



CONVERSATIONS WITH MOBILITY LEADERS

Mobility Program
and Benefits
Flexibility

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In our continuing series, “Conversations with Mobility Leaders”, Sirva explores the topic of Mobility programs and benefits flexibility, including:

- Key business and global mobility considerations for adopting flexible benefits
- Designing and incorporating critical Core-Flex considerations for your organization
- Measuring the success of adopting a Core-Flex program

Following are highlights of our discussions in which industry thought leaders weigh in on the ways they are incorporating flexibility in their Mobility programs, including where to flex, how far, and why.

INTRODUCING FLEXIBILITY IN TODAY’S MOBILITY PROGRAMS

Companies are increasingly exploring the adoption of flexible benefits within their corporate relocation programs as a strategic response to evolving workforce models and employee expectations. The traditional approach to relocation benefits, characterized by rigid policies and standardized packages, is proving less adaptable to the diverse needs and preferences of today’s globally mobile employees. A Core-Flex model, for instance, offers a more personalized approach, allowing companies to provide a baseline of essential benefits (core) while offering employees the flexibility to tailor certain aspects of their relocation package to better suit individual circumstances and priorities (flex).

Many Mobility leaders have determined that this shift reflects a broader recognition of the importance of employee well-being, satisfaction, and work-life balance in the contemporary workplace, as well as a desire to attract and retain top talent in an increasingly competitive global market.

Generally speaking, we’ve identified four key questions that companies should ask when considering if establishing a Core-Flex program is right for their organization.

Flexible benefits can help ensure:

Employee well-being

Work-life balance

Job satisfaction

Talent attraction and retention

4 Key Questions to Ask When Considering a Core-Flex Program



Sirva engages global mobility thought leaders to share insights and strategies on navigating the evolving mobility landscape. Our conversations more frequently explore the inventive ways mobility leaders are demonstrating flexibility within their relocation programs and benefits.



KEY DRIVERS FOR IMPLEMENTING CORE-FLEX PROGRAMS

One Mobility leader shared that recent enhancements to their company's Core-Flex policies marked a significant shift in their approach to handling international transfers. Previously, the process had been driven largely by individual employee preferences, resulting in an ad hoc and inconsistent application of benefits. Ultimately, in response to employee dissatisfaction and a desire for more equitable treatment across all employees, their company restructured their system to categorize moves as either developmental or business driven. This realignment allowed them to focus on duty of care, ensuring that each employee had the best possible experience during their transfer or assignment.

Key Considerations:

Business needs/motivation for driving change

Company culture/appetite for change

Employee needs/equity

The core benefits the organization offers have come to include non-negotiable components such as temporary accommodations, airfare, immigration support, and tax services, and are complemented by a relocation grant tailored to the nature of the move. While this shift entails increased costs, the organization is committed to purposeful relocations, fair treatment of all employees, elimination of post-transfer challenges, and a seamless transition for employees landing in a new location. Simultaneously, their flex component has been refined to address inflation concerns and offers additional options if the business requires it. By drawing a clear line between developmental and personal moves, they have prioritized consistency across the board, moving away from the era of individualized flexibility to establish a standardized and fair framework for all international transfers.

Another Mobility leader shared that their company is in the beginning stages of exploring a Core-Flex approach for permanent transfers into specific countries, as they currently relocate a lot of early career individuals and senior leaders to these locations. They are interested in achieving some cost savings because their policies are quite generous compared to some of their competitors, but that is not necessarily the key driver in adopting a more flexible approach to benefits allocation. They are mostly interested in modernizing their program to empower their mobile employees with choices based on individual needs, and they believe that cost savings will be a by-product of this model.





ASSIGNMENTS VERSUS PERMANENT TRANSFERS

The question remains as to whether a flexible benefit approach is more fitting for one-way transfers, permanent transfers, or as part of end-to-end traditional assignments. Managing Core-Flex programs for global assignments is a more complicated process than it is for permanent transfers.

As it relates to housing, one Mobility leader says that they provide temporary housing for 30 days and then use a provider's housing table to determine what the housing allowance would be, but they do not offer any flexibility. Another Mobility leader indicated that their company offers temporary accommodations for 60 days due to the nature of their office locations, but they are rethinking offering 30 days and making 60 days a flexible benefit. Typically, companies offer a core housing benefit and then allow mobile employees to flex up as needed.

ESTABLISHING VALUATIONS FOR CASHING OUT BENEFITS

When it comes to allowing employees to cash out on benefits, some companies indicated that they do not allow employees to cash out on core service components but will allow them to cash out 50% of their flex budget after a year. Their program provides an established budget and the employee may pick and choose services, and then the Relocation Management Company (RMC) will advise the client what the remaining budget amount is and then 50% of what is left over can be cashed out by the employee. Some organizations allow employees to receive a lump sum in lieu of certain benefits, but the business controls the other benefits. Other organizations don't allow the employee to cash out their benefits e.g., if they don't need a sea shipment.

One Sirva client was eager to drive a flexible approach for part of their population and they compiled all legacy cost data for that population and looked at specific data points. Then they moved that data into the flex elements, thereby using actual historic data to set the budget. What is interesting is how those benefits were placed in the flex area and nearly all chose to change the allocations. They were able to do that as part of their flex approach, but they were using actual cost data that was historic. Other clients ask Sirva to look across the board, maybe within their own industry sector, and come up with an average cost, while others ask for an industry average, particularly as it relates to household goods.





MEASURING THE SUCCESS OF FLEXIBLE BENEFITS

A number of Mobility leaders indicated that they are looking to measure the success of their newly adopted flexible program by evaluating several key areas, including cost (budget to actual), employee satisfaction, and exceptions. Thus far, the adoption of a Core-Flex program has proven to be the right choice for many organizations based on feedback from both key business stakeholders and mobile employees.

When moving to a flexible benefits approach, many assumptions are made in the planning stage. A critical phase in adopting flexible benefits is measuring and reporting to evaluate whether your program is performing the way it was intended. Charting and measuring the success and implementation of your program may include:

- Measuring actual costs vs. forecast and comparing costs to legacy policies
- Establishing if the budgets you put in place are sufficient for your employees
- Gathering stakeholder feedback to see if there are areas to tweak
- Ensuring that you are reducing exceptions



KEYS TO SUCCESS

There are a number of ways that you can improve your chances of success when implementing flexible benefits:

- **Stakeholder buy-in is really important**, both before you implement and after, so make sure your changes are in line with the cultural needs of your organization.
- **Establish how you're going to administer the policy.** If it's through technology, make sure that your RMC built a technology platform to manage and report on benefits.
- **Identify what type of system you want:** points-based, budget-based, business-flex, or service-based.
- **Determine if you are empowering the business** to make some of the important decisions on what they want included, or if you are empowering the employees.
- **Think carefully about what you put in your core benefits**, as that is critical to establishing your flex benefits.
- **Analyze the benefits that employees are actually choosing** as it may not be what the business was thinking.

Conclusion

In today's Global Mobility landscape, the decision to adopt a Core-Flex approach is intricately tied to a company's culture, business needs, and requirements. An organizational culture that values employee well-being, autonomy, and individualized support is more likely to embrace the flexibility offered in Core-Flex policies. By tailoring relocation packages to meet both the company's essential requirements (Core elements) and the diverse preferences of employees (Flex elements), businesses can create an environment that fosters employee satisfaction and engagement.

Organizations that embrace adaptability align with modern workforce dynamics, where flexibility and personalization are increasingly valued by employees. The symbiotic relationship between a company's culture, its specific business needs, and the Core-Flex approach to relocation reflects a commitment to holistic employee support, which can ultimately contribute to a more resilient and motivated workforce.

If you are interested in joining Sirva's "Conversations with Mobility Leaders" program, please reach out to your Sirva representative or email us at marketing@sirva.com.



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