



7 Cost-Savings Tips for Building Your Employee Relocation Program

Our moving experts offer their top pieces of advice for how to maximize savings when planning your next employee move

The #1 make-or-break question that all corporate companies have to ask movers when planning an employee relocation is: **“Okay so, how much is this all going to cost?”**

Because professional moving companies typically require a detailed understanding of each person’s move before they can provide a quote, pricing out a household goods move is typically a complex and individualized process.

So, what steps can companies take to ensure they’re getting the best moving rates?

It’s no secret that moving people and their things can quickly become expensive. However, depending on the type of relocation program your company offers, there are several factors to consider in order to maximize savings.



This Cost-Savings Guide compiles our TOP 7 PIECES OF WISDOM designed to help you avoid unnecessary fees and plan successful budget-conscious relocations that meet your employees’ moving needs.

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1. Timing is everything

If you have the luxury of choosing the timing of the relocation, planning it well in advance and around peak busy seasons is one of the BEST ways you can get the most bang for your buck.

Avoiding extremely popular moving dates allows you to take advantage of greater availability and lower prices for trucking capacity, moving providers, and other moving-related services.



2. Discounts can be deceiving

As savvy shoppers we're inclined to take advantage of flashy deals. However, while large moving discounts may initially sound appealing, they may not ultimately save you any money.

It is important to know what the provider would be charging for the move and the associated fees before knowing if a discount would actually make that provider's estimate the better "deal" versus other prospective relocation and moving partners.

For example, if Provider A charges thousands more for a specific service than Provider B but offers you a larger discount, you still may pay more than if you went with Provider B. Without understanding what a given provider charges for the various line items, discounts can be pretty meaningless.

In the next tip, you'll find some of the most common line item costs and fees you may encounter when evaluating quotations for employee household goods moves.



3. Avoid unnecessary moving line item costs

The primary cost drivers for a household goods move are distance and weight which determines the "linehaul charge." However, there are other fees and charges that can apply depending on what is required of the movers to complete the move, complexities unique to a move's location, and other considerations.

In addition to baseline charges, moving fees can largely depend on a variety of factors such as the complexity of a move, location, economic factors, insurance or valuations, etc.

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Below is a list of the most common line item costs and fees you may encounter when evaluating quotations for employee household goods moves.

COMMON LINE ITEM COSTS:

- **Light and Bulky Articles and Weight Additives** | Because weight is a key factor in the pricing of a household goods move, you may see this charge if you are transporting cars, boats, hot tubs, or other items of significant size and/or weight.
- **Extra Labor, Special Services and Waiting Time** | Charges are added when movers are required to do any extra labor, unusual disassembly or assembly, or if you require additional time to receive your shipment.
- **Pickup or Delivery Service on Saturdays, Sundays or Holidays** | If a move is requested to be performed over a holiday or weekend, the client will be expected to pay an additional fee.
- **Diversions** | When the delivery location is changed at the last minute, adding miles to the move, a diversion fee is charged to cover fuel and transportation costs.
- **Storage-in-Transit** | Storage, Pickup & Delivery and Transportation fees are incurred when movers are required to place items into storage somewhere between the origin and destination of the move.
- **Stop-offs** | Stop-off charges are charged for moves that involve two or more destinations (i.e. more than one pick up or more than one delivery).

Additional transportation-related fees | *These include charges related to getting a shipment from origin to destination. In some cases, this can be more challenging or expensive for a moving company to do and these charges cover those circumstances. By knowing these charges upfront, you can be prepared and take steps to avoid them when possible.*

- **Shuttle Service** | In condensed urban areas, gated communities, areas with strict HOA policies—or anywhere a moving truck is unable to easily access the residence—the client pays a fee to cover the costs and labor associated with a shuttle.
- **Origin and Destination Service Charge** | This service charge covers certain circumstances that may make the move more challenging at the origin or destination location, such as having to use elevators, stairs, or excessive carrying distances. This charge also covers carrying large items.
- **Fuel Cost Price Adjustment (Surcharge)** | This surcharge, calculated based on the cost of diesel fuel, is added to help drivers offset gas prices. If the average national cost for diesel fuel goes above a set, base price per gallon, a percentage adjustment is applied to the transportation charges.

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4. Always compare prices

How much you get charged for each fee can vary dramatically depending on your relocation and moving provider. Therefore, shopping around and comparing quotes from both relocation providers and movers on a line-item basis can help you confidently select the most cost-effective vendors.

The best way to compare prices? Request quotes from multiple carriers.

When shopping relocation providers, everything from administrative to filing fees should be closely examined to ensure you are getting the best price.

This is also true for household goods movers, where many of the charges involved in calculating your quote are attributed to industry-specific terminology.

Many moving providers set different prices and charge different amounts for many of the same line items. Therefore, it is important to not only compare quotes closely but also to acquaint yourself with these terms to understand what the charges are for.

Want an easier way? northAmerican offers a great interactive price-comparison tool.



If you're looking for an easier, less time-intensive method to compare moving companies, the [BluePrint to Savings Tool](#) from northAmerican® Van Lines allows you to quickly do a transparent, side-by-side price comparison of multiple moving providers for the same household goods move, letting you see which moving providers are offering the best return on investment for your moving spend.



5. Take advantage of small shipment solutions

For some employees, a traditional move with packing, loading, and driving may not be necessary. Employees with a fully furnished one-bedroom apartment or a lightly furnished two-bedroom apartment may be able to move all of their household goods using a [small shipment solution](#).

Small shipment solutions offer a great way to provide lump-sum employees with more convenience and less guesswork. **BlueExpress** by northAmerican is one of the small shipment solutions that could help you provide your small-shipment employees with a move priced comparably to a DIY move, but that offers them a superior moving experience, including guaranteed delivery dates and professional handling.

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6. Embrace the diverse supplier advantage

Diverse supplier programs have been growing throughout the years and for good reason. These programs provide additional sources of diversity for firms outside of their internal stakeholders. By consciously choosing to hire external certified women, minority, and veteran-owned companies as suppliers, firms are engaging in a diverse supplier program.

These programs vary in formality and robustness from company to company and bring with them many tangible and intangible benefits. When it comes to cost savings on your relocation program, seeking out diverse suppliers can be a way to save money on both costs and taxes.

Learn more about the benefits of supplier diversity programs and how today's companies are utilizing them, by visiting our [whitepapers page](#) and downloading our [Supplier Diversity Study](#)



7. Review current company moving programs & policies

Review your household goods policy annually. Household goods moving is one of the most costly aspects of employee relocation. Reviewing your household goods policy annually can ensure that you are not covering items that make moves unnecessarily more costly while making sure you are offering benefits that will make your company more attractive to top talent. For more on reviewing and creating a household goods policy that works best for your company, check out our [Top Five Reasons You Should Re-Examine Your Household Goods Policy](#).

Reexamine the true costs of your lump sum programs. Lump sum amounts given to relocating employees by their companies are taxed as income and, therefore, subject to income tax. Depending on the amount and scale of your relocations, it may be worthwhile to reexamine what your lump sum moves have cost in totality this year and, instead, consider a relocation program via a provider. To learn more about Lump Sum relocation along with its newer tax implications, download our [Ultimate Guide to Lump Sum Mobility Benefits](#).

Consider fixed-fee home sale programs. Depending on your relocation policy and needs, fixed-fee home sale programs may be a great option to keep costs predictable and lower your company's taxable assets. To learn more about the different types of home sale programs available and how they work download our [Ultimate Guide to Home Sale Programs](#).

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For HR, relocation, and procurement professionals, it is no secret that employee relocation is an aspect of their jobs with many moving parts and stakeholders to consider. While it can be costly, relocation programs today can benefit from a variety of options being offered by providers that can help keep costs down and keep people moving.

As you prepare your employee relocation programs and budgets for the next year, you can make the most cost-effective company decisions by staying mindful of...

- **BUSY** moving seasons
- **DECEIVING** discounts
- **POTENTIAL** fees & line item costs
- **PRICE** comparison tools
- **SMALL** shipment solutions
- **DIVERSE** supplier programs
- Whether your **CURRENT** moving programs & policies are best serving your organization

Do you know if you are paying too much to move your employees?



At northAmerican®, we are always happy to help you with your relocation needs and we understand the complexities of employee relocation inside and out. That is why we are pleased to offer a free invoice review and cost analysis of your relocation program that includes a benchmark report. Find out if you are paying too much and how you could see even more savings by emailing Bobbi.Maniglia@northamerican.com today and requesting your analysis.

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