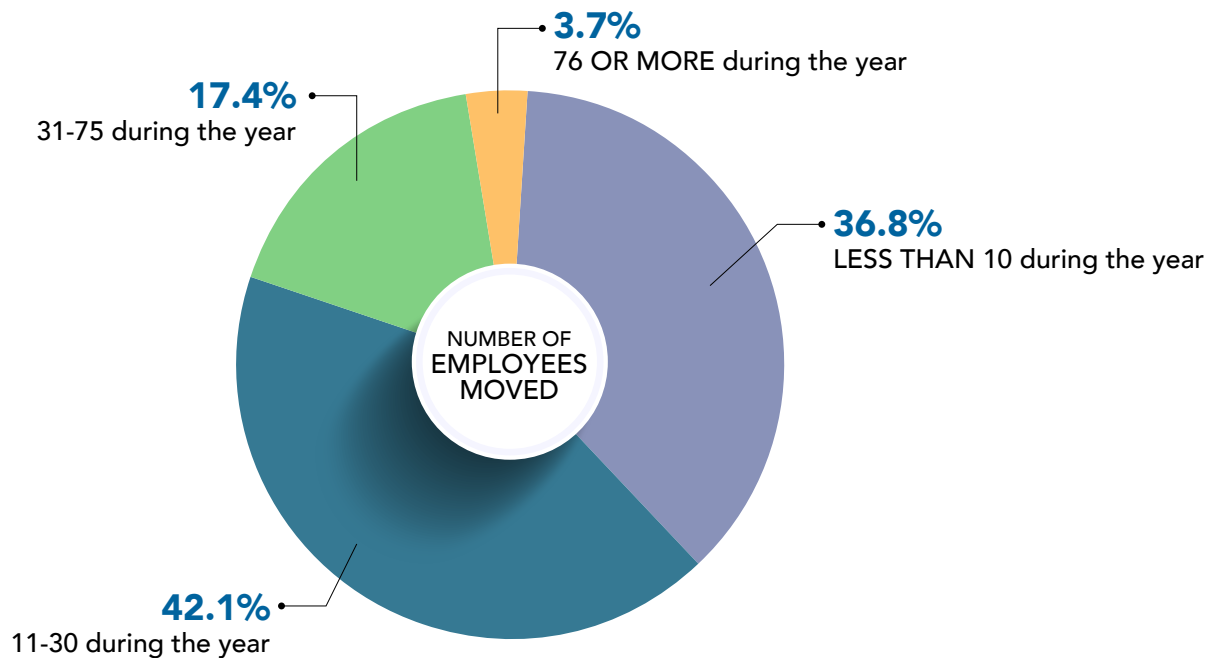
Beyond just the general level of overall satisfaction of their 2019 relocation program, we aimed to glean other valuable insights to create a holistic understanding of the respondents' relocation practices, type of programs, the volume of moves, and anticipated changes for 2020. As a result, we were able to create valuable, statistically significant associations between certain responses and particular attributes of a given set of companies' relocation programs.

What type of Relocation program did the respondent's company offer their employees?



We began our survey by asking what type of relocation program the respondent's company offered their employees. Surprisingly, the number one response reported that they utilized a reimbursement program (**33.5%**). Historically, lump sum benefits and complete corporate relocation programs have been the most commonly offered, with reimbursement programs being the least common. In this study, the second most common response was a complete full-service corporate relocation program (**29.7%**). Lump sum benefits came in as third most common with a **19.2%** response rate and a tiered benefit based on job level and tenure was least common with a **17.6%** respondent utilization rate.

How many employees did the respondents' companies move in a year?



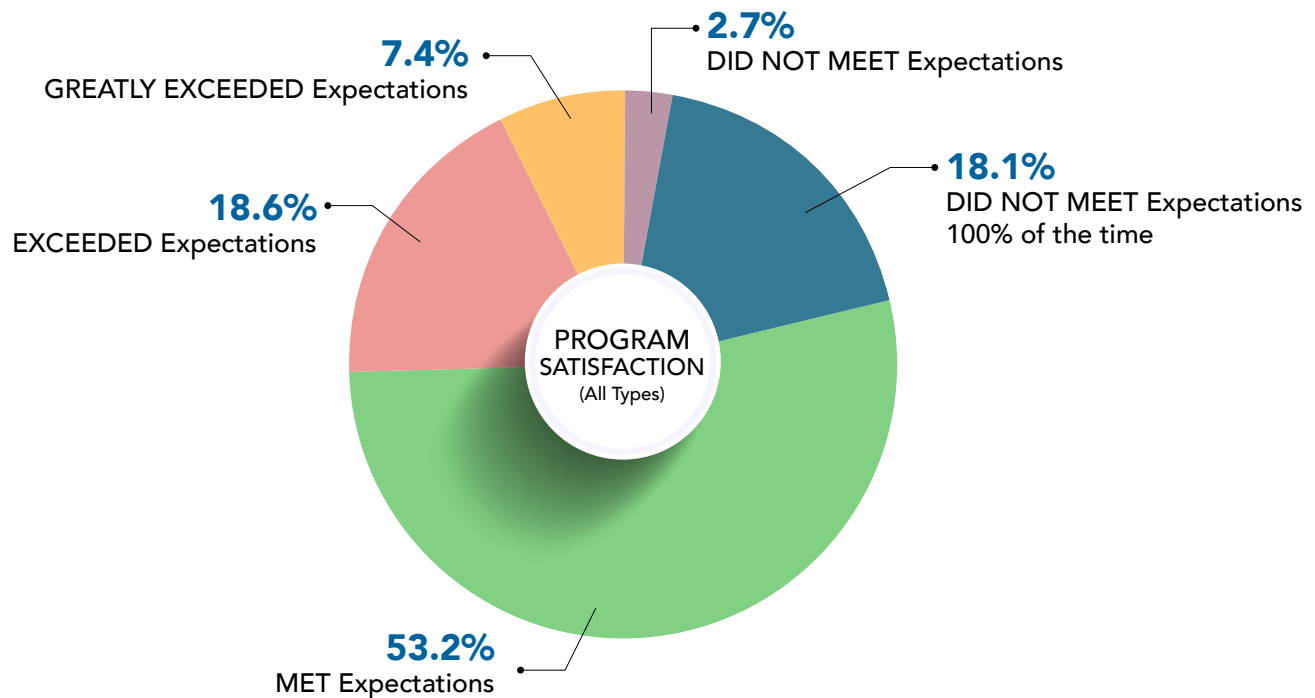
In order to gain an understanding of how many employees were moved by our respondents' companies last year, we inquired about the volume of their 2019 relocations. **42.1%** of those surveyed relocated 11-30 employees in 2019, making this the most common response.

The second most common answer was that **36.8%** of respondents stated that they relocated fewer than 10 employees in 2019. This created a sizeable figure of nearly **80% (78.9%)** of our participating companies stating that they relocate 1 to 30 individuals per year, on average.

31-75 moves came in third with **17.4%** of those surveyed stating that the number of employees relocated within their firms in 2019 fell somewhere in this range. Not surprisingly, the least common response to this question was that of having moved more than 75 people in 2019; **3.7%** of our respondents fell into the highest volume option of given moves per year.

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On average how satisfied were you with your Relocation program and services?



Once we had gathered the basic information needed to understand how and on what scale respondents' companies were relocating their employees, we wanted to get an idea of how satisfied they were with the service their relocation companies provided. To do this, we asked those surveyed whether their relocation providers met or did not meet their expectations. Importantly, all respondents were asked this question, regardless of the type of relocation program their company offers. This means that depending on the type of relocation program used, respondents would have varying levels of knowledge of their employee relocations overall.

On average the largest majority of responses reported that their providers met expectations (**53.2%**), while **18.6%** reported their providers exceeded expectations, and **7.4%** felt their providers greatly exceeded expectations. This results in a combined response of **79.2%** of respondents' companies that were satisfied or very satisfied with the relocation services provided by their vendors in 2019.

Moving down the scale of satisfaction level, **18.1%** of those surveyed felt their providers met expectations in most cases and a very small number of respondents (**2.7%**) stated their relocation provider did not meet expectations at all.

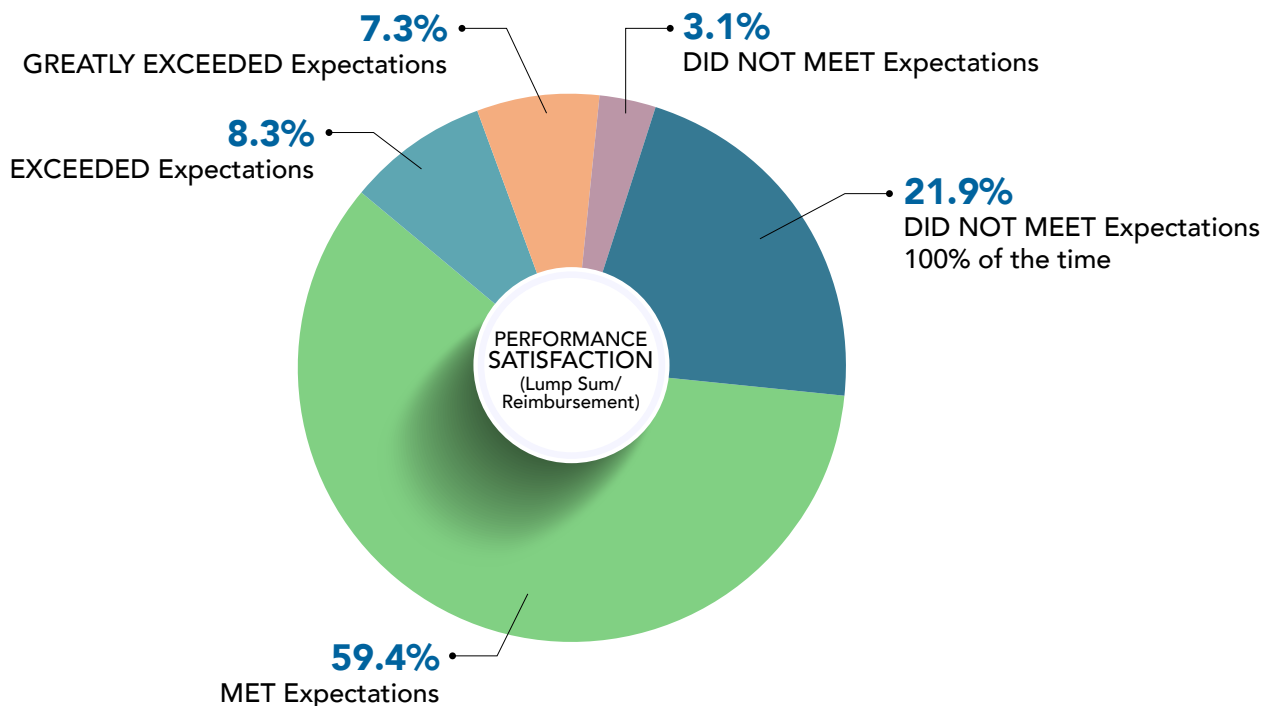
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For those charged with overseeing employee relocation at companies utilizing a reimbursement benefit, it is likely that these companies would have the least amount of direct knowledge pertaining to the overall satisfaction with the provider. That is because when you offer a reimbursement program, the employee must act as a consumer who is financing and directly contracting with the actual vendor, leaving few, if any touchpoints from which the HR or mobility professional is able to adequately derive answers to this question. However, when asked to respond to this question, it is understandable that they would report the program is working well unless they were to encounter an abnormal amount of change requests or employee complaints.

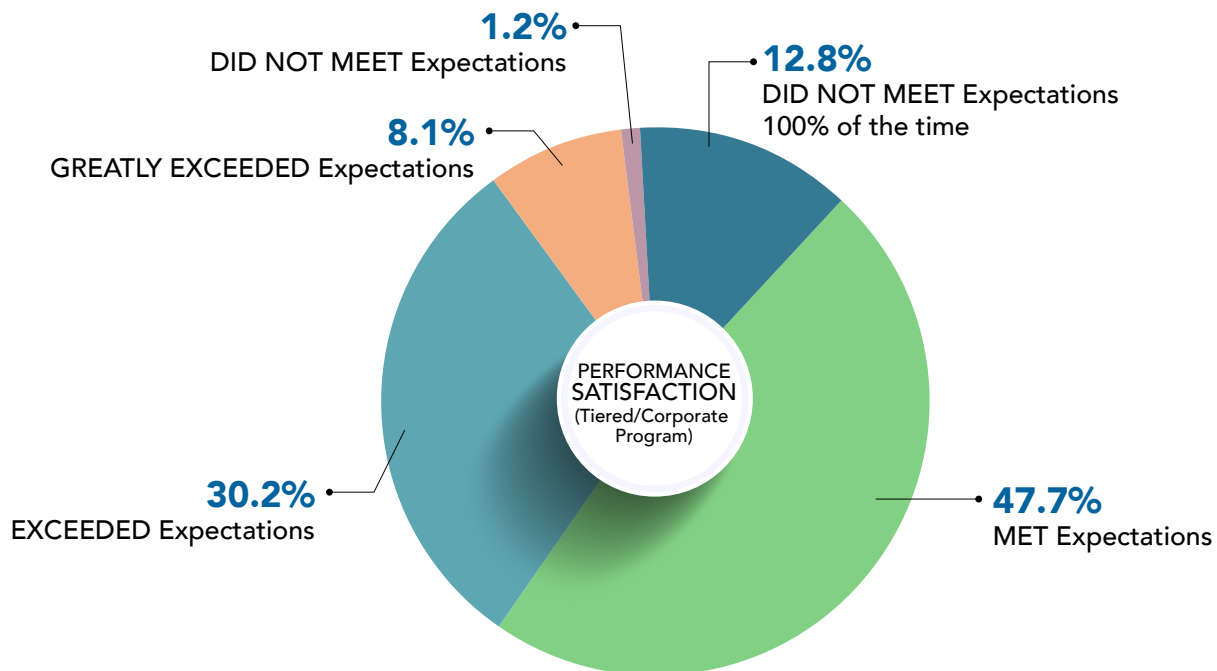
Which Relocation Programs Performed the Best?

To remedy this and gain greater clarity in this area, we broke the data down to see how well respondents' relocation programs were performing when compared to each other on the basis of program type such as self-serve solutions like reimbursement and lump sum versus tiered or complete relocation programs.

How well did your Lump Sum or Reimbursement program perform?



How well did your Tiered or Corporate Relocation program perform?

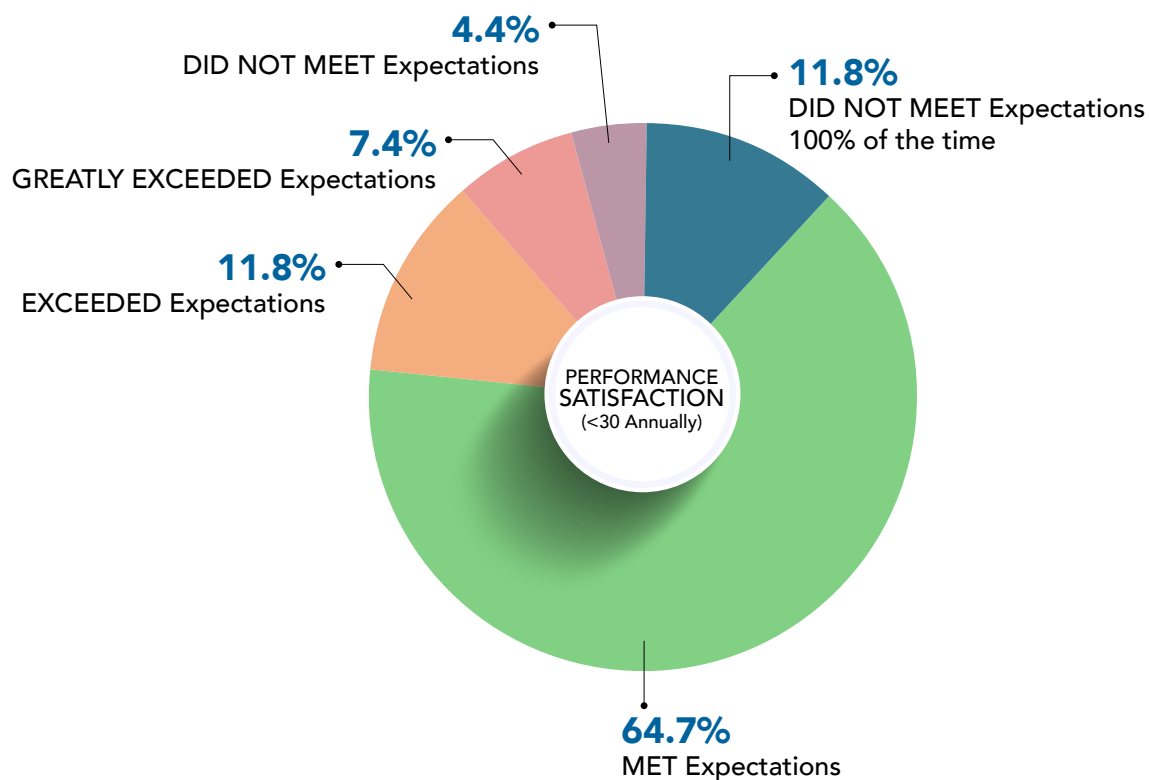


When compared on the basis of type and split into more self-service types of programs versus more full-service types of programs, we begin to see that complete corporate relocation or tiered programs are doing a better job when it comes to the level of satisfaction reported by HR and relocation professionals. In looking at the numbers, respondents utilizing a more full-service type of relocation program such as these had a combined reduction in the number of relocations that did not meet all expectations and an increase in varying levels of expectations being exceeded of over **350%**.

Which Programs Performed Best Based on the Number of Moves?

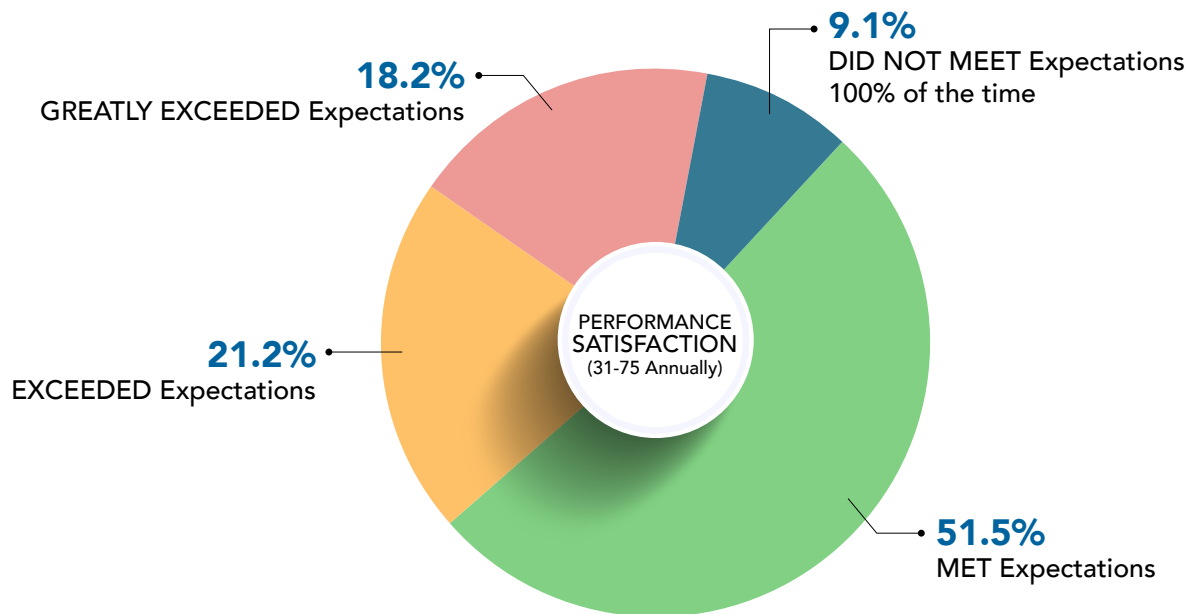
Next, we wanted to see if the number of moves or relocations impacted their overall satisfaction or provided any type of correlation to their reported perception of their relocation experience.

How well did your vendor perform when moving less than 30 people a year?



Notably, there was a correlation between the amount of moves performed and the perceived level of satisfaction. For respondents whose companies moved fewer than 30 employees, the number of unmet expectations grew to **4.4%**, while the number of exceeded expectations was now at **11.8%**, down from **18.6%**.

How well did your vendor perform when moving 31-75 people a year?

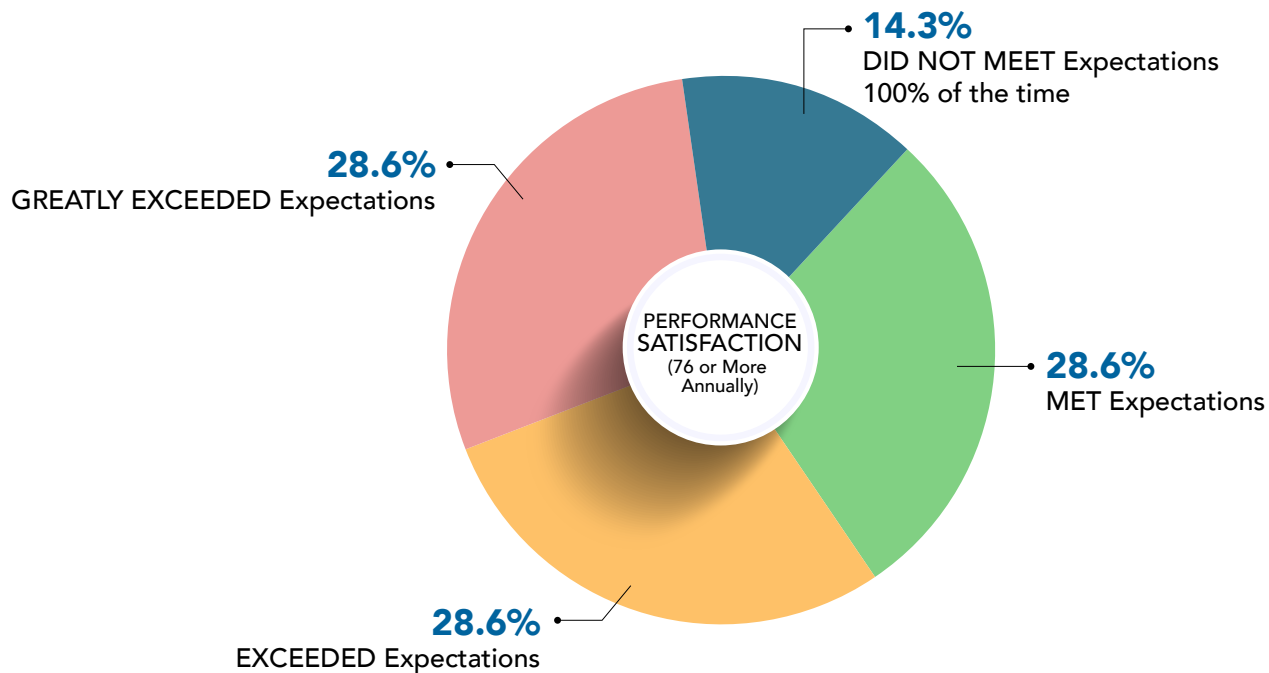


If we look at companies who move 30-75 people per year we find companies are more likely to be happy with their vendor with only **9.1%** of respondents stating vendors met expectations most of the time. These companies also experience the highest number of greatly exceeded expectations with **18.2%** and exceeded expectations at **21.2%**.

At face value, this suggests to us that vendors do a better job of servicing their clients when they move more people. This could be because in moving more people for one particular company, vendors become more practiced and familiarized with the company's needs, preferences, and budgetary constraints. Another reason could be even an unconscious practice by providers to service higher-value clients with greater attention. Thirdly, it is also conceivable that the HR and relocation professionals working in companies that are moving greater amounts of people may have more experience or a greater interest in the relocation aspect of their jobs, making them more practiced in working with providers and setting their programs up for successful outcomes.

One may also consider company size and budget, wherein larger firms in this scenario are the ones relocating more people and are potentially given larger budgets, allowing them to contract with higher-performing and potentially, more costly relocation partners. In this same vein, in looking at higher volumes of relocations, it may be important to evaluate the perception of value. If a vendor is performing a great deal of high-value relocations, presumably for key talent essential to the future success of the company, the level of satisfaction may increase due to these factors compounding the perceived utility and strategic value of the relocation provider's services.

How well did your vendor perform when moving 76 or more people a year?



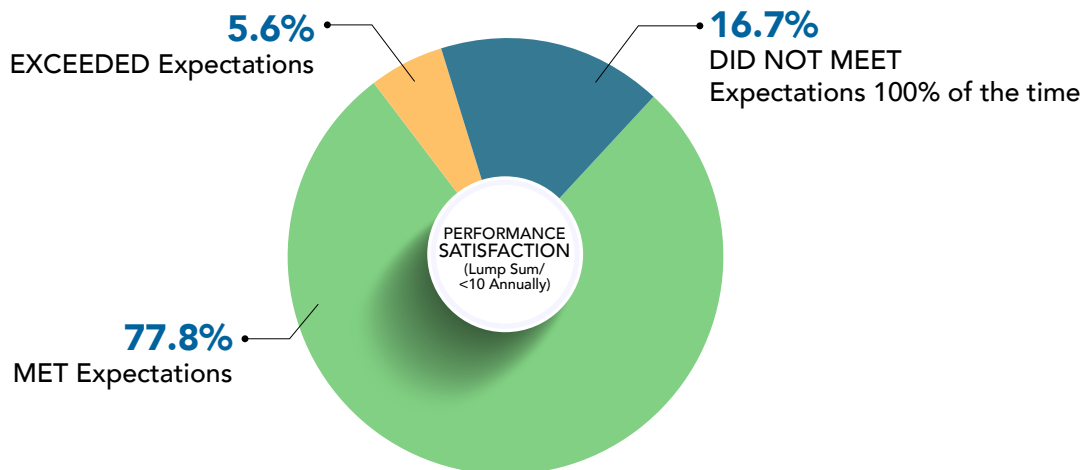
As the number of employee relocations increased, we see that this trend is magnified. For companies that move more than 75 employees a year, respondents reported that their expectations were either met or exceeded by vendors over **85%** of the time.

Do Companies Moving Fewer People Under Reimbursement and Lump Sum Programs Perform Best?

When we break down the data we see companies who move fewer people tend to use lump sum and reimbursement programs. However, some of the companies that moved fewer people also used a corporate relocation provider. The companies that elected to do so had the fewest responses stating that vendors did not meet their expectations 100% of the time and were more likely to stay within budget.

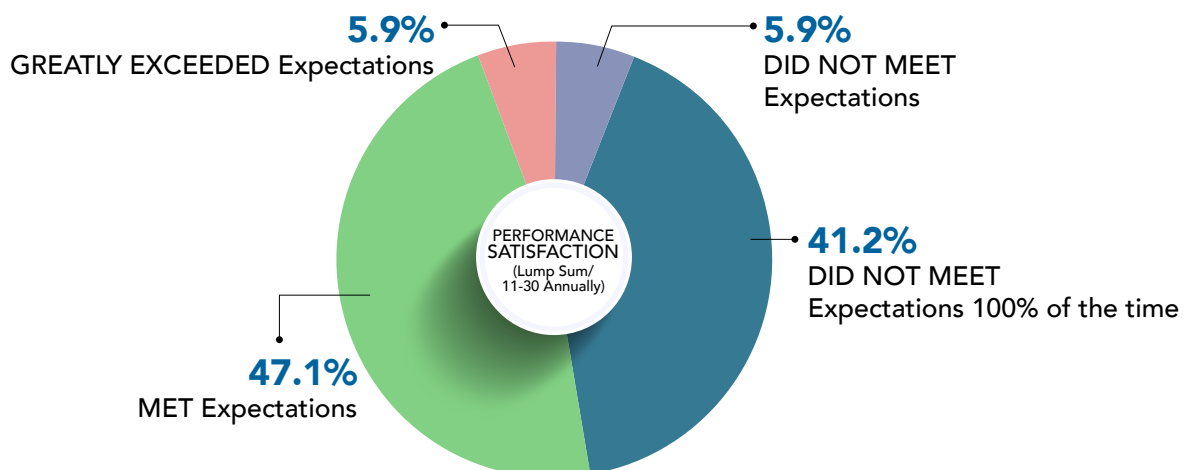
This led to our assertion that the more people you move using lump sum the higher the risk of not being completely satisfied with your experience.

How well did your vendor perform when using a Lump Sum benefit and moving less than 10 people a year?



For companies that moved less than 10 people using a lump sum benefit, **16.7%** reported that they were not completely satisfied with their experience, stating that vendors did not meet their expectations 100% of the time. However, in those companies that moved 11-30 people using a lump sum, this more than doubled with **41.2%** of these respondents reporting they were not completely satisfied.

How well did your vendor perform when using a Lump Sum benefit and moving 11-30 people a year?



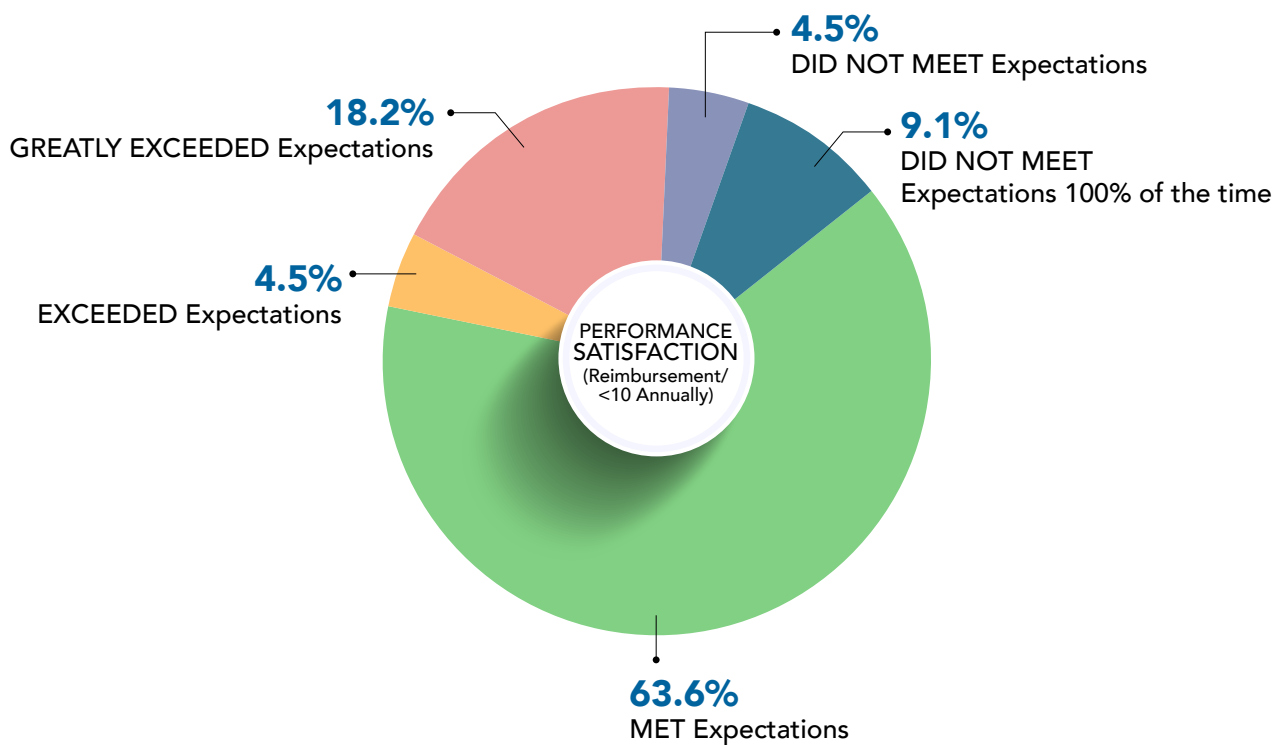
41.2% of respondents who moved 11-30 people a year using a lump sum program reported that their vendors did not meet their expectations 100% of the time.

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We had similar results for people who used reimbursement programs.

For companies who moved fewer than 10 people a year using a reimbursement program, **9.1%** felt that their vendors did not meet their expectations 100% of the time.

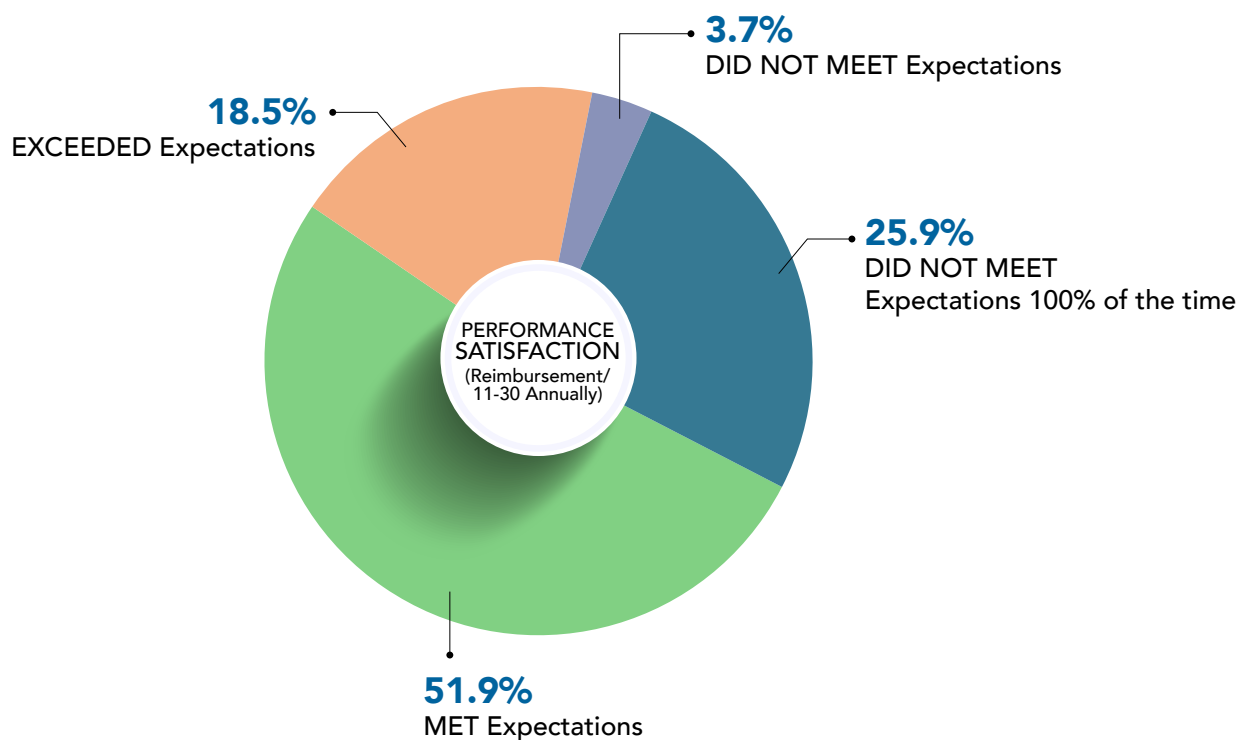
How well did your vendor perform when using a Reimbursement program for moving less than 10 people?



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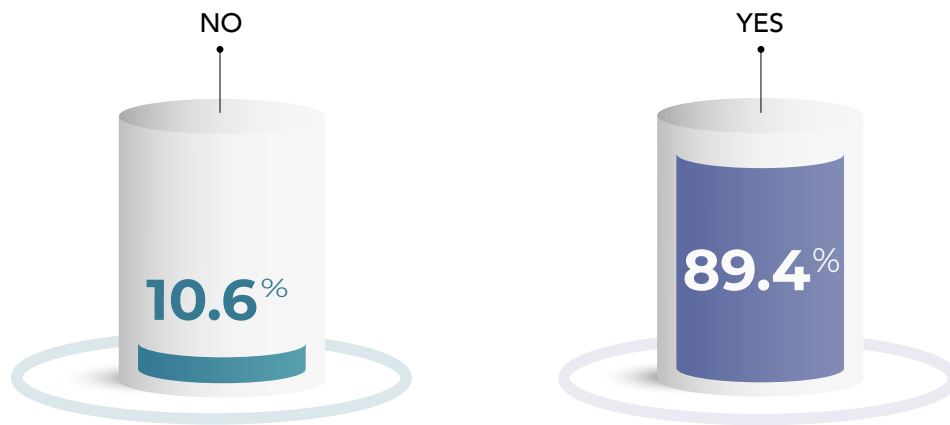
When the number of moves increased for those who offered a reimbursement program from less than 10 to 11-30 moves a year, the rate vendors did not meet expectations 100% of the time climbed to **25.9%**. This further reinforces what we learned from the lump sum group, that the more moves done without a relocation provider the higher the rate of vendor/program dissatisfaction.

How well did your vendor perform when using a Reimbursement program to move 11-30 people?



Are Companies Staying Within Budget?

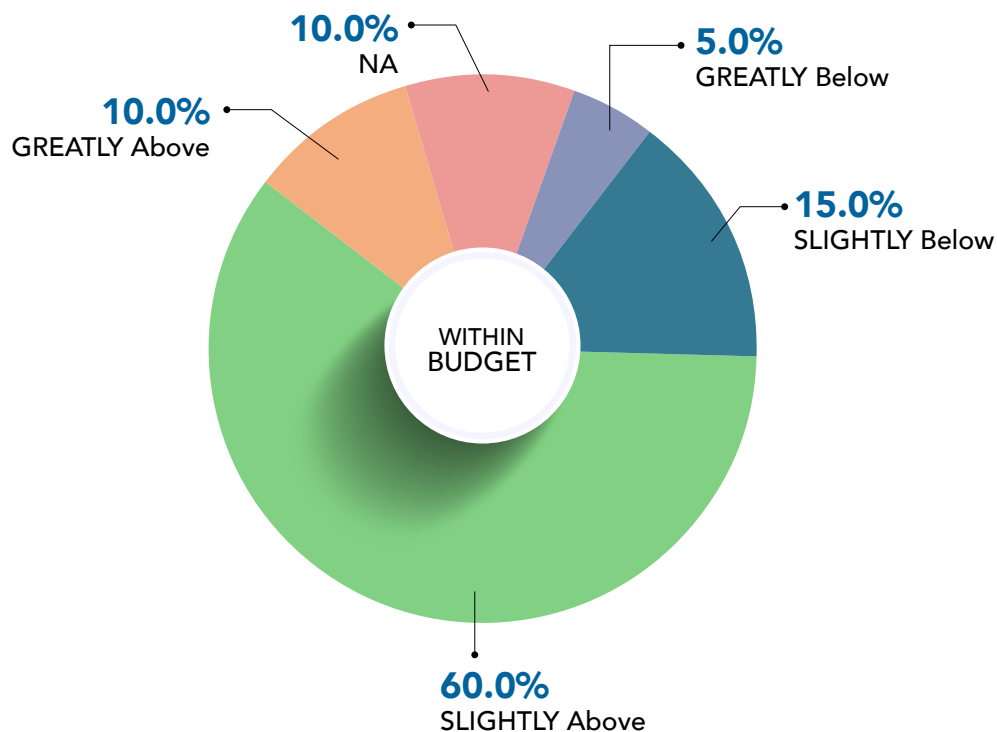
Now that we had an understanding of the overall level of reported vendor satisfaction and how satisfaction level varied both by the type of relocation program offered and by the number of relocations performed, we sought to find out how well our respondents were able to stay within their 2019 relocation budgets.



Overwhelmingly, the vast majority of those surveyed, **89.4%** said yes, they stayed within their budgets, while only **10.6%** said no, they did not.

In Those Firms Who Reported That They Were Unable to Meet Their Budgets, How Much Were They Off By and In Which Direction?

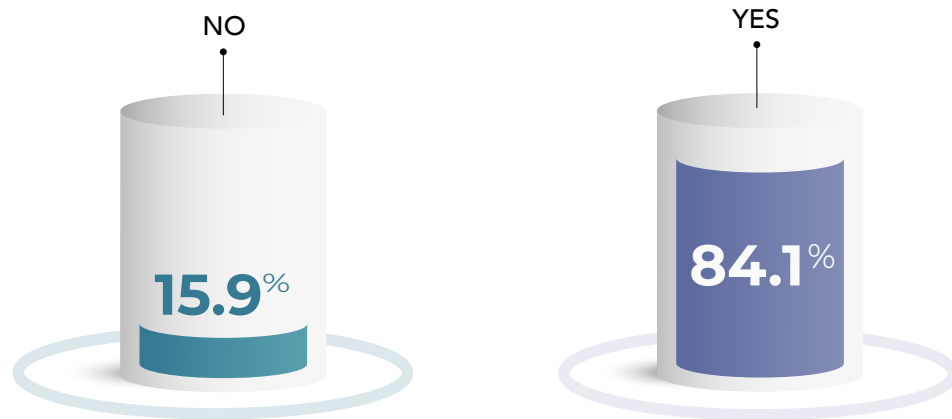
Was your relocation program within budget?



For **70%** of respondents who stated they did not meet their budgets, their costs were either slightly above budget (**60%**) or greatly above budget (**10%**). For those who came in under budget, **15%** answered as being only slightly below and **5%** stated that they were greatly below budget.

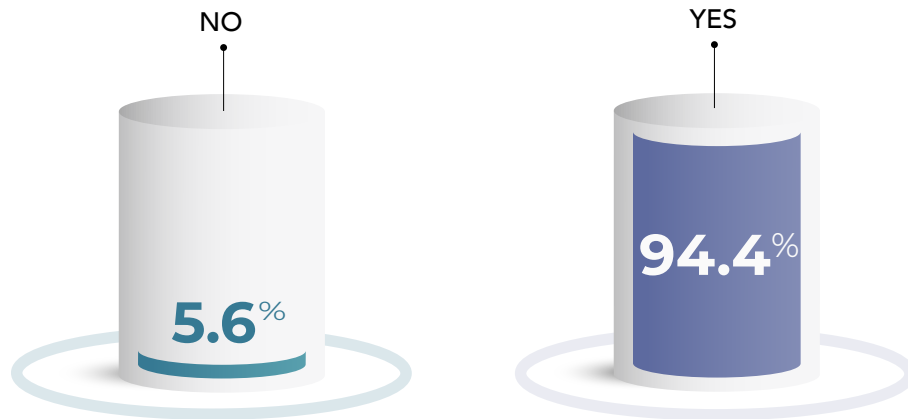
Did the Number of Moves Impact Your Budget Adherence?

Was your program within budget when moving less than 10 people a year?



Interestingly, when we examined the responses pertaining to budget by move volume, here too, we found that companies who moved fewer than 10 employees during the year had the larger percentages of less desirable responses. Of these lower move volume respondents, we found that **15.9%** stated they were unable to meet their budgets, up from **10.6%** of respondents from firms that moved more than 31 employees. According to our survey data, that makes for a **50%** increase in the likelihood of a budgetary mismatch occurring for the lower move volume companies.

Was your Full-Service Corporate Relocation program within budget?

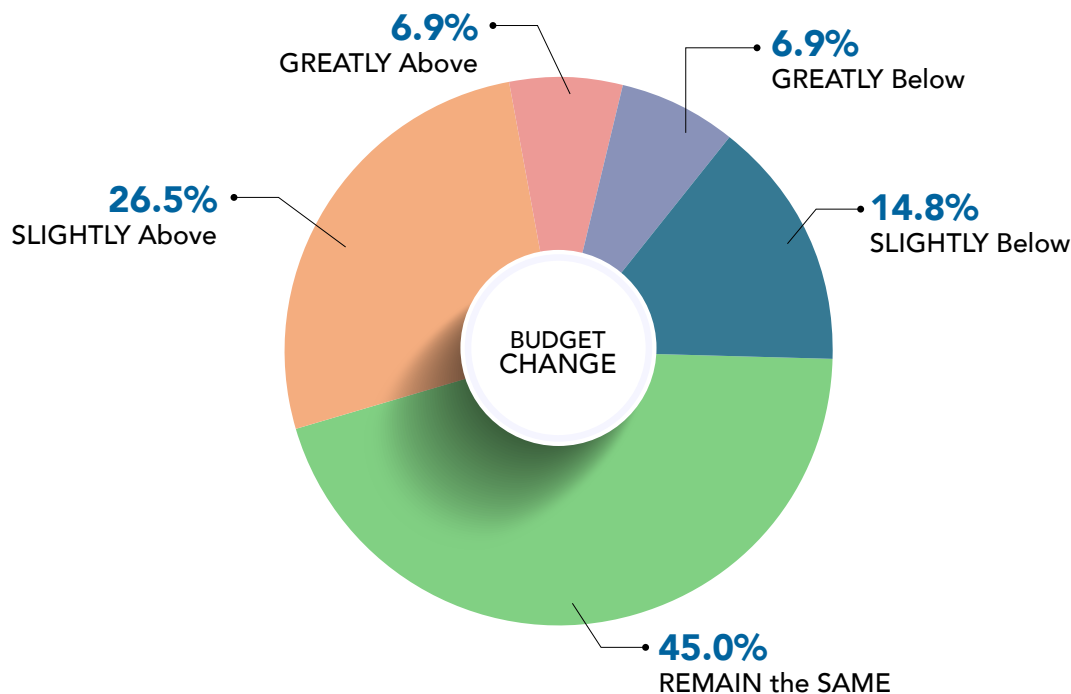


As with our previous exploration into satisfaction level, here we also examined the responses regarding budget by the type of relocation program offered. We found it notable that companies with complete relocation programs which can include services like home sale programs, spousal support, temporary housing, and many other options reported being on budget more than those offering lump sum programs (**5.6%** versus **8.6%**). This showed us that despite having a larger array of services available to relocating employees, those who offered a full-service relocation program actually demonstrated greater cost control when compared to their lump sum counterparts.

Importantly, tiered programs seemed to have the most problems staying within budget with **25%** reporting challenges. This might suggest that companies who offer tiered programs based on job level and tenure should consider seeking the advice of a relocation professional to help them control costs or refine their actual relocation policy. The complexities of pursuing a tiered program with various policies for different employees may actually hinder the ability of these firms to closely adhere or accurately predict their budgets. In seeing the cost control success that is being realized by those companies offering a full-service relocation program, it is entirely plausible that these firms would be better able to adhere to their budgets by simply entering into a full relocation program. In addition to the budget, companies with tiered relocation policies would benefit greatly from two other advantages of partnering with a relocation professional—guaranteed trucking capacity for their employees' household goods moves and locked-in pricing. Why do we say this? That same segment had the highest number of vendors that did not meet their expectations 100% of the time (**21.9%**). Clearly these programs are having more challenges than others overall.

Will Your 2020 Relocation Budget Change?*

Next, we wanted to understand how they expected their 2020 relocation plans to differ, if at all, from those of 2019.



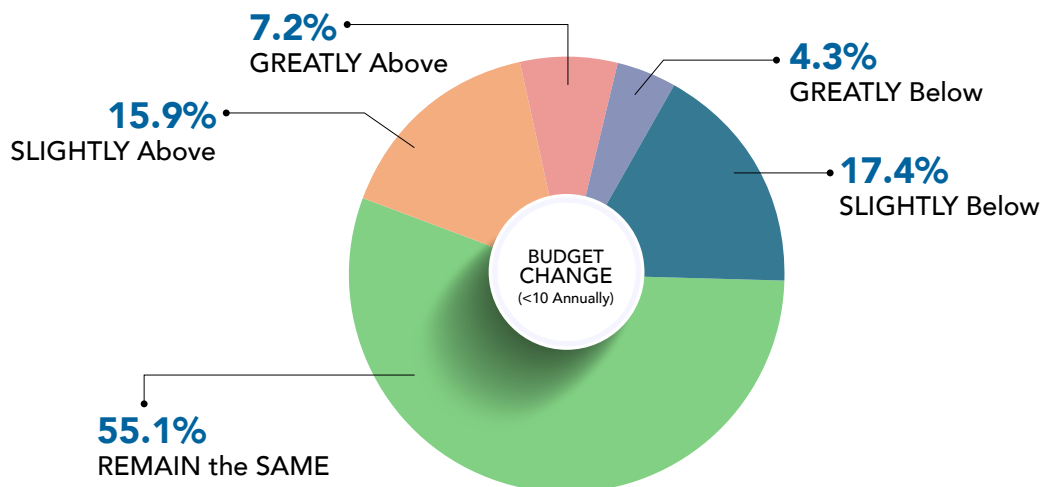
When asked if they expected to see any changes to their 2020 relocation budgets compared to 2019, the majority (**45%**) said their budgets would remain the same. Over a quarter of respondents (**26.5%**) stated that they expect their relocation budget to grow slightly with the smallest number of respondents (**6.9%**) stating that they expect their budgets to increase greatly.

Of those expecting their 2020 relocation budget to decrease, **14.8%** anticipate only a slight decrease while only **6.9%** expect a significant decrease in budget.

* The data for this study was captured *prior* to the COVID-19 outbreak. In this section, we focused on the expected changes to the respondents' 2020 employee relocation budgets. The upending of business as usual as a direct result of COVID-19 has also led to the curtailing of employee relocations for many firms. Importantly, this means that the budgetary data that follows was based on the number of relocations that survey participants either anticipated or had planned to execute in the year 2020 prior to the pandemic. This sudden reduction in the number of employee relocations means that the actual budgets by year's end for these participants' companies will likely be far lower in actuality than they would have been in the absence of COVID-19. Even so, the following section's data and analysis remain pertinent and relevant when looked at through the lens of a healthy economy and reflect important associations and indications for where companies might be heading regarding their relocation budgets upon a return to normalcy.

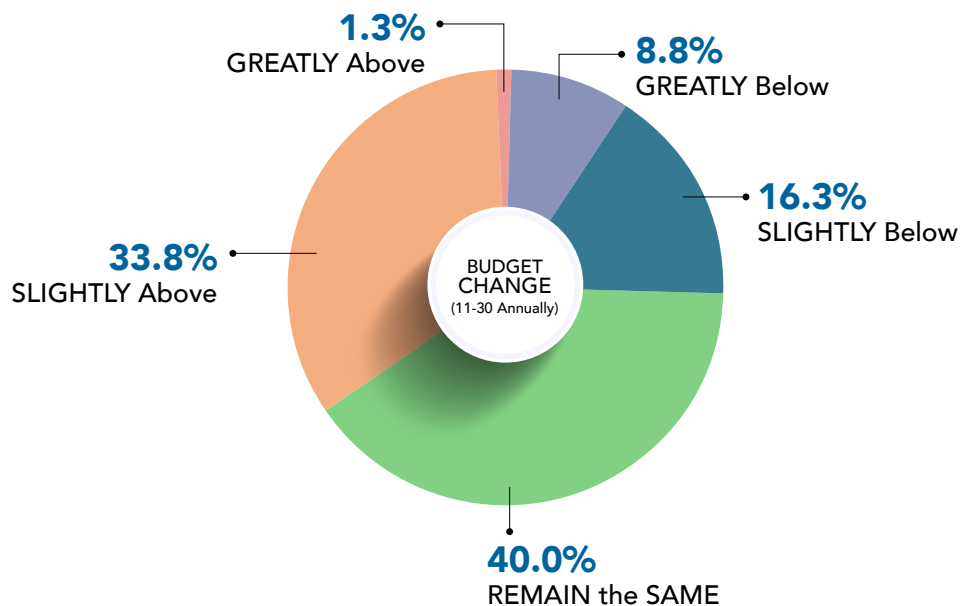
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Do you expect your relocation budget to change when moving fewer than 10 people a year?

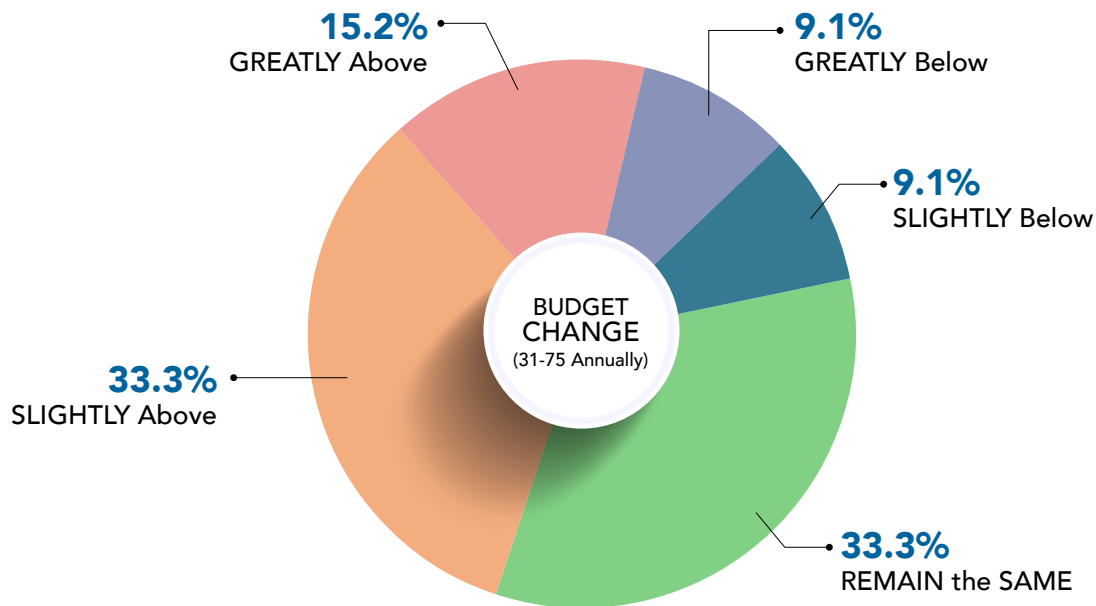


In looking at this data broken down by 2019 relocation volume, we see that the companies that relocated less than 10 employees annually or that year are fairly balanced in the changes they reportedly anticipate seeing to their 2020 relocation budgets. Of these respondents, **21.7%** expect to see their budgets being lower this year compared to 2019 and **23.1%** anticipate an increase in their relocation budgets compared to last year.

Do you expect your relocation budget to change when moving 11-30 people a year?

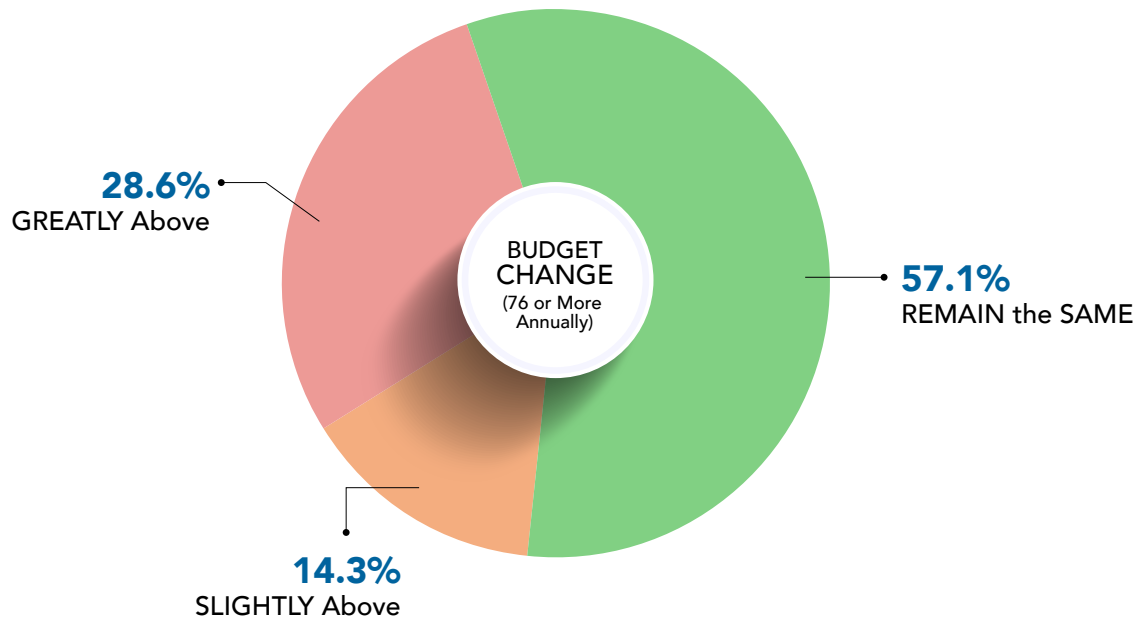


How do you expect your relocation budget to change when moving 31-75 people a year?



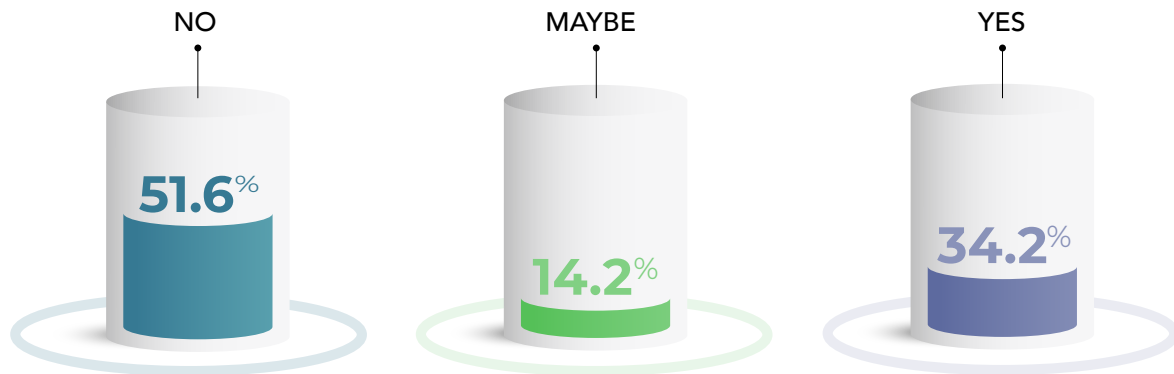
When we compare the responses of the lower-move volume group to those from companies that relocate 31-75 employees a year, you can see the proportion of those who expect an increase in their relocation budgets start to grow significantly, with nearly **50%** reporting a likely increase of some kind in 2020.

How do you expect your relocation budget to change when moving 76 or more people a year?



Despite the smaller sample size of respondents from firms that relocated more than 75 employees last year, there is a dramatic increase in those reporting that their relocation budgets will grow in 2020. Of this group, not one response from these mobility or HR professionals indicated that their budgets would decrease. Notably, a whopping **28.6%** of those surveyed in this high-move volume group responded that they anticipated their 2020 relocation budgets would greatly increase over those of 2019.

Will you make changes to your Relocation program in 2020?



Finally, we wanted to know if these same mobility and hr professionals were planning on making any changes to their relocation programs this year based on last year's experience.

Slightly more than half (**51.6%**) responded no, **14.2%** were not sure, and **34.2%** reported yes, changes are likely.

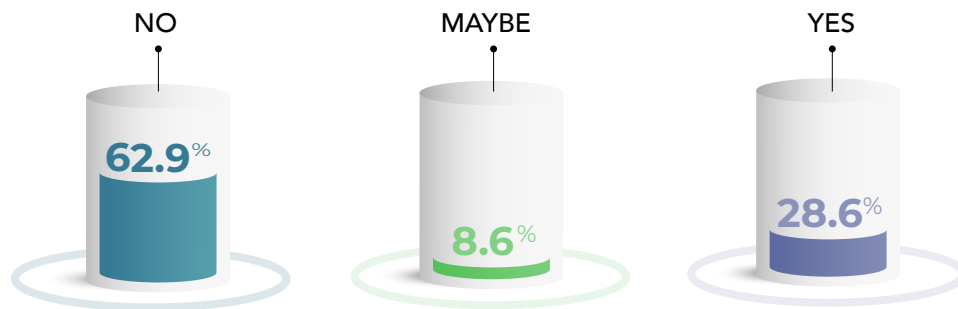
Overall, we see an even split in responses from this group. When we drill down into the data we see that **17.1%** of companies relocating less than 10 people expect to make changes, with the same percentage (**17.1%**) saying maybe.

Of those surveyed who relocated 11-30 employees, **41.3%** stated they will be making changes and **11.3%** saying they might make changes. More than half of companies relocating 31-75 employees annually plan to make changes (**45.5%**) or may make changes (**18.2%**) to their relocation program in 2020.

Importantly, the companies moving more people are much more likely to want to change their programs. As an example, **71.4%** of companies that move more than 75 people in a year reported the desire to change their programs. Keep in mind the data sample on these larger move volume companies is lower and may not be statistically relevant. Nonetheless, it is clear that the more employees companies relocate, the more likely they are to desire changes to their programs and to increase their relocation budgets.

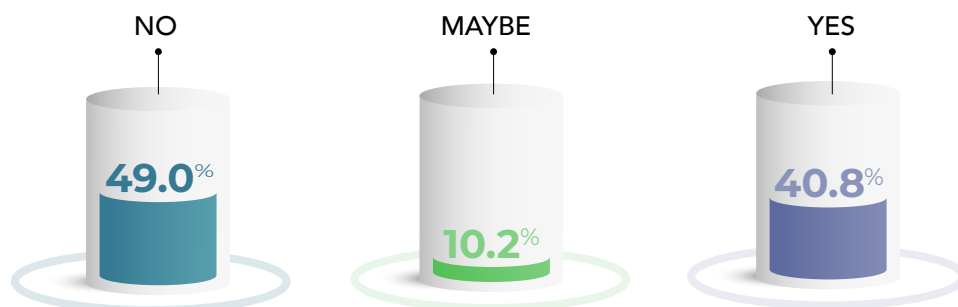
Will Your Relocation Program Change Based On the Number of Moves and the Type of Program You Offer?

Do you plan to make changes to your Lump Sum program when moving less than 30 people a year?



For companies who offer a lump sum relocation benefit and moved fewer than 30 people a year, the majority (**62.9%**) reported they will not be making changes to their relocation offerings or policies in 2020; **28.6%** stated they plan on making changes and **8.6%** may make changes.

Do you plan to make changes to your Reimbursement program when moving less than 30 people a year?

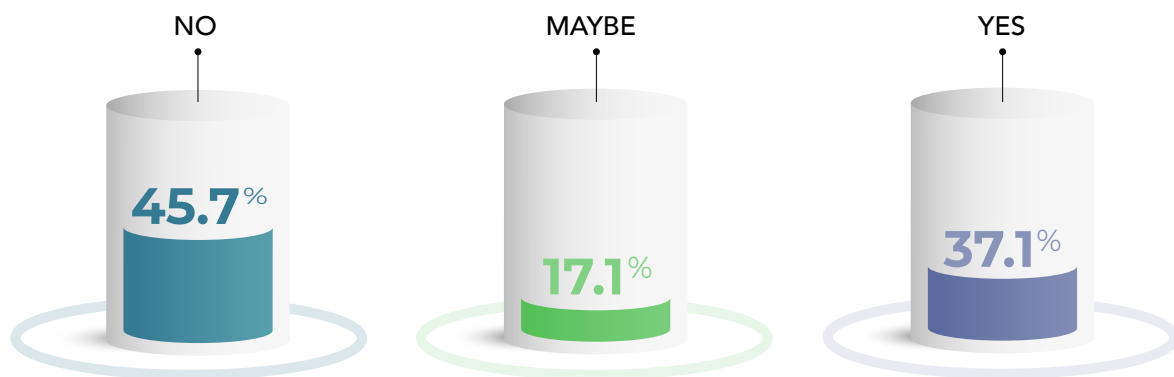


However, we see a huge shift in the number of respondents planning to make changes to their relocation policy and offerings in 2020 when we look at those utilizing reimbursement programs specifically. This is interesting considering that in practice, lump sum and reimbursement function similarly. However, asking employees to finance their own moves upfront may be proving to be a bit too great of an ask

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in today's competitive talent market. Additionally, depending on how companies choose to handle the actual reimbursement process may also be a factor. Handling and approving large quantities of receipts for each employee's move can be burdensome administratively. There is also the possibility that the company's reimbursement limit for a move may be too low which may result in a higher number of exception requests for HR to manage.

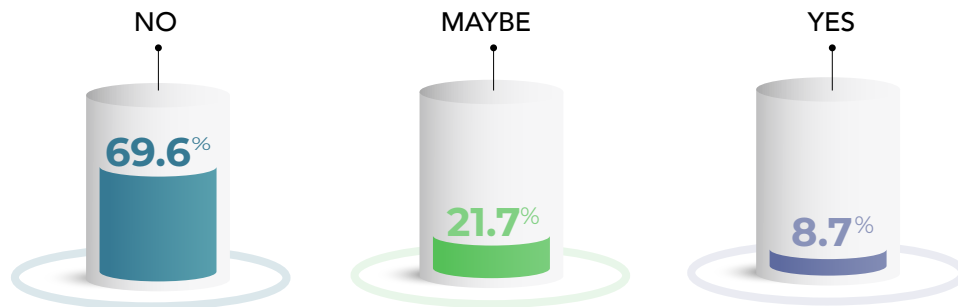
Do you plan to make changes to your Corporate relocation program when moving less than 30 people a year?"



Interestingly we found that regardless of the number of moves performed in the year, those from companies that offer a complete relocation program had the same responses to this question across the board. When asked if they would be making changes to their offerings or relocation policies in 2020, **45.7%** of those with complete relocation programs responded no, **37.1%** responded yes they would be making changes, and **17.1%** said changes to their 2020 program were possible. The most common response was no. This shows that working with a professional relocation provider may provide for a more suitable program and policy development at the outset. When compared to companies using a reimbursement benefit to move 30 or more employees, the data suggests that these companies are more than 1.5 times (**157%**) more likely to change their program versus companies who move the same amount of people using a complete corporate relocation program. We know that companies who used a complete relocation program also experienced better budget adherence and greater satisfaction levels overall. This may help to explain why many have no intention of making changes.

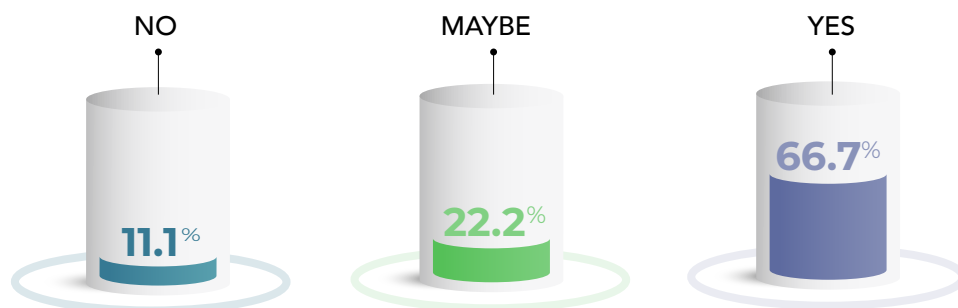
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Do you plan to make changes to your Tiered Relocation program when moving less than 30 people a year?



For those moving less than 30 people a year and utilizing a tiered program, we were surprised to see that only **8.7%** said they would be making changes to their 2020 program via offerings or policy, with **69.6%** saying no and **21.7%** stating maybe they would be making changes. Since these programs had the lowest reported satisfaction levels overall and lowest levels of meeting budgets, we thought the desire to make changes would be more common. However, it is worth mentioning that this group also had the largest “maybe” response out of all program types, indicating a possibility of changes being made. The effects of the reportedly low satisfaction rate and increase in budgetary issues associated with tiered programs become far more pronounced when we examine the responses to this question in companies who move more than 30 people in a year using a tiered program.

Do you plan to make changes to your Tiered Relocation program when moving more than 30 people a year?



While only nine companies reported using a tiered program who moved more than 30 people a year there was a significant uptick in responses suggesting there would be changes to their program with **66.7%** responding yes, changes would be made to their 2020 policy or benefits. This suggests that the issues with satisfaction and budget that respondents reported having when using these programs are more untenable as the quantity of moves increases.

Companies that
relocate a large
amount of employees
using a full-service
relocation program
have higher rates
of satisfaction.

CONCLUSION

Data from this study supports the fact that one relocation program doesn't really work for all situations all the time. As company objectives shift, so will a firm's relocation needs. It is for this reason that relocation programs should be evaluated and re-evaluated with regularity to ensure that they are meeting the needs of both the company as a whole and the relocating employees, while also staying within budget. Based on the data collected and analyzed through this survey, it is apparent that the success of and satisfaction with a relocation program, beyond the level of attention and care put into its planning and execution, depends a great deal on context. The contextual differences when discussing what a successful relocation program looks like to a given company is heavily influenced by the type of program offered by the firm in question, the number of relocations performed in a given year, and how well the program performed budgetarily.

We found strong relationships between companies that relocate large amounts of employees and the use of full-service relocation programs that subsequently correlated to higher rates of reported satisfaction. This group also had a greater desire to make changes to its programs for 2020 and had strong indicators of good cost controls across the board. Therefore there is a distinct possibility that perhaps, despite the wealth of offerings available through relocation providers, that those who partner with them have better budget adherence and cost controls. Along the same lines, we also discovered that tier programs proved most problematic across the board with more responses indicating lower satisfaction and not meeting budgets. It seems that while these companies may desire customizability for their employees dependent on tenure and title, that it is possibly too challenging or provides for too much ambiguity to successfully run such a program internally while trying to meet the needs of employees and place them in strategically desirable posts.

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Also significant to keep in mind was the level of high satisfaction reported by those charged with managing their company's relocation who offer lump sum or reimbursement programs. As mentioned previously in this research, these types of programs do not require much, if any involvement from the HR or relocation professional within the company. Most, if not all the responsibility of finding, contracting, and executing the move is placed on the employee and in the case of reimbursement programs, they are also the financier. However that may align with a company's culture or serves their needs will vary depending on the firm at hand, but it is important to evaluate these mostly positive responses pertaining to satisfaction through this aforementioned lens and consider the source. Unless there are substantial amounts of employee complaints or exception requests, these programs and the moves they support remain relatively opaque to those managing them. This brings up yet another issue that we did not explore here which is long-term quality control and overall competitiveness and attractiveness when viewing relocation benefits as a differentiator in today's talent marketplace.

When taking the largely positive responses of those belonging to companies who move higher volumes of employees and utilizing a full-service relocation program, it is worth proposing that perhaps more companies with varying relocation needs and volume would benefit from partnering with a professional provider. For those with a tiered program, it seems evident from the data herein that they do not perform well budgetarily and tend to have more performance-related issues as well. In the cases of reimbursement and lump sum, it is important to evaluate the employee's relocation experience with these programs and take into account potential drawbacks that may come from turning employees into consumers and financiers of their own relocation. Some of these include the employee's stress level and time directed away from core job duties. At the same time, from the perspective of the HR or relocation professional for the firms that offer these policies, considering how compounding moves performed with these policies while simpler to administer, may make for a mounting set of blindspots where insight into the performance of the program is concerned.

In short, when dealing with valuable human capital in a competitive talent landscape and coupling that with the inherent complexities of relocation in general, finding and forming a relationship with a professional provider may prove worthwhile. Doing so may improve your firm's meeting of budgets, provide flexibility to make changes, increase overall program satisfaction, and appeal to both potential and existing employees.

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