

Government Advisor

Relocation News & Insight for the Government Sector | Q1 2018

Emergency Situations—Preparing Your Mobile Employees

urricanes Harvey and Irma wreaked havoc in Texas and Florida last year, claiming hundreds of lives, destroying thousands of homes and costing billions of dollars in damage, according to White House estimates.

For mobile employees, these emergency situations created even more levels of stress in their new homelands.

While we learn a lot from looking back, it is far more valuable to look ahead to how we can recover from emergency situations and the steps we can take to prepare and ensure safety for our mobile employees.

Here are a few tips:

- Before an employee steps foot in a new home, learn about the potential emergencies that could occur in the destination area (tornadoes, flash floods, wild fires etc.)
- Communicate to mobile employees the most up-to-date list of contacts



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A Look into the Household Goods: State of the Industry with Kyriako Bouris



Kyriako Bouris Vice President, Global Transportation Solutions

Allegiance, we don't just help move your mobile employees, we make it our business to ensure they have a seamless and speedy transition.

One thing we have learned through years of working with clients on the government side is that household goods (HHG) shipping is truly a topic that can confound even the most seasoned mobility professional.

As part of our ongoing efforts to make the world of HHG easier to navigate, we sat down with Kyriako Bouris, VP of Global Transportation

Solutions of our corporate affiliate, Weichert Workforce Mobility, to discuss everything from the biggest HHG trends shaping the industry to make-it-or-break-it factors when choosing a HHG provider.

Q. What's the number one trend that will have the biggest impact on company HHG programs in 2018?

Kyriako Bouris: The capacity of drivers. In the old days you could get shipments moved. Now you have a limited number of drivers, limited availability, and everyone wants to move the same two and a half months out of the year. It's very difficult.

Q. Why is there a dearth of HHG drivers?

KB: The American Moving and Storage Association did a study and the average age of a HHG driver is 55. And that was five to six years ago. They haven't updated that, but it's definitely older than that. No one wants to be a HHG driver. If you do want to drive, you could get a job with a freight company and you don't have to deal with customers and you're home on the weekends and can spend time with your family.

Then you have regulations that are coming into the trucking industry that limit the hours of service. In the old days a driver could spend the day packing and loading his trailer, jump in and drive. Now drivers have to time out. A study found that's costing an average of two weeks of time a year.

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D.C. Area Real Estate & Rental Market Update: Q1 2018



January of 2017, over a year ago, the real estate market in the area in and around Washington, DC was great if you were a seller, not so great if you were looking for a home to purchase.

Like many areas of the country, Northern Virginia, DC and Southern Maryland had limited inventory and in many areas it was not uncommon to see homes with multiple bids selling for above list price. As a Northern Virginia homeowner, I am pleased to report that today, not much has changed.

As you might suspect, the closer in you get to DC, the hotter the market and the higher the prices. Those of us who live in the area understand that living just fifteen miles from DC can mean an extended commute time.

But even with the commuting factor, areas much further from DC are seeing similar trends in supply and demand with many buyers going to some of the more remote suburbs in order to find homes in a more reasonable price range.

The DC region is comprised of Washington DC, Northern Virginia suburbs and Southern Maryland suburbs. In DC and its immediate suburbs, such as Alexandria and Arlington in northern Virginia, even a modest size home can easily top \$1M.

In the region, the median sales price was up 5.26% from November 2016 to November 2017. The average days on market was down 13.24% to 59 days. Unit sales increased 3.54%.

In the District of Columbia, the rise in median sales price was just .92% in the first 11 months of 2017 while average days on market declined by 8.11% to 34. The number of units sold increased 8.30% to 8,507. On average properties sold for 98.9% of their original list price. Not surprisingly, the median sales price in DC was \$550,000, by far the highest in the region.

The Maryland suburbs also saw a healthy gain in median sales price up 4.69% year over year. Days on market fell 13.73% to 44 and units sold increased 3.13% to 22,030. On average properties sold for 98.0% of their original list price. The median sales price in these suburbs was a far more modest \$335,000.

Last but certainly not least is Northern Virginia (NOVA). NOVA saw 3.49% median sales price increase. Days on Market fell 17.65% to 42 and units sold increased 4.3% to 36,597. On average properties sold for 98.0% of their original list price. The median sales price in NOVA was a healthy \$445,000.

Not surprisingly the inventory levels remain low (up slightly from 2016).

From a relocation perspective, we continue to see very high amended value rates in the region. Quick sales, often before we can complete the appraisal process, are becoming more frequent. In summary, the DC region has much to offer in terms of history, culture, entertainment and dining and, of course, a very robust real estate market.

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- Form an "emergency team" –a group of employees who are designated to contact affected employees' loved ones to coordinate safety efforts
- Once they're confirmed safe, keep constant communication via email/text/phone
- Ensure ongoing payments, including payroll that can be accessed through emergencies
- Create an A to Z plan addressing who, what, when, where and how for possible emergencies

The A to Z plan can be crucial to the safety of your mobile employees. Keep an updated contact list of employees in the target area, inform employees of hurricane season, and create a database of the emergency services contact information. Once an emergency situation occurs, the emergency team will enact the evacuation plan.

The strategies and tips above work for mobile employees who are already in their new homes. However, you may ask, what about the employees who are in the midst of relocating to an area that was hit by a natural disaster?

Start off by assessing how many employees were impacted, expedite insurance claims, consider providing housing allowance/lump sum, be flexible, extend the offer acceptance period, give homeowners the option to rent, consider new allowances to cover emergency-related expenses (cell phones) and verify with payroll that employees will be paid on time.

For those mobile employees who are outside the affected area but have families or property in the region, start by contacting all employees on assignment to confirm they're safe, provide additional home leave for them to check on their loved ones and property, re-issue emergency assistance provisions for your international policies and provide staff with emergency team contact information and local emergency services.

According to the National Weather Service, hurricane season in the U.S. runs from June 1 – November 30.

In any situation, whether your mobile employee is residing in the area, in the midst of moving, or has family in the affected area, emotional stress and strain can be expected. Natural disasters are unpredictable but with these tips above and creating an emergency team, we can look ahead to ensure safety for all.

Legendary Service Spotlight: Vicki Cain



talk a lot about Legendary Service and what this means to our colleagues, clients and company.

One of the ways we continue to build Legendary Service into our corporate DNA is through our annual Legendary Service Stories Contest. Through this event, supervisors and colleagues nominate those peers who they feel consistently perform above and beyond and embrace our ICARE principles of being Innovative, Collaborative, Attentive, Responsive

and Empowered. We receive hundreds of entries, but only a select few are chosen as winners.

Those winning entries are memorialized in a keepsake brochure that is distributed to all colleagues so that the stories can inspire and challenge us to earn our own Legendary Service testimonials.

This sense of pride in our day-to-day work makes our culture unique and drives remarkable colleague engagement levels. Which, in turn, makes for stronger client partnerships.

In this issue of the Advisor, we spotlight our 2017 Legendary Service winner – Vicki Cain. She is a great example of the commitment and expertise that defines Allegiance.

This is the nomination we recieved from a fellow colleague:

"Vicki is the primary contact for several of our key clients, and she is a star in both the client's eyes and ours.

On a typical day she's running the show, coordinating relocation budgets and counseling employees and program managers on relocation benefits, as well as producing complex cost estimates for the client's staff. In addition to these hefty demands, she also needs to be an expert and know the details about Federal Travel Regulations, government statements of work, real estate practices and the client's program policies.

Her key clients recognize the exceptional level of service Vicki provides, and one transferring employee recently went out of his way to let it be known just how impressive Vicki is:

'I feel compelled to share how pleased I have been working with Vicki, who is selling my Maryland home. I have been a manager and a Federal Senior Executive for most of my career, and have never worked with anyone as diligent, thoughtful, knowledgeable or proactive. I squeak when things go wrong and when the customer service is not up to par, so I think it is only fair that I sing a praise when I see outstanding performance, and that is the case with Vicki."

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Q. If a shrinking pool of drivers is the big issue, do you envision self-driving trucks will soon be moving HHG?

KB: No. The industry is looking at container programs. It's similar to international where you pack and load a shipment, put it in a container, and in the States and Canada you have a freight driver move it. The industry is moving in that direction because of the lack of drivers.

Q. There are a number of HHG providers out there. What's the golden rule when choosing the right HHG provider for you?

KB: It's more important now than ever to look at the quality of the provider, and tying into that – the provider's financial stability. There's been a lot of consolidation in the industry over the last few years. We've seen individual agencies file for bankruptcy and others get acquired overnight. On paper you may think you're getting a deal but you've got to look at the quality of the provider and the total cost.

Q. What's one thing (or many things!) that differentiates Weichert Move Network from the pack?

KB: We spend a lot of time upfront selecting our supplier partners. We're not the cheapest and we don't hide that. We don't want to be the cheapest. We're the best quality. In HHG you want to look at how happy the customer is. Do we pick up and deliver on time? Do we have a low claims ratio? Do we have service resolution when there is an issue? With HHG there are always potential issues but we fix them or work to prevent them entirely.

We also treat our supplier partners like true partners. We don't treat them like vendors. So when there is a service issue they feel obligated to help instead of just wanting it to go away.



Sector News

Upcoming Compliance Webinar

Dan Lee, Compliance Manager, will be hosting a free webinar, "How Compliance Programs Contribute to Contract Execution Success", on Thursday April 5 at 10:00am. Dan has over 25 years of Government Contracting compliance experience and will lead the discussion with our Government clients to accentuate the benefits and contribution that compliance programs provide to successful contract execution. The focus will be centered on the role of the Compliance Programs foundational elements of six categories: Corporate Leadership, Autonomy, Testing, Review, Process Improvement and Training.

Register today for this important event at webinars@allegiancerelo.com.

GSA Updates

Allegiance is pleased to announce that we received a new GSA contract in December. The new contract will run for twenty years when all option and renewal periods are exercised. The new contract signals Allegiance's commitment to the Federal Government relocation marketplace.

GSA is in the process of implementing contract updates. Among the changes, several new products are being introduced to the Allegiance catalogue. The new services are Buyer Value Option (BVO), which is a firm fixed price that is not rebilled if the transaction fails to close and will add an Amended Sale price for Special Properties.

GSA is working on the enhanced detail regarding the requirements and pricing structure for Property Management. The focus is on developing more consistent requirements and pricing. This will likely be included in the next refresh later in the year.

GSA's Homesale Program has been awarded the designation of "Best in Class" for the Travel Section of Category Management. This designation requires each agency to review the Home Sale Program and consider it for their agency. GSA reports an increase in calls and collaboration with Federal agencies in response to the Best in Class designation. We expect this to lead to increased use of the GSA Schedule going forward.

ACT-IAC Advancing Government

Recently a call for government and industry volunteers, Evolving the Workforce (EWF) Community of Interest (COI), was released.

The topic of this high impact research project was, "Human Capital Analytics: Employee Relocation/Workforce Mobility Impact on Talent Management."

In April 2017, EWF COI completed a project and published a paper on Human Capital Analytics. This follow-on project identifies an understudied area that the Federal Government can improve through analytics through talent management support.

This latest research project will:

- Evaluate how private/public sector companies data is used to track the effects of relocation through recruiting and retention of valuable talent
- Explore agencies data sets and assess viability of transferring best practices to the private sector
- Recommend how agencies can use data to link workforce mobility to talent recruitment and management
- KPI recommendations to determine the efficiency of relocation practices and use data analytics to determine causality between relocation features and recruitment/retention success

Relocation is an important element in maintaining a skilled workforce for the Federal Government. This project will determine how workforce mobility entitlements and benefits affect the Government's ability to recruit necessary skillsets, fill crucial talent gaps and develop a productive federal workforce.

GWERC Names Bonette Program Director

Tim Bonette, Vice President, has been elected as the 2018 Programs Director for the Greater Washington Employee Relocation Council (GWERC), a local ERC group. GWERC is a non-profit organization that was established in Washington, D.C. in 1985 and serves as a forum for the exchange of information and ideas among professionals involved in relocation.

As Programs Director, Tim will be responsible for developing content for council meetings and functions, securing speakers and panelists and other logistical functions.

We are proud that Tim will be sharing his subject matter expertise with the Council, and leveraging his experience for the betterment of the government mobility sector.

