



## Preparing for an RFP: Tips for **Improved Responses** in Your RMC Bidding Process

Getting a request for proposal (RFP) right doesn't have to be hard, but the process can definitely feel overwhelming. Fortunately, there are some easy ways to make the process a whole lot smoother.

To get the most out of what can be a quite lengthy (and costly) process, utilize the tips below to ensure you find the right fit in a relocation management company (RMC) as painlessly as possible.

### **> Know Thyself and What You're Looking For in an RMC**

Don't get lost in the crowd with a giant RMC when you need more personal attention, or get stuck with an RMC that simply can't support your needs.

As the relocation practitioner, think carefully about what you will need from a partner during the next 3-5 year contract (improved reporting and data analytics, better consultative advice, improved supporting technology, to feel more loved!).

Carefully establish a list of critical "must haves" or "must be" attributes for inclusion. You need to have a firm grasp on what's important to you, your stakeholders, and your company.

Examples of this might include:

- Alignment with your vision, mission, values, and culture
- Financial status/rating strength
- Global capability
- Tenure in industry
- Independent vs. owned by household goods carrier/destination service provider
- Supporting technology

Collate and distill your findings and create a vision statement and set of objectives. This will help provide clear internal direction and also help to consider which RMCs are invited to participate.

### **> Ask the Right Questions and Don't Go Overboard**

Don't punish yourself with 500 pages of the same information to read. The right questions will tell you what you need to know to get the best service for the most effective price.

Obtain sample RFPs or questions from sources as either a starting point or a way to cross-check the questions your team has provided.

Pick and choose the most relevant and meaningful questions to you. Cull it down to what you are really interested in.

If possible, limit the RFP to under 50 questions. More questions will not necessarily make your decision easier and will take longer for you to evaluate. And review your RFP to ensure you're not asking the same question multiple times throughout the document — it confuses respondents and makes more work for you.

You also should allow adequate space to respond to your questions. For example, if you ask for a description of an entire process, make sure the word count restriction for that question is high enough to allow respondents to offer the information you need.

Finally, be sure to ask specific questions about your program, pain points, and scope to ensure the answers you receive are valuable.

## Invite the Right Group of RMCs to the Table

You have a lot of options out there, but only a handful will be anywhere near the right fit. Doing a little prep work will save time in the process.

Here are a few easy tips:

- Ask your peers about their experiences with RMCs. It's like getting a restaurant review from a trusted friend. This can help you whittle down your list or add RMCs you haven't considered.
- Pre-select invitees to limit confusion and overlap. More invitees will not necessarily make selecting an RMC easier. One way to do this would be to start with a request for information (RFI).
- Complete an onsite visit with each finalist to experience the culture and values of the individuals who will be working with your employees. It's important to see how they operate.

## Get the Right Price and Avoid Hidden Costs

Many factors go into pricing. In order to get the best pricing, you need a clearly defined scope and should ask the right questions in your RFP. Keep these items in mind:

- Sub-supplier pricing can be a significant differentiator in overall costs.
- Program structure is key to real cost savings. Service fees paid to relocation companies generally only make up 1-2 percent of total spend.
- Carefully construct your pricing sheet and questions so that the pricing provided reflects your actual relocation scenarios.
- If data is not available, relocation companies will make assumptions. These assumptions will be reflected in the pricing estimates, which may vary widely.

## Share the Right Data to Get the Right Responses

If you don't share the details of your activity, bidders will have to assume a lot about you, and their responses on pricing and capability will vary widely.

Clearly define your scope and objectives so that all parties can demonstrate how they can uniquely support you. Include your policies with the RFP, to provide a complete view of your mobility program.

See the following page for information to provide.

## Start Early and Get the Timing Just Right

Going to bid too late will leave you scrambling to get the information and input you need to make the right — and most cost-effective — decision.

Start the RFP process early so you have the breathing room to make it work for you. Don't wait until you are 4-6 months away from your current contract expiring.

## Mobility Information to Provide

- Volume information:
  - Number of homeowners
  - Number of guaranteed buyouts
  - Number of buyer value options
  - Number of direct reimbursements
  - Number of employees with no home-related benefits
  - Number of renters
  - Number of short-term assignments
  - Number of lump sums (payment only)
  - Number of managed lump sums (payment and additional support by relocation company)
  - Number of candidates/interns
  - Number of international moves
  - Number of long-term assignments
  - Number of short-term assignments
  - Number of permanent relocations
  - Number of employees currently at-post receiving support
- Current average home sale value
- Current average home purchase value
- Average duration of assignments
- Program funding preference
  - Relocation expenses
- Centralized vs. de-centralized billing
- Any existing contract(s) with suppliers the RMC is required to utilize
- Philosophy on mandatory real estate agent selection by the RMC

**18 months out:** Start to actively engage with the RMC marketplace. Take and make calls. Listen to what's changing in respect to innovation and approach. Talk with global mobility peers to gauge their feedback on the RMC marketplace. Which RMCs are getting strong feedback? Who's bringing new ideas to the table?

**12 months out:** Engage with your internal stakeholders (HR business partners, operational managers, and finance department) to ascertain current levels of relocation support satisfaction, critical feedback, wish list of improvements and innovations, and what future projects or organizational changes may drive the need for "different" support going forward. For example, planning to open overseas operations indicates a need for an RMC with global capability, including experience with international billing.

**10 months out:** Execute the RFI exercise and create a proposed RFP shortlist. Meet with shortlisted RMCs to pressure test responses and to get a feel for the cultural fit.

**8 months out:** Execute RFP exercise (with full stakeholder involvement and participation) to include a robust reference process and a site visit (this is a critical component). And remember – allow for questions throughout the process so that respondents can provide you with accurate information. RMCs are often going to have follow-up questions to your Q&A answers.

**Final 6 months:** Focus on the decision, contract execution, implementation and, if necessary, transition of files to the new RMC partner.

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