BACKGROUND

Greater Kuala Lumpur offers great opportunities for foreign multinational companies looking to tap into growth opportunities in Malaysia and across Asia.

In Success Stories of MNCs Vol.3, we showcase some of the best organizations within the Fortune 500 and Forbes 2000 companies at the top of their industry, and stories of how they engage and thrive within Greater KL’s ecosystem.
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ORACLE’S DIGITAL HUB IN GREATER KL TRANSFORMS CLOUD SERVICES FOR SMES

Supported by a digital hub in Greater KL, Oracle’s cloud solutions serve enterprises across 22 countries.

The digital hub, Oracle Corporation’s first in Southeast Asia, has been growing rapidly on the back of Malaysia’s business-friendly ecosystem. Located in Greater KL, Oracle Digital Hub is among four such operations established by the global tech giant in Asia-Pacific.

Founded in 1977, the California-based Oracle offers solutions that cater to the whole spectrum of enterprise needs. With more than 138,000 employees worldwide, the company is one of the world’s leading B2B (business-to-business) tech providers with the lion’s share of the global database and ERP (enterprise resource planning) market.

Over the last six years, Oracle has been placed between No 77 and No 82 on the Fortune 500 list, an annual ranking of the top 500 companies worldwide based on revenue. To stay relevant, its business strategy shifted three years ago from providing “on-premise” software solutions to a more service-oriented focus as a cloud provider.

“Playing in the cloud space has truly transformed our operations. Our
"There are many factors that make Kuala Lumpur ideal to establish digital initiatives. The availability of a large talent pool, language diversity, robust infrastructure, a government with a vision of becoming a premier digital economy, and the competitive cost of doing business."

— Fitri Abdullah, Managing Director of Oracle Corporation Malaysia Sdn Bhd

products and services, the way we manage our customers as well as the type of customers we can target have also changed. The inception of the digital hub in Malaysia is a result of this change in Oracle's business strategy. Oracle Digital Hub in Malaysia offers cloud services and targets small and medium enterprises (SMEs) across 22 countries," says Fitri Abdullah, managing director of Oracle Corporation Malaysia Sdn Bhd.

“Operations at this digital hub commenced at the end of 2016 and growth has been very rapid. A team of 200 employees was hired in a four to six-month period. It was very challenging to build something new and to grow so quickly but we managed to achieve our goal on the back of tremendous support from the government through agencies such as InvestKL and a lot of hard work by the Oracle team.”

He adds that Oracle has an internal investment scorecard for countries and that Malaysia is ranked highly in the region. “There are many factors that make this an ideal country to establish digital initiatives. Competitive advantages include the availability of a large talent pool, language diversity, robust infrastructure, a government with a vision of becoming a premier digital economy and very supportive of initiatives such as our digital hub, and the competitive cost of doing business.”

“Furthermore, we have been operating in Malaysia for about 30 years. This is a very important market for Oracle and establishing the digital hub here is aligned with our aspiration of becoming a leading cloud provider.”

The right talent to stride ahead

Moving away from Oracle’s legacy of providing “on-premise” solutions required a mindset shift in the way things are done in the company. Fitri believes the shift towards a service oriented culture has been
difficult to incorporate quickly largely because its legacy products and services had been very successful for many years.

“We have to overcome legacy inertia and perceptions in order to do things differently. Nevertheless, total cloud revenue for Oracle Corporation surged 44% to US$1.5 billion in our fiscal 2018 second quarter results. This success can be attributed to increasing scale and the gathering momentum in our cloud business. I am optimistic that this business will continue to grow in the coming quarters,” he says.

Growth in Oracle’s cloud services is expected to be driven by SMEs. After all, Asia-Pacific is home to over 67% of the world’s SMEs or about 266 million businesses. According to Fitri, SMEs can leverage cloud technology to streamline operations, boost innovation and reduce costs. Oracle’s family of offerings is designed to remove some of the biggest obstacles to cloud adoption and enable organisations to quickly and easily move business-critical applications to it.

“Our cloud services allow businesses of any size to access the most modern solutions in the market at an affordable price. This is the democratisation of technology as it is no longer the exclusive advantage of large corporations with large budgets. The process of transitioning to the cloud is usually done in stages. SMEs typically start with one project and grow from there,” says Fitri.

To cater for the growth in the SME market, the plan is to increase the number of employees at Oracle Digital Hub over the next four to six months. Most of its workforce are millennials and Generation Z (the demographic cohort after millennials). Oracle carries out its own recruitment and has found it possible to find talent with the right skills in Greater KL.

“At Oracle Malaysia, we have a strong diversity agenda and about 45% of our non-managerial employees and 40% of our management staff are female. This is based on the recognition that a diverse and inclusive workforce where all employees contribute towards thought leadership drives innovation and higher performance.”

"Employees are given the necessary training with strong support from their superiors to succeed in their roles. After working with us for about two years, they can also apply for any positions within Oracle anywhere in the world. I would like the Oracle digital hub in Greater KL to be a great place to work and am very excited about the growth opportunities and outlook for this hub as we work closely with our customers on their cloud journey,” says Fitri.
SUBSEA 7 SEES LONG TERM GROWTH FOR ITS REGIONAL HEADQUARTERS IN GREATER KL

Subsea 7, a world-leading seabed-to-surface engineering, construction and services contractor for the offshore energy industry, finds Greater KL to be an ideal location to conduct its regional operations. The company relocated its regional headquarters to Kuala Lumpur about 18 months ago and has taken a long-term perspective for its business here.

“Despite challenging market conditions in the oil and gas industry over recent years, Subsea 7 managed to deliver projects while maintaining a strong balance sheet and growth through managing its cost base, establishing alliances and partnerships, strategic acquisitions and investment in innovation and technology. We have been able to provide cost-effective technical solutions for our clients. We have taken a leading role in finding new ways of working using technological innovations to adapt to the new market environment and to lower the cost of our projects,” says Olivier Blaringhem, Subsea 7’s vice-president for Asia Pacific and Middle East.
Subsea 7 is a world leading specialised contractor to the offshore energy sector. Its core strengths in project management and engineering have been demonstrated by successful completion of over 1,000 projects, large and small, over the last 40 years.

In the past three years, Subsea 7 overcame headwinds in the oil and gas market by maintaining internal capabilities and expertise while reducing capacity and cost. The company continued to invest in technology and in strategic acquisitions during this challenging period and delivered strong operational and financial results in 2016. Group revenue was US$3.6 billion and adjusted EBITDA was US$1.1 billion, as clients continued to minimise expenditure in an environment of low and uncertain oil and gas prices. Nevertheless, the company’s cash position remained strong, with net cash of US$1.2 billion at the end of 2016, an increase of over US$800 million from the preceding year.

Here, Olivier Blaringhem talks about Subsea 7’s plans for its local operations, how it develops its employees and its outlook for the coming years.

**The Edge:** Firstly, what drove the decision to relocate your regional headquarters from Singapore to Kuala Lumpur?

**Olivier Blaringhem:** It makes a lot of sense for a global company in the oil and gas industry to be based in Kuala Lumpur. Subsea 7 is among many companies that have relocated here and benefitted from the local business-friendly environment.

The Malaysian energy industry has matured and its supply chain is developed and comprehensive. Furthermore, the infrastructure in this country is established, reliable and serves our needs. Clearly, it is also advantageous to be close to our customers and partners.

We also expected to benefit from Malaysia’s talent pool. Indeed, it has been relatively easy to find people with experience, good technical skills and good communication skills. Subsea 7 has a track record of reliable and responsible operational execution and of respecting the environment and communities where we work. We are committed to conducting our business to the highest standards of safety and integrity. Subsea 7’s reputation has attracted experienced talent to the company and I have been impressed with the skills and capabilities that can be found in the local talent pool for the oil and gas industry.

In addition, government agencies such as InvestKL eased the process of relocating our regional headquarters to Kuala Lumpur. InvestKL is very proactive and they contribute to Kuala Lumpur’s business-friendly environment. They have greatly assisted us by promoting relationships and connecting us with the right authorities and agencies.

Finally, the cost of doing business is attractive. Greater KL provides good value at a competitive price. Taking everything in account, Kuala Lumpur truly offers a strong value proposition for companies like Subsea 7.

**What are your plans for Subsea 7’s regional headquarters in Kuala Lumpur?**

We have been operating in this region for over 40 years and have always taken a long-term perspective in what we do. This is the nature of our business and we have a long-term view for our operations here.
We have increased our headcount over the last 18 months and hope to build upon this in the future.

Subsea 7 recently relocated a vessel from Europe to this region. She is currently serving a project in South Korea. This is a significant step that speaks of our long-term commitment to our operations here. Vessels are our assets and a cornerstone of Subsea 7’s operations. Having a vessel to serve our projects provides more opportunities for us. The Kuala Lumpur regional headquarters is currently involved in recruiting local talent to work on this vessel.

How do the regional headquarters here support Subsea 7’s operations in this region?
The plan is to develop the full range of skills needed for our projects in the Malaysian headquarters. Members of the management team that oversees the Asia Pacific and Middle East business are based here along with project management and marketing teams. The project management team looks at procurement, management, logistics and operations for our regional projects while the marketing team seek and secure new business development prospects and opportunities.

For example, we won a project in Australia early this year and are currently supporting our operations there with supervisory and procurement activities. We also oversee fabrication work for this project that is taking place in Vietnam.

The approach is basically to optimise the skills of all our employees to better meet the needs of our clients. By leveraging on the full strength of our global resources and know-how, we can respond quickly to our clients.

This also allows us to be cost-efficient and competitive and to support our clients by lowering the cost of their projects. This way, they (our clients) can embark on projects in the current environment where oil prices hover between US$48 and US$58 a barrel and do better than breakeven.

Growth in the oil and gas industry is expected to slow significantly next year. What is your outlook for this sector and how has Subsea 7 addressed the challenge of lower oil prices?
The last three years have been difficult for the oil and gas industry. During this period, we continued to deliver value to our shareholders and our clients by lowering our cost base and improving efficiencies.

“Greater KL provides good value at a competitive price. Taking everything into account, Malaysia truly offers a strong value proposition for companies like Subsea 7.”
— Olivier Blaringhem, Subsea 7’s vice president for Asia Pacific and Middle East.
We have and will continue to invest in capability, i.e. develop our people, modernise our operations, enhance our fleet and grow our technology portfolio. It is our capability that allows us to stand apart and be a market leader in offshore engineering and construction.

The outlook for the oil and gas industry has improved marginally. Demand for oil is slower but it is still growing. The need for new fields (for oil and gas) to be developed is still there but it will continue to be a challenging period especially for contractors in this market. However, we do expect 2018 to be a year of growth for Subsea 7 in this region. We are seeing some opportunities in Malaysia, India, Australia and the Middle East.

How does Subsea 7 add value to their projects by establishing a local presence?
Subsea 7 looks to add value to our clients and to keep costs competitive. This is done by investing in people, technology, assets and by building a local presence and working with local partners. A strong local infrastructure allows us to respond with sensitivity to local opportunities while enhancing our overall position as an effective global partner. With a local presence, as in Malaysia, we can be fully aligned with the strategic and commercial objectives of our clients at the very early stage of a project.

Tell us a bit about your training programmes for local employees.
People are the foundation of our business and central to our success. Subsea 7 has approximately 8,500 employees around the world. It is our skilled and experienced engineers, project managers, onshore and offshore construction and support staff that enables us to deliver projects on schedule.

To help train our people, Subsea 7 has an engineering graduate programme that takes place all over the world. In this programme, graduates are based with us locally for three months before they spend time with our operations in Norway and Scotland, each for a year respectively before returning to Malaysia.

There, they learn technical skills and more importantly, establish an international network of contacts. Oil and gas is a global industry, Subsea 7 is an international operation, and our employees need to have contacts in other countries and a worldwide perspective.

The programme supports the development of our leaders and our managers for the future. This year four employees from Malaysia have been selected for this programme.
TOWARDS A MORE LIVEABLE GREATER KL

Projects by AECOM ensure the Kuala Lumpur capital and its surrounding suburbs become even better places to live and work.

AECOM is one of the world’s largest engineering firms with a reputation and global reach that is unrivalled in the industry. With a pool of 87,000 employees, this Fortune 500 firm designs, builds, finances and operates (known as the DBFO model) infrastructure assets for governments, businesses and organisations in more than 150 countries. With a client base of 25,000, AECOM made revenue of about US$17.4 billion last year.

The premier global infrastructure firm has been in Malaysia for 40 years, but has grown rapidly in the past four years when its employee headcount surged from around 50 to 800.
"Growing populations and rising urbanisation makes it increasingly important for cities to be sustainable and liveable."
— Feisal Noor, AECOM vice-president of Buildings + Places for Malaysia.

Having been involved in some of the world’s most iconic projects — the One World Trade Centre in New York; Cross Rail, a high-frequency, high-capacity railway in London; Colombo South Container Terminal in Sri Lanka; and Taizhou Yangtze Bridge in China — AECOM is well aware of the importance of large multifaceted projects and their specific challenges.

“Growing populations and rising urbanisation makes it increasingly important for cities to be sustainable and liveable. Cities are where people live, work and play. Making this urban space safer, healthier, and more accessible within its existing framework can be a very complex challenge without obvious or easily achievable solutions,” says Feisal Noor, AECOM vice-president of Buildings + Places for Malaysia.

“Big, bold ideas and a paradigm shift from the conventional way of thinking are needed to overcome such complex challenges. This is what AECOM does best. We leverage the expertise of our large pool of employees around the world, many with years of innovation and hands-on experience in different industries, to anticipate and solve the most complex challenges faced by our clients,” says Feisal.

Towards a more liveable city
AECOM was appointed as delivery partner for Phase 1 of the River of Life (RoL) project in 2012 and project lead consultant for the Klang Valley MRT in 2013.

“Launched in August, Phase 1 of RoL has already enhanced the quality of life for the people in the city,” says Scott Dunn, AECOM vice-president and director of Development for Malaysia. “The river was in a totally different place five years ago, when we were appointed to draw up the master plan for RoL. Now, Phase 1 of the RoL has completely transformed this part of the river and people are engaging with it in new ways. Urban social spaces that are accessible, interesting, comfortable and sustainable, like RoL, are a fundamental characteristic of great, liveable cities,” says Dunn.

Rejuvenating the Klang and Gombak river corridors is also expected to enhance the value of the surrounding real estate. “Projects like the RoL take years to complete and require a wide range of technical and project management skills as multiple stakeholders are involved and new issues are invariably uncovered during its transformational process.

“It is important to note that delivering such a project successfully goes beyond the essential improvements of water quality. It is about placemaking — creating an urban space that serves current and future user needs, drives economic growth, and addresses socioeconomic disparities.
The project has the potential to transform and elevate the lives of all Malaysian people,” says Feisal.

**A regional transit point**

Both Feisal and Dunn foresee a bright future for Greater KL once the RoL and the integrated rail network in the Klang Valley are completed, as this will improve Malaysia’s connectivity internally and with other regional countries. World-class infrastructure and a revitalised downtown centred on a rejuvenated River of Life will ensure Kuala Lumpur moves higher up the rankings of global cities.

“Greater KL is already a strategic transit point for companies with regional operations. Reducing the travel time between Kuala Lumpur and regional cities creates even more possibilities for individuals and businesses to use this city in brand new ways. With world-class infrastructure and an affordable cost of doing business, Greater KL will become a truly liveable city that surpasses its peers,” says Dunn.

AECOM’s team in Malaysia now numbers over 800 professionals.

“Our local professionals benefited from a knowledge transfer by collaborating with international rail experts found in the wider AECOM group.”

“Over time, the Malaysian office grew as a centre of excellence for rail infrastructure delivery. Now, the skills acquired by our employees are exported out of Malaysia and they are able to advise our rail project teams in Thailand and Vietnam,” says Dunn.

About 95% of AECOM’s over 800 employees are Malaysians. To develop their skills, AECOM provides them with a holistic knowledge platform and resources, including an online education portal known as AECOM University.

“When best practices, technical subjects, project management systems and compliance studies are available online. AECOM University has courses developed internally and with external universities and our employees can use this platform to enhance their capabilities. We also organise events where our global experts can share their experiences with the local team,” says Feisal.

“I have worked around the world and find that multinational companies are generally impressed with the quality of Malaysian talent. Malaysian employees are multicultural and multilingual. These are valued attributes, but most importantly, Malaysians are highly adaptable and able to adjust in any situation. This enables us to rise up to the challenges posed by complex problems and come up with big and bold ideas and solutions to build a better world.”

Source: The Edge Malaysia
Arcadis is listed on the Amsterdam Stock Exchange and, through its affiliates and related companies, has been established here since 1948.

This year will mark the 70th anniversary of the company’s presence in Malaysia.

Arcadis provides professional services such as cost management and quantity surveying, programme and project management as well as business advisory services in a wide range of sectors, namely, building, infrastructure, water, environment and energy.

Arcadis has successfully delivered numerous projects across Malaysia over the last seven decades and continues to steadily increase its investment here, according to Arcadis country head Justin Teoh.

GLOBAL consultancy business Arcadis continues to make positive contributions towards Malaysia’s vision of becoming a high-income nation by 2020.
He said Arcadis, in collaboration with its local affiliate JUBM Sdn Bhd, currently provides professional services for the Klang Valley Mass Rapid Transit Lines, Kuala Lumpur Eco City and Tun Razak Exchange projects, among others.

Notable completed projects that the company has been involved with include the Grand Hyatt Hotel, Damansara City, Pavilion Kuala Lumpur and Ritz Carlton, Langkawi.

Ever since 2015, the company has published the Arcadis Sustainable Cities Index, which ranks 100 global cities on three dimensions of sustainability — people, planet and profit.

“As far as future investment is concerned, Arcadis is working towards growing the Southeast Asian Hub (SEA Hub) in Greater Kuala Lumpur (GKL) to serve as both a centre of excellence for its business activities as well as a shared services administrative office,” said Teoh.

“At present, one of the major initiatives of the SEA Hub involves developing and enhancing software tools to address the growing and immense impact that digital technologies will have on the sectors in which we operate in.”

“A good example of this is the work we are doing on ‘augmented reality’ for use with BIM (Building Information Modelling) models for real-time interactive sensory experience on construction projects,” he said.

When looking to set up the SEA Hub, Arcadis sought the advice and assistance of InvestKL in the restructuring of its local business entities so as to realise greater operational efficiency.

“InvestKL has been of tremendous help with the setting up of our SEA Hub ever since we first mooted the idea in 2014. They have provided great networking opportunities for us here in Malaysia and connected the company to the right people. They have also facilitated placement of foreign expertise into our Malaysian business,” he said.

Teoh said the primary drivers for the company’s decision to establish a SEA Hub here were geographical location and the depth and quality of the labour force.

“GKL is centrally located in Southeast Asia. The infrastructure and connectivity within and around GKL, as well as between GKL and other major cities in the region, means that we are well-positioned to efficiently and effectively provide support to...”

“As far as future investment is concerned, Arcadis is working towards growing the Southeast Asian Hub (SEA Hub) in Greater Kuala Lumpur (GKL) to serve as both a centre of excellence for its business activities as well as a shared services administrative office.”
— Justin Teoh, Arcadis Malaysia Country Head
our regional offices, whether they be located in neighbouring countries such as Brunei or Singapore, or even further afar in Hong Kong or China,” he said.

Teoh said Malaysia also provides a large pool of highly educated and mostly English speaking graduates with multi-lingual capabilities to select from, whether they be for the company’s core business activities or for its enabling functions.

“Our operations in Malaysia are predominantly managed and supported by locals, which make things very cost-effective. In situations where we do have foreign colleagues working out of the SEA Hub, they are able to fit right in as Kuala Lumpur is a modern and cosmopolitan city, with rich cultural diversity,” he said.

Teoh also said the costs associated with relocation are manageable, largely due to the lower cost of living and housing when compared with neighbouring countries.

Global Strategy 2018-2020
On Arcadis’ overall global strategy and plans for the future, Teoh said:

“In November 2017 we launched our new global strategy 2018-2020. The three pillars of this strategy are People and Culture, Innovation and Growth, and Focus and Performance.

There are several aspects to this. We want to be the employer of choice through continued investment in our people.

We also want to step up investment in digitisation to become a digital forerunner in our industry. We will continue to leverage our global experience and deep client relationships to drive organic growth.

Finally, we will focus on where we can lead based on relevance for clients, local markets and global positions.

Insofar as our business in Malaysia is concerned, we are well aligned with the strategy. We hope to be a role model for a locally Malaysian managed professional services firm operating under the umbrella of a global organisation,” said Teoh.

Source: New Straits Times

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— Justin Teoh, Arcadis Malaysia Country Head
GREATER KL, THE RIGHT PLACE FOR A GLOBAL LEADER

Based in Greater KL, the construction accessories business, Halfen-Moment Group, is part of CRH plc, a global leader in building material, with a number of strategic footholds in the ASEAN market.

CRH plc (CRH) is the second largest building materials company globally, the largest in North America, and the largest heavyside player in Europe. “In Greater KL, CRH’s presence includes the headquarters of the Halfen-Moment Group, these headquarters functions as part of CRH’s broader construction accessories business in Asia,” says Andi Lapon, managing director of Halfen-Moment.

CRH offers a diverse portfolio of products and services across the entire spectrum of construction solutions. Its products are categorised into three key segments: heavyside materials, lightside products, and building materials distribution. The focus of CRH’s local operations in Malaysia is in construction accessories, which falls under the lightside product segment.

Headquartered in Ireland, CRH is a constituent of the FTSE 100 index. The Fortune 500 company is also listed on the Irish Stock Exchange and its American Depositary Shares are listed on the New York Stock Exchange. It currently employs over
87,000 people across 31 countries around the world. At the end of last year, CRH posted a 15% sales growth from 2015 to €27.1 billion on which pre-tax profit soared by 69% to €1.7 billion.

In Malaysia, the Halfen-Moment Group was acquired by CRH in 2012. The Halfen-Moment Group specialises in efficiency-increasing construction accessories for building-site structures and industrialised building systems (IBS).

IBS is a construction technique whereby components are manufactured in a controlled environment, either on site or off site, and then placed and assembled into construction works. It is widely regarded as the way forward in the construction industry. It can reduce both construction time and labour costs.

"Quality is a major concern during the construction process and if there is no established system of quality certification, every initiative to increase the quality of products used on site has to be supported. The Construction Industry Development Board (CIDB) has a crucial role here and in my experience they take this role very seriously. By having a body that focuses on (build) quality and more importantly enforces their policies, the standards and quality of the products are set to improve. With stringent quality control, potential dangers can be diminished as we control and reduce the quantity of low quality (building) supplies that make their way to (Malaysian) building sites," says Lapon.

"I am convinced that in the long run and given the right strategy, CIDB can further elevate (the construction industry in) Malaysia. In my opinion, there is opportunity for Malaysia and the CIDB to look at ease of implementing solutions to reduce the need of labour tremendously, and increase build quality. Halfen-Moment Group, for instance carry products that reduce labour by over 60% on site while increasing the quality of construction. However, these products now have to compete with cheaper low quality workarounds, and are therefore hard to introduce," says Lapon.

**Improving the build quality**

The use of low-quality products in the construction process is a concern as it affects the overall build quality of new developments. Lapon says that every initiative to increase the quality of products used at a construction site should be supported.

Quality control does not end with raw material checks, it should extend to the validation of the entire product design. "Let me use an analogy. If I buy a Bentley car, the quality of the steel used in the car is crucial, but it doesn’t tell the entire story about the quality of the car. We at CRH always emphasize on high quality products which are well designed and engineered; from end-to-end," says Lapon.

**The Malaysian advantage**

It is an advantage for multinational companies such as CRH (through Halfen-Moment) to establish a presence in Malaysia. Lapon points out to two important commercial considerations: the cost of doing business and the ease of doing business in this country.

"The Malaysian government has done many things to reduce the cost of doing business. The use of English as the main business language also makes it easy for Western companies to operate here. Furthermore, agencies like InvestKL are ready to support multinationals that set foot in Malaysia. They are an excellent facilitator for companies that need to find a way through a complex web of protocols and organisations," adds Lapon.
"The Malaysian Government has done many things to reduce the cost of doing business. The use of English as the main business language also makes it easy for Western companies to operate here."
— Andi Lapon, managing director of Halfen-Moment

Building talent, a strategic asset
Local employees in CRH operating companies also have potential opportunities to work in CRH offices around the world.

“I have worked in Antwerp, Toulouse, Barcelona before working in Kuala Lumpur. When we acquire businesses, we always look internally before filling vacancies with external candidates. There are global employment opportunities for employees that master their jobs,” says Lapon.

“I am blessed with a great team. We have a hardworking and well-educated workforce that is open to change and are eager to become better. The company competes internationally and this would not be possible without the right people in place,” says Lapon.

He says that being part of a global group of companies is also beneficial as local talent is often exposed to their foreign counterparts. “I see more people from Asia Pacific visiting and collaborating with their peers in Europe today. I believe that such international exposure can also be very rewarding on both professional and personal levels.

Through a gap analysis and appraisal interviews, we understand the training needs of our people. This allows us to have a structured training plan. Training never stops in CRH. It’s an ongoing process,” says Lapon.

“I believe experience is the key for any talent, hence we often look for talent that who will grow alongside with the company. Whilst we are mindful there will be inherent cultural differences, individuals with high adaptability and those who embrace change will find CRH an exciting place to work in,” says Lapon.

CRH through Halfen-Moment has a partnership with University Malaya aimed at developing young engineers in the country. Here, Halfen-Moment works on new innovations and offers training and apprenticeship opportunities to young talent. “We work on joint innovations for developments such as housing projects. We are considering introducing business cases with practical construction challenges to encourage students to come up with possible solutions. This will help them to bridge the gap between theory and reality. Another idea is the establishment of an innovative body where students or alumni can design, innovate and patent new construction products,” says Lapon.

Source: The Edge Malaysia
The Haskell Company (Haskell), an industry leader in the design-build construction method, has established a global design centre in Greater KL. Headquartered in Jacksonville Florida, USA, this privately-held company has built its name by performing a wide range of services in design and construction for a variety of customers. Services range from business case analysis and master planning, to systems analytics and modelling, to architecture, all disciplines of engineering, project management, specialized engineering (process, packaging, material handling, CIP systems), to sustainable design and virtual reality/augmented reality models. Its multinational clients are industry giants such as PepsiCo, Safran, Diageo, Procter & Gamble as well as government entities.

Although Haskell has been working on projects in Southeast Asia since 2007, the company only established a permanent regional hub in Malaysia this year. “We have been supporting clients like PepsiCo, Gulfstream, ImBev and Spirit AeroSystems (during the construction of their original plant in Subang) for a long time in the region, but we did not have the correct resources to sustain our presence in this market. However, since 2014, we have built a strong team of expats and local talent in order to
provide quality services at local pricing. With over 1300 employees worldwide, more than half of the global team are design professionals. Most of them came from the client’s side prior to joining our team. Our entire delivery system is focused on improving the client’s business case. We are always looking for the best combination of innovation, cost, operational ease of use, maintainability, reliability, quality, sustainability, safety, and time to implement any of the systems we recommend,” says Jonathan Toke, vice-president of Asia for Haskell (USA), and managing director for the branches in the region, including Malaysia Services Sdn Bhd.

When Toke was establishing a full-time operation for Haskell in Asia, he surveyed universities in different countries to evaluate their talent pool. After evaluating the calibre of fresh graduates in Malaysia, Toke decided that Greater KL was a suitable location for Haskell’s regional hub.

“Greater KL offers many advantages over its peers in this region. It is strategically located with good infrastructure. Locals speak many languages including English and the country is business-friendly and cost-efficient. To me, what was more interesting but less obvious is the capacity and the capability of its talent pool. There is a melting pot of different races, cultures, and upbringing here. This situation along with the many education institutions here has created ‘diversity of thought’ among its graduates,” says Toke.

A relatively new concept, diversity of thought is believed to boost innovation and creative problem-solving at the workplace. With different cultures, backgrounds and personalities shaping how employees think, companies are able to stimulate creativity, spur insight and increase efficiency. This is vital for Haskell, a thought-leader in integrated delivery where the right solution must be provided for each of its unique clients.

“Haskell has worked on some of the biggest and most complex industrial projects around the world. We aim to deliver a collaborative project experience by working closely with our clients. It is our hallmark to provide certainty of outcome for every project. In other words, we look to minimise the risk involved in meeting our client’s objectives by identifying potential roadblocks and hurdles along the way. By discussing these issues early on, we stand a much better chance of delivering the project on time or even before the expected completion date, and within budget,” says Toke.

“Once you take the talent pool into account, Malaysia stands out when measured against other countries. The competency of young professionals that are able to blend new technology and old technology stands out.”

“There is a melting pot of different races, cultures, and upbringing here in Greater KL. This situation along with the many educational institutions has created ‘diversity of thought’ among graduates.”

— Jonathan Toke, Haskell vice-president of Asia
“There is a lot of creative energy here and we hope to be able to harness and nurture it to deliver on an international level,” says Toke.

**Set for rapid growth in Greater KL**

Toke has big plans for Haskell’s operations in Malaysia. Its office in Greater KL has only been opened for a year but he sees the potential of doing more to support Haskell’s global operations.

“We opened the doors to our office on September 6. The aim of this space is to harness creative energy and it is able to sit 20 comfortably. We have since hired 15 local employees and counting. We also have another six employees based in Singapore, and we will quickly reach 15 more team members at our new office in the Philippines,” says Toke.

He adds that there is a strong possibility of increasing the number of local employees by three to five times over the next five years or so. “Of course, this largely depends on securing new clients and on whether we are able to support our operations in the US in a competent and professional manner.”

As Haskell’s regional operations are in a different time zone to its American operations and other developed markets, the company is poised to benefit from a reduced turnaround time and in better utilisation of resources when working for global customers. “There are a lot of advantages in operating in different time zones. For example, the team in Greater KL, when trained and ready, would be able to continue working on design proposals when their American counterparts go to bed. This is one way that we can support Haskell’s design operations which is a huge part of our business. With this in mind, we started to build a global design centre for Haskell in Greater KL,” says Toke.

With over 50 years of experience, Haskell is able to leverage on a history of innovation and technical expertise to craft the optimal solution for each project. For example, it uses virtual reality (VR) and augmented reality (AR) in its design and building process. This cutting-edge technology allows clients and any major capital expenditures to see what the end result will look like long before major capital expenditures. This allows the team to optimise layouts, improve coordination of the facility components, and explore options before or even during actual construction without impacting the project cost or schedule.

“Using technology is one way that we differentiate ourselves in the competitive industry of construction and design. Our competitors have been in this region for longer than we have and we respect their presence and the services that they offer,” says Toke.

“Our goal is to be a respected and trusted company. How we behave when things go well or when dealing with an unforeseen circumstance is another way that we differentiate ourselves.”
"Having a great partner like InvestKL is important as we aim to build our presence in this region and to find the best talent that can assist us in building a global design centre for Haskell in the country."
— Jonathan Toke, Haskell vice-president of Asia

ourselves. Haskell puts trust in the middle of our relationship with our clients. We view ourselves as business partners that happen to specialize in design and construction. We are fully vested in the in the successful completion of each project. We work best with companies that enable us to use our skills to support their entire operation as a truly integrated team member. We can often build value for our clients by looking at the total cost of ownership of an investment, ranging from the capital cost to the operating cost, to the cost of the training and maintenance required to fully benefit from the investment.

**Honoring skilled local talent**
To succeed in meeting their client’s objectives, Haskell offers training and development opportunities to its employees. Its training programmes are created with the scope, challenge and diverse experience needed for professional growth. Local employees are put through an in-house training programme that requires them to travel and work in Malaysia and the US.

“There are training plans for all our technical staff. We look to improve their technical ability and skills, instill the right attitude and work culture.”

Their training consists of work assignments that are discussed in the US and implemented in Malaysia. This means that they do a fair amount of travelling to the US. By sending them to our headquarters, they are also able to interact with professionals with more than 25 years of experience in this industry. Haskell has a pool of knowledgeable and professional engineers that work alongside architectural and construction teams. This ensures that we are able to execute seamlessly and achieve the ideal outcome,” he says.

Toke also adds that government agencies such as InvestKL played a meaningful role in helping the company when it decided to establish its operations here. “InvestKL helped us get plugged into the community and assisted us as we did our survey of educational institutions. Having a great partner like InvestKL is important as we aim to build our presence in this region and to find the best talent that can assist us in building a global design centre for Haskell in the country. We look forward to working with them for many years to come,” says Toke.

Source: The Edge Malaysia
UNITED KINGDOM’S LARGEST SPORTING GOODS RETAILER EXPANDS BUSINESS IN GREATER KL

SPORTS Direct, the United Kingdom’s largest sporting goods retailer has set up a regional distribution centre in Greater Kuala Lumpur, in a bid to reach out to the 10 markets in the ASEAN region.

The company offers the widest range of sportswear, footwear and equipment at unbeatable value and has plans to use Malaysia as the hub for its regional expansion, said Sports Direct Malaysia managing director Paul Gibbons.

Gibbons told NST Business that US$100 million (RM392 million) will be invested for a 20ha site, construction and initial operations.

“We are looking for a site suitable to build a one million sq ft regional distribution centre. We would prefer the site to be in relative...
proximity to Port Klang as well as able to utilise services rendered at the airport with the new Digital Free Trade Zone, and then at some point with the rail system link that is planned.

For our business, Greater KL central connectivity makes it an ideal and strategic choice.

We target to manage all the 10 markets in the ASEAN region from this hub and hope to procure the land and a timeline to build by the end of this year.

This will help procure both brick and mortar businesses around the region and support licensees, considering that the group owns 30 international sports brands.

“We will likely keep our headquarters separated though we may have retail and training facilities built into the facility depending on the final site location. This will depend on consumer accessibility and remains somewhat secondary to the primary objective of having a regional distribution centre,” said Gibbons.

**Progressive growth, supported by InvestKL**

“Sports Direct has invested in excess of RM200 million in Malaysia since its inception here almost nine years ago. Currently, it has 29 stores with a plan to continue growing for certain strategic and geographical locations.” said Gibbons.

The company targets to achieve well in excess of RM200 million the financial year ending April 2019, having recorded RM185 million in sales last year in the domestic market. The company aims to achieve an annual revenue growth of at least 10 percent per annum.

In the next five years, Sports Direct aims to have a retail presence in each of the leading Southeast Asian markets, either directly or with joint venture partners.

The Sports Direct proprietary website went live in April 2018.

While the e-commerce expansion is taking on a major focus, it is seen to complement its retail store business, not compete against it.

“One thing about the sports business is people still need to go out and try on shoes, sports attire plus compare the latest technologies,” said Gibbons.

He said InvestKL, the government entity set up to attract large global multinational companies (MNCs) into Greater KL, has contributed to the company’s development in Malaysia.

“We are carefully setting the foundations for expanded growth and to meet our parent company’s aspirations to become a dominant player within the region. I think we have made good progress until today, ensuring that we create the...
“I think we have made good progress until today, ensuring that we create the correct disciplines within our business and InvestKL is helping us to achieve our aspirations.”
— Paul Gibbons, Sports Direct Malaysia Managing Director

Sports Direct International Plc is the UK’s largest sporting goods retailer by revenue, and operates a diversified portfolio of sports, fitness, fashion and lifestyle fascias and brands.

In the 2018 financial year, group revenue hit £3.4 billion (RM18.7 billion), operating 860 sports stores across the UK and internationally, plus Premium Lifestyle stores in the UK.

The company operates a wide portfolio of globally recognised sports, fashion and lifestyle brands, including Slazenger, Everlast, Lonsdale, Karrimor, Kangol, No Fear and Firetrap.

“Our strategy is to invest in people and key third-party brand partners to attain new levels of excellence across multi-brands and multi-sport offerings to customers. We aim to be a leading sports and lifestyle retailer internationally and to deliver sustainable growth for our shareholders in the medium to long-term by offering customers an unrivalled range of high quality products at the best value.”

The group provides a full multichannel retail approach across its fascias in the UK, and increasingly across its fascias in continental Europe and elsewhere.

The group also wholesales and licenses its group brands to partners in the UK, continental Europe, the United States, and the Far East.

Source: The Edge Malaysia
SOCAR GAINS FOOTHOLD IN SOUTHEAST ASIA THROUGH GREATER KL

For SOCAR, a company under South Korea’s second-largest conglomerate SK Group, Malaysia is its first stop in Southeast Asia. And so far, the leading car-sharing service from South Korea has been having a smooth drive since its launch on Jan 23.

The company, which has more than 100,000 registered users, plans to bring a fresh perspective to the car-sharing scene by rolling out a host of innovative service offerings this year. Working closely with Prasarana, its strategy includes making its car-sharing service available at public transportation hubs.

Its ultimate goal, however, is to be the “Starbucks” of the mobility scene with a SOCAR on every street corner.

Currently, the company boasts a fleet of 500 cars across more than 250 zones. The fleet consists of city cars such as the Perodua Axia and Honda City, as well as the larger Honda HR-V. The trendy Mini Cooper is also part of SOCAR’s offering, and recently,
Volkswagen was announced as one of its preferred partners when 50 Polo units were added to its fleet.

By end-2018, the company aims to quadruple its fleet to 1,000 cars, with even more variety, says SOCAR Malaysia CEO Leon Foong. “By 2020, we’re targeting a user base of one million Malaysians,” he adds. “By end-2018, we’re aiming for 250,000 registered users, and if we have 30,000 to 40,000 of those active on a monthly basis, we’ll be happy with the progress we’ve made.”

“The next stage would be expansion into other markets in the region, although each country would require unique positioning to accommodate local cultures and norms,” he says.

But that needs to be supported by a strong regional base — and Greater Kuala Lumpur, SOCAR’s first overseas expansion from its South Korean home base, is its springboard into Southeast Asia.

“From that perspective, among Malaysia’s key advantages is that it has a well-developed infrastructure, a competitive cost of doing business and is an ideal launch pad for mobility technology to redefine the transportation ecosystem,” he says.

“There is also good access to talent. The automotive industry and ecosystem is fairly developed and mature in the country. We see Greater KL as an attractive place for expatriates to come and work, so that makes it easier for us to hire talent,” notes Foong.

“Also, the regulatory clarity is there if we want to apply for a licence or MSC status for example. There are clear frameworks on how to get there,” he adds.

“Of its 35-strong workforce at present, about three-quarters are Malaysians and SOCAR is likely to ramp up hiring to 80 staff by year end,” Foong says.

Agencies such as InvestKL help tremendously in facilitating SOCAR’s business in terms of engagement with various stakeholders, according to Foong. The generally progressive stance of Malaysian authorities to new ideas and disruption, not to mention farsightedness in terms of urban mobility, is also a major plus, he adds. “Throughout my experience in the mobility space in Malaysia, I have seen very progressive transportation regulations.”

He points to the passing of key amendments to the Land Public Transport Act 2010 and the Commercial Vehicles Licensing Board Act 1987 in July 2017, which essentially legalised e-hailing services such as Uber and Grab.
"There are many international financial services in Greater KL and due to favourable factors of doing business in Malaysia, the country now hosts the largest number of payment solution companies in South East Asia."
— Leon Foong, SOCAR Malaysia CEO

“Singapore doesn’t have formal regulations on peer-to-peer ride-sharing, nor does Thailand or even Hong Kong,” remarks Foong.

Other examples of that progressive stance includes Bank Negara Malaysia’s push for the detariffication of motor insurance beginning July 2017.

“And the government is pumping billions into public transportation without our even asking. For me, it would be a huge waste if we don’t leverage this opportunity,” says Foong.

SOCAR Malaysia, whose office is in Damansara, is 60%-owned by SK Holdings, a vehicle of energy and telco conglomerate SK Group. The other 40% is owned by SOCAR Korea.

For a car-sharing service, setting up shop in Malaysia may seem counter-intuitive, however. Malaysia has a strong driving culture and many people own vehicles, so would they want to rent cars?

“But that is exactly what led SOCAR to choose Greater KL as its first foreign market,” says Foong. He explains that despite the relatively small population of about 30 million, about 93% of Malaysian households have a car. “That means at least one person in every household has a driver’s licence.”

Coupled with Malaysia’s high smartphone penetration — about two out of every three Malaysians have one, according to Statista — the country is the perfect launchpad into Southeast Asia for SOCAR.

“The point is that the convergence of ride-sharing and other forms of public transportation in Malaysia is creating an ideal environment in which more people may opt to be part of the ‘multiflex’ movement,” says Foong.

He describes a person who “multiflexes” as one who enjoys the freedom of optimising his travel by interchanging between various transportation options — train, ride-sharing, even bicycle-sharing or driving a SOCAR vehicle — as opposed to the cost-heavy private car ownership mindset.

“That is our biggest challenge — the notion that people must own a car to enjoy a certain level of convenience or flexibility,” Foong says.

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The “multiflex movement” is thriving in the UK and Europe. The model is also popular with the growing number of global nomads, eco-warriors as well as champions of the zero-waste movement.

With that in mind, SOCAR welcomes competition from the crowded digital-based mobility solutions landscape in the Klang Valley.

“Competition is always healthy and, to me, it expands the pie, because it helps educate people about what we do and the options available to them,” says Foong.

He discloses that the median age of SOCAR Malaysia’s active users is mid-30s, implying a demographic that is keen to try other car ownership models or households that need to use a second or third car from time to time.

The allure is convenience. From as low as RM8 an hour, SOCAR’s rental is inclusive of comprehensive insurance, petrol and parking costs, meaning users can drive with peace of mind for the duration of their rental.

That is in contrast to South Korea, where a sizeable proportion of SOCAR’s users are younger students and professionals.

Since its debut in 2011, SOCAR has taken South Korea by storm — it is now present in 86 cities across the country, serving three million registered users with a fleet of 9,000 cars spread across 3,000 locations.

In Malaysia, SOCAR is taking it one neighbourhood at a time. It is focused on maintaining its presence in areas such as Cyberjaya and Bangsar, ensuring users do not have to walk more than 10 minutes to access a vehicle.

“By 3Q2018, SOCAR plans to spread to Penang and Johor Baru. It is also open to the entry of a local partner that could help drive its plans forward,” Foong says.

Source: The Edge Malaysia