

## EXECUTIVE SUMMARY

The city of Balikpapan is poised to become the next target of urbanization due to its potential role in the relocation of the capital city to East Kalimantan. With an expected influx of population, particularly in light of its newfound status as a supporting city for the New Capital City project, Balikpapan is projected to experience significant population growth in the next five years. This shift in demographics is making Balikpapan a prime destination for employee mutations from both state-owned and private companies.

Employee mutation, involving changes in position or role either vertically or horizontally within a company, is a common practice. The purpose of employee mutations is to provide employees with new experiences and job satisfaction. However, the process of employee mutation is not always smooth, as housing-related challenges have emerged, particularly for those being relocated to Balikpapan.

The issuance of employee transfer decisions within a relatively short window of seven to ten days prior to the relocation date has created significant challenges in the housing arrangements for the affected employees. This tight timeline has impeded the employees' ability to secure suitable living accommodations. When employees have attempted to survey rental homes, a notable discrepancy between the condition of the homes depicted in photos and their actual state at the location has emerged. Several rental home options suggested by agents were situated in non-strategic locations. Employee surveys have resulted in rental homes that are both inconveniently positioned and distant from essential public facilities.

In response to the challenges, OLIV emerges as a solution dedicated to providing quality residential accommodations. OLIV specializes in strategically located housing options, ensuring the safety and security of relocating employees. The properties facilitated by OLIV are situated within residential neighborhoods, thus assuring a heightened level of security and convenience. By partnering with OLIV, companies can streamline the housing transition process for their relocating employees. In essence, OLIV contributes to a smoother relocation experience and enhances the overall well-being of employees during their tenure in Balikpapan.

Based on the financial analysis of PT OLIV presented, it can be concluded that the OLIV business is suitable for operation due to its IRR and MIRR of 41.29% and 38.07%, respectively, which exceed the WACC of 20.17%. The OLIV business is

also projected to have a payback period in the fifth year, two months in. OLIV can also be considered a viable business with an NPV of Rp 8,039,232,363 and a Profitability Index of 1.83. Net profit becomes positive in the second year, amounting to 712,547,473, and cumulative profit in the second year reaches 361,623,073.

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