

- » Cost-of-living allowance – compensate between home and host country living costs.
- » Orientation visit – flight costs and temporary accommodation for all members of the family.
- » Sale or purchase of home – instead of property management, would normally include sales costs, agents fees etc. Property management – third party to manage principal residence. Including inspection of property, expense management and repairs.
- » Lease protection – there may be a shortfall between rental income and rental expenses in the departure country.
- » Lease cancellation – there may be a gap of up to approximately three months in a break lease situation.
- » Language instruction and cross cultural briefings – for all members of the family.
- » Shipping (or furniture allowance).
- » Storage of goods – for items remaining in the home country.
- » Temporary accommodation and living expenses – approximately six weeks. May be reduced to approximately two weeks if you use a Homesearch service.
- » Home finding services – home finding and settling in assistance. Family support, real estate advice and introduction to the community.
- » Housing allowance – housing costs, including rent, management fees, bond, government rates/taxes and utilities.
- » Settling-in/relocation support – recent surveys report that this is the area of most dissatisfaction. Companies often forget after three months that the assignees are still adapting to major changes and require ongoing support.
- » Education assistance – education program designed to provide schooling options and meet each individual family’s needs.
- » Dependent children – payment of school fees or allowance equal to difference between home and host-country.
- » Government fees. New school uniforms, books, etc may need to be considered in a miscellaneous allowance.
- » Annual trip home – flight costs and temporary accommodation for all members of the family.
- » Repatriation – career guidance and family support on return.

While the tasks associated with employee relocations appears daunting, Warrin urges employers to view international candidate sourcing as a long-term investment. “Helping candidates and their families successfully relocate requires ongoing support, great care, sensitivity, ongoing contact and a great deal of communication via phone, email and video. This might include assisting with working visas, a relocation allowance, guidance on living and working in the office location, travel tips and any additional training. The aim is to make the transition mutually beneficial for both parties,” she says. **HC**

The accommodation alternative saving companies up to 40% on corporate travel

Human Capital interviews Kathy Childs, Managing Director of Corporate Keys Australia, a leading provider of Corporate Accommodation.

Human Capital: Corporate Keys provides corporate accommodation for business people, project teams and relocating employees. Can you describe corporate accommodation?

Kathy Childs: The corporate accommodation industry provides an alternative to hotel and serviced apartments for business people. Corporate accommodation has been in the USA for over 25 years and is a multi-billion dollar industry, but is still a relative newcomer in Australia.

Corporate accommodation companies provide residential apartments – the same apartments inhabited by well-to-do city dwellers – as short-term rentals. Companies like Corporate Keys in Australia and

Oakwood in the USA have become a real alternative to hotels or serviced apartments for stays longer than a few weeks. The residential apartments are typically 50% larger and up to 40% cheaper than serviced apartments and hotels and are furnished to a high standard.

HC: How do corporate travellers decide when to stay in corporate accommodation rather than the traditional alternatives?

KC: Hotels are an ideal solution for a short stay, and serviced apartments are an excellent fit for the one to two week stay when checking out the next day is a requirement. Corporate apartments are perfect for longer stays – for a home away from home rather than a brief business trip.

Corporate accommodation is available for a minimum of 28 nights, however the average is three to six months, and shorter stays of two weeks are occasionally available.

HC: What are the benefits of using corporate accommodation from Corporate Keys compared with traditional hotels or serviced apartments?

KC: The cost of corporate accommodation is substantially lower than hotels or serviced apartments. There are many benefits: from improved living conditions, to ensuring employees are up and running as soon as they arrive. Apartments have full kitchen facilities, eliminating the expense of restaurant dining and washing and drying facilities, saving on dry cleaning costs.

HC: How does corporate accommodation compare with corporate travellers leasing apartments directly from real-estate agents?

KC: While the cost of corporate accommodation is substantially lower than hotels or serviced apartments, it is higher than comparable residential



Corporate apartments are typically 40% cheaper than serviced apartments and hotels

rentals. Residential rentals, however, are difficult for international or interstate travellers. Finding a property for short-term lease, viewing it in person to meet legislative requirements, connecting utilities and waiting for telephone technicians, hiring furniture; all of these logistics mean that the residential market is not always practical for businesses.

Corporate apartments include utilities, local phone access and cable TV on arrival. Properties can be booked after seeing a comprehensive property profile, and bookings can be made for as little as 28 nights.

HC: We hear that some hotels and serviced apartments are reporting lower than usual occupancies due to the current economic climate. Is the corporate accommodation sector experiencing the same issues?

KC: The corporate accommodation sector continues to grow as travelling consultants, assignees and relocating employees become more particular about their accommodation. Relocation consultants have jumped at the opportunity to provide spacious home-style living for their clients. With companies controlling

staffing costs more tightly, Corporate Keys is seeing an increase in occupancy as the lower weekly rental becomes as much a factor as the larger living space.

Corporate accommodation is a winner for both companies and employees. We offer sub-penthouse apartments for senior executives to twin-share two-bedroom apartments for project teams. Accommodation costs are reduced while maintaining a very high degree of comfort.

HC: You mentioned that Corporate Keys is very popular with the Relocations industry. Which other industries use Corporate Keys apartments? Can you describe your typical clients?

KC: We have a very broad range of clients. Corporate Keys is particularly popular with the IT industry and large consulting and accounting firms who move their employees around the world to meet the workload demands of various projects.

We also work with private and public companies to accommodate whole project teams; and with small to medium-sized companies who require one or two executives for periods from one month to one year.

Often interstate travellers will reside in a Corporate Keys apartment from Monday to Friday and head home for the weekend.

Having a local base ensures they are not unpacking every week in a different hotel room, and is still more cost effective. So describing our typical client isn't easy – we are structured to meet the needs of many types of clients. We approach each new request with a fresh mind and work to find the best solution for each particular client.



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	Hotel (Corporate Rate for min 4 week stay - excluding major events)	Serviced Apartments (Corporate Rate for min 4 week stay - excluding major events)	Corporate Keys (Corporate Rate for min 4 week stay - including major events)
1 Bedroom	Corporate Rate \$210 per night = \$1,470 per week	Standard Room \$170 per night = \$1,190 per week	From \$650 per week Premium Economy to \$890 per week First Class
2 Bedroom	Corporate Rate \$330 per night = \$2,310 per week	Standard Room \$260 per night = \$1,820 per week	From \$850 per week Premium Economy to \$1,350 per week First Class

*prices are based on average 2009 published rates