

MANAGED-CAP PROGRAMS:

Increased Emphasis on Managing Relocation Budgets

Today many organizations are considering Managed-Cap programs for relocation. For companies that have typically offered lump-sum programs, Managed Caps can be a way to offer additional services and still have a set relocation budget. For companies coming from traditional, bundled, or tiered-service relocations, Managed-Cap programs can help employees and organizations prioritize services and have predictable relocation budgets.

WHAT IS A MANAGED CAP?

With a Managed-Cap program, an organization provides either an overall budget for an employee relocation or provides a line-item budget for each aspect of the move the organization anticipates will occur. The Managed-Cap program can be structured as a menu of choices and will typically have different cap amounts based on an employee's job level or the distance moved.

Another way the company can structure a Managed-Cap move is to offer it for only one level of employee (for example, entry-level employees or recent college graduates) and provide higher-level employees a traditional structured relocation policy.



HERE ARE TWO EXAMPLES OF HOW MANAGED-CAP PROGRAMS COULD BE STRUCTURED:

1 An organization could set a Managed Cap of \$20,000 for all employees at a certain job level. Those employees would then work with a relocation company like NuCompass to decide how to manage the budget to get the best move for their particular situation.

2 A budget could be established based on a cost estimate that's unique to each employee. One employee might receive a group of services and a budget of \$15,000. Another employee, at the same level and with the same group of services, might have a budget of \$20,000 because of a larger family size or longer relocation distance.

LUMP-SUM VS. MANAGED-CAP PROGRAMS

Lump-sum payments may seem like the fastest and easiest method of providing your employees the money they need to relocate. However, lump sums come with their own set of issues. Some of the challenges facing transferring employees when they get lump-sum relocation payments include:

- Needing to figure out the move on their own
- Potentially making poor decisions and encountering problems they're not equipped to solve
- Not having cost controls or budget assistance
- Not getting assistance with selecting service providers, such as movers or temporary housing
- Having limited process or service structure
- Needing to elevate issues to HR
- Possibly coming back for additional funds when the move doesn't go smoothly



TECHNOLOGY AND SERVICES ON YOUR BUDGET

A Managed-Cap program solves the above issues and more. Managed Cap through NuCompass gets you access to:

- Our award-winning CoPilot™ technology to help you and your employees manage relocation
- Relocation services, online tools, and ongoing assistance for relocating employees
- Access to qualified, vetted service providers for your employees
- Budgeting assistance, so you and your employees know all the potential costs ahead of time

Managed-Cap programs through NuCompass ensure that your employees get the most out of their relocation dollars, you stay within the budget you've set, and you reduce the administrative burden for your employees and your organization.

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MANAGED-CAP PROGRAMS.**

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