

New Mobility:

# Planning Smarter Moves



Balancing price, quality and performance  
so your business gets what it really needs

**EMS**  
PEOPLE • PLACES • PERFORMANCE

*“Now is the time to rethink mobility. The global mobility of ‘human capital’ will become increasingly important over the next three to five years owing to the complexity of doing business on a global scale and the increasing importance of emerging markets”.*



# Planning Smarter Moves

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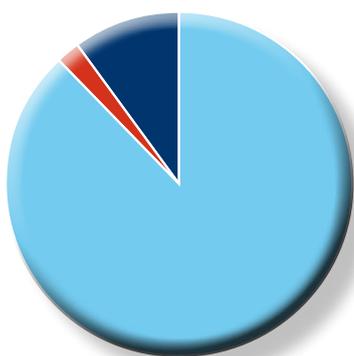
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## Planning Smarter Moves:

*The context for looking at new mobility strategies*

In a recent study, "Strategic Moves: A new direction for global mobility" 140 organisations were surveyed in order to understand the challenges faced in managing global mobility.

The study draws the conclusion that most companies would like to see mobility given more strategic significance but that they sometimes struggle to move beyond budget management and tracking.



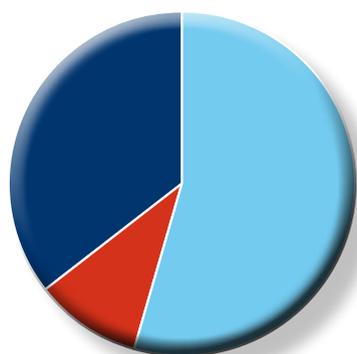
140 HR leaders and senior executives were asked how important is it to align global mobility strategy with their organisations business strategy.

- **88%** responded saying it was important or critically important
- however only **2%** felt these strategies were aligned

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The same respondents were asked how important global mobility is to meeting their talent agenda.

- **60%** responded saying it was important or critically important
- however only **11%** felt this issue was supported by their current mobility programme



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EMS observes that companies require a genuine strategic partner rather than an 'engine' that simply moves an employee from one country to another.

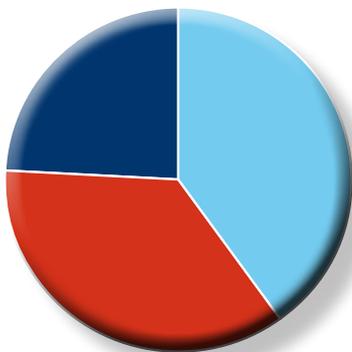
There are three main drivers for mobility which EMS recognise help companies to achieve significant competitive advantage:

- 1** Mobility delivers skills in locations where needs are immediate
- 2** Mobility helps deliver growth in new markets and supplements local talent strategies
- 3** Mobility is critical for enterprise leadership development

**A strategic approach to global mobility will help companies to take advantage of the opportunities for growth by focusing their expertise and leadership in the right geographies, products and sectors.**

In this context, EMS understands that, as well as managing logistics, it is involved in the movement of people, skills, knowledge and culture to other markets in order to secure the current and future wellbeing of its clients.

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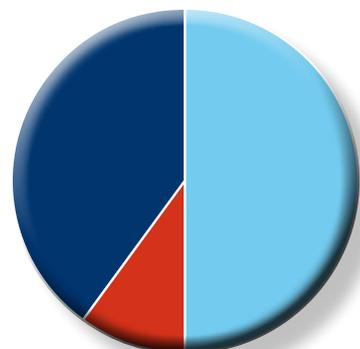
*HR leaders and senior executives were asked about their global mobility Programme.*

- 40%** believed it needed significant or radical improvement
- and a further **36%** felt it was merely adequate with room for improvement.

*In short, more than three quarters rated their mobility as no better than adequate*

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- Nearly **50%** of business executives outside HR believe that their organisation's mobility programme is under performing
- Less than **10%** of participants feel that their organisation perceives global mobility as a fully strategic function.



## 'Noise':

*An easy test reveals whether you need to reassess how you measure the cost of mobility*

**The proof that a mobility strategy is not working as well it should is sometimes heard in the 'noise' associated with poor relocation service delivery. If you hear these comments within your company, the chances are there is a high hidden cost of relocation.**

*"We are not offered a performance matrix or SLA monitored by agreed KPIs"*

*"We spend too much time involved in process issues we want the supplier to manage fully"*

*"Our supplier doesn't understand our problems so failed to deliver solutions"*

*"They don't listen to us"*

*"They don't respond to the culture of our organisation"*

*"They concentrate on the mechanics of moving and don't grasp the important aspects of relocating staff who have a role to perform for the company"*

*"They don't understand that cutting cost is not a cost saving initiative!"*

*"They didn't make our assignee feel special"*

*"Invoicing irregularities waste our time when the final invoice is different from the quotation or filed rates, which results in budget problems"*

*"Valuable time is spent dealing with the approval of surprise exceptions"*

*"We do not see any new initiatives relative to our storage requirements"*

*"Too many insurance claims involve our time and effort and that of our transferee"*



*In contrast to these typical industry comments EMS enjoys a 98% customer satisfaction rating, which it achieved by working to eradicate the causes for these common complaints.*

## Smarter Moves:

### *Defining an effective mobility strategy*

As organisations place more value on global assignments, mobility programmes need to shift from being an administration function to a function that is recognised as a business partner, focusing on deploying talent more strategically and helping companies make smarter moves.

EMS believe that an effective mobility programme should support the business and assignees with high-quality service that is cost-effective, consistent, and easy to use, manage and administer.

The purpose of global mobility service delivery is both to help businesses make smart assignment decisions, and to help assignees with their moves.

#### *A Smarter Move should:*

- Provide guidance on mobility-related decisions, such as : estimating the cost and developing the business case for particular assignments
- Support the entire spectrum of HR services
- Mix internal and external suppliers

*Now is the time to rethink mobility. The global mobility of 'human capital' will become increasingly important over the next three to five years owing to the complexity of doing business on a global scale and the increasing importance of emerging markets.*



The true measure  
of global mobility is  
achieved by balancing  
price, quality and  
performance so your  
business gets what it  
really needs.



## The whole customer: *Three profit centres*

While EMS typically deals with one project owner, usually in the form of the HR Director or Assignment Manager, we understand that the whole customer is more than one department. Having looked at service provision through our customers' eyes we know that different areas of the business require appropriate payback.

EMS attempts to deliver value to several areas of your business, each of which has different motivations, needs and success criteria.



### The Business

The business needs to deploy its best or scarce talent to critical locations and maintain business continuity. Often the assignee is associated with various dependencies such as project obligations, co-worker programmes, delivery schedules, communication loops. Relocation disruption can introduce complex delays with significant operational and cost ripple effects. The business also needs to nurture and retain its key staff – distress at a time of relocation can be one of the triggers for separation. For the business, successful relocation dovetails with its talent agenda and the need to develop leaders of future growth.

## The Assignment Manager

A significant part of the Assignment Manager's obligation is to deliver the Business' objectives, that is, to maintain an assignee's productivity while they are in transit, and to 'embed' them in a new location as quickly as possible. They will also have a remit to do this cost effectively. Plus, they are likely to take the view that the successful supplier will be able to maintain the assignee's wellbeing and keep them - the Manager - fully up to date. The Manager also has a role within the company whose effectiveness and status may depend at times on the quality, capability and culture of the relocation supplier.

## The Assignee

An assignee's state of mind when setting off on an assignment may sway anywhere between excitement about a new challenge to concern about moving with family. Regardless of emotional state there will be inevitable unknowns about the mechanics of the move and job performance in a new location. The need for timely, accurate information will take on a radically heightened level of importance. Assignee or assignee spouse distress or complaints seriously affect the likely chances for success for both the manager and the business, which prompts a need for both low touch and high touch communication depending on context.

EMS takes a view of the whole customer and EMS personnel are knowledgeable about the 'soft' and 'hard' risks and benefits associated with all aspects of project execution.



## Risks and returns:

### 'Off-invoice' costs

Relocation is more than moving people and household goods from A to B. There are potentially large tangible and intangible profits to be made by getting relocation 'right'. Similarly there are huge associated costs that are sometimes hidden which can directly affect a company's operational and financial performance.

*These three illustrations reflect the potential risks and rewards associated with relocation for each aspect of the business.*



### The Business

- Business continuity

Costs	Profits
Hard costs of project delay	Project starts on time
Hard costs of affected project staff	Assignee motivated and functional
Damage to customer relations	Skills delivered to project
Demotivated assignee	Transferee moving up talent ladder
Quality issues	Enhanced company reputation

## Risks and returns:

*'Off-invoice' costs*

### The Assignment Manager - Process effectiveness



#### Costs

Assignee complaints  
Cost of admin and audit  
Surprise costs, budget over-runs  
'Down in the detail'  
Risk to personal reputation

#### Service expectations

Planning  
Communication  
Local knowledge and experience  
Agreed KPIs  
Skilled relationship management  
Issue resolution

#### Profits

Delivers objectives of the business  
Enhanced status and reputation  
Concentrate on strategy  
Easy reporting to business and assignee  
High productivity

## Risks and returns:

*'Off-invoice' costs*



### The Assignee - Role migration

Costs	Profits
Emotional disruption	Professional and personal balance
Family concerns	Proud to deliver skills
Job doubts	Stays on company talent path
Risk to reputation	Extra motivation to succeed
Isolation	Enhanced reputation

*The conclusion EMS draw is that the true or 'whole cost' of moving an international assignee cannot be reflected solely in an invoice total.*

*EMS applies the same principles to all levels of assignee seniority to ensure that a transfer does not compromise the assignee's efficiency to deliver revenue to the business.*



## 3 bid tender model: *can invite confusion of cost and value*

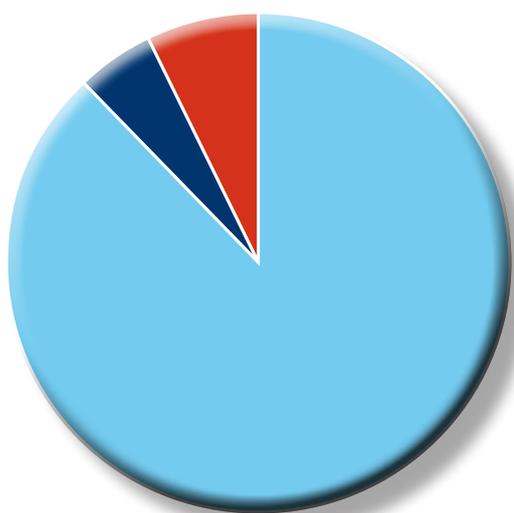
Having taken a look at the potential profit and loss associated with relocation EMS considered different ways to measure success.

Yet in the bid phase and post-project analysis it is the figure on the invoice – the monetary amount – that receives most attention. Understandably, perhaps, as the number appears to be comparable, for the purpose of supplier selection, and transparent, for the purpose of budget reconciliation.

Yet the dollar, sterling, euro or yen amount is misleading and in the tender phase rarely involves the comparison of like for like.

The relative costs for assignee transfers can be debated but there is general acceptance of the strategic importance of talent mobility.

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### ***In a recent survey***

- **88%** of enterprises acknowledge the critical importance of aligning mobility to business strategy,
- yet less than **5%** believe their current processes achieve such an alignment.

Is it because of the complex value associated with some moves that companies have settled for a relatively simple selection process embodied in the historical 3-bid model? In other words, because it is difficult to measure true value or best value, we rely on an easier measurement which is tender cost?

The risk, then, is that full value is not delivered to any aspect of the business. Beyond a certain point of under delivery a move can result in complete failure to the business (cost), the assignment manager (KPI failure) and assignee (company separation).

*EMS can become your HR business partner and help to improve processes, policies and controls so that basic tasks can be managed more effectively.*

*Many moving and relocation companies claim to act in partnership, but it is often lip service to buzz words.*

*EMS is developing ways to work collaboratively in order to support company objectives at best value and deliver a new ROI covering all assignment outcomes.*



## Smart Moves: *EMS service provision*

### **Balanced delivery**

The EMS service delivery balances strategic insight, expert logistics and skilled project management

- 1. EMS will provide you with the most advantageous balance of price, quality and performance*
- 2. EMS will provide you with a process that compares strengths, weaknesses and risk*
- 3. EMS will deliver the greatest overall benefit to your company*

### **Working in collaboration**

EMS will share its long experience and understanding of global relocation, and will take time to understand your business objectives, in order to combine internal and external resources to achieve maximum ROI.

Each assignment involves 3 rigorous commitments

- Pre planning
- Quality control
- Risk management

Agreed KPIs are put in place to measure and manage the areas of key importance for success.

EMS comprehensive service delivery is aimed at the whole customer, and is not price based and overly modular

- Small but essential services included as a matter of course as they prevent costly delays and frustrations
- Customer service focused on communication
- Regional specialism so your projects are 'right first time'
- Training and qualification for assured standards and empowered service delivery



## The EMS Charter:

*delivering smart moves at best value to satisfy the needs of the entire business*

Adopting a comprehensive approach, EMS will:

- evaluate your current moving process, with a view to delivering recommendations for improvement in terms of economies and process.
- agree with you strategic priorities that will be reviewed and updated on a regular basis
- agree, on the basis of transparency, acceptable charging criteria
- audit past moving costs to identify opportunities for future savings
- benchmark pricing against competition to assure best rate quotes
- openly discuss with you ways to balance issues of price, service and cost
- provide unbiased advice in all areas of moving services, based on a best value concept of continuous improvement.
- adhere to an agreed Service Level Agreement that will clearly define priorities, responsibilities, guarantees and warranties supported by service performance metrics - with periodic performance reviews
- agree cost targets within which we will manage your international moving programme

- review your insurance programme and give recommendations for **cost saving initiatives**. Insurance terms and rates require careful analysis together with risk management assessment
  - leverage the partnership that we have with you to secure **competitive pricing** from our overseas partners
  - commit to being totally aligned to your business challenges, new markets, and **guarantee** that you will receive timely specialist industry information to support you and your assignees
  - give you a realistic overview of the **moving allowances** given to your transferees, whether the volumes/weights “make sense”, how they translate into plain language (as opposed to moving jargon) and their relevancy
  - undertake a **full audit** of your long term storage, and **guarantee** that we will deliver cost saving initiatives, together with a risk management assessment
  - offer **alternative pricing structures** by holding pricing discussions that are exploratory in nature, rather than adversarial
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Acknowledgements - “Strategic Moves: A new direction for global mobility” A global survey on today’s workforce mobility challenges carried out by Deloitte in the UK

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## EMS can support you at every level

### Strategy

- Policy design
- Talent agenda
- Meet objectives



### Business support

- Assignee planning
- Cost control and reporting
- New country entry



### Employee support

- Assignee support
- Resolve issues





*Helping  
business people  
on the move*



# EMS

PEOPLE • PLACES • PERFORMANCE

*Your strategic partner  
for corporate mobility*

Find out more about how EMS can help  
your business - visit our web site or call  
**+44 (0)20 8963 1114**

EMS Limited, Nucleus 2, Central Way,  
Park Royal, London NW10 7XT

[www.ems-move.com](http://www.ems-move.com)