



Designing a Relocation Policy

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Designing a Relocation Policy

The first critical step in designing a relocation policy is taking the time to think through the approach that will garner positive results. How well this step in the design process is accomplished will impact not only the cost efficiency of the program, but will also help an individual transferee and his/her family secure the greatest assistance from the benefits your company provides.

Sometimes, policy makers create policies that over time result in an overwhelming amount of information, much of which is difficult for the reader to follow. Unlike some other corporate policies that may end up sitting on a shelf or be referenced by experienced users who have the time to study them in detail, a relocation policy can and should receive a lot of instant use. Relocation policies are read by people who have never relocated before as well as those that are repeat transferees facing new challenges they have not experienced in the past. The transferee will rely on the relocation policy to provide details and guidance.

Simplicity, portability and attention to the details the employee needs to know will result in a well thought out policy that meets the employee’s needs and expectations. Doing so will avoid unnecessary policy “clutter,” such as internal process information or irrelevant substance.

When designing a relocation policy there are a number of key points that should be kept in mind:

Policy Design Tip	Benefit
Write the policy in a style that is clear, concise and easy to read and provide only the policy the transferee is eligible for (tiered policies should be separated)	A clearly stated and aligned policy will reduce the anxiety around the relocation process and leave less room for personal interpretation and exception requests and not create ill will over benefits that are granted to higher levels
Avoid using relocation jargon and terms that are difficult to understand or define the terms within the policy when first referenced	An understandable policy will decrease confusion and increase readership among transferees and their families
Each page should include the name of the policy, the effective date, and the page number	Avoids unnecessary confusion when the policy is revised and updated
Start with an Introduction	Introduce the purpose and intent of the policy that acknowledges the impact of relocation on the employee and his/her family and that the company will assist them





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Policy Design Tip	Benefit
Describe roles, responsibilities and expected behavior for all parties and include that the company has the final right of interpretation	Everyone understands the impact their role plays in the relocation, yet if disagreements exist the company makes the final judgment
At the beginning of the policy, include a Benefits At-A-Glance or matrix recapping the benefits, as well as a Table of Contents	A fast and easy reference to benefits and the appropriate benefit section is appreciated by the reader
Organize the information to mirror the flow of the relocation process; include headers that easily identify each benefit component	By following an intuitive “as it occurs” process approach to the design of the relocation policy, you will help guide the user through the process
Provide realistic examples of how relocation components are used and accessed and assist the reader in understanding the specific benefit coverage	Visual examples showing the way relocation benefits work will improve the transferee’s ability to better understand the processes, coverage and limitations
Be clear about how the relocation dollars spent directly by the company or reimbursed to the transferee will be treated (taxed, grossed-up) — include a tax grid to serve this purpose	Gives employees an understanding of how the company dollars spent on their relocation directly or indirectly will impact their W-2 wages to avoid year-end surprises
Provide the policy as a hard copy as well as electronic version for portability	An electronic version of the policy will increase the odds that the transferee and his/her family will reference and thereby adhere to the policy

Take a moment and look at your company’s relocation policy as if it was the first time you were seeing it. If necessary, share it with someone who has not relocated before to see if any portions are unclear. Be sure to evaluate whether or not the format and design brings all the value it could to help the transferee understand and benefit from the substance of your company’s policy, while setting the limitations that all policies must have.



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