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Focus on Asia

Asia Pacific Properties - Beverly L.W. Sunn

In this column we focus on the different models for the delivery of relocation services outside of Europe. Service delivery models vary greatly the world over and in this edition we look at China and Hong Kong, under the expert guidance of Beverley Sunn.

Beverly L.W. Sunn pioneer of modern relocation services in Hong Kong and China speaks up about her inspiration for setting up Relo services in Asia and the challenges of maintaining quality services in an emerging market.

How did you get involved in the Relocation industry and what was your inspiration?

My husband and I moved to Hong Kong in the early 1980's, into what was then a strange and new community to us. With three young children and their grandparents in tow, this state of upheaval came at a time when relocation services did not exist in Asia.

We really had no help at all setting up and had no idea how to go about taking care of the simplest things. We ended up living in a hotel for six months and it took that long just to get the children into an international school. The real catalyst, however, was a personal tragedy in the family. We lost someone very dear to us due to our lack of knowledge about the healthcare system. It was at that point, I determined that no newcomer should have to suffer as we had. Out of that experience, the seeds for Asia Pacific Properties (APP) were sown.

We opened our doors in 1985 and, ten years later, expanded into China, a natural progression with our client-base. Today, we have offices in Beijing, Shanghai, Guangzhou and Shenzhen from where we provide services to twenty cities.

Most companies are either Real Estate or Relocation specific. Why did you decide to combine them?

Whilst traditionally our industry has focused on the relocation aspect of an assignment, in Asia real estate can represent 50 to 70% of the ground costs for any corporation. Coming from a real estate background, the concept of combining corporate real estate with relocation services seemed to be a natural.

Simply put, our approach is holistic and two-pronged. On the one hand, we help contain costs to the corporate client by providing tenant-representation in an



Beverly L. W.

Sunn is President and Founder of Asia Pacific Properties (APP), a 24 year veteran in providing strategic and country specific relocation and real estate programs in Hong Kong and China. A real estate and relocation specialist whose professional career spans the U.S., Hong Kong and China, she works on global business development and program strategies Beverly speaks regularly at international real estate and relocation conferences worldwide and has recently completed her three year Board term with Worldwide Employee Relocation Council. Born and raised in Hawaii, Beverly Sunn holds a Bachelor of Arts in psychology and a Master of Arts degree in social work from Boston University. Headquartered in Hong Kong and with four offices in China, APP provides comprehensive

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industry that traditionally was, and continues to be, developer representative and transaction orientated. On the other hand, our integrated programs are delivered by consultants who are both trained relocation counsellors and licensed real estate experts. Moreover, in a region where it is customary to hire part-time or freelance agents to answer to perceived English-speaking needs, our consultants are full-time, bilingual professionals. Though all of our consultants are deeply rooted in their Asian culture, nearly all of them have relocated abroad themselves, giving them an innate understanding of an assignee's needs and concerns. It is this deep sense of the destination's culture that ensures a consistent transfer of invaluable knowledge and support, which accelerates an Assignee's integration into their community.

You have said quite a bit about culture and community. How important is it to have a cross-cultural perspective?

Having been born and raised in the U.S. and of Chinese descent, I have a Western business sense coupled with a Chinese cultural background, so seeing potential cross-cultural hiccups came naturally to me. Hence, in these past 24 years, we have always placed a strong emphasis on the need for a cross-cultural perspective. Here in Asia, you have to do more than just read between the lines. If necessary, you have to read under, over and around the lines because it is a very context-oriented mind-set. If you don't know this mind-set exists, seemingly normal assumptions, responses or behaviour interpretations can lead to avoidable misunderstandings that can stymie personal and professional success.

For example, in many instances "no" can mean "yes" in China. When first offered a cup of tea, it is polite to turn it down. The host will continue to ask, at which time it would be polite to accept it. Or, when given a compliment, say on a new article of clothing, it is polite to disagree and counter, "oh no, it is nothing special!" rather than simply thanking them (this could be misconstrued as thinking they didn't appreciate the compliment or seen as rude). Lastly, when greeting someone, a heavy handshake may not be taken for enthusiasm or trustworthiness but instead seen as an act of aggression.

Given these examples, we truly cannot overstate the value a service provider who is sensitive to cultural differences – and can translate them to its clients – can aid in avoiding misunderstandings, which are simple in nature but can undermine the overall success of an assignment.

employee-mobility services that include turn-key real estate projects related to corporate mobility projects and in-depth relocation programs. A pioneer of integrated relocation and real estate services in this region, the company is noted for its professional and ethical standards. APP has been a member of EuRA (since 2003) and the Worldwide Employee Relocation Council (headquartered in Washington DC) for more than a decade. As a real estate expert, the company is also a member of NAI Global (Commercial Real Estate Services, Worldwide) and Leading Real Estate Companies of the World™.

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So, in addition to cultural differences, what are your biggest

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challenges in an emerging market like China?

The real estate market in China, as we know it, was really only established in the 1990's. Therefore, real estate standards and practices have only just taken root in first-tier cities like Beijing and Shanghai, and are still somewhat fluid. With many international companies now heading to second- and third-tier cities in pursuit of lower costs, our largest challenge is the continuous problem solving required in the face of constantly changing parameters.

Our second largest challenge is, as a tenant-representative, in real estate markets where it is the norm to represent the landlord, we encounter a number of agents who offer no transparency on how they collect fees. This practice can, in some ways, result in unfair trade business practices. To come back round to the need for cross-cultural awareness, it may seem to the newcomer that these negotiations are unnecessarily obfuscated and, thereby, appear to be suspect.

Because nothing is really standardised, that is where our true value lies; in sorting out the array of issues that are endemic to an emerging market and conclude an agreement that responds to the Individual's needs *and* is in accordance with Company guidelines.

Ultimately, throughout, our aim has always been to ensure a smooth transition. Having equally-matched strengths in the fields of relocation and real estate have helped us to contribute to the efficiency of our clients by allowing them to focus on what is most important – getting down to their respective businesses. It is this commitment to the integrity of services and establishing long-term relationships that result in continuity for the corporate client, the Assignees and their families.

Finally, what advice would you give to corporations looking to expand into China?

To be astutely aware of the challenges of moving into an emerging market, to do the due diligence and find a strategic partner with a broad-based foundation of knowledge and a deep understanding of the market and business practices. Additionally, be sure that your own teams understand the challenges of moving into an emerging market – language, culture, etc. This is where service providers can really make or break a move, by offering knowledge and strategic consultations beyond the implementation.