US Domestic Lump Sum Programs

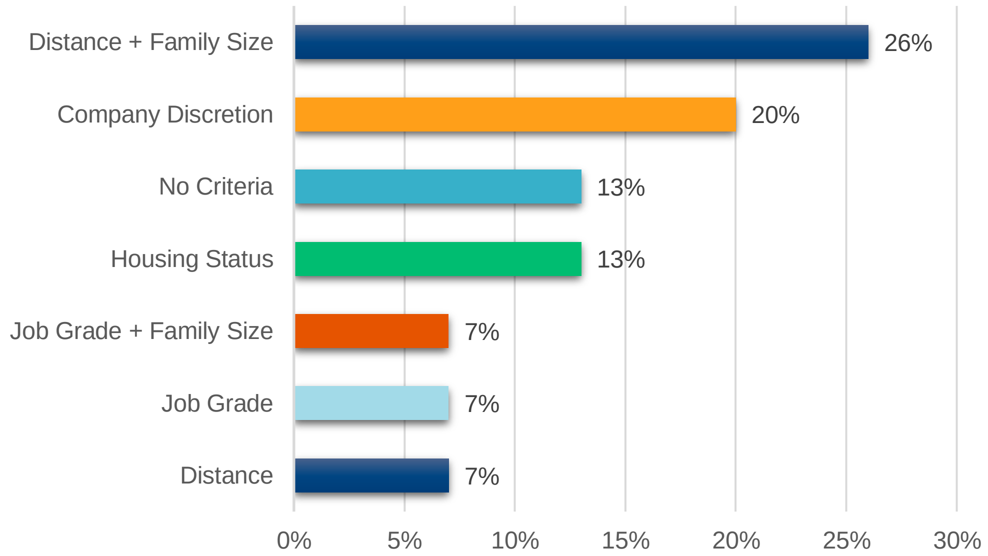
A lump sum program offers mobile employees the flexibility to plan their moves according to their personal schedules and allocate funds based on their unique needs and circumstances. These programs are typically reserved for voluntary / self-initiated moves and/or entry level and early career development programs. They can also be included as an alternative to managed move services. The lump sum allowance may be provided as a stand-alone provision to cover all relocation-related expenses or in concert with limited, additional support.

Companies who include a lump sum allowance in their US domestic program provide this one-time payment as either a standard offering via a traditional policy type / tier (80%) or as an alternative option to managed move services (20%).

Allowance Amounts

Allowance amounts range from USD 2,000 to USD 40,000 and are generally intended to offset expenses associated with the relocation, with specific mentions of household goods shipment, automobile shipment, temporary living, and other miscellaneous expenses.

Three-fourths of organizations (75%) utilize a flat-dollar amount based on the following criteria:

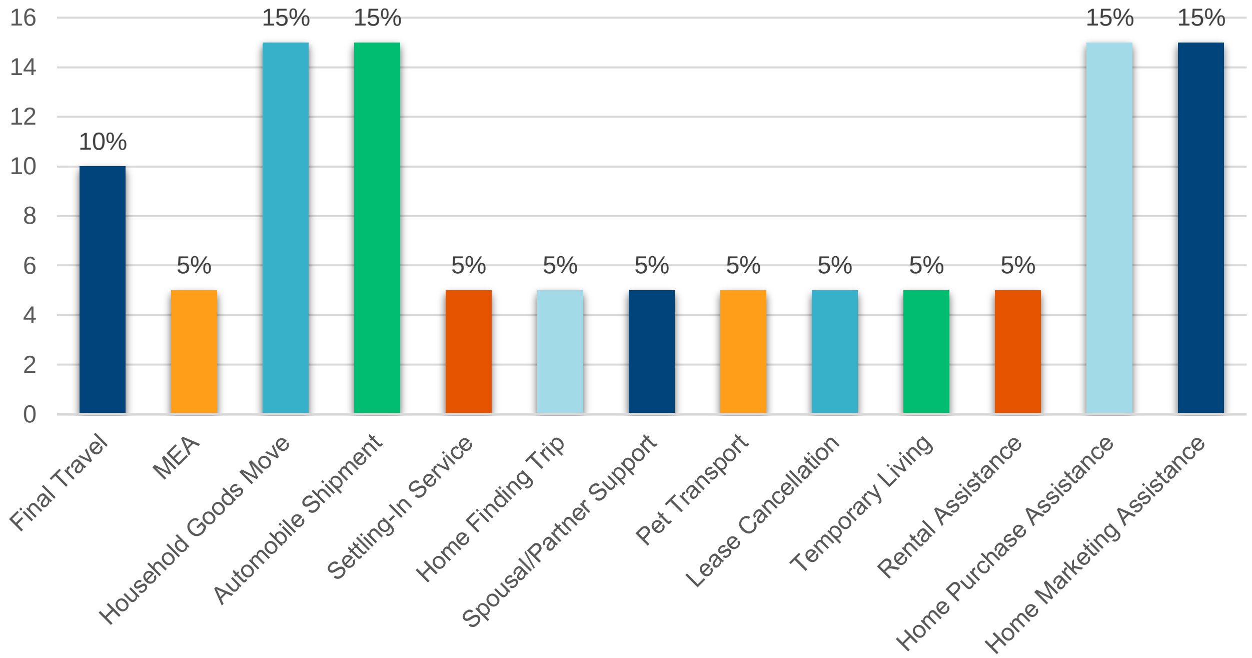


The remining 25% of corporations calculate the allowance either as a portion of the employee's new base salary or through the assistance of a third-party data consultant.

Additional Support

Independent coordination of a move can be both time intensive and overwhelming for mobile employees. Therefore, the majority of companies (84%) offer supplemental managed support through CitySwitcher[SM] to assist with everything from real estate agent referrals to temporary living accommodations to transporting their household goods.

42% of organizations expand their support beyond the lump sum allowance to include additional benefits, as follows:



Payment Timing

Disbursement of the allowances also varies among organizations, with timing based on the start / transfer date and/or confirmation of relocation to the new location. Only 10% of companies allow for payment prior to the employee's start date.

Repayment Terms

Over half of corporations (65%) require employees sign a two-year repayment agreement as part of the relocation package, and the remaining 35% employ payback term of one year.