

LUMP SUM Benefit Guide to **Smarter** Employee Relocation

Teaching you the ins and outs of **lump sum compensation policies** so you can successfully leverage them for a **smooth, convenient,** and **cost-effective move**



AS THE JOB MARKET CONTINUES TO TIGHTEN, MORE COMPANIES SEEK NEW WAYS TO ATTRACT AND RETAIN TOP TALENT.

While some look inward at improving employee experience through skills development and career advancement programs, others, are viewing their relocation package offerings as possible differentiators to make their firms more appealing to new talent.

However, employee moves have become a complex and expensive endeavor.

In an effort to make their relocation benefits more competitive, companies must examine the numerous combinations of compensation and/or reimbursement policies available in order to create the best, most cost-effective relocation package options for employees.

On the other hand, employees must be well-educated in their package options and how to best navigate them in order to save time, money, and energy on their move.

One of the primary moving benefits to evaluate is your lump sum program.

WHAT IS A LUMP SUM BENEFIT?

A lump sum benefit is a financial allowance made to a relocating employee that is intended to cover all or a portion of moving-related expenses, such as: temporary living arrangements, temporary storage, travel expenses, vehicle shipping, lease breaking, and household goods shipping.

They are designed to deliver support to a relocating employee while potentially minimizing administrative needs and anticipated relocation costs.

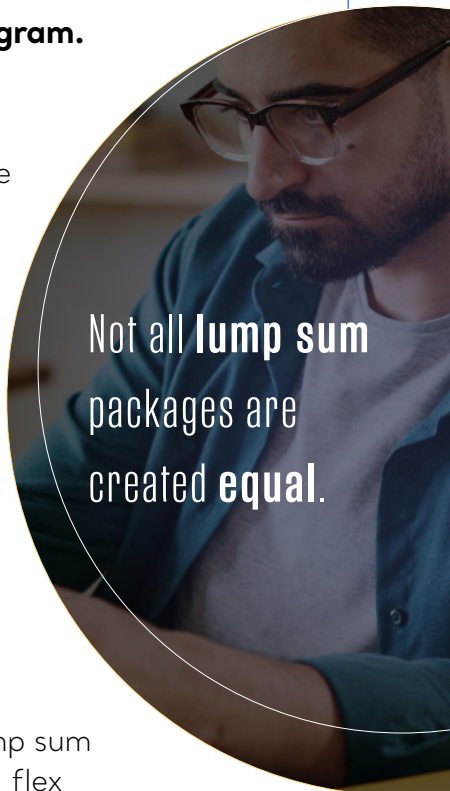
Lump sums can be provided in a few different ways—through a regular payroll check, wired to a bank account, or provided on a preloaded company debit card.

WHAT ARE THE DIFFERENT TYPES OF LUMP SUM RELOCATION BENEFITS AND HOW DO THEY WORK?

Though 40% of firms utilize lump sum for one or more benefits, not all lump sum packages are created equal. Through varied levels of support and core vs. flex benefits detailed below, companies can craft the right package for their employees.

Self-Service | The employee receives a lump sum benefit and coordinates their move versus a swath of benefits, support, and services provided by the company.

Limited Support or Managed Lump Sum | Like Self-Service, the employee receives a lump sum payment. However, the Relocation Provider additionally offers support and guidance through a counselor or technology portal about how to maximize the lump sum, connect with preferred suppliers, coordinate services with their timeline, etc.



Not all **lump sum** packages are created **equal**.

Core Benefits | The employer designates certain core relocation benefits to be covered by a lump sum that would have typically been provided through reimbursement, such as:

- Home Finding Trip
- Temporary Housing
- Final Move
- Temporary Storage

Under this method, employers may require employees to submit receipts to ensure funds were spent only on services covered by the designated core benefits.

Flex Benefits | A lump sum can also cover additional services outside a company's designated core benefits. Flex Benefits offer additional flexibility and appeal, as they can be used to customize an employee's unique moving experience. These might include:

- Family or spousal support
- Shipment of additional cars
- Pet shipping
- Tax preparation fees
- Rental expenses
- Miscellaneous expenses
- Home sale closing cost

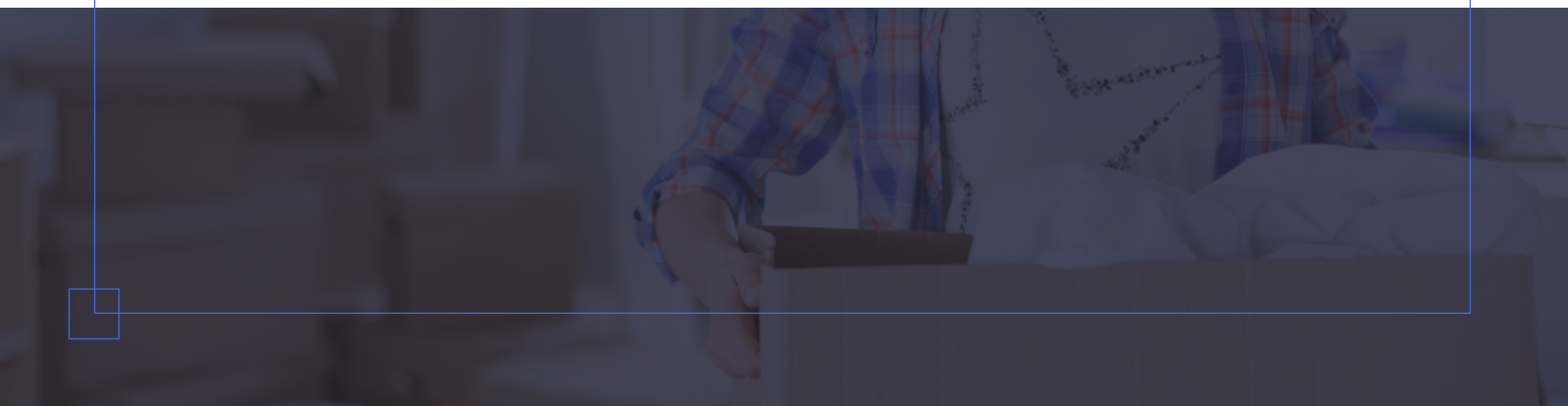
What are the Benefits to Lump Sum Packages?

There's no doubt that lump sums keep things easy from an HR perspective. Though this approach may not be ideal for each individual employee, it offers an array of benefits when appropriately leveraged.

Money is money | At the end of the day, offering an employee lump sum package (which, to them, seems like a large chunk of cash) is undoubtedly preferable to making employees move at their own expense.

Keep things Simple | Lump sums are an easy way for companies to administer expenses, putting far fewer demands on HR, Procurement, and Accounting, as there is no need for the business to document individual expenses or manage a moving company. Additionally, once a lump sum amount is calculated, there may be a reduction in the number of exception requests received.

Controlled Budgets | Lump sum offers company cost controls. A flat or fixed amount makes it easier for employers to manage budgets and takes the guesswork out of determining the final cost of a move.



What are the Downsides to Lump Sum Packages?

Because lump sums place the weight of the move on the employee alone, adding a number of uncertainties and risk factors, employees may find this to be less appealing for the following reasons.

Added Stress | Being in charge of managing all the moving parts of a modern relocation—while continuing their current role and prepping for their new one—is an extensive time and energy commitment that often results in reduced productivity or performance.

Exploitation | When offered a lump sum, employees are forced to play the role of a buyer in the marketplace. As inexperienced buyers, they can be subject to the growing number of rogue practices and movers who will overcharge or even hold their goods hostage.

Possible Coverage Gaps | Estimating the total up-front costs can be difficult due to unexpected out-of-pocket expenditures. For example, an employee may have to cover the difference if a mover's initial estimate is lower than the actual price of the move.

SAVE MONEY ON YOUR MOVE WITH UPFRONT, GUARANTEED PRICING

Now, there's a new solution that has entered the scene that has carefully developed pricing algorithms that allow you to find out exactly how much your move is going to cost upfront.



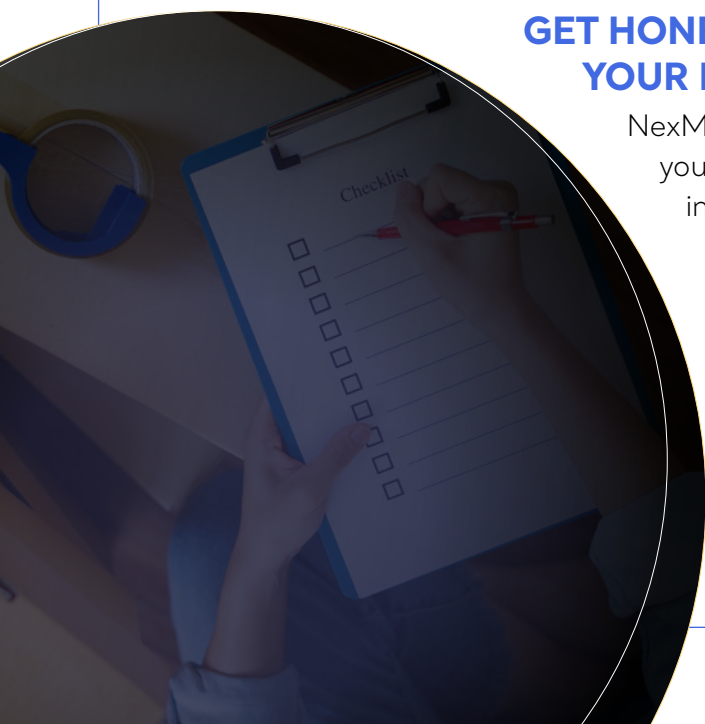
Introducing NexMuv's simplified pricing model that allows you to stay within budget and get a locked-in price that leaves no room for surprises.

How does it work? Keep reading.

GET HONEST, REAL-TIME PRICING FOR YOUR MOVE

NexMuv uses third-party virtual survey solutions to ensure you get the most accurate pricing that takes ALL factors into consideration, upfront.

Most movers survey, price, then move, therefore, controlling the pricing variables, which can change on a whim. By keeping the surveys separate from both the pricing party and the moving party, there is a system of checks and balances. This accountable pricing transparency protects all parties involved, keeping the movers honest and the cost low.



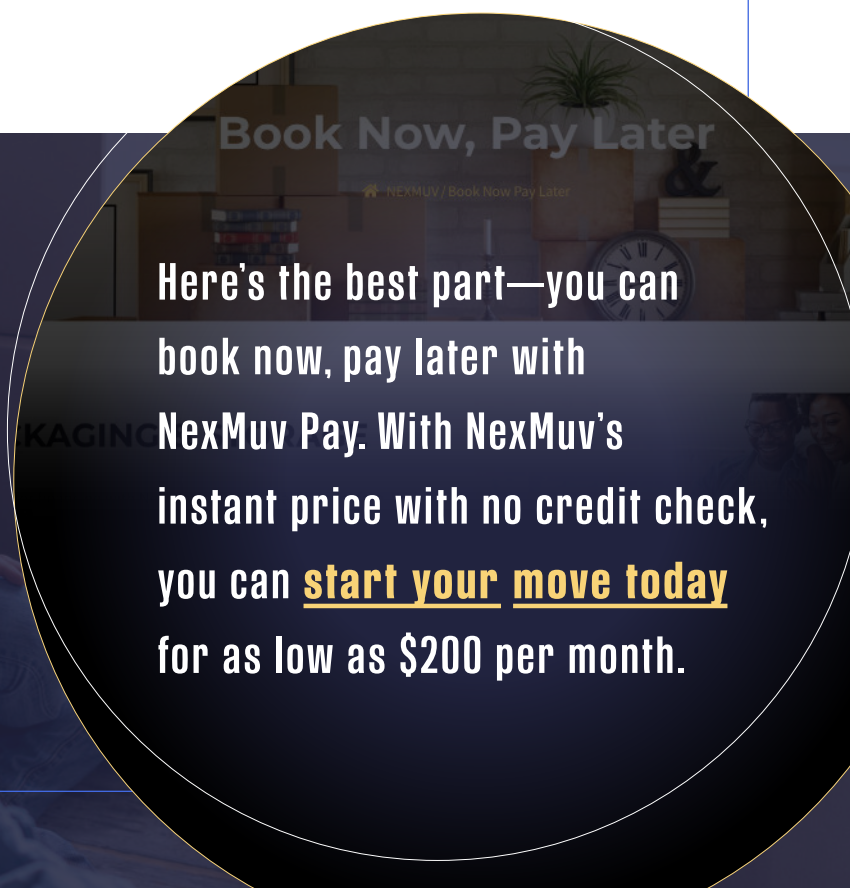
FIND THE MOST EFFECTIVE MOVING SOLUTION WITH THE CLICK OF A BUTTON

Anyone who has ever moved, especially to a new state, knows that moving is nearly a full-time job in and of itself. In the case of lump sum compensation policies, this is especially true.

NexMuv makes it EASIER for employees to manage their own moves—eliminating unnecessary stress—using modern AI software.

NexMuv's AI software operates like a Transportation Management System (TMS) by:

1. Learning and understanding key consumer data needed to maximize efficiency and convenience.
2. Finding the best routes and movers based on that real-time data, as well as U.S. city consumption and production models.
3. Offering shipment tracking and peace of mind, knowing you can track your items at all times during the move from any device.
4. Maintaining Compliance in every jurisdiction, ensuring your move is within regulation as you cross state and/or county lines.



Book Now, Pay Later
NEXMUV / Book Now Pay Later

Here's the best part—you can book now, pay later with NexMuv Pay. With NexMuv's instant price with no credit check, you can **start your move today** for as low as \$200 per month.