



CONVERSATIONS WITH MOBILITY LEADERS

Navigating the Journey
to Sustainable Travel
and Mobility

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In our continuing series, “Conversations with Mobility Leaders”, Sirva explores the topic of sustainability, including how to:

- Measure and track the environmental impact of your mobility program
- Successfully demonstrate carbon reduction in a measurable way
- Balance the need to travel with business growth and profitability against emissions reduction goals
- Proactively support sustainable goals and drive change

Following are highlights of our discussions in which industry thought leaders weigh in on the ways they are driving responsible change within their organizations and incorporating sustainability in their Mobility programs.

INTRODUCTION

Sustainability has become a cornerstone of corporate strategy across most industries, including the corporate relocation sector. As businesses increasingly prioritize environmental responsibility, the relocation industry faces the challenge of balancing efficient service delivery with sustainable practices. This involves not only reducing the carbon footprint associated with physical moves, but also implementing comprehensive strategies for sustainable data tracking and resource management.

By integrating Environmental, Social, and Governance (ESG) objectives into their operations, relocation management companies (RMCs) can contribute to global sustainability goals while maintaining economic viability. The focus is on developing innovative solutions that minimize environmental impact, from utilizing eco-friendly packing materials to optimizing transportation routes and adopting digital tools that enhance efficiency and reduce waste. As the demand for sustainable business practices continues to grow, RMCs are uniquely positioned to lead by example, demonstrating that sustainability and business growth can go hand in hand.

Sustainable practices involve not only reducing the carbon footprint of moves but implementing strategies for data tracking and resource management.



SUSTAINABILITY: A GROWING FOCUS

When discussing sustainability and how organizations can support this crucial initiative, one global organization shared that they are beginning to review their policies using a five-tiered approach, with ESG as a key component. Although ESG hasn't been a focus for that organization until now, it has become a central strategy. They are currently in the early stages of discussions to define the organization's goals and integrate them into their mobility policies, aiming to encourage employees to make more sustainable choices regarding their benefits options. The Global Mobility team has proactively taken the lead on this initiative, driving significant impact within the organization.

Another Mobility leader mentioned that their organization is striving to advance the sustainability agenda but is facing challenges due to a lack of concrete data for their mobility policies. They need detailed information on the environmental impact of specific services to share with stakeholders and collectively determine necessary changes. Their primary challenge lies in measuring, tracking, and reviewing their output, such as the amount of carbon emissions generated by various services like household goods and temporary living. By quantifying these outputs, they can identify areas for improvement and implement changes that make a direct impact.

Another leader indicated that, while their organization is adept at reporting cost data for employee choice programs, translating this into carbon footprint metrics is an altogether different challenge. The Mobility group took a bold step in introducing the idea of highlighting sustainable options in their relocation letters to demonstrate to mobile employees that green options are available and encourage them to consider greener choices. While the inclusion of this new provision gently nudges employees toward exercising discretion rather than forcefully pushing them toward a predetermined decision, it remains a struggle to measure the actual impact of these options on employee decisions. This particular Mobility leader emphasized that they see their role, in part, as storytellers who provide the business with essential information to make critical business decisions. However, gathering hard data to support and drive the sustainability agenda remains a difficult task.





CHALLENGES WITH DATA

To effectively communicate Mobility's sustainability efforts to stakeholders, companies must first present a clear picture of their past and current initiatives. Relying on assumptions is insufficient; hard data is needed to substantiate their points and drive meaningful change.

Assumptions can often be misleading and fail to capture the full context needed for effective decision-making. For instance, a transferee opting for a cash allowance instead of shipping their belongings may seem more sustainable, but if they end up purchasing new furniture from overseas, the environmental impact remains due to the associated costs of shipping and delivery in the host location.

Sirva has observed the following dilemma with some of our clients: by altering benefits at the top level, such as replacing household goods shipments with lump sums or furniture rentals, the organization might inadvertently be perpetuating the same or similar carbon footprints. This is why it's crucial to assess the sustainability of alternative solutions comprehensively.

Our discussions revealed that having concrete evidence from vendors about the most sustainable options and green companies to partner with would be extremely beneficial. The primary challenge, of course, is ensuring that changes in policy do not simply shift the environmental burden elsewhere in the supply chain.

As previously mentioned, challenges in measuring and tracking sustainability within mobility exist for many organizations. While Mobility can implement policies that seem more sustainability-friendly, proving and measuring their effectiveness is difficult without tracking. It's important to establish a baseline with descriptive and historical data to quantify environmental benefits from policy changes. This is not necessarily an easy thing to do.

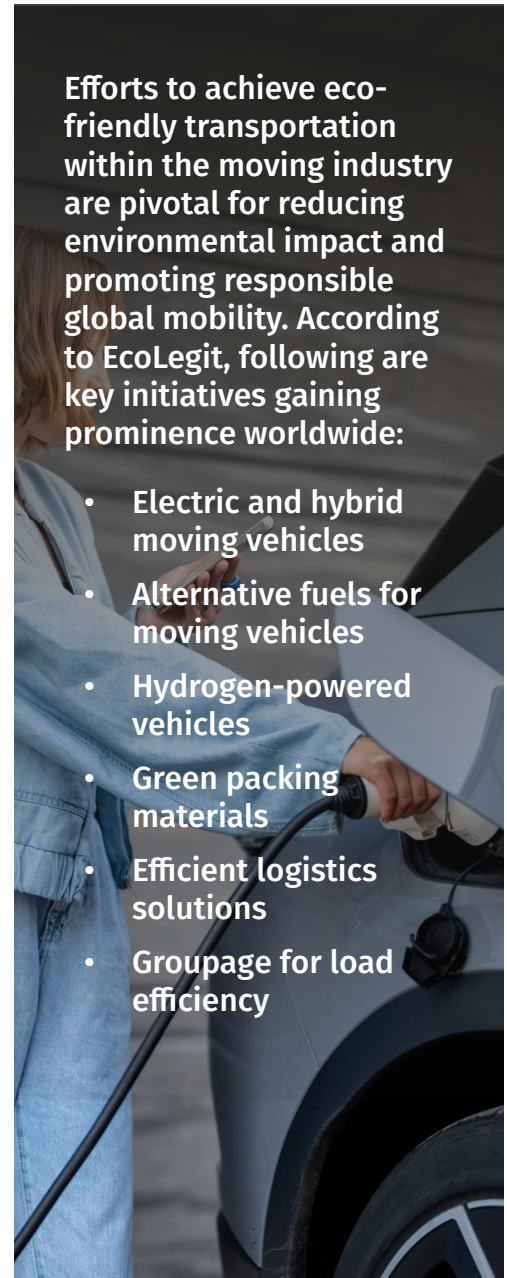
Sirva is implementing a new program called Sweep to capture and report on Scope 1, 2 and 3 emission data in major areas of impact like household goods shipping, temporary living, and air travel. We are working hard in this space so we can baseline what it means at a program level for our clients who are interested in sustainability. What's great about Sweep is that it is a comprehensive and more consistent way of measuring data which can feed back into our clients' tools.

This raises an important question: What are the individual responsibilities of Mobility, the company at large, and the suppliers when it comes to tracking and measuring data? Most Mobility leaders felt they should start by controlling what they can within their organization, then align those efforts with supplier partners and downstream service partners to gather meaningful data.

One Mobility leader highlighted their use of Sirva's Discard and Donate program for household goods shipments as a way to both control costs and act responsibly. When discussing this particular program with HR business partners, they emphasize the cost savings component, which captures the attention of business leaders. By tying cost savings to sustainability—reducing carbon emissions, cutting down on cardboard boxes, and purging household items—they subtly introduce sustainability into conversations. The company receives hard data from Sirva quarterly and sees opportunities to expand on this as they review and modify their policies. While sustainability is top of mind, it is not yet explicitly outlined in their relocation policies.

Efforts to achieve eco-friendly transportation within the moving industry are pivotal for reducing environmental impact and promoting responsible global mobility. According to EcoLegit, following are key initiatives gaining prominence worldwide:

- Electric and hybrid moving vehicles
- Alternative fuels for moving vehicles
- Hydrogen-powered vehicles
- Green packing materials
- Efficient logistics solutions
- Groupage for load efficiency



Sweep is a comprehensive and consistent way that Sirva uses to measure Scope 1, 2 and 3 emissions data that we can feed back into our clients' tools.



INCENTIVES AND MANDATES

Regarding employee incentives, one company has tried offering more cash options in certain locations, allowing employees to use the funds flexibly. While this approach aims to reduce the company's carbon footprint, as noted previously, tracking the individual environmental impact remains a challenge.

Does sustainability come into play just during the relocation journey, or also while employees are on assignment? From one company's perspective, they do not currently get involved in an employee's choices while they are in the host location but, in the future, would like to nudge them in the direction of making more eco-friendly and responsible lifestyle decisions. It was acknowledged that it is important for companies and their destination service providers to make employees aware of the choices available to them, such as furniture rental, recycling sites, and utility companies.

One Mobility leader noted that their temporary living options are located within close proximity to their offices, which is both enjoyable for the employee to be able to walk and become familiar with their local areas and a practical move toward sustainability. Toward that end, the company's relocation policies do not support the shipment of vehicles, although they do provide an automobile allowance. This encourages the use of public transportation or the opportunity to walk or bike versus shipping a vehicle. This particular company is very passionate about their carbon footprint and may eventually change their policies to mandate the use of hybrid or electric cars as part of receiving a car allowance.

Another interesting idea is to provide preview trips for the whole family via virtual reality headsets rather than conduct office, home, and community tours in person. As technology becomes more sophisticated and advanced, the opportunity to explore various facets of the host location becomes possible from the comfort of one's own home. Likewise for other important services including cultural and language training programs. These, too, save the company money and reduce the carbon footprint.

“IF I HAD A MAGIC WAND...”

Some Mobility leaders would like to see a points-based system which switches out traditional services for greener solutions, which correlates to a number on the environmental scale to tell the employee how environmentally conscious their choices are. The company would then incentivize the employees based on how high they are on the sustainability scale. Essentially, the company would gamify the experience for people to think green and drive an outcome for carbon or removal and have an opportunity to play with the flexible options available. One organization indicated they are already employing such a program which includes a small green leaf next to the green(er) options. While in theory the program is in place, the incentive the company is providing – a donation to a charity of the employee's choice – has not been enough to make the employees select the more sustainable option. The company is currently exploring other incentives to both make the employees happy and increase sustainable usage of the mobility program.

FUN FACT: TWO YEARS OF USING A FULLY ELECTRIC CAR VERSUS A FUEL CAR WHILE ON ASSIGNMENT IS THE EQUIVALENT OF A 40-FOOT CONTAINER TRAVELING FROM NEW ORLEANS, LOUISIANA TO EDINBURGH, SCOTLAND.





VALUE THROUGH COST SAVINGS

For one organization, sustainability goes hand in hand with cost savings. They are inspired to bring the conversation of sustainability to the organization to build it into their programs.

Generation Z will be the largest demographic in the workplace in the next five or six years, and they seem to be shaping and re-shaping co-worker attitudes and driving a cultural revolution within businesses and organizations. With that said, they tend to have less to relocate in the way of goods and are more interested in experiences. Gen Z are very passionate about the environment and will expect to work for an employer who is also in tune with ESG initiatives and has green programs and policies firmly in place. This generational attitude may eventually spark legislative change with regard to green initiatives in the same way cigarette and tobacco usage have become almost obsolete. Governmental agendas may accelerate attitudes toward greener changes for corporate America in the future.



KEY STATS



49% of global consumers last year opted to pay a premium for sustainable products.



60% of workers want to see their employers taking clear and visible actions.



40% of millennials would switch jobs over sustainability action concerns.

Sources:

- Manpower Group
- Deloitte

CONCLUSION

Many organizations are exploring ways to make their relocation programs more sustainable, from choosing eco-friendly transportation options to implementing green practices in housing and office spaces. Initiatives include using reusable packing materials, donating or selling unneeded items, selecting sustainable properties, and embracing green transportation options. By integrating these practices, organizations can reduce their environmental impact, enhance their brand image, and contribute to global efforts to mitigate climate change.

Mobility continues to lead the way in initiatives to operate more responsibly by championing the cause within their organizations. While establishing foundational data from which to base future improvements is proving to be difficult, today's Mobility leaders are working closely with their supplier partners to determine how to best incorporate environmentally-friendly options into their global policies and practices and then track, measure, and monitor program success.

Perhaps the most significant conclusion that can be drawn is that the passion for our planet remains top of mind for modern-day Mobility leaders and the desire to execute on ways to contribute to greener, more sustainable relocation practices is widely felt and gaining traction.

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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