Bingham McCutchen move illustrates challenges of employee relocation

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Guest Columnist

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Lexington, KY - When jobs are added to a city’s economy, it is a great benefit to the city and its residents. Lexington recently welcomed Bingham McCutchen after the company announced its plan to relocate to Lexington, bringing 250 jobs to the local economy. Not only are they adding jobs, but they are also relocating employees to the Lexington area.

Lynn Carroll, chief human resources officer at Bingham, is leading an employee relocation initiative to bring skilled workers to Lexington and establish the firm’s global services center. So what is Lexington really getting?

First, an employee relocation initiative is no easy initiative to implement. It takes a real commitment between the employer and employees for the policy to be successful. Many issues have to be addressed in order for it to work smoothly.

Relocating employees is very expensive, and it is even more expensive when the relocation fails. Buying and selling houses, paying moving expenses, familiarizing a family with a new location, finding jobs for spouses of dual-earner households and many other matters need to be addressed before relocation can take place.

There are emotional costs, too. Employees have to uproot their lives and start over in a new place where the only thing familiar to them is their jobs. They will have to learn about a new area as they search for a home and places to continue their hobbies. Some will have to sell their homes, which can be a daunting process on its own, and find ways to stay in touch with family and friends left behind. The employer will invest time, energy and resources in reassuring these employees that they will like the new location and benefit from the relocation.

There are many reasons why an employee would choose to relocate. With few jobs in a highly competitive market, many employees would prefer to relocate with their employer and thus keep their existing job versus re-entering the job market. Moreover, when a company wants to relocate an employee, that company is investing in that employee and showing a strong commitment to him or her. “Relocation is a significant work-life decision,” said Carroll, and Bingham “will respect and support each employee’s decision by either assisting them with their relocation or by helping them find the next position of their choice.”

Employee relocations are good for employers, too. The lack of skilled workers in today’s market is a good motivator for employers to latch onto the skilled workers they already have. With Bingham relocating their skilled workers, they’re starting off their new location with dedicated employees who know how Bingham operates and how they expect things to get done. They know the ins and outs of the company and will be able to assist new employees so they can learn and become a part of Bingham’s culture at a faster rate.
The first step in the relocation program is visiting the new location. Bingham is currently providing trips to Lexington for each employee and a guest. If the employee doesn’t like the new location after the first visit, they’re probably not going to relocate. Knowing this early in the process saves the company from losing money because of an unsuccessful relocation. Carroll explained, “It’s important for them to see firsthand why Bingham’s choice of Lexington is so compelling from a business and quality-of-life perspective.” After the employee and family are sold on the location, the rest of the program is a matter of logistics.

The employee relocation initiative must be customized to fit each individual employee. Every employee will have different needs. Some will have houses to sell or leases to break. Some will be moving alone, while others will be bringing families. They will also be bringing different goods, including vehicles, collectibles, and pets. Companies vary in terms of the relocation expenses they will cover. Some companies limit the number of trips reimbursed, and others place a total weight limit on movable goods. In the event of selling a home, some companies, for example, provide a third-party relocation company or even a bonus to the employee if the house sells within a certain period of time.

After relocation is complete, it is important to make sure the employee and family settle into the new location. The quicker they settle in, the sooner the employee can be engaged and productive at work. A major step in this process for Bingham was partnering with Commerce Lexington. In doing so, explained Carroll, they created “an ambassador program to pair employees with members of the Lexington community who have similar interests, to help their employees and their families successfully integrate into the community.”

An additional benefit is assistance to spouses with their own job searches. With so many dual-earner families today, an important part of the transition will be ensuring that spouses find jobs. According to Nicole Outhwaite of Crown Relocations, relocated spouses acclimate better to their new surroundings when they continue to work than if they do not.

So what is Lexington really getting? We’re getting 250 jobs, additional skilled workers and another innovative employer willing to invest in its employees. Welcome to our community, Bingham McCutchen.

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