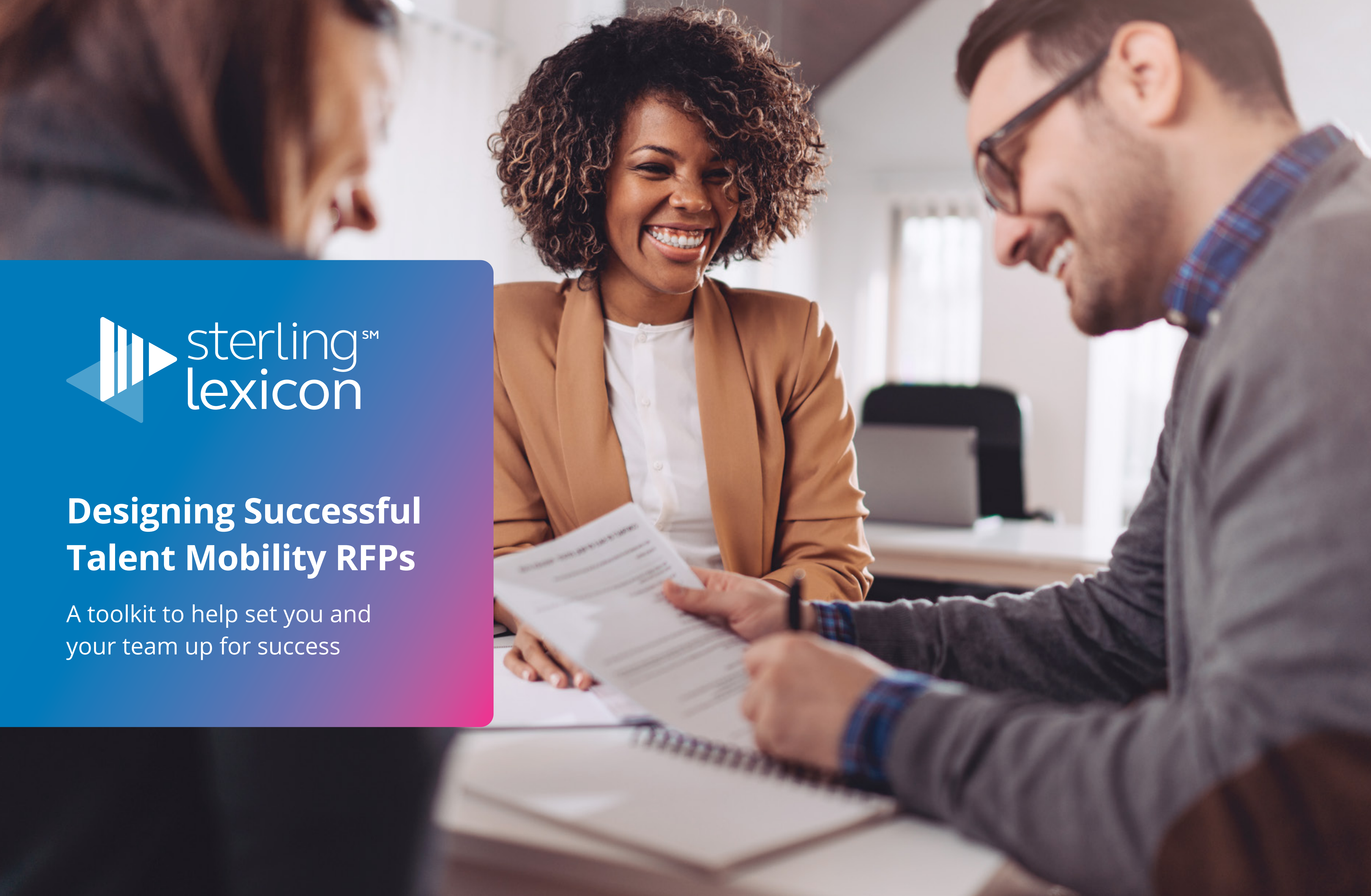

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Designing Successful Talent Mobility RFPs

A toolkit to help set you and your team up for success

What's Inside?*

*Click the ▶ to navigate to each section

Mobility program RFPs – The six stages of success

Few categories of professional services are as far-reaching, complex or personal as those that support employee relocation. The transfer or assignee experience is a reflection on your company as an employer. It also sets the stage for how happy and productive your employees will be in their new locations – and quite possibly, how long they will stay.

With such high stakes, it's not surprising that procuring the services of the right relocation management company (RMC) partner is critical. But it can also be a daunting process. This guide will help you simplify it by breaking it down into six important stages:

1. **Defining the "why"**
2. **Conducting research**
3. **Identifying the "who"**
4. **Preparing the proposal**
5. **Evaluating responses**
6. **Making and sharing the decision**

Mobility Program RFPs

Essential steps

1 Define your "why"

Ensuring all stakeholders are clear on the reasons for going to RFP helps you:

- Decide if an RFI should precede or replace the RFP
- Understand and be able to clearly communicate your unique mobility needs and the problems you seek to solve
- Compile questions that are specific to you/your program
- Identify potential partners you are sure can deliver your required services

2 Conduct your research

Accessing educational resources on the mobility industry helps you:

- Evaluate what is typically provided for relocation support from peers and competitors
- Assess how different types of services are managed and delivered
- Boost stakeholder understanding of how revenue is earned
- Know what to look for when comparing and distinguishing between providers

3 Identify the "who"

To ensure you include the right internal stakeholders, invitees and decision-makers:

- Confirm availability and willingness of all essential BU stakeholders to fulfill their roles (HR, legal, tax, procurement, leadership, etc.)
- Use the RACI or similar model to assign roles and responsibilities, including who owns making the ultimate decision
- Narrow your list of participants to only those who can meet your top priorities
- Having determined service capabilities, focus on people, technology, culture and financial stability

4 Prepare your proposal

Before you write your RFP, take a few proactive steps that can help you:

- Obtain some industry-specific samples to use as guides
- Develop a scorecard to help you rank your top priorities and compare responses
- Ensure all your BU colleagues include their "must-haves"
- Schedule discovery meetings with potential respondents to confirm capabilities and responsiveness

5 Evaluate your responses

Comparing responses and pricing will be easier if you have taken the previous steps:

- Know what your total spend is currently for relocation services
- Understand core, fixed, à la carte and/or bundled fees
- Identify which fees are policy driven, and therefore likely to be more consistent across all respondents
- Identify which services might be delivered at different or more negotiable rates, depending on RMC structure and approach

6 Make and share your decision

Once you've reached a decision that is right for you, your business and your relocating people:

- Ensure all internal stakeholders are fully aware and supportive of the final decision, including the methodology used to reach it
- Communicate with the winning company and confirm expectations around timelines for implementing changes
- Communicate the decision to all participants, providing feedback to unsuccessful bidders
- Focus on working in collaboration with your continued or new partner to implement program changes and set or update measurable KPIs

Mobility Program RFPs

Dos and don’ts

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STAGE 1 - Define Your "Why"

Do

- Take the time to determine whether an RFI should precede or replace an RFP.
- Involve all stakeholders across every essential business unit.
- Be strategic as you set clear goals for the RFP.
- Take a holistic view: balance costs with employee experience and corporate support.
- Keep a future-facing mindset: will your proposal help you identify a partner who will be able to flex and scale with you?

Don't

- Issue a generic RFP. Make sure it is truly focused on your specific business needs and talent mobility goals.
- Operate in a vacuum – awareness and buy-in from all stakeholders is essential for success.
- Have unrealistic or unachievable expectations.
- Initiate a full RFP if the goal is simply to conduct a price check.
- Be too short-sighted or focused on immediate needs.

STAGE 2 - Conduct Your Research

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Do

- Understand all your stakeholder's concerns and their overall program goals and priorities.
- Talk with procurement peers with experience in the category (RMCs may be able to introduce you to some if needed).
- Learn about the global mobility industry: understand who the key players are, how the supply chains are managed, how they fulfill compliance requirements and how the revenue model works.
- Distinguish the costs of outsourcing vs. program-driven costs, with a focus on those that are 'addressable.'
- Preview available RFP samples as a starting point (providers, peers and your stakeholders may have access to these).

Don't

- Assume global mobility is like any other service category.
- Assume that relocation services are just about logistics: it's an incredibly personal process to your employees and their families.
- Assume you can drive a fixed, pre- RFP savings percentage.

STAGE 3 - Identify the “Who”

Do

- Meet with service providers prior to writing the RFP. It’s mutually beneficial – potentially helping you shape a better RFP and giving them some insights that lead to more strategic and tailored responses.
- Ask around about potential providers. Stakeholders and industry peers can tell you a lot.
- Attend regional global mobility events to interact with industry peers and meet prospective providers.
- Avoid paid-for ‘best-provider’ lists. Paid advertising lists or “award” lists are not necessarily objective.

Don’t

- Assume all RMCs are the same. Consider what kind of RMC you are looking for and what would be an ideal fit for your business needs and company culture. Do they fund every aspect of your program? Do they have a solid mix of local and global reaches? How engaged are they in the industry and sharing insights and trends? Are they financially stable?
- Assume any company with “relocation” in the name is an RMC. Many moving companies and van lines use “relocation” in their name or service descriptions.
- Invite too many respondents. Perhaps using an RFI first to establish the ‘must-haves’ are met can help limit the list.
- Select potential providers from a list of published “award winners” who may actually consist of companies who’ve paid for marketing rights.

STAGE 4 - Prepare Your RFP

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Do

- Align your asks with your 'why.' Design questions that will truly help you arrive at company differentiators and highlight the best fit.
- Use situational, **service-based** scenarios aligned to your pain points or goals to see how each respondent would handle them and what the decision-making process would be (see samples).
- Provide all the necessary information, including your policies, scope of work, volume by policy type and total spend. These details are necessary for providers to prepare a complete and competitive response, tailored to your unique needs.
- Create a pricing matrix that can be easily understood and is in line with industry best practices.
- Hold Q & A sessions, either with each respondent individually or all invitees together to allow for clarifications.

Don't

- Conduct an RFP before updating your policy/ies. Respondents need to know the true scope of work, and if policy/ies updates are needed, they should happen before RFPs are issued. Some RMCs can assist with this exercise.
- Include **pricing-only** scenarios, which are often ripe for misinterpretation.
- Neglect a way to evaluate the human aspects of relocation partnerships – things like cultural fit, the experience and personalities of assigned teams and respondents' attention to detail.
- Provide incomplete pricing information or include requests that don't fit, such as a freight-style approach that doesn't match the household goods tariff (see common pricing mistakes to avoid).
- Dictate very short response time windows, especially if your RFP is lengthy and complex.

STAGE 5 - Evaluate Your Responses

Do

- Encourage service provider feedback.
- Ensure equal interpretation, especially as it relates to pricing assumptions.
- Use a weighted score card aligned to your current 'why,' current program priorities and future-state goals.
- Ask for and contact references.
- Narrow your choices down to three respondents for best and final presentations.

Don't

- Hesitate to request clarifications or more information. This is especially important if you notice clear outliers or very significant disparities – it could suggest a misunderstanding of the question.
- Focus on costs that are purely policy or program driven without evaluating the 'cost of outsourcing' (RMC fees) and addressable spend (direct supplier costs that may differ from RMC to RMC).
- Underestimate any program administration efficiencies an RMC can bring to help you contain or even avoid certain costs.

STAGE 6 - Make and Share Your Decision

Do

- Decide in advance how the decision will be made and who holds ultimate responsibility for it.
- Keep providers updated on the decision timing and progress.
- Have a solid plan and timeline in place for next steps, including implementing changes or onboarding new providers and monitoring KPIs and SLAs.

Don't

- "Ghost" your invitees, who have made a significant financial and resource investment in responding.
- Refuse to provide feedback or make it too vague – specific and honest information helps everyone improve.

Mobility Program RFPs

Common pricing mistakes to avoid

- Asking for relocation management fees to be listed in per unit, per mile, hourly, or other non-applicable formats.
- Not allowing for bundled pricing.
- Incorrectly adding up the fees assuming that every á-la-carte fee is applied when a bundle would be more advantageous.
- Focusing on those costs that are policy or program driven and do not differ from one provider to another.
- Not clearly understanding any potential add-on fees such as: interest charges/timing, funding fees, annual fees for files that extend past one year, any monthly fees for international files.

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Mobility Program RFPs

Understanding revenue flows

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If you're currently tasked with investigating the relocation management company landscape to deliver an improved employee and customer experience while simultaneously reducing or controlling your costs, you can appreciate what a challenging juggling act that is. It's further complicated by the fact that our research has shown that 100% of procurement professionals and 95% of mobility program leaders find revenue flows in this industry to be moderately or significantly difficult to understand.

So, let's try to fix that.

Your total, overall spend on employee relocation is likely coming from three places:

1. **The fees you pay to your outsourced relocation management partner.**

   This is your 'cost of outsourcing' and may include the management fee, licensing fee, technology fee, implementation costs, and funding or interest paid to your relocation management company (RMC).

2. **The direct costs from additional suppliers.**

   These might include real estate agents or mortgage brokers, moving and storage companies, temporary housing companies, destination service providers, language and cultural training firms or providers or any other types of professional services included in your policy.

3. **Internal program costs.**

   These costs might include things like tax gross ups, lump sums, internal staff, technology (in house), and other allowances.

Let's us explore these in more detail:

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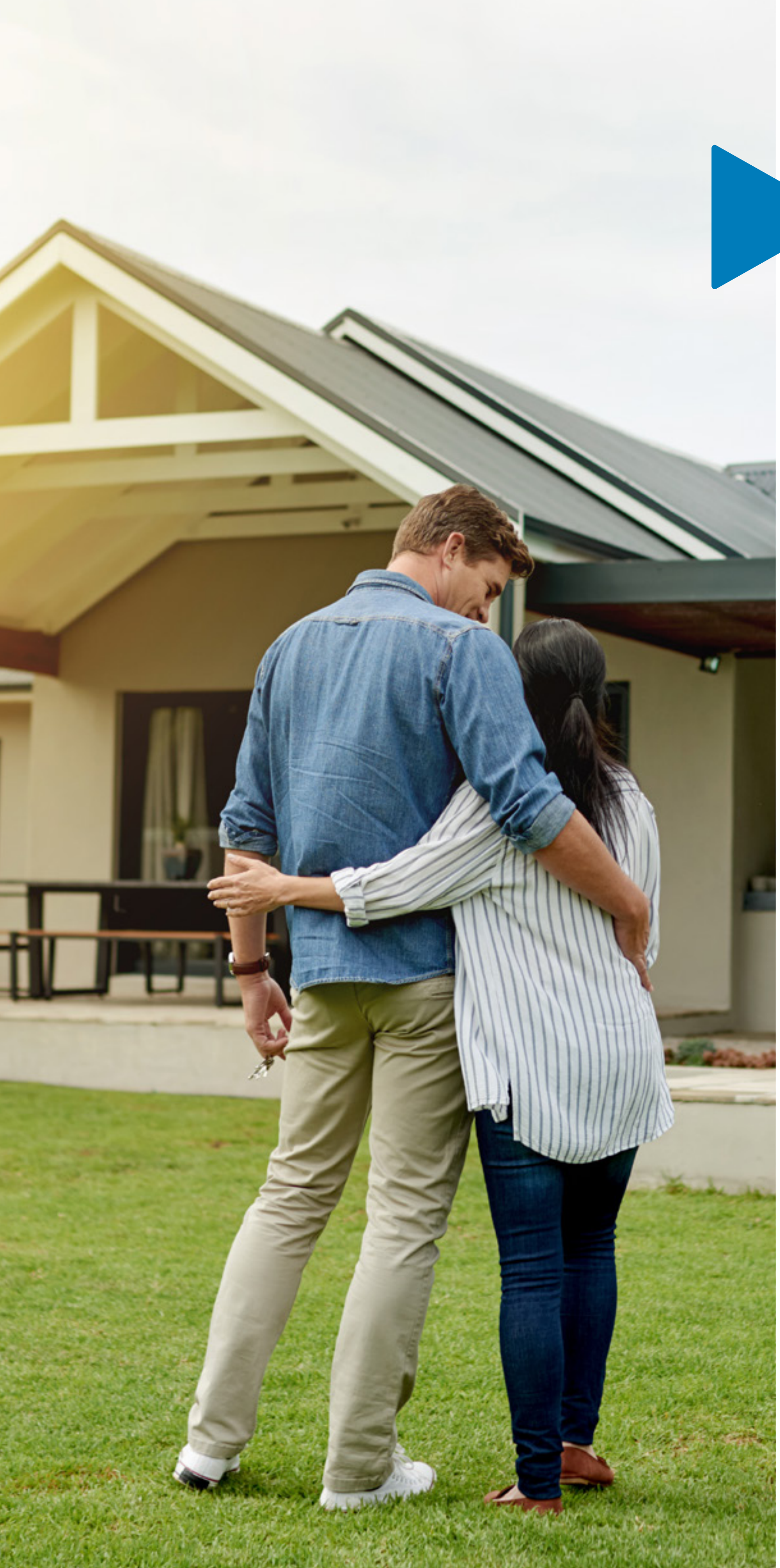
Survey respondents finding mobility industry revenue flows "moderately or significantly difficult" to understand Sterling Lexicon survey

100%

Procurement Professionals

95%

Mobility Program Leaders



RMC fees.

The RMC's fees are typically a very small percentage of your total relocation spend. If they are high (say, above 4%), you should evaluate why.There may be a good reason if you have a unique program, but generally, this is not an area where significant savings are going to be found, as RMC fees are usually already extremely competitive. Negotiating reductions should be balanced against the impact on employee experience and program administration.

Why are RMC fees such a small part of your overall spend? They are typically offset by referral revenue RMCs collect from supplier partners like real estate agents, household goods providers, automobile transportation companies and temporary housing providers. These are not mark-ups, but rather revenue sharing for the large volume of business referred to the suppliers and do not increase your direct costs. A healthy relocation partnership includes a transparent conversation about these revenue flows.

Supplier costs. The direct supplier costs typically fall into three additional sub-categories:

- **Market-driven:** Things like travel expenses, fuel costs and global immigration application and processing fees won't change from one RMC to another, as they are not controlled by them. Expenses in this area will ebb and flow along with supply and demand, geopolitical influences and the overall global economy, so are very rarely a reasonable target for reductions.
- **Policy-driven:** These will also not change much from one RMC to another, as they typically include things like real estate commission rates or loan origination points, tax gross-ups, or mileage reimbursement covered and are dictated by your company's policy parameters and/or local jurisdictions or standard practices.
- **Supplier-driven:** Costs associated with things like household goods shipment and storage, temporary living and other destination services may vary somewhat from one RMC to another. Most RMCs generally work with a highly vetted, limited supply chain and use aggressive sourcing practices to ensure the best prices for their clients. The variances in costs for these services from RMC to RMC may be minimal but are worth a transparent exploration to ensure you're receiving competitive rates.

Program costs.

Lastly, you have your internal program and benefit costs to evaluate. It's always worth exploring this holistically, including current industry best practices, your employee feedback, your company culture, and the competitive landscape in the war for talent. You want to ensure your relocation offering is competitive, but not overly generous. If you already are current and competitive, there may not be further reductions in benefits to be realized.

So, where CAN you potentially decrease your spend?

Hello, cost avoidance. Much like the adage that an ounce of prevention is worth a pound of cure, cost avoidance is where real program savings can be generated, but might require a shift in thinking and definitely call for proactive teamwork on the part of your RMC and supplier network.

Here are a few examples:

- **Temporary living.** Let's say your employee is provided with 60 days of temporary housing in the new location, but your relocation management company can help them find long-term housing in 30 days. That extra 30 days of temporary housing, while offered, was avoided. Additionally, storage of household goods is likely reduced by the same 30 days and travel costs may have been avoided.

- **Home marketing and sale programs.** One RMC may have a better track record in aggressively managing home sales so that homes are selling at or under average days on market, while another RMC may struggle to manage the process. When homes take longer to sell, it drives up exception requests and associated costs, like additional temporary housing, travel back and forth and household goods storage. The longer the process takes, the more likely you are suffering in harder-to-quantify costs, too, like a distracted, unproductive or dissatisfied employee.

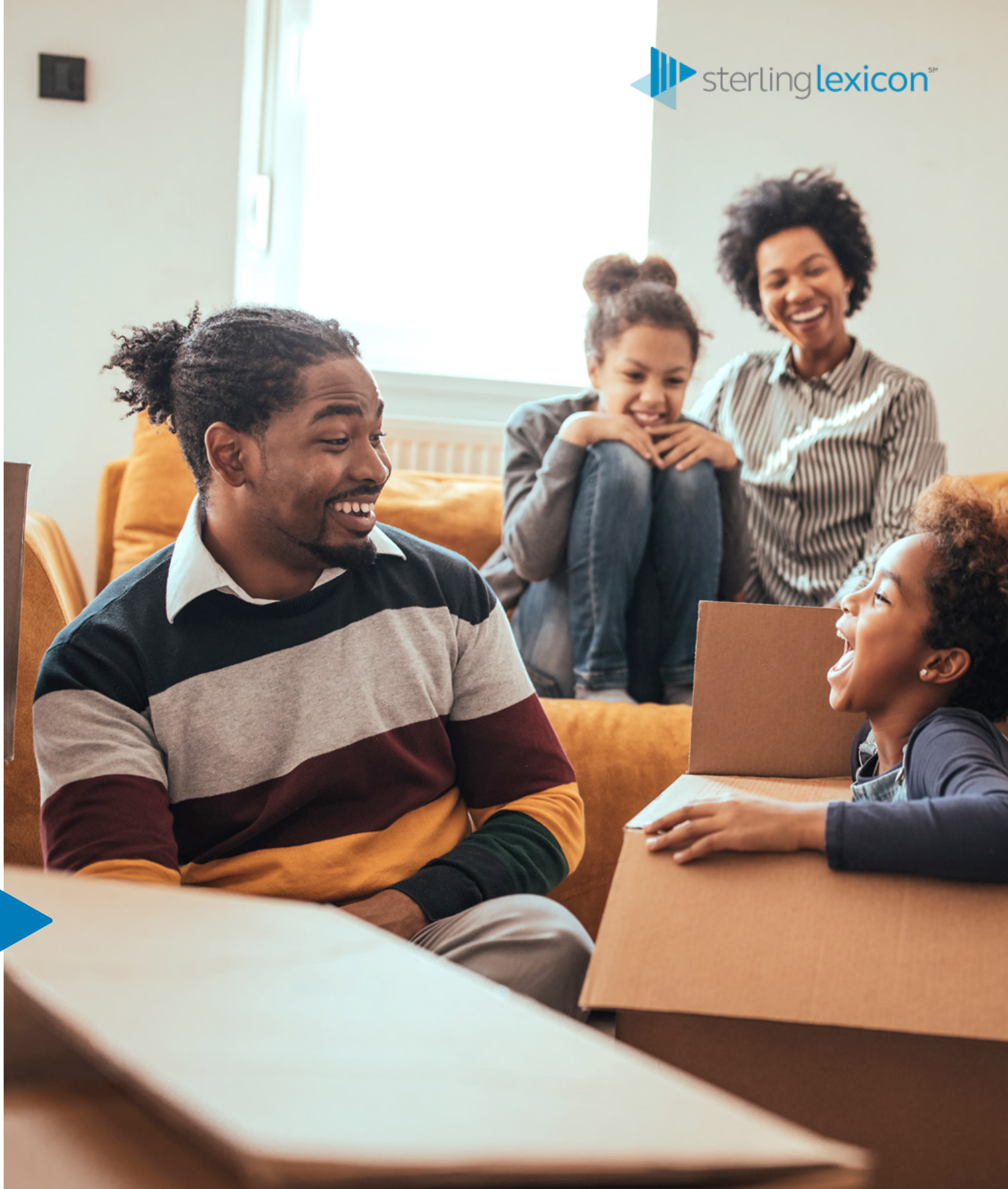
- **Destination services.** Most companies allow for destination services based on a number of days of the service to be offered (for example, 2 or 3 days). Through experienced, tenured global mobility consultants, the time required can be minimized if the upfront counseling is thorough and the pre-arrival planning is precise.

Some cost avoidances are difficult to quantify.

However, to find the provider who is the right fit for you, it's important to have conversations with potential RFP invitees about how proactive they are in looking for efficiencies in administering your program, how they align with your culture, what experience they have with managing programs like yours, how extensive their geographical coverage and market expertise are, and how they measure and report on costs.

Cost avoidance reporting can become the KPI that matters most over time.

At the end of the day, the best thing you can do to control costs is to work with a responsive, proven partner who is empowered to make quick decisions on behalf of you and your employees. Costs go up when things go wrong, and you want to trust in a team who will minimize that chance at the outset, and quickly take action to resolve any problems that do arise.



Mobility Program RFPs

Sample scenarios

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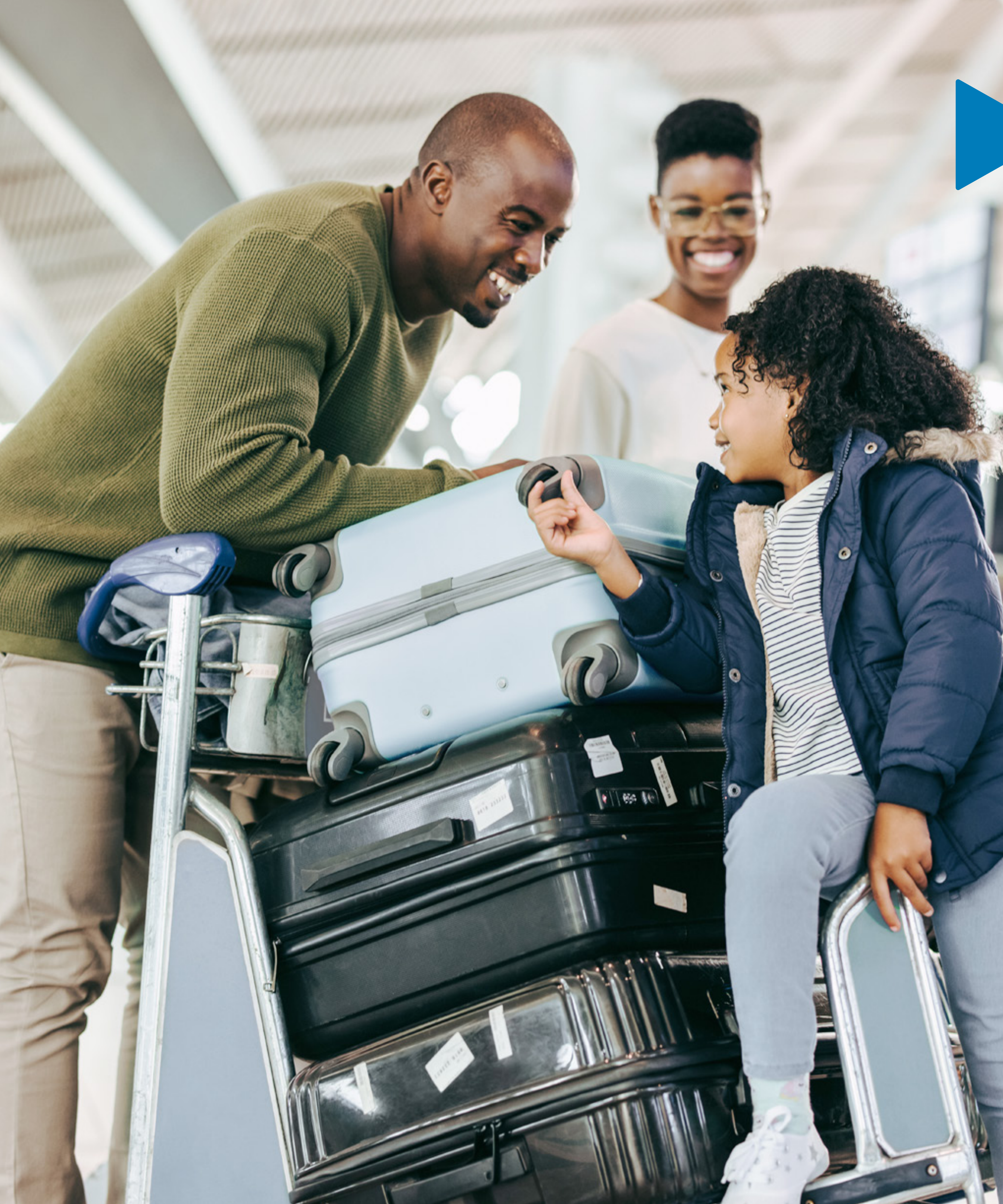


Asking invitees to respond to how they would handle some of your “real-world” scenarios that reflect your pain points, exception requests or unique service needs can go a long way in helping you identify the right partners for you. The answers can give you insights into how the RMC would tackle a similar situation, including the decision-making process, the communication with you and your employees and the level of ownership/responsiveness you can expect.

Consider asking your respondents to indicate such specifics as:

- **Who owns the actions?**
- **Who is consulted and/or informed of the actions?**
- **Who is/are the approvers of decisions?**
- **What are the expectations around the timeliness of a response or resolution?**
- **What is needed to solve each scenario from whom, and why?**
- **What is the definition of “resolved”?**

Questions to ask

Scenario 1: Transferee is not responsive to RMC outreach

What steps do you take if, despite several attempts to contact our transferee and/or their family members for consultation calls and review of timeline/responsibility expectations, they do not respond?

Scenario 2: Moves to remote locations

Who are the providers you use in [cite specific location(s)] and how do you source them? Please include specifics on how you vet and evaluate partners and what actions are taken if service levels fall short.

Scenario 3: Limited temporary housing

What do you do when inventory is tight or temporary living terms cannot be extended – what alternative processes do you have in place to ensure housing needs can be met? Who is providing the services?

Scenario 4: Home marketing and sale programs

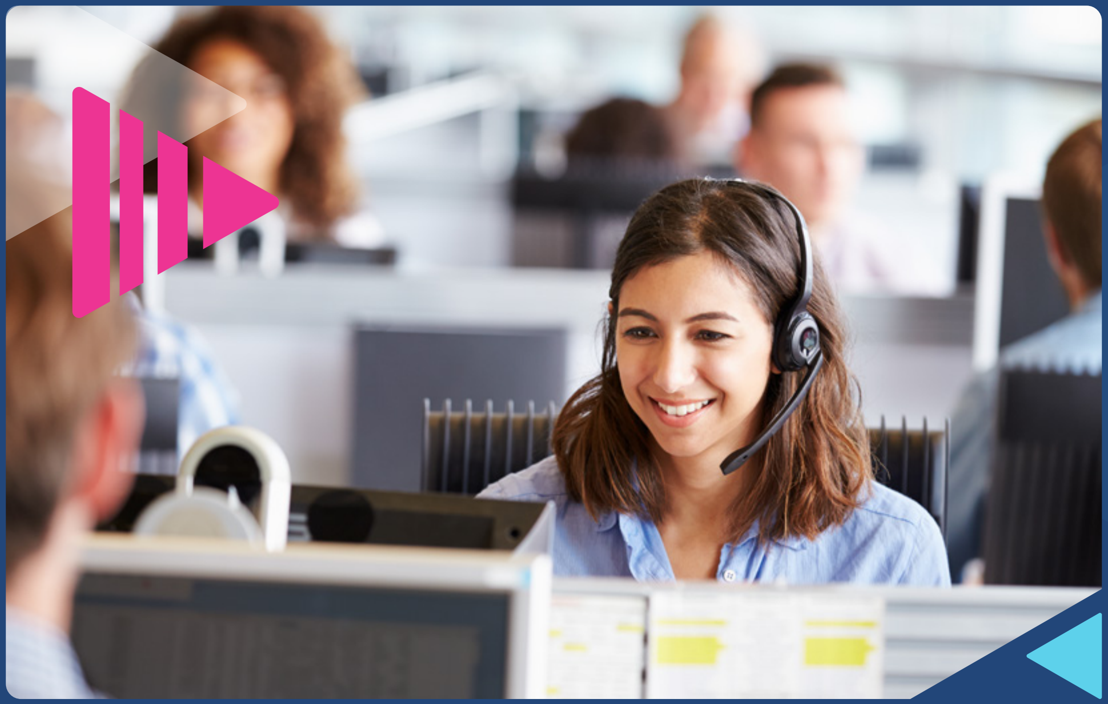
What steps do you take to ensure optimal property marketing exposure, ample showings, quick sales and maximum prices? What is the pre-acquisition process regarding appraisals, the use of BMAs, pricing guidelines or requirements, etc.? What in-house expertise do you have regarding real estate transactions? What is the experience level of consultants working with our employees to sell homes? What type of initial and ongoing training do you provide to ensure your consultants are best equipped to advise our employees on the sale of their home?

Scenario 5: After hours response

How do you provide coverage for situations that require an immediate response outside of normal working hours in the home or host locations?

Scenario 6: Household goods are damaged or lost in transit

What relationships do you have with household goods shippers? What are their processes for handling claims? What accreditations or quality assurances do they have in place?



Mobility Program RFPs

Sample scorecard

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Rank each respondent on a weighted scale from 1-5, with 5 being the highest.
Criteria/categories can be customized based on individual RFPs.

Be sure to capture specific examples to explain the reason for the score.

1. Adherence to RFP instructions / process	RMC 1	RMC 2	RMC 3	Basis for score
Timeliness of response				
Completeness of response				
Quality and clarity of submission documents				
Overall quality / level of professionalism				
Average score				
2. Company information	**RMC 1**	**RMC 2**	**RMC 3**	**Basis for score**
Financial viability				
Organizational structure / ownership				
Global footprint / local expertise where we need it				
Partnership network				
Experience with similar companies				
Business longevity / years in business				
References				
Average score				

Be sure to capture specific examples to explain the reason for the score.

3. Program / business understanding	RMC 1	RMC 2	RMC 3	Basis for score
Overall understanding of our mobility needs				
Understanding our business requirements				
Understanding our vision				
Understanding our company culture				
Overall level of customization in the response				
Average score				
4. Ability to meet requirements	**RMC 1**	**RMC 2**	**RMC 3**	**Basis for score**
Completeness of response				
Ability to meet our policy requirements				
Experience delivering all our required services				
Average score				

Be sure to capture specific examples to explain the reason for the score.

5. Service delivery & account management	RMC 1	RMC 2	RMC 3	Basis for score
Overall service delivery structure / approach				
Response times				
Time zone / outside normal business hours support plan				
Approach to handling exception requests				
Approach to issue resolution / escalations				
Internal training for staff				
Overall communication approach with our employees				
Ability to handle volume surge (group move)				
Additional services to support lump sum policy				
Special services or VIP program				
Average score				

Be sure to capture specific examples to explain the reason for the score.

6. Supplier selection & management	RMC 1	RMC 2	RMC 3	Basis for score
Vetting process for inclusion in supplier network				
Flexibility in our choice of supplier partner use				
Quality / price assurance measures in place for suppliers				
Geographic reach of partner network				
Average score				
7. Technology & reporting	**RMC 1**	**RMC 2**	**RMC 3**	**Basis for score**
Ease and effectiveness of communications for business and employees				
Mobile app				
Simplicity of authorization process				
Specificity / customization of reporting				
Integration capabilities with our internal systems				
Data and privacy compliance				
Disaster recovery plan protocols				
Average score				

Be sure to capture specific examples to explain the reason for the score.

8. Implementation	RMC 1	RMC 2	RMC 3	Basis for score
Process plan and timeline				
Takeover/transition strategy				
Specificity of sample implementation plan				
Clearly defined implementation team structure / roles				
Average score				

9. ESG	RMC 1	RMC 2	RMC 3	Basis for score
Overall Environmental, Social and Governance (ESG) initiatives undertaken				
ESG objectives committed to				
Commitment to DEI initiatives				
Awards/recognitions/certifications				
Average score				

Be sure to capture specific examples to explain the reason for the score.

10. Fee structure / Pricing matrix	RMC 1	RMC 2	RMC 3	Basis for score
Clarity and completeness of pricing grid				
Clear distinction between bundled and ad hoc or á la cart fees				
Ability to report on cost avoidance measures				
Flexibility of billing and payment options				
Average score				

Criteria Scores

Adjust weights according to your company's requirements Total score should = 1.00	Weight	RMC 1 weighted score	RMC 2 weighted score	RMC 3 weighted score	Notes
1. Adherence to RFP instructions / process	0.05				
2. Company information	0.05				
3. Program / business understanding	0.1				
4. Ability to meet requirements	0.2				
5. Service delivery & account management	0.1				
6. Supplier selection & management	0.2				
7. Technology & reporting	0.1				
8. Implementation	0.05				
9. ESG	0.05				
10. Fee structure / Pricing matrix	0.1				
Total score	1.00				

Mobility Program RFPs

Additional resources

There are multiple global organizations dedicated to the betterment of the talent mobility industry. A few good examples with helpful resources include:

- Canadian Employee Relocation Council (CERC)
- Corporate Housing Providers Association (CHPA)
- EuRA
- Expat Academy
- FIDI Global Alliance
- The Forum for Expatriate Management
- Global Mobility Executive
- International Association of Movers (IAM)
- Relocate Magazine
- RES Forum
- U.S. Regional Relocation Groups
- WERC (Worldwide Employee Relocation Council)

Mobility Program RFPs

A deeper dive

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STAGE 1 - Define Your “Why”

Having a clear and specific understanding of what’s prompting the need to go to an RFP for mobility services and the goals you want to achieve will help shape everything else – from what questions to ask and which companies to invite, to the development of a priority-based scoring method for evaluating your responses. In fact, a clear evaluation of the “why” may help you determine whether you really need to issue an RFP at all, or if you can save time and money with a focused request for information (RFI) instead. If you do decide the RFP is warranted, an initial RFI might still be worthwhile to help you narrow the field and eliminate those companies that cannot meet your must-have requirements.

Be sure to include all HR and mobility, travel, tax, legal, finance and procurement and other primary business stakeholders in the process to help identify and prioritize the goals.

Starting with this exercise will help you organize and be ready to share as much information as you can with the RMCs you are considering partnering with. Without sufficient program details, they can only respond with a broad company overview of what they do and not a solution targeted to your needs or a roadmap for how they would address your specific challenges. An area of frustration expressed by procurement professionals is that they find mobility management RFP responses “all start to look the same.” One way to ensure differentiation is to be as specific as possible about your program, company culture and the areas you want to improve.

We have found that addressing service issues is a leading cause for initiating mobility RFPs, followed by containing costs, meeting new program goals or outgrowing a current provider. If service issues or cost containment are your primary drivers, be sure to get to the root of exactly what is causing the poor performance or where expenses are running high. Are your challenges location-specific, for example, or across the board? Is there anything working well that you’d ideally want to replicate with a new provider, or is your current RMC falling short in multiple service areas? How much of the dissatisfaction is attributable to a cultural mismatch between the organizations, or insufficient communication? Where things are going wrong or costs are increasing, are they driven by your policy parameters, market conditions, or both? How proactive is the RMC team in offering solutions?

Answering these questions first will help you focus on the most important ones to include in your RFP.

Top Drivers of RFPs

- **Poor service**
- **Cost containment**
- **Outgrowth of current provider**

True relocation management is about so much more than merely handling the logistics of a move. RMCs and their teams guide employees and family members through very personal, emotionally charged life changes. They work with a vetted network of hundreds, if not thousands, of service providers to coordinate and deliver support.

STAGE 2 - Conduct Your Research

There are very different perceptions around the level of difficulty in procuring mobility services by role. Research shows that more procurement professionals than mobility managers believe the process to be on par with what's needed to source other types of professional support. Yet, procurement industry professionals also indicate that understanding the pricing models for mobility services is "moderately difficult," and that "the contract negotiation process is frustrating." Also worth noting, those responsible for overseeing larger programs of 100+ employee moves a year felt that conducting RFPs for mobility services is more challenging than other types of outsourced support and are more apt to feel that significant industry experience is necessary for procurement leaders.

Clearly, it's important for all participants to understand the industry and its nuances. This is particularly true for procurement leads who may not have as much familiarity with how mobility management services are typically outsourced and priced. That starts with the recognition that no two relocations or assignments are the same. While policy parameters certainly help dictate consistent, pre-defined benefits and support services, each employee is unique and so many external factors and needs will shape their personal experiences. With that in mind, true relocation management is about so much more than merely handling the logistics of a move. RMCs and their teams guide employees and family members through very personal, emotionally charged life changes. They work with a vetted network of hundreds, if not thousands, of service providers to coordinate and deliver support.

Many of the services RMCs provide may not appear to be very distinct on the surface, but HOW they make decisions about, deliver and communicate milestones to you and your employees is what differentiates a true partner.

It's also important to understand who the key RMCs are, what they are best known for and stay on top of emerging developments and trends. This industry is all about trust: your company's trusted relationship with your RMC and, by extension, the RMC's trusted relationships with the partners within their own network, or those you direct them to manage. Strong connections with and confidence in the abilities of proven affiliates everywhere you need them to be is critical for an efficient program and a positive relocation experience.

A successful partnership will help your company realize the true benefits of a comprehensive relocation strategy: getting the right people in the right place at the right time. The relationship should be cooperative and consultative, with the RMC understanding your company culture and listening to your priorities so they can help you arrive at policy decisions and approaches that are cost effective, efficient, and align with your business goals.

To help ensure a smooth RFP process, all participants who will be involved in the design, review and decision-making phases need to have at least a basic understanding of how the mobility industry operates. The key things to know center on core policy benefits and how they are structured/managed, what the different funding models are that RMCs use to calculate their costs, including any referral fees they may receive from network partners, and whether/what type of home sale or purchase assistance programs might be offered by your company where relevant. Seems daunting?

No worries, Sterling Lexicon has prepared a few helpful resources, including:

- **Details about the most frequently offered employee relocation services, and what approach companies typically take to manage them.**
- **A brief explanation of the different types of home sale programs commonly offered to employees.**

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New to the industry or engaging in your first mobility services RFP?

Here are a few tips to help you go in well informed and ready:

- Talk to procurement professionals who have sourced relocation management services before and can share what worked well, what did not, and what they have learned about the industry. If you don't have access to anyone with specific experience in this realm, reach out to your internal and external mobility contacts, including potential RMC partners, to see if they can connect you with someone who can help.
- Meet with your potential RMC providers to ask them questions about how the industry works, and what outsourced models are most frequently used.
- Connect with providers across the full spectrum of services. Relocation service providers are happy to share an overview of what they do and how they do it.
- Interview other corporate mobility leaders. This is a very friendly and open industry, full of people with an inherent desire to help. Your internal team, or your potential RMC respondents, can likely introduce you to individuals who are willing to take the time to share their knowledge and expertise.
- Conduct online research, or if possible, attend an industry event. There are multiple professional organizations and local groups dedicated to talent mobility offering articles, podcasts, virtual and in-person courses, educational seminars and networking programs.
- Schedule time with your internal team. Once your external research is complete, your internal mobility team members and other HR, tax or legal professionals can help fill in any gaps and share how your company's relocation program compares to – or differs from – your findings and broader industry trends.

Hopefully, defining your "why" and goals in stage 1 has helped you identify what kind of employee experience you want to provide, and what you need from an RMC to deliver it.

STAGE 3 - Identify the "Who"

The next critical step is to identify which RMCs to formally invite to respond and confirm which internal parties should be part of the review and decision-making phases.

Consider the use of a **RACI** chart to help you determine who in your organization will be **Responsible**, who will be **Accountable**, and which parties should be **Consulted** or just need to be kept **Informed**.

As for the external RMC invitee list, hopefully the research you conducted as part of stage 2 confirmed that relocation management companies come in many shapes and sizes, including boutique, small, mid-tier, large and mega firms. Some companies provide a more tech-driven solution while others take a very high-touch and personal approach. The experience you and your employees will have will depend largely on the RMC's size, global reach, culture and service delivery model. For example, smaller, boutique RMCs may be very personal and hands-on but may not have the global experience or capabilities of a larger RMC. The largest RMCs in the industry are set up to handle high-volume programs with consistent processes, but may feel impersonal, transactional and not very flexible. MMid-sized RMCs may be able to bring a combination of personal touch, global reach and integrated technology solutions. Other RMCs offer more of a self-serve or portal driven experience.

Hopefully, defining your "why" and goals in stage 1 has helped you identify what kind of employee experience you want to provide, and what you need from an RMC to deliver it.

Once you have an initial list of those RMCs you know have the capability to meet your program needs, you can focus on service levels and cultural fit. Consider what their overall approach looks like through the lenses of:

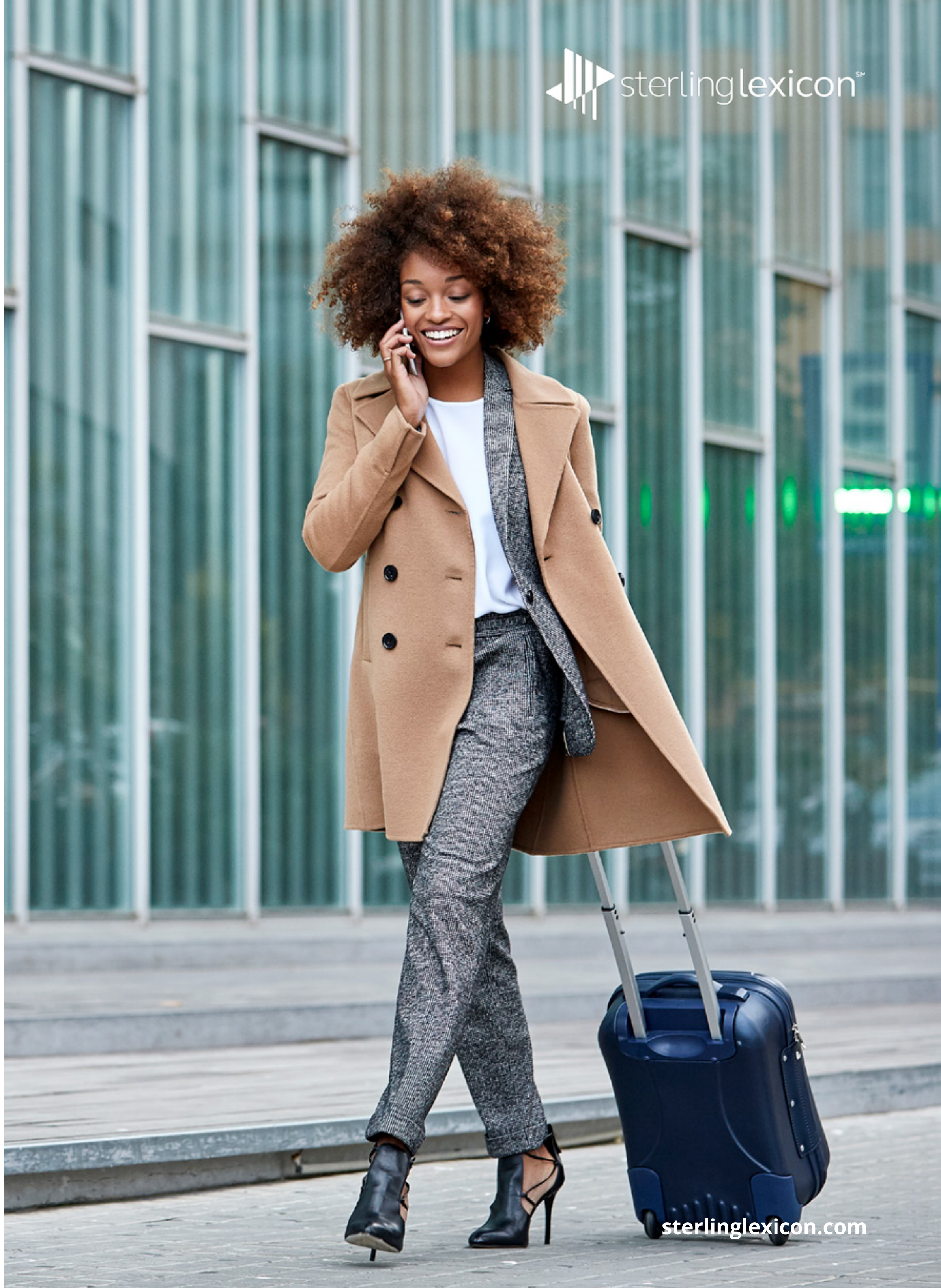
- **Employees –** yours and theirs. Pay close attention to their communication practices, tenure/turnover rates and how they demonstrate the support they will deliver to the relocating employees and families entrusted to their care.

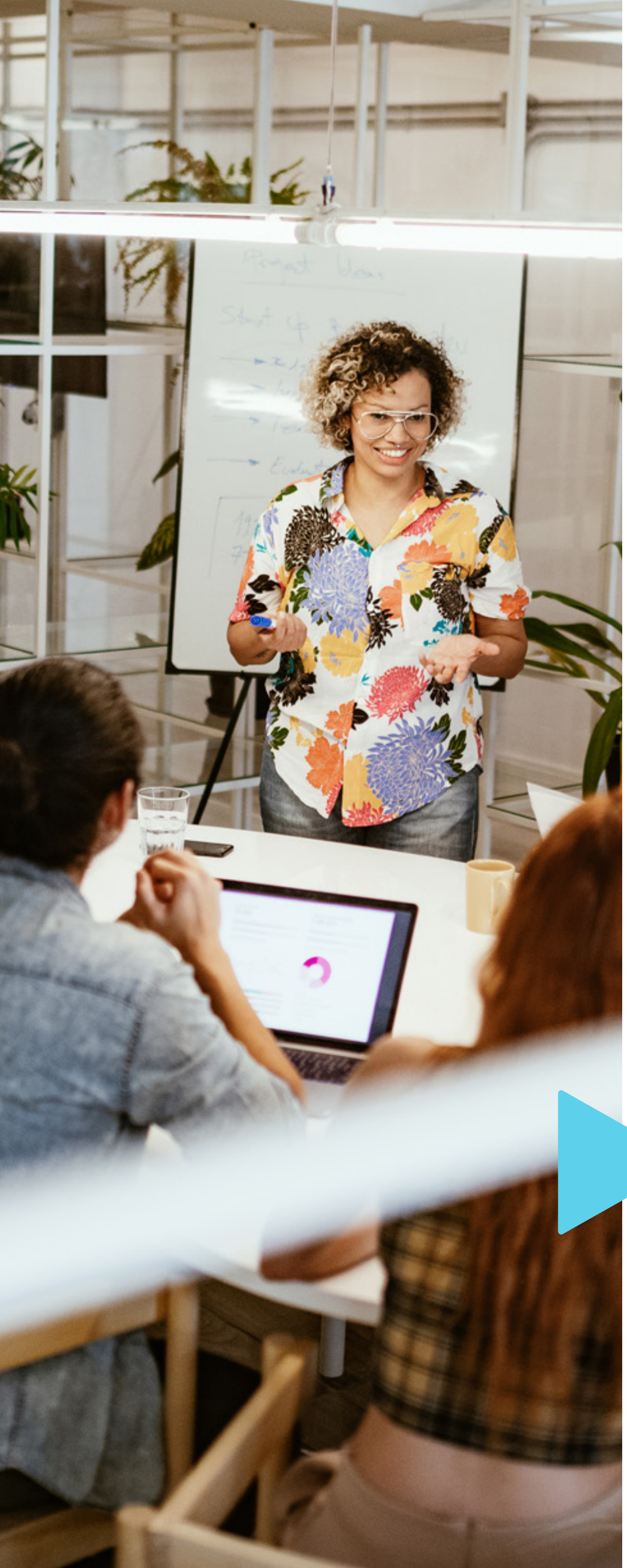
- **Account management teams –** consider how experienced and invested their account managers are in the industry/what professional certifications they hold.

- **Technology –** including how easily their solutions will integrate with your current platform.

- **Funding capabilities –** including what financial service controls and business continuity plans are in place and the company's ownership/history/stability.

- **Scope and reach –** understand how well equipped they and their partner network are to handle your current relocation volume and geographies while easily scaling to meet changing needs. To help keep the response phase manageable, a best practice recommendation is to cap the RMC invitee list at no more than 5 or 6 firms.





STAGE 4 - Prepare Your RFP

Once stakeholders have a good idea of how the industry operates and what is working well or needs improving in your own program, you're ready to develop the RFP document and questions, prioritized by top goals. A few recommendations to get you started:

- Ask your RMC prospects or fellow procurement and mobility peers outside of your company if they have a mobility services RFP template to share – many will keep samples of good, general questions you can curate and customize to meet your own company's needs.
- Prioritize and customize the questions from sample templates to fit your needs while eliminating those that are unnecessary or do not apply to your program. As with stage 1, this process should involve all HR and mobility, travel, tax, legal, procurement and other primary business stakeholders as appropriate.
- Confirm with the review group if there are any questions missing – it's important that all stakeholders have their 'must-haves' included.
- Determine whether the questions will truly help you identify and decide who the best partner is to support not just your relocation/global mobility program and company culture, but your overall business priorities. For example, are there sufficient questions addressing your potential partners' diversity, equity and inclusion (DEI) or corporate social responsibility/environmental social governance (CSR/ESG) strategies to ensure they align with your company's goals and objectives?
- Schedule discovery meetings with the top RMCs you intend to invite, to gain a better understanding of their service and technology capabilities, areas of strength, geographic reach, culture and ability to meet your goals. These "get-to-know you" meetings will not only help all participants better understand each other, but contribute to ultimate time and cost savings, in that you can eliminate those that are not a good fit early on, and RMCs can better understand how to tailor their responses to your company and program. They might also help you identify new questions to include, or ways to refine your initial list to ensure you get the best responses.
- Assign a weight to your final questions to fit with your priorities. Taking the time to develop a ranking system or score card now will help you evaluate the responses down the road.
- Be sure to ask for references, preferably in similar industries and with relocation program sizes and scopes that mirror your own. Ask for newly signed clients too, and plan to inquire about the implementation process.

To set your potential partners up for success in providing the clearest value and most competitive offering, plan to share the following:

- Your current policy and whether you plan to keep it as is or make any small or major changes to it? (NOTE: If significant changes are planned, it's highly recommended to make them prior to issuing the RFP so respondents can adequately detail how they will support the policy and at what cost)
- Volume of moves by move or tier type
- Total annual program spend
- Your expectations about account management/ service delivery, such as frequency of meetings
- Your expectations on reporting and technology, including what HRIS or other business platforms you need your provider to integrate with
- Funding expectations, including billing frequency and model (centralized or decentralized)
- Any current required suppliers and whether you hold contracts with them directly, or whether you intend to use the RMC's contracts
- Whether you have a home sale offering in your program, and if so, how many home sale and purchase transactions you typically have per year, what the average home value is, and what type of home sale program are you using (e.g., direct reimbursement, buyer value option [BVO], or guaranteed buyout [GBO]).

Remember, to ensure you get the best results, your RFP document needs to clearly and specifically communicate why you are going to RFP, what challenges you are seeking to solve and what you expect to achieve with a new provider. The more specific you can be about your relocation policy, the scope of work and any scenarios you ask respondents to comment on, the more detailed, unique and accurate your responses will be.

STAGE 5 - Evaluate Your Responses

Reviewing the responses and comparing costs is one of the major pain points consistently reported with mobility service RFPs. Not all companies use the same fee structures, and it can be easy to miss additional fees that are possible to incur if they are not included with or explained in the core pricing matrix.

Research indicates that the more RFPs respondents conduct, the more likely they are to rank costs as very difficult to understand, perhaps because of the further exposure they've had to the different types of approaches to fees.

It's important to know what percentage of the total spend your current arrangements represent and be able to calculate how your RFP responses compare. Surprisingly, very few companies have a good handle on this number. Your RMC partner should be prepared to report this figure at any given time or make it available to track on their portal's dashboard.

This is where the weighted score card will help you evaluate the responses and compare "apples to apples." There may still be the need for some manual, back-end calculations on pricing, but using the grid helps better compare responses.

Areas you can expect to be consistent from one RMC to another, due to being largely policy-driven, might include

- Real estate and mortgage fees
- Lump sum and miscellaneous allowance payments
- Tax equalization or gross-up costs
- Travel-related costs, including airfare, hotel and car rentals

Some costs that might differ minimally from one RMC to another include:

- Rates for the shipment of household goods (HHG), or if the RMC has unique HHG solutions, such as a small shipment program
- Temporary housing, including whether an aggregator is used to conduct the widest possible search of available properties

Negotiable costs will likely include

- **Bundled and à la carte service fees for each relocation you initiate**
- **Implementation fees**
- **Policy development/ review fees**
- **Technology access fees**

RFPs should focus on all the direct costs listed above, while also including questions and decision-matrix evaluators that highlight the less tangible 'fit' the prospective partner will have with your company. Now is the time to speak to the RMC's references so you can understand from other clients how well the onboarding process went and how happy they and their employees are with the management approach.

An RMC who aligns with your culture and goals, understands you well, and efficiently manages your program on your behalf is the company that will generate the greatest overall value.

The real savings in any mobility program is the efficiency with which the RMC can manage the program on your behalf.

The things that have the potential to drive up your costs include:

- Poor home finding approach. As time goes on finding a rental or home to purchase, the travel, temporary housing and storage costs, as well as lost productivity, all increase dramatically.
- Poor management of a home sale program, or not using the most cost-effective home sale option for the company and the employee. If the home sale program is not structured and administered properly, the financial and tax ramifications can be substantial.
- Service issues. Unhappy employees (and family members) cost you in lost employee and team productivity, higher turnover and lower morale.
- Failed relocations. The most expensive relocations are the ones that start and don't happen at all or end early. The company faces the cost of finding a replacement as well as the loss of all costs invested to that point.

STAGE 6 - Make and Share Your Decision

When it comes time for a decision, who makes the ultimate call? Our research indicated that about 64% of mobility stakeholders are responsible for the final decision, either alone, or with input from their executive leadership teams. For those with larger programs, the decision is often made by a committee.

Regardless of the approach, it's important to ensure there is buy-in from company leadership, and all parties understand the methodology used to make the decision.

The next core focus areas must be on effectively communicating to your key audiences:

- **The RMC awarded the contract and all other final participants.** Wherever possible, it's helpful to share some details with the unsuccessful bidders to help them understand where they can improve.
- **Your internal stakeholders** across the entire organization, including setting expectations around the timeline for onboarding the new team and transitioning the program.

If you've made it this far, congratulations, you're likely following a rigorous and disciplined six-stage process to conduct a successful RFP! Building on the lessons learned and cross-functional collaboration, you can now turn your focus to a successful transition and establishing your key performance indicators (KPIs), including a reporting cadence.

We hope your decision results in a long-lasting, mutually beneficial partnership that delivers happy, productive employees everywhere you need them to be.

Have additional questions?

Contact one of our experts today.

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