

TOTAL EMPLOYEE MOBILITY® BENCHMARKING REPORT

Snapshot October, 2008

Presented by Runzheimer International

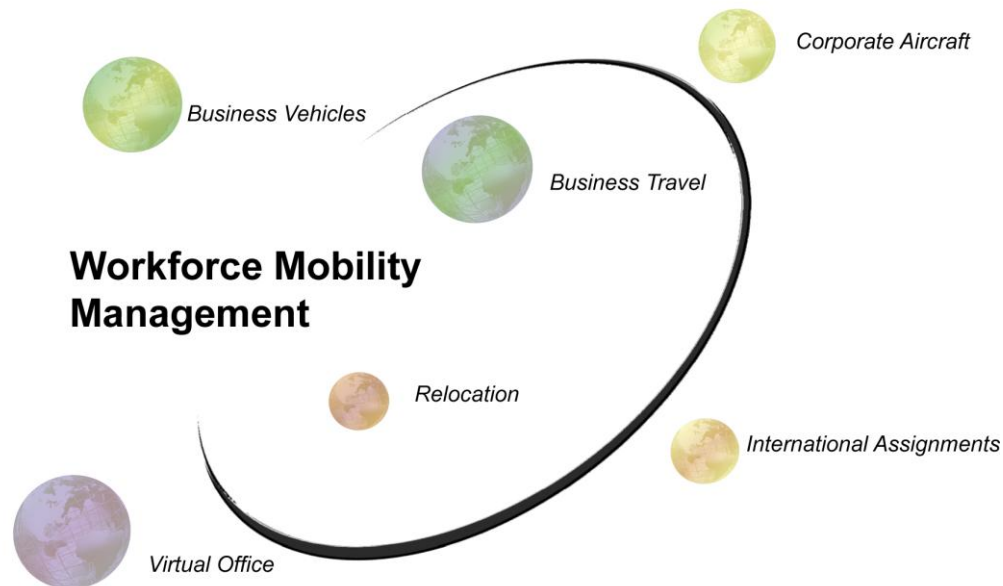
This snapshot provides highlights from the 2008 benchmarking process and is designed to provide you with a taste of the wealth of information made available through the Total Employee Mobility® benchmarking process and report. Participants in the benchmarking process receive in-depth analysis of their mobility programs. The 2008 Total Employee Mobility® benchmarking process has closed and the final report is available for purchase by calling 800-558-1702 ext. 2489 or by e-mail at vos@runzheimer.com



TOTAL EMPLOYEE MOBILITY® DEFINED

Total Employee Mobility® is the process of placing the right employees in the right locations when they are needed most. Leaders in workforce mobility management ask the most basic questions in order to optimally deploy talent:

- Where are my employees traveling and why?
- Are there better alternatives to travel such as relocation, international assignments and/or enabling virtual work?
- What modes of employee transportation are optimal and when?
- Does my current real estate capacity take into account my firm's workforce mobility patterns?



While progress is being made, the image above continues to be representative of the fragmented approach taken by the vast majority of organizations in their management of workforce mobility programs. In such organizations, transportation modes such as travel by vehicle, by commercial airline, and/or via private aviation, are often managed independently rather than in a complementary manner. In addition, relocation, international assignment and virtual office programs typically are not seen as part of a continuum of talent management options available as alternatives to employee travel.

The net effect of this fragmented approach is a lack of senior management visibility regarding the total cost of mobility and an inability to deploy talent in the most effective and efficient ways possible.



REPORT FINDINGS

Findings from the 2008 Total Employee Mobility® Benchmarking Report reinforce why organizations must treat their mobility investments more systematically and strategically. A few of this year's findings follow:

I. The total investment in workforce mobility continues to increase and is comparable to health insurance costs¹.

Trending over the last three years shows significant growth in the total investment in workforce mobility per employee. It is important to note that the total investment shown is *regardless of whether an employee is mobile*.

The workplace has changed. Almost half of the workforce is mobile. The investments in workforce mobility are not surprising when viewing the extent of mobility on any given organization. We asked participants about the makeup of their U.S. workforce, with a special emphasis on positions that are likely to be mobile. Within the typical participant's organization, 54% of workers hold positions that are likely to require mobility. In certain industries in our participant sample, mobility is even more prevalent.

2. Mobility programs enhance revenue growth capabilities.

For the fourth year in a row, results suggest that mobility investments strongly correlate with revenue growth.

- A. Runzheimer's study separated participating organizations into two groups. Firms that reported revenue growth of 2% or less year-over-year were compared with firms with rates of revenue growth equal to 10% or more.
- B. According to Runzheimer benchmarking findings, the fastest growing organizations invest 56% more in employee mobility compared to their counterparts with flat to declining revenue.

Average Mobility Costs Per Employee Low-Growth vs. High-Growth Organizations	
Low/No-Growth Firms (2% or Less Revenue Growth)	High-Growth Firms (10% or More Revenue Growth)
\$6,119/yr.	\$9,566/yr.

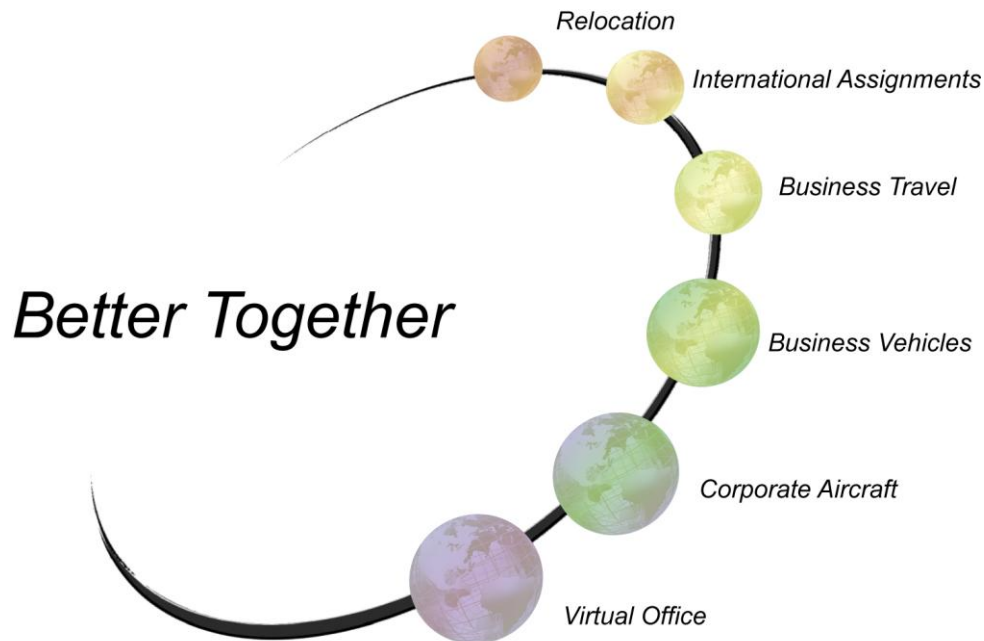


3. Improvement opportunities are large.

You can't manage what you don't measure. Support costs tend to be the element that is most difficult for organizations to capture. Because organizations do not have the systems and structures in place to easily capture mobility information, there were many instances where participants were unable to measure and report their costs, whether they be direct spend (e.g., the direct costs associated with the employee's program participation) or support costs (e.g., program administration and management expenses, whether they be internal or outsourced). The lack of key operational performance information stands in the way of progress.

Mobility Category	Percent of Participants Unable to Provide Support Cost Information		
	2008	2007	2006
Virtual Office	93%	79%	57%
Corporate Aircraft	88%	63%	27%
Business Vehicles	44%	42%	25%
Relocation	27%	33%	23%
Business Travel	22%	34%	26%
International Assignments	9%	38%	50%

Runzheimer estimates that organizations making mobility management a strategic priority can achieve a 1% to 4% improvement in operating income by better integration of the various pieces, improved staff productivity, and an emphasis on reducing direct spend through policy changes and more advantageous supplier agreements. A more integrated approach, where programs are complimentary and are managed as part of an overall system, as the chart below illustrates, can also improve employee productivity and satisfaction.



BEST PRACTICES HIGHLIGHTED

In addition to capturing productivity and cost management metrics in all areas of employee mobility, Runzheimer asked participants about their best practices and provided recognition to top organizations.

In order to be acknowledged, an organization must be a participant in Runzheimer's Total Employee Mobility® benchmarking process and must demonstrate that their program consistently:

- Enhances talent management capabilities;
- Achieves favorable outcomes in terms of cost management and productivity;
- Enables greater organizational agility; and
- Strengthens employee satisfaction and well-being.

Integration of programs, processes and approaches between the different professional disciplines of employee mobility is another qualifying characteristic that distinguishes the recipients of the Runzheimer Best Practice Awards in comparison with other Runzheimer recognition levels.

The organizations acknowledged with best practice awards in 2008 include:

Runzheimer Award Category	2008 Awards
Relocation Best Practices Award	No Award Issued
Business Travel Best Practices Award	EDS, an HP company
Business Vehicle Best Practices Award	The SCOOTER Store, Inc.
Corporate Aircraft Best Practices Award	Wal-Mart Stores, Inc.
Virtual Office Best Practices Award	EDS, and HP company
International Assignment Best Practices Award	No Award Issued
Total Employee Mobility® Best Practices Award	EDS, and HP company



2009 BENCHMARKING PROCESS IS UNDERWAY

The 2009 Total Employee Mobility® benchmarking process is underway. Participate in the process and capture much needed metrics for evaluating mobile worker program unit costs and productivity. The benchmarking report that you will receive as a result of your participation in the benchmarking process will help you measure and monitor your mobile workforce program(s) using strategic-orientated benchmarks only available through Runzheimer International. These unique benchmarks include:

- Costs relative to financials (revenue, revenue growth, mobility program investment)
- Trends in mobile worker programs
- Productivity and cost management metrics
- Purchasing power

First-time participants will also receive the benchmarking report with personalized analysis of your company's overall employee mobility spend, as well as valuable comparisons to similar companies. Non-participants may purchase the 2008 report and receive updated information on trends in employee mobility spend and management.

For more information on benchmarking process participation or to purchase a report, call (800) 558-1702 x 2489 or email vos@runzheimer.com.

Sample Information Available

	Annual Direct Spend per Traveler	Annual Support Cost per Traveler	Annual Total Costs per Traveler	Support Costs as % of Direct Spend
Average				
25th Percentile				
Median				
75th Percentile				
	Total Traveler Costs as a % of Revenue	Travelers as a % of Total Employees	Number of Travelers per FTE	
Average				
25th Percentile				
Median				
75th Percentile				

¹ "Employer Health Benefits 2007 Annual Survey," The Kaiser Family Foundation/Health Research and Educational Trust (Kaiser/HRET) (September 2007).

