

Where Are The Correct Limits For A Relocation Policy?

Only recently a colleague called to advise that they were still waiting outside a building for the arrival of a major telecommunications company and perhaps there could be an indication as to when they would appear.

Not perhaps the most interesting opening comment but the reason for waiting outside, rather than within the impressive, modern apartment was that the entry phone was connected to the landline allowing the visitor to the building to be 'buzzed' through to the apartment's phone or mobile; however this step forward in design idea wasn't going to work until the phone line was connected to the apartment; hence the waiting outside on a rather cold day whilst recalling no doubt, fond memories of the summer just past.

The simple matter of installing a phone line was resulting in having to wait outside the building to meet the engineer, who was unavoidably, as it turned out, running late to this call out. If such a simple issue was causing problems, what other matters does the relocating assignee have to address that could fall on their shoulders to resolve and not be covered by their companies relocation policy? Also should more be offered to the assignee than is currently provided?

There is little doubt that relocation policies have both matured and developed over the past decade with, on average more of the core requirements of a relocation being addressed or at least recognised than at any time previously.

An increasing number of international policies will support such issues as Orientation, Home Search, Short-Term Accommodation, Education Support, Transportation and Settling In, via a wide range of formats and cost controlled processes, which leaves the question, what more could a strong relocation policy cover for the transferring assignee? Is there really that much that is left unaddressed, un-discussed or not supported in some capacity?

Clearly, there are always going to be differences between companies, allowing for their culture and approach to relocation. Certainly in regard to what many may refer to as 'fringe services' but there will always remain a growing list of matters

that the assignee will need to resolve that will remain outside their company's relocation policy. As a result, a number of the subjects listed below may be offered by a relocation policy, but it is unlikely that most are offering this level of support; so therefore, should more companies cover the following issues to ensure that they support their assignees fully?

The surprising answer is no, not really. However, a full awareness of these costs and issues to be addressed would allow a more balanced solution to be offered and support the assignee to settle into the new location both quickly and smoothly. This information can be provided through pre-departure briefings prior to the relocation company's involvement, or can be expanded upon in more detail during the initial conversation with the assignee and family when the relocation provided is introduced, with many of the practical issues being supporting through a Settling In Service. The method of how this information is presented to both HR and the assignee is of course a vital issue on its own but the focus here is to expand on the range of additional costs and requirements that the assignee will be expected to address.

So what are the issues that may be faced by the assignee? The following is a light walk through the subjects most likely to be faced. The answers are not always difficult to present, but pre-knowledge of these matters will always result in a more successful and content assignee.

Potential Requirements

Many will state that they offer support with opening a bank account for any expatriate. However, whilst many companies offers support, a substantial number will leave this to the assignee to arrange, albeit with clear details of a bank to contact. A number of UK banks offer strong solutions to this matter with the ability to open an account before they leave their home country. If the assignee is able to access this support early in the process, then not only will all concerned have their accounts details prior to the relocation taking place, they will also be able to transfer funds.

For an increased percentage of relocations, the company may not be covering the rent

and deposit within their relocation policy, therefore it is vital that the assignee has suitable funds in place, in the right currency, available to cover at least the initial deposit and rental charges at an early stage of the relocation. All home search companies providing a home search service should ensure that the assignee has awareness of the amounts that may be required and support them in ensuring that they are able to cover these costs. However, where there may have been delays or difficulties in opening a bank account, this could have a serious knock on effect on their ability to have the funds ready to be transferred to the agent or landlord.

Visas & work permits are almost always covered by the company, but for a limited number of countries, the assignee will need to register with the Police. This is perhaps not that common for many companies, but is vital to ensure their stay is not jeopardised, and often the arrangement and process for this is not fully understood or completed.

Schooling support is often offered to international staff, but less frequently for domestic or returning expatriates. Support is often just as necessary for a returning assignee where their children may have entered into a different stage of their education, or the assignee may have not had children prior to departing for their assignment. Certainly school uniform isn't traditionally covered, but for many expatriates, this unexpected cost can add up to a substantial amount and, both the process and cost of completing this can come as an unwelcome surprise.

Properties can come in a number of different guises and as a result even furnished properties often need to add, what commonly is referred to as Kitchen and Bedding Packs. These will cover matters such as crockery, cutlery, cookware, duvet, sheets, pillows & covers. Many Landlords will supply these but this certainly will not happen with all relocations taking place. Therefore this may result in a further cost to the assignee as well as their need to understand how to obtain these items quickly and cost effectively. The same can be stated for the TV and most certainly any Broadband or Cable/Satellite packages. Understandably, these last costs would not be expected to be covered in many

relocation policies, but the cost of these; plus the minimum length of a standard contract; can come as a surprise to anyone not informed on the matter.

No one needs to be advised on the increasing costs of utilities to a household's budget. Both electricity and gas prices are increasing at an inflation busting rate. If we are potentially confused by identifying the most suitable rates, this can be even harder for the expatriate who also may not be aware, that it is even possible to change suppliers. Guidance on this topic is essential before and throughout the relocation process.

Most tenants would be expected or at least recommended to take out a Contents Insurance Policy to cover not only their items that they move with them, but also their future purchases. This is straightforward to arrange and, pleasingly, rarely as expensive as might be expected, but will still need to be budgeted for by the assignee. For many, their electrical goods that are being transferred will have the support of the removal company ensuring that they will work in the new location or will, at least, have the plugs changed. If this hasn't taken place a further issue and cost may have just appeared.

Once in their new home, the assignee may be looking to purchase a car. This may be as a second family vehicle for their partner, or as their main car if no company car is applicable. However, this will raise a large number of issues from financing the purchase, ensuring they have a legitimate driving license, learning how to drive in the new country, purchasing road tax for their new pride & joy and of course, securing their insurance. For many assignees, this is both complex and expensive and should they be looking to live in a city location, then we need to add parking permits and maybe congestion charge onto their list.

Pets are part of the family, as we all know, and their quarantine and transportation charges are often covered by the company, but the insurance and vet charges once settled into their new location rarely will be. How high these are compared to their home location will vary, but it's unlikely that this will be seen as a low or good value amount and may not have been budgeted for by the family prior to their assignment.

The family pet may now be covered, but the assignee or family will also need to ensure that they are registered with their local doctors. Most relocation

companies will help address this matter with them, but the initial medical with their new doctor can only be undertaken by themselves and often the doctors preferred times for this rarely match their own schedules. An awareness of this allows schedules to be managed efficiently at any early stage of the relocation.

At no stage can this be taken as the definitive list or the final word on this matter and this is purely to highlight the type of issues that may be presented. It remains important for all employers and relocation companies to ensure that the assignee has been walked through these matters so that they have awareness as well as planned and budgeted for these requirements accordingly.

Pre-planning for the relocation correctly focuses on the numerous and considerable issues that need to be considered prior to the relocation taking place. Development of this to cover these expected issues once they have settled into the new locality can only be considered vital to increase the success of all relocations.

Awareness of these additional, somewhat smaller issues and costs once they have arrived will add considerably to the overall success and positive outcome of the relocation. As suggested earlier, many will quite rightly state that a strong Settling In Service will address many of these and certainly this will assist considerably.

However, any assignment will always be more successful and well received when the assignee and their family understand the nature of what remains even after the formal home search and support has been completed.



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