

Navigating Temporary Housing for Relocating Employees & Assignees

In a study conducted by WHR Global (WHR), we asked companies a few questions about the temporary housing benefits they offered to their transferees and global assignees. Survey responses came from professionals in a variety of industries including business services, real estate, automotive, transportation, consumer goods, and others. Here we have included a compilation of the results, our analysis by global region, and some helpful tips for navigating the temporary housing market.

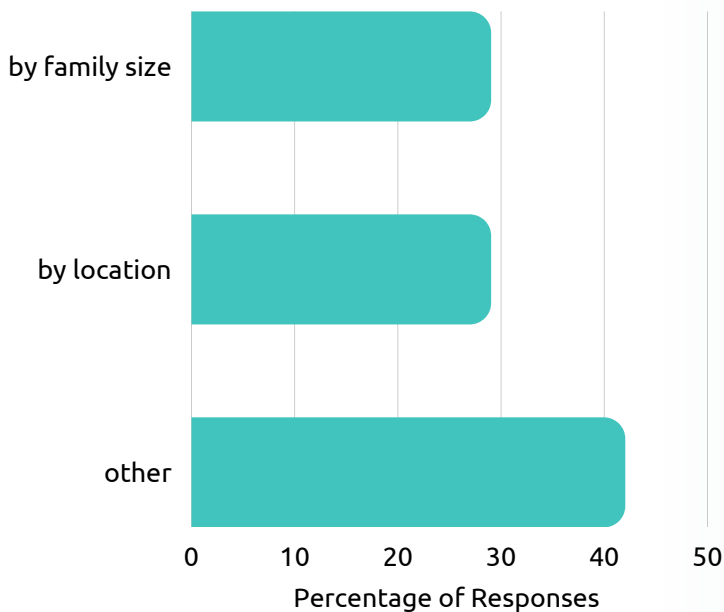
Survey Questions

1. Do you offer temporary housing benefits?

67% responded yes.



2. How are your temporary housing budgets determined?



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2. How are your temporary housing budgets determined? (cont.)

a. "Short-term (less than 6 months) business need transfers offered services apartments for the duration of the transfer. Long-term business need transfers offered 1 month in the serviced apartment to help them find permanent housing."

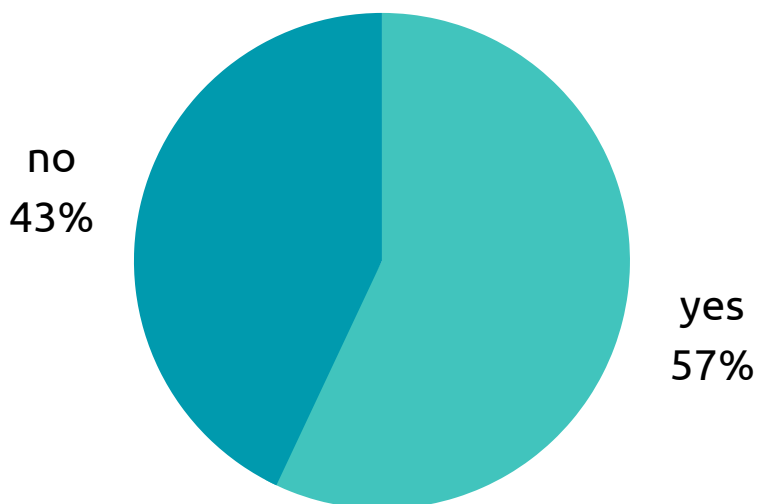
b. "No set budget in terms of dollars but the number of days."

c. "There is not necessarily a budget, but temporary housing is based on the employee's level, and they are given 30, 60, or 90 days, but we don't currently have a cap in place."

d. "We obtain a temporary housing quote from our Relocation Management Company (RMC) on a case-by-case basis and then use this to establish a general budget parameter pre-move. When actual temporary housing is sourced, we will be notified if the actual costs exceed the original budget for our review and approval."

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3. Does your company allow temporary housing alternatives, such as Airbnb or VRBO?



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Trends by Region

As an international global mobility provider, we also analyzed trends we're seeing in the temporary housing market by region.

The Americas

One of the biggest challenges in the Americas has been managing temporary housing budgets determined by clients' relocation policies. Many, but not all relocation policies have budgets for temporary housing benefits. The temporary housing industry, like many industries, was affected by recent labor market challenges and inflation. These factors have directly impacted costs, but some policies do not account for these recent changes.



"By adjusting temporary housing budgets, this minimizes the number of exceptions, making overall administration more efficient for all parties involved. Additionally, this allows clients to properly budget for temporary housing expenses, leading to a better relocation experience for relocating employees."

**WHR Client Services Manager, Jon DesChane,
based in the US.**



EMEA Region

One trend we've seen in the EMEA region is that mainstream temporary housing is being used by holiday travelers. With the higher demand, pricing can really fluctuate and be much higher at times, especially around holidays. The temporary housing industry is constantly evolving.



"People are booking temporary housing for longer periods and earlier as the region rebounds from Covid; and we are seeing a higher number of international assignments, business and leisure travels bookings, and an influx of people affected by the Ukraine crisis. The housing market remains very tight across the region; hence all of this affects the temporary housing market."

**WHR Client Services Manager EMEA, Jenny Elsby,
GMS, MIM+, based in Switzerland.**



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Trends by Region (cont.)

APAC Region

Between early to mid-2022, limited inventory due to the slowdown of new construction and an influx of expatriates resulted in demand outstripping supply. This, coupled with the labor shortage and an increased cost of operations, led to serviced apartment operators increasing their rates significantly. Takeovers and rebranding of properties to survive and thrive became the norm. Co-living options with shared facilities were snapped up, not only among the millennials. During the last quarter of 2022, we observed the market slowing down, with some industries getting hit harder than others (including massive layoffs). Temporary housing demand in key APAC locations such as Singapore is still very strong. The rates are subject to market availability and are likely to remain competitive, for now.



WHR Client Services
Manager APAC, Rowen
Wong, based in Singapore

“Employers need to be prepared to extend temporary housing beyond the standard 30 days for their employees (due to the longer time required to secure their permanent home and/or delays in shipment of household goods), and review their temporary housing budgets periodically to ensure they are in line with market rates. As for employees, once we provide the temporary housing options, we would recommend them to shortlist their top two serviced apartments in order of preference within the same day, so that we can quickly secure at least one booking for them.”



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Tips for Employers

Based on our international experience, we offer the following tips for employers who provide temporary housing benefits to their transferees and assignees:

- Book temporary housing way in advance and for longer periods, with flexible cancellation terms/booking options due to low supply issues. Inventory is very low, and demand is high, which means properties can go quickly and costs can increase.
- Set expectations with employees and prepare them for very limited choices. Help them understand that the housing might be smaller than expected but is only a stepping stone and is temporary. They may need to make some concessions about location and/or amenities. It's important that your RMC and its suppliers help set these expectations with your employees, but it also helps if your internal global mobility teams reinforce these expectations.
- For remote properties, you may not always be able to secure them directly. By using a trusted RMC, organizations will find higher quality and safe temporary housing for employees.
- Employers should review their temporary housing budgets and ensure they are keeping pace with the ever-changing market conditions.
- Be sure you're working with a reputable RMC that has a well-vetted and trusted network of suppliers (temporary housing & destination service providers) who can provide the right solutions for your employees.

Established in 1994, WHR Global is well-positioned to help you and your employees make a smooth transition on the next relocation or assignment.

