

the impact of a group move on employee retention

group moves in a new climate

Group moves are unique company events, and corporations are wise to approach them differently from an individual employee relocation.

When an individual is asked to relocate, it is usually in support of overarching company objectives or to help the individual develop new skills that boost personal career goals. Conversely, group moves occur as a result of a corporate business decision that is typically due to a merger/acquisition, reduction in force, headquarters move, plant consolidation, or office expansion/contraction.

There can be many drivers for such moves, including, but not limited to:

- Moving a facility to a lower-cost location
- Moving to a location where labor is plentiful and state government tax credits can be utilized
- Moving to a market that will attract diverse talent aligned with companies' diversity, equity, and inclusion goals
- Integrating talent as a result of a merger or acquisition
- Moving to a smaller facility due to an increase in remote workers
- Competitively positioning a headquarters or plant
- Relocating to a location already saturated with the talent and skillset required for a company's specific industry

With increased market challenges, higher mortgage rates and lower rental inventory, an increased number of organizations are now facing some or all of the above, in addition to navigating new workforce demands.

Group move scenarios are less likely to be linked to career progression and are often tied to retention of one's current position, employees and their families often face the challenging decision of whether to accept an unplanned move or seek new employment opportunities in the departure location.

workforce expectations

Companies are contending with a level of expectations from their workforce today. While some employees continue to work remotely, it may be full-time or part-time. Some companies realized significant cost savings during the pandemic and reduced overhead and terminated office leases. It is fair to say that the global working environment no longer appears as it did pre-pandemic.



Organizations now require intuitive and customizable tactics to retain optimal talent

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corporations should approach group moves differently from an individual employee relocation

While companies may continue with a hybrid remote workforce, it is still more costly for companies to recruit, hire, and train new talent into an organization; therefore, they are looking to retain their key talent, albeit in a new location.

A unique approach has always been required when it comes to enticing key, critical talent to move with their organization (as part of a group move). Now, the post-pandemic climate has added a whole new set of complexities, requiring intuitive and customizable tactics to be employed if companies wish to retain optimal talent.

discretion and proper planning are paramount to success

Companies must retain key talent in order to achieve optimal success—both in terms of their overall business strategies and specific group move objectives. Cartus' experience has shown that when employees begin to sense a pending disruption to their jobs and their lives, rumors begin to circulate, productivity is lost, and companies risk the sudden departure of essential talent.

In general, organizations will assess their talent pre-announcement and identify individuals who are deemed critical to the success of the transition. With the advent of remote work and its popularity, organizations need to take a more thoughtful, measured approach when evaluating their workforce by considering those considered critical on-site employees versus others who can continue remote work or via a hybrid approach. Therefore, once the announcement is communicated, HR leaders and businesses will be prepared to have individual conversations with their employees and be able to exhibit the forethought that went into the move decision by recognizing the changing needs of the employee population.

Due to the sensitive and confidential nature of a group move during the early planning phase, relocation managers are often unaware that a move of this magnitude is pending, since critical decisions are still being made at the top. That is why it is typical for the corporate decision makers—commonly C-suite executives—to enlist “site-selection professionals” to compile statistical data for various location options and guide corporations in negotiating tax and other incentives for the chosen destination. Corporations are also encouraged to enlist relocation group move experts during the location decision-making phase who are equipped and have the experience to educate the company on the “dos” and “don'ts” of managing a group move. Due to the sensitivity of a group move, none of these outside experts should be brought into the fold without a fully-executed non-disclosure agreement.

As mentioned, it can be detrimental to the business if word of the move leaks to employees prematurely, before the company has established a plan and crafted the proper communications. Therefore, group move project expertise is critical to creating a customized, comprehensive strategy.

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companies can never
over-communicate!

Goals and objectives must be clearly understood by all parties involved in order to properly construct a program plan. For instance:

- Clearly stating the rationale for the move
- Considering the corporate culture and how will it inform employees' attitudes
- Determining the projected "go live" date in the new location
- Identifying who and how many employees will be impacted

In addition, the group move expert should determine how the organization measures its success factors. This can include:

- Retention
- Attrition
- Retention post-move
- User experience
- Cost efficiencies

With this data in hand, the group move expert will formulate a project plan, beginning with a go live/destination start date and working backwards, filling in each key milestone in the timeline.

timing and communication impact success factors

A formal communication strategy is paramount to the success of the group move. It begins with the format and delivery methodology and is followed by key messages the company must relay in order to gain understanding, acceptance, and participation from its employees.

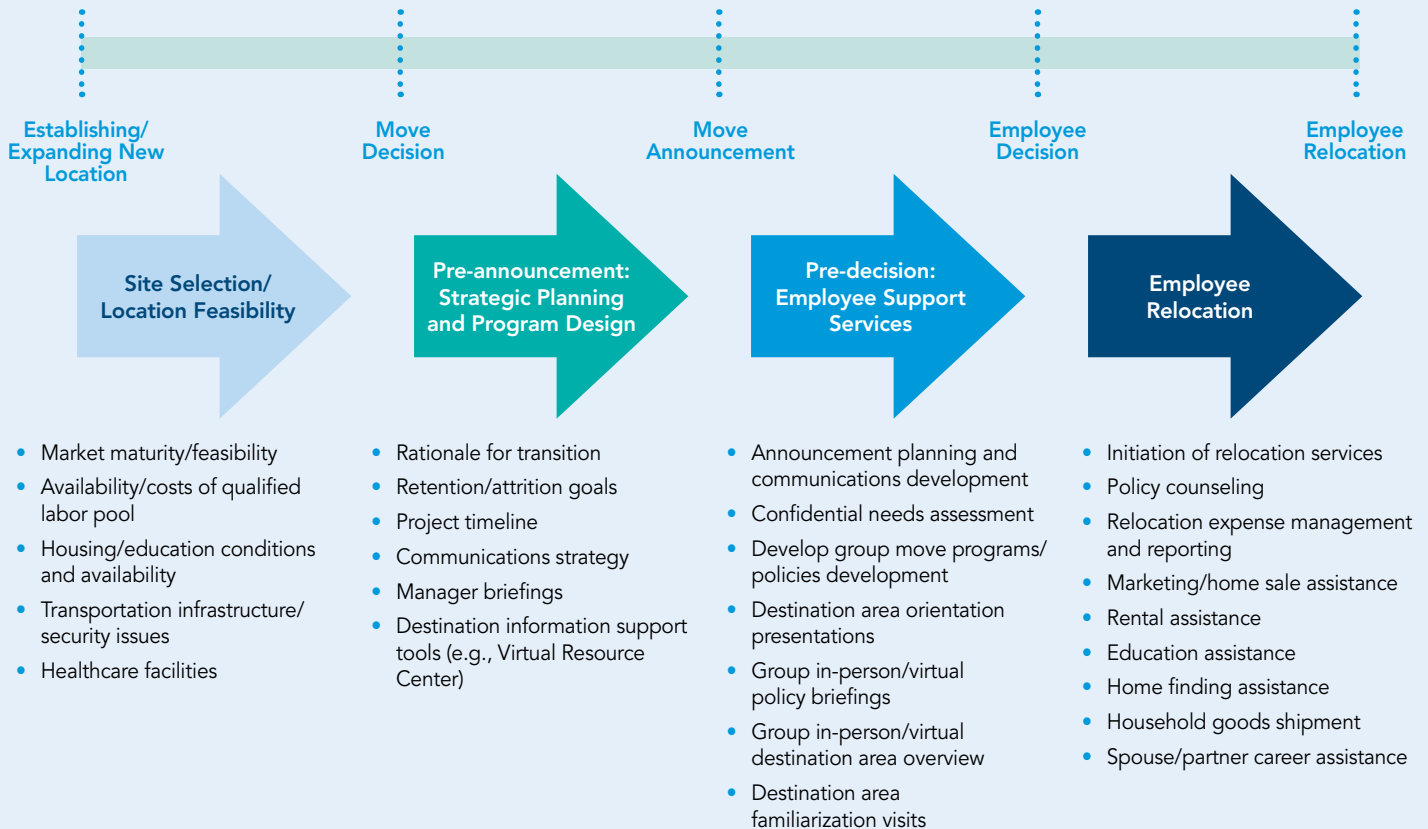
In addition to the move announcement, the company should map out the sequence of events, provide an outlet for Q&A, and be prepared to begin activities immediately. This communication format and the activities to follow will provide employees and families with a framework and a comfort level that the company is putting its employees first.

In partnership with its group move relocation partner, the company will provide employees with a clear, concise, and ongoing communication roadmap, which will commence with the move announcement and may continue for up to six months following the final move. This approach can lessen anxiety, increase trust in the organization, and help to maintain an acceptable level of productivity during the entire group move. It can also decrease—perhaps even eliminate—the loss of critical employees.



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group move consulting: strategic planning for success



customized employee support: key to a successful transition

Depending on the employee level or specific skill set, studies show that it is far more cost effective to retain and relocate key talent than it is to recruit, hire, and train new talent in the destination location.

To that end, once the impacted population has been identified, the company must learn about their employees' current circumstances and understand what benefits and assistance each individual employee will need in order to accept the relocation.

Unlike an individual relocation, in a group move, the company must proactively learn about the personal lives of employees and their families in order to offer the appropriate support to help them overcome roadblocks to moving. In many situations, families may have lived in one location all of their lives. Spouses may need to find new employment, and children will be uprooted from their schools. Families may be caregivers to an elderly parent, or children may have special needs.

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In this new post-pandemic world, attitudes are changing, and companies are allowing a more flexible, redistributed workforce. So the challenge to corporations and the risks of losing key, critical talent is nearly unsurmountable. In preparation for these anticipated challenges, Cartus has been developing and actively implementing solutions that are unique to each company and its population. In lieu of sourcing alternative employment, customizable and agile solutions are required now more than ever to ensure critical talent is being heard and offered the flexibility they seek.

While flexibility has been at the forefront of conversations for years, more and more companies are doing away with traditional programs and are adopting a more flexible approach across their entire mobile population. The relocation policy itself can address some of that; for instance, companies can offer a set of core benefits accompanied by flexible options, so each employee can choose benefits that are specific to their own unique family needs. This has been proven to go a long way toward employee satisfaction and retention. This approach helps each employee feel that their organization is truly interested in their personal needs and successful transition to a new location.

In order to properly assess each employee and their family's individual needs, companies utilizing a confidential needs assessment tend to solicit more forthcoming feedback from employees. This allows organizations to establish relocation support programs as well as more customized benefits/ solutions that make it feasible for families to accept a move. Below is a list of common programs geared toward providing employees and families with the knowledge and support they need to make an informed relocation decision.

essential group move activities for employees

While employees will quickly jump online to research the new location after being asked to move, it is important for companies to control the messaging around a new location to best help inform employees. One powerful way to offer support and knowledge is by leveraging technology through the development of custom tools that help both employees and their families understand what it is like to live and work at the destination location. A web-based virtual resource center typically includes topics such as housing, education, school information, a commute map, details about the new work site, and checklists to help prepare for the move. In addition, in today's virtual world, preparing employees with virtual consultations, home purchase tours, and/or closings will remove some of the concerns they may have.

A full spectrum of innovative group move programs that are offered both in-person and through virtual group webinars may include:

- Program and policy group workshops
- Area familiarization tours
- Children's educational assessments and assistance
- Language and cultural workshops
- Spouse/partner career assistance

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group moves for the win!

In the end, when a company's business strategies involve moving a group of talented employees—or a facility, plant, or headquarters—it can cause a significant disruption, impacting the organization as a whole, including production, services, and talent. Thoughtful and careful consideration must ensue in order for the organization to realize success.

Even for companies that manage a significant ongoing relocation population or have managed group moves in the past, each group move presents its own unique circumstances and challenges. When organizations trust that their current relocation processes and policies are sufficient as is, the outcomes can be counterproductive—even detrimental—to overall objectives.

Advanced planning and preparedness along with concise and consistent communication are critical components to achieve the company's goals, provide a valuable return on investment, and retain critical talent for the betterment of the organization.



For key insights showing how Cartus helped one Fortune 50 client achieve success with the largest group move in U.S. history, please read our complimentary [case study](#).



Cartus works closely with organizations to plan, implement, and manage group move strategies of all scopes and sizes.

In the last 5 years, Cartus Consulting Solutions provided customized support for more than 30 group moves. While there was little group move activity during the pandemic, in 2022, Cartus supported more than 16 group moves.

Contact us at cartussolutions@cartus.com to learn more about how our market-proven insights and suite of practical tools can help companies make sound decisions when relocating groups of employees.



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