

Relocation Relocation Relocation

In today's competitive age many companies seek to cut costs to improve profits, which is linked to business strategy.

One way of reducing overheads is to relocate company offices. Sometimes this can be within the UK; moving staff a few miles away to offices with reduced costs or even a few hundred miles to a part of the country where property prices or leases and business rates are cheaper. In drastic instances companies may choose to re-locate overseas either in part or completely to take advantage of a cheaper labour force as have many bank call centres in recent years.

When relocating there are many decisions a company must make and to ensure things run smoothly the process must be planned and well coordinated.

Perhaps the first decision to be made is whether to coordinate the relocation in-house often heavily using the HR department or whether to bring in a specialist consultant. There are advantages and disadvantages for both.

Using the HR department is the cheapest option however the administration involved adds to what is probably an already heavy burden. If using a consultant the process can be outsourced, however, there is the consultancy cost which can often be quite high. If using a consultant clear objectives need to be set for the project and the consultant needs to keep the company regularly informed as to progress. The consultant can be used as much or as little is required from choosing the site of the new premises to consulting with the workforce.

Depending on the distance the company wishes to relocate to, the need to make redundancies may sometimes be avoided. Companies can use a mobility clause in employment contracts, which allows the freedom and flexibility to move staff without legal repercussions within a reasonable travelling distance of their existing office base.

However, if the company is relocating several hundreds of miles away a redundancy situation will arise and needs to be managed accordingly. The company needs to identify which key staff they need to retain within the business and create an attractive relocation package accordingly to gain the commitment of the employees involved.

Whatever the relocation situation, the company needs to keep the workforce fully informed with what is happening so communication is key. There can be several ways of communicating progress to staff – via group or team announcements cascaded down from senior management, via newsletter, noticeboard announcements or individual emails.

During a relocation exercise employees will be nervous as to what is happening with lots of speculation so it is best to keep them informed to reduce any anxiety and stress.

Speed is quite critical and the project needs to be kept moving along at a decent pace, but preventing any mishaps along the way eg forgetting to order new furniture. A project that moves too slowly can create low productivity amongst the staff whilst they wait for something to happen. As mentioned this comes down to key planning in the early stages.

The employees often like to be involved in the process and this is good for the company to get buy in from the staff as to what is ultimately achieved. By incorporating visits to the new offices so that employees can even choose where they sit in their part of the new building can often improve employee relations.

For those employees who are relocating with the company several hundreds of miles away it is often a good idea for the company to provide information on the locality eg schools and estate agency with possible paid time off to research the possibilities. If moving abroad this is even more important with sometimes the need to even provide language training.

By Sandra Beale FCIPD
SJ Beale HR Consult Ltd
www.sjbealehrconsult.co.uk
07762 771290
info@sjbealehrconsult.co.uk

