

2019

Domestic Survey: India

AIRINC.
WORKFORCE GLOBALIZATION



Summary

Global Mobility is increasingly being asked to manage or advise on domestic moves. Although there are key differences in domestic policies by country, there are also areas of efficiencies which can be leveraged on a global basis. To understand how companies are structuring in-country relocation policies, AIRINC collected benchmark data on the types of policies and relocation support provided for one-way domestic transfers in a number of countries. The survey examined the level and types of support offered for domestic moves as well as the decision-making approach when different levels of benefits are provided.

This report details what companies are offering for in-country relocation support in India. The majority of organizations have a formal policy designed specifically for Indian domestic moves, as companies have an important need to support such moves to attract and retain talent and meet critical business needs.



68% of respondents have a specific India domestic policy; 21% of all respondents decide policy on a case-by-case basis



The **level of support provided for in-country India moves varies by job level for 42% of companies** and family size by 37%. 32% offer no variation on benefit levels

Summary

CONT.



50% of respondents support relocation via a mix of cash and benefits-in-kind, 22% provide in-kind benefits only, and 17% pay a lump sum to cover all relocation elements



When a **lump sum/cash is provided**, it most commonly includes miscellaneous relocation costs (73%), moving expenses (64%), and temporary living (55%)



88% provide some form of support for moving expenses and 50% ship automobiles. 31% provide temporary household goods storage



A **miscellaneous relocation allowance intended to cover ancillary costs associated with the relocation** is paid by 62% of companies, with 44% grossing up this specific benefit to protect the employee



94% of companies do not offer home sale assistance. 20% cover lease cancellation fees for renters in the origin location



94% do not assist with the purchase of a house in the destination location



From a settling-in perspective, **71% of companies do not provide any additional transitional or "soft-landing" assistance**



If an employee leaves the company after relocation, **95% of companies have a claw-back or repayment clause in place**



Policy Overview

1. Do you have a formal policy for domestic relocations within India?	Number of Responses	Percent Responses
Yes, we have a policy specifically for domestic moves within India	13	68%
We don't have a domestic relocation policy for moves within India but handle moves on a case-by-case basis	4	21%
We use a global domestic relocation policy for moves within India (i.e., we have one global policy which applies to all locations in which we have domestic moves)	0	0%
We use a regional domestic relocation policy for moves within India (i.e., we have a policy which applies to several locations within the same region)	0	0%
Other	2	11%
Total Responses	19	100%

2. In general, do you vary the level of support provided for domestic moves within India by job level, family size or other factors (e.g., through tiers, core/flex, negotiation)? Check all that apply.	Number of Responses	Percent Responses
Yes, by job level	8	42%
Yes, by family size	7	37%
No, the same support is provided for all domestic moves within India	6	32%
Yes, by job function	3	16%
Yes, by relocation distance	3	16%
Handled on a case-by-case basis	3	16%
Yes, by homeowner vs. renter	1	5%
Other	2	11%
Total Responses	33	



Delivery and Calculation of Relocation Support

3. How are relocation benefits delivered?	Number of Responses	Percent Responses
Some benefits are reimbursed/delivered in-kind while others are supported through lump sum/cash allowances	9	50%
We reimburse employees for relocation expenses or pay providers directly (benefits-in-kind)	4	22%
We provide a lump sum/cash allowance to cover all relocation elements (shipping, travel, etc.)	3	17%
Other	2	11%
Total Responses	18	100%

4. If you provide a lump sum for relocation benefits, how is the amount calculated?	Number of Responses	Percent Responses
We determine the amount(s) in house	9	75%
Through a 3rd party calculator/tool	1	8%
Other	2	17%
Total Responses	12	100%

5. If you provide a lump sum for relocation benefits, does the amount vary by certain factors (e.g., job level, family size)?	Number of Responses	Percent Responses
Yes, the lump sum amount varies by certain factors	6	50%
No, the lump sum amount is the same for everyone	6	50%
Total Responses	12	100%

6. If you provide a lump sum for relocation benefits, what is the amount intended to cover? Check all that apply.	Number of Responses	Percent Responses
Miscellaneous costs (e.g., drivers' license fees, parking charges)	8	73%
Moving costs (packing and shipping household goods)	7	64%
Temporary living	6	55%
Travel to destination location	5	45%
Temporary household goods storage	4	36%
Automobile shipment	4	36%
Pre-departure/house-hunting trip	3	27%
Costs to secure rental accommodation in the destination location for renters	3	27%
Lease cancellation assistance for renters	2	18%
Home purchase assistance	2	18%
Home sale assistance	1	9%
Other	1	9%
Total Responses	46	



Average lump sum amount for relocation benefits:

INR 351,700

7. For reimbursed or benefits delivered in-kind, do you set an overall maximum amount for relocation expenses?	Number of Responses	Percent Responses
No, approved expenses are covered without limit	6	46%
Yes, we set an overall limit which is the same for everyone	3	23%
Yes, we set an overall limit which varies by certain factors (e.g., job level, family size)	2	15%
We set a limit for some expenses, while others are covered without a limit	2	15%
Total Responses	13	100%



Relocation Benefits for Domestic Moves within India

Pre-Departure/House-Hunting Trip

8. Does your company offer a pre departure/house-hunting trip to the destination location?	Number of Responses	Percent Responses
No	7	44%
Only in certain cases	6	38%
Yes, always	3	19%
Total Responses	16	100%

9. What costs are covered during the pre-departure trip? Check all that apply.	Number of Responses	Percent Responses
Airfare	8	89%
Hotel	8	89%
Meals	7	78%
Transportation	6	67%
Incidentals	3	33%
Additional leave days	2	22%
Childcare	0	0%
Other	1	11%
Total Responses	35	

10. What is the income tax treatment on this benefit?	Number of Responses	Percent Responses
The company assists with the income tax costs (e.g., via gross-up)	8	73%
No company assistance; the employee pays all income taxes on the benefit	3	27%
Other	0	0%
Total Responses	11	100%

Moving and Storage Expenses

11. Does your company cover moving expenses (packing and shipping household goods) to the destination location?	Number of Responses	Percent Responses
Yes, up to a limit/maximum	7	44%
Yes, with no limit/maximum	5	31%
Only in certain cases	2	13%
No	2	13%
Total Responses	16	100%



Average limit:

350 CUBIC FEET OR INR 83,333

12. Does your company cover the cost to ship automobiles to the destination location?	Number of Responses	Percent Responses
No	8	50%
Yes, up to 1 car for any distance	6	38%
Only in certain cases	2	13%
Yes, up to 1 car if the distance between the origin and destination location is above a certain mileage	0	0%
Yes, up to 2 cars for any distance	0	0%
Yes, up to 2 cars if the distance between the origin and destination location is above a certain mileage	0	0%
Total Responses	16	100%

13. Does your company provide temporary household goods storage?	Number of Responses	Percent Responses
Yes, up to a certain number of days	3	19%
Only in certain cases	2	13%
Yes, up to a certain monetary amount	0	0%
Yes, with no limit	0	0%
No	11	69%
Total Responses	16	100%

Temporary Living

14. Does your company provide for temporary living expenses at relocation?	Number of Responses	Percent Responses
Yes, up to a certain number of days (average = 19 days)	12	75%
Only in certain cases	3	19%
No	1	6%
Yes, up to a certain monetary amount	0	0%
Yes, with no limit	0	0%
Total Responses	16	100%

15. What costs are covered for temporary living? Check all that apply.	Number of Responses	Percent Responses
Hotel/serviced apartment	11	92%
Meals	5	42%
Transportation	3	25%
Incidentals	1	8%
Other	1	8%
Total Responses	21	

16. What is the income tax treatment on this benefit?	Number of Responses	Percent Responses
The company assists with the income tax costs (e.g., via gross-up)	8	67%
No company assistance; the employee pays all income taxes on the benefit	4	33%
Other	0	0%
Total Responses	12	100%

Miscellaneous Relocation Allowance

17. Do you provide a cash relocation allowance to cover miscellaneous costs associated with the relocation?	Number of Responses	Percent Responses
No	6	38%
Yes, always	5	31%
In certain cases	5	31%
Total Responses	16	100%

18. How is the miscellaneous relocation allowance calculated?	Number of Responses	Percent Responses
Flat amount by job level/tier	2	22%
One month's salary with no cap	2	22%
One month's salary up to a cap	2	22%
Flat amount for everyone	1	11%
1.5 months' salary with no cap	0	0%
Two months' salary up to a cap	0	0%
10% of salary with no cap	0	0%
10% of salary up to a cap	0	0%
Flat amount depending on homeowner or renter	0	0%
Other	2	22%
Total Responses	9	100%



Average MRA:
INR 306,375

19. What is the income tax treatment on this benefit?	Number of Responses	Percent Responses
No company assistance; the employee pays all income taxes on the benefit	5	56%
The company assists with the income tax costs (e.g., via gross-up)	4	44%
Other	0	0%
Total Responses	9	100%

Home Sale Assistance

20. Does your company assist with the sale of the employee's house in the origin location?	Number of Responses	Percent Responses
No	15	94%
Only in certain cases	1	6%
Yes, always	0	0%
Total Responses	16	100%

21. If applicable, which costs are covered by the company (check all that apply)?	Number of Responses	Percent Responses
Closing costs	N/A	N/A
Estate agent fees		
Loss on sale of home with no limit/maximum		
Loss on sale of home up to a limit/maximum		
Company-appraised buy-outs		
Other		
Total Responses		

22. Do you vary the level of home sale assistance by job level?	Number of Responses	Percent Responses
Yes, always	N/A	N/A
Only in certain cases		
No		
Total Responses		

Rental Assistance

23. Does your company cover lease cancellation fees for renters in the origin location?	Number of Responses	Percent Responses
No	12	80%
Only in certain cases	3	20%
Yes, always	0	0%
Total Responses	15	100%

24. Is there a limit on the amount you will cover for lease cancellation assistance?	Number of Responses	Percent Responses
Yes, up to a certain number of months	2	67%
Yes, up to a certain monetary amount	1	33%
No limit	0	0%
Total Responses	3	100%

25. Does your company cover costs to secure rental accommodation in the destination location for renters (e.g., realtor fees, etc. for permanent accommodation, not temporary living)?	Number of Responses	Percent Responses
No	10	63%
Yes, up to a limit	3	19%
Yes, with no limit	2	13%
In certain cases	1	6%
Total Responses	16	100%

Home Purchase Assistance

26. Does your company assist with the purchase of a house in the destination location (closing costs, estate agent fees, etc.)?	Number of Responses	Percent Responses
No	15	94%
Only in certain cases	1	6%
Yes, always	0	0%
Total Responses	16	100%

27. Please describe what type of house purchase assistance is provided (check all that apply):	Number of Responses	Percent Responses
Estate agent fees	N/A	
Home inspection fees		
Closing costs		
Other		
Total Responses		





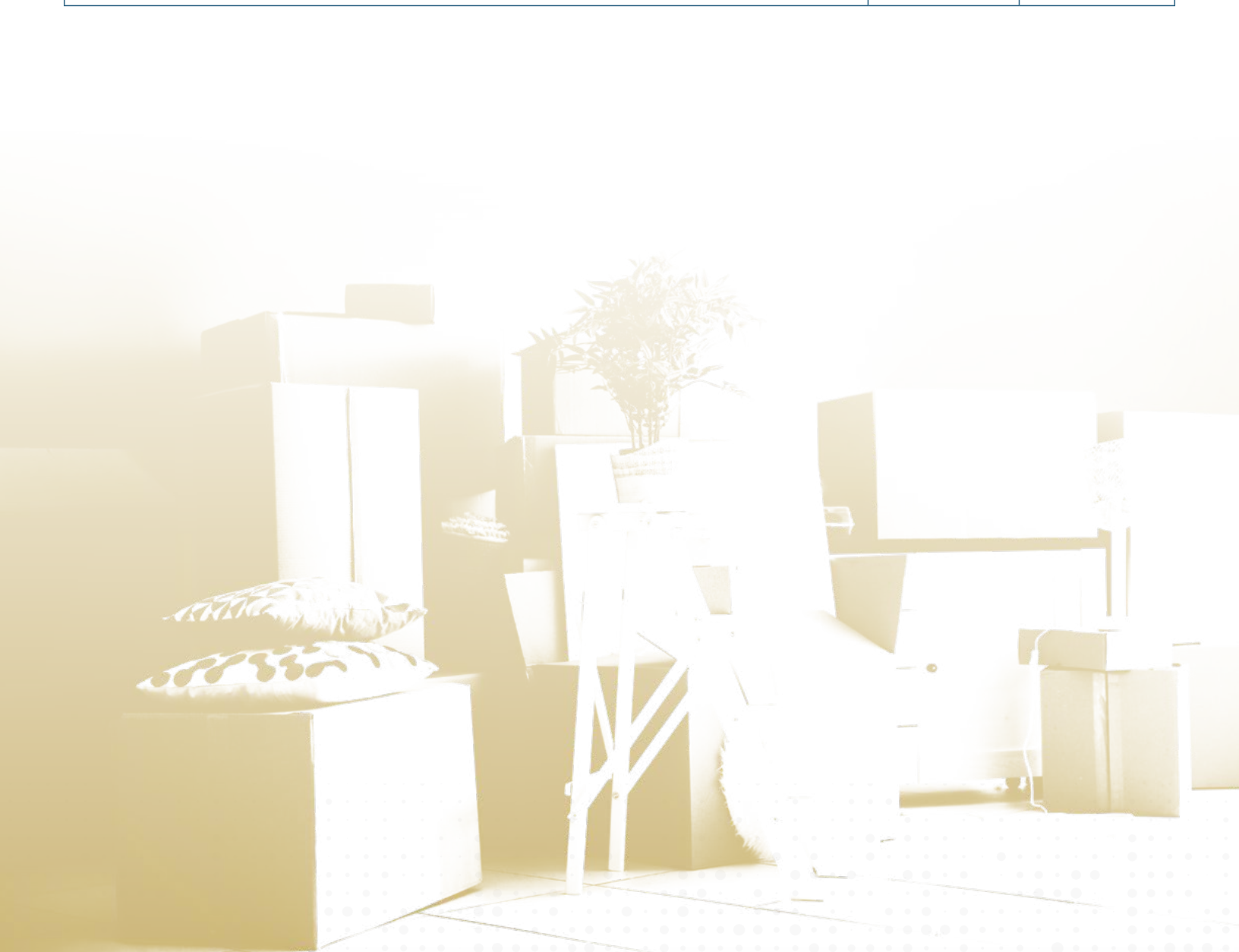
Additional Considerations

28. Do you provide transition or "soft-landing" assistance for any of the following?	Number of Responses	Percent Responses
No additional transition assistance	12	71%
Education	3	18%
Cost of living	1	6%
Hardship	1	6%
Other	2	12%
Total Responses	19	

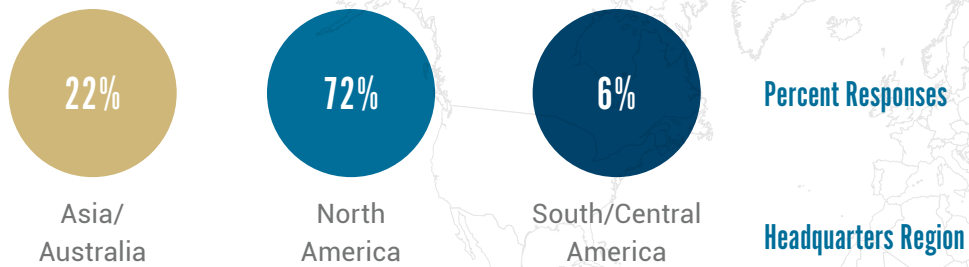
29. Do you cover any other relocation-related expenses for domestic moves within India?	Number of Responses	Percent Responses
No, we don't cover any other expenses	9	56%
Return trips to origin location	1	6%
Destination services	1	6%
Pet shipment	0	0%
Spousal assistance	0	0%
Duplicate housing assistance	0	0%
Rental car	0	0%
Other	5	31%
Total Responses	16	

Other: Final travel expenses for parents (for single employees only); Final move; Vehicle and school registration for year one; Relocation reimbursement maximum amount and employees can choose which relocation services they submit for reimbursement

30. Do you have a "claw-back" or repayment clause in which the employee must repay the company for some or all relocation costs if the employee leaves the company under specified circumstances within a certain timeframe after moving?	Number of Responses	Percent Responses
Yes, within the first 12 months	11	58%
Yes, within the first 24 months	5	26%
No, we don't have a repayment clause	1	5%
Yes, within the first 36 months	0	0%
Other	2	11%
Total Responses	19	100%



Demographics

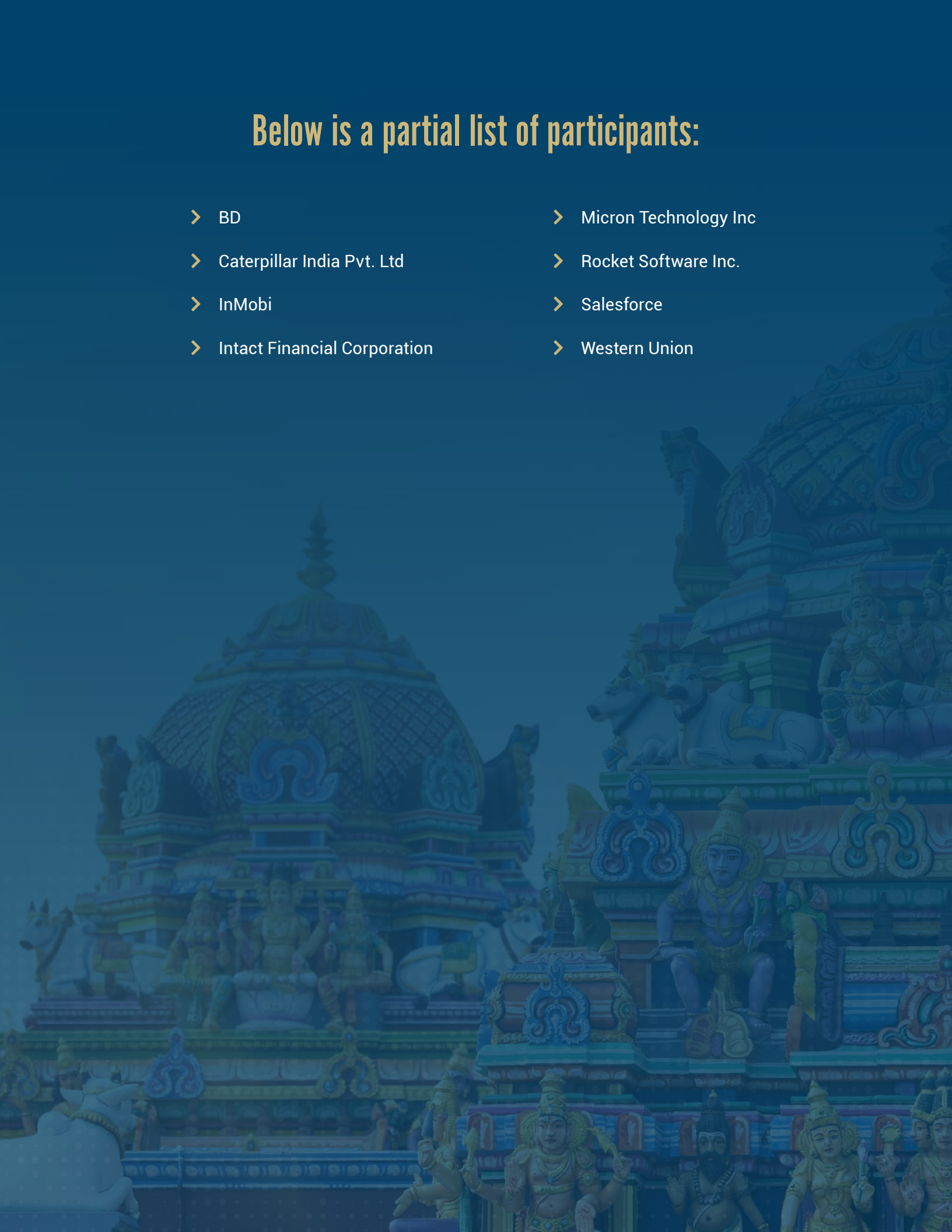


Primary Industry	Percent Responses
Computers/Software	28%
High-Tech	22%
Financial Services	17%
Manufacturing	17%
Engineering	6%
Healthcare	6%
Pharmaceuticals	6%

Approximate number of intra-Indian relocations in the past year:	Percent Responses
Less than 20	47%
21 to 100	33%
More than 101	20%
Total	100%

Below is a partial list of participants:

- BD
- Caterpillar India Pvt. Ltd
- InMobi
- Intact Financial Corporation
- Micron Technology Inc
- Rocket Software Inc.
- Salesforce
- Western Union





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