

Kuala Lumpur, where AXA's regional talent shines through

In downtown Greater Kuala Lumpur, about 250 employees of Paris-based global insurer AXA, armed with highly specialised skillsets, go about their business briskly in a minimalistic, open-concept office.

The personnel make up AXA's Shared Services Centre (SSC) in the Puchong Financial Corporate Centre, which is also the insurer's IT hub for its entire Asian operations.

Now into its second year of operations after its inauguration in January 2018, the IT hub contains AXA's leading-edge capabilities across the latest technological platforms including its actuarial and technical expertise.

It is the "beating heart" of AXA's IT Operations across Asia, says to AXA SSC Kuala Lumpur chief executive officer Pierre Rullier.

"From here, we are supporting — in terms of services and technical support — the AXA entities across Asia, namely, Hong Kong, Singapore, the Philippines, Thailand, Malaysia, Indonesia, and partially Japan."

The Kuala Lumpur base is critical, says Rullier. While proximity IT support is available on-location in each AXA office across the abovementioned countries, the higher-level support and expertise is available from the Malaysian IT hub.

This means that without the IT hub in Kuala Lumpur, the rest of AXA in Asia would be helpless in the face of a high-level IT-related issue.

"We have small proximity teams in each and every country (in the region) to provide the first level of support, but the heart of the IT engine is in Kuala Lumpur," says Rullier.

It is an important region for AXA, which has been ranked the world's No 1 insurance brand worldwide for 10 consecutive years by Best Global Brands.

Serving over 105 million customers across 61 countries, AXA provides life and non-life insurance, savings and pension products as well as asset management services.

Rullier further explains that Kuala Lumpur was chosen to be the regional "beating heart" of its Asian IT Operations due to six key advantages.

The first is the relative safety that Malaysia offers against natural disasters, says Rullier.

"Malaysia is a good spot if you want to avoid natural catastrophes.

As we run the infrastructure of AXA



“Malaysia is a good spot if you want to avoid natural catastrophes. Also, the quality of the infrastructure in Malaysia is very good. We had received assistance from InvestKL in doing everything, such as the legal aspects, getting a tax exemption, the agreements and certificates, as well as prioritised system for foreigners (to obtain working permits).” — Rullier

in Asia, we need to stay connected with everything and that means we had to find a place where there was no natural catastrophes — no typhoons, no earthquakes, which is the case in Malaysia."

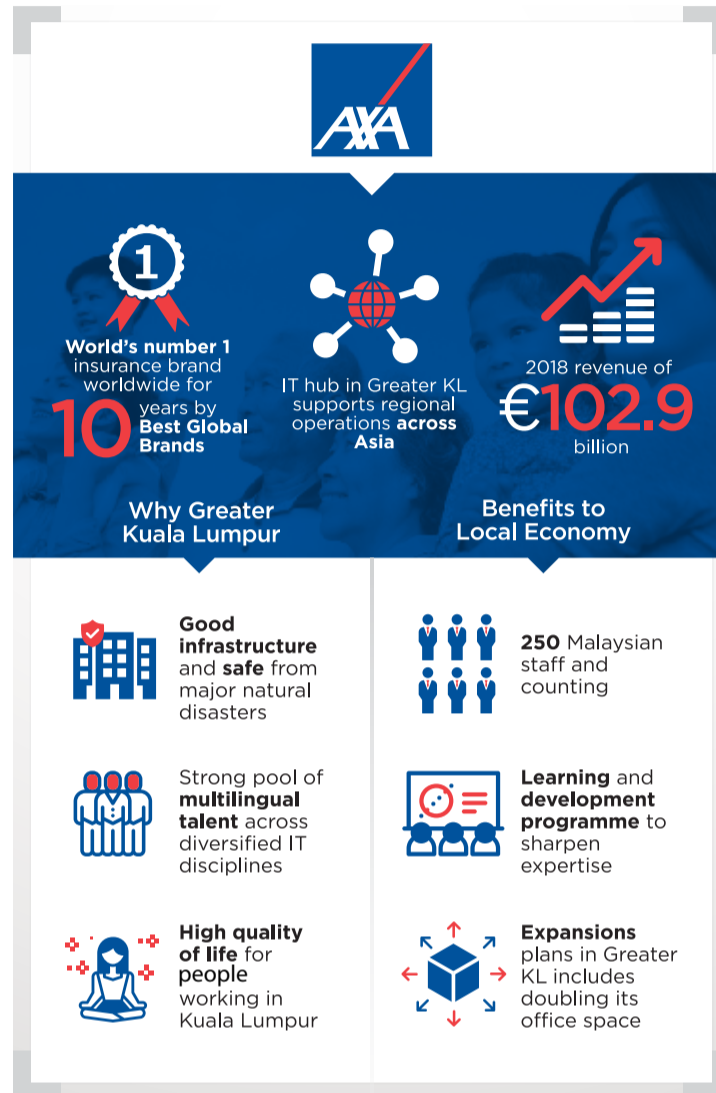
In addition, the capital city also gave AXA access to a strong pool of talent across diversified IT disciplines, accentuated by multi-lingual abilities that help as the SSC provides support across various nationalities in the region.

In particular, the abundant supply of well-educated and well-trained IT professionals in Malaysia provides an excellent environment for any companies looking to set-up a high-level IT hub such as AXA's.

This is strongly evidenced by AXA's IT hub headcount surging from less than five personnel to over 200 in just 14 months, considering the stringent qualifications needed for every AXA hire.

With initiatives to attract multinational companies (MNCs) including tax benefits, fast-tracked visa processes and access MSC-status buildings, AXA also benefits from Malaysia's stability and steady economic growth rate, Rullier says.

"Also, the quality of the infrastructure



in Malaysia is very good. For example, the electricity, the internet connection, and the roads are of very high quality, which matters in our activity here," Rullier says.

And the soft infrastructure, including good schools, also translates to a very high quality of life for people working in Kuala Lumpur, he remarks.

THE KL TALENT POOL ADVANTAGE

As Rullier reflects on the 14-month journey of AXA SSC in Kuala Lumpur thus far, it was clear that the IT hub in Kuala Lumpur had come a long way.

In the beginning, he says, there were only three personnel, including himself. As he led AXA's move to set up shop in Kuala Lumpur, the biggest challenge was to do

so without disrupting usual business functions for the rest of the group.

"The challenge is when you completely close an activity somewhere and you have to restart it somewhere else, and at the same time, you need to maintain the service to all the entities you are supporting," Rullier explains.

"So you need to manage that transition in a way that each time somebody is leaving from the source location, there is somebody in the target location who had been recruited in due time, has got a good level of knowledge transfer, and can support the activity (vacated by the person leaving)."

The complex coordination as AXA walked the tightrope of transition took nine months to complete, according to Rullier. From three

persons occupying the whole office, the team has now grown to 250 — mostly Malaysians — which is 25% more than the original expected job creation out of the SSC.

And the smooth process was in no small part due to the role played by InvestKL, the government agency tasked with attracting global MNCs to set-up regional bases in Greater Kuala Lumpur.

True to its mandate of facilitating such MNCs in relocating to the capital city, InvestKL had been "friendly and supportive" all the way, says Rullier.

"We had received assistance from InvestKL in doing everything, such as the legal aspects, getting a tax exemption, the agreements and certificates, as well as prioritised system for foreigners (to obtain working permits)."

EXPANSION AHEAD

But the story has yet to end for AXA's SSC, which Rullier runs. As AXA's businesses in the Asian region continues to grow, the IT hub also needs to continue upping its game.

With Asia accounting for less than 9% of the group's global turnover in 2018 — which still predominantly comes from Europe — the region stands out as a potential growth engine given its low starting base.

Further expansion is on the agenda, Rullier confirms. Just 14 months after inaugurating its IT hub, AXA is now looking at increasing its office space for starters.

"We are studying some additional expansions. At the moment, I cannot say more, but we are looking at it," he says.

As for the SSC's existing workforce, upskilling is an ongoing process and the spillover benefits will be reaped by the nation in the larger picture.

While 2018 was a year defined predominantly by knowledge transfer as AXA worked to get its new SSC in Kuala Lumpur up and running quickly, 2019 is when the Malaysian workforce will begin a learning and development programme to sharpen their expertise further, says Rullier.

"IT is a world where everything is constantly changing, so you need to be up to speed and stay current. So, such training programmes are mutually beneficial."

"It's beneficial for us because we need people at the right level of skills and knowledge, and it's also beneficial for them and their future employability, whether in AXA or anywhere else," he explains.

So after 14 months, has Kuala Lumpur lived up to what AXA expected? Rullier concedes a slight smile.

"Yes, 14 months after, I can say that we have got what we were looking for," he responds.



“Setting up a regional base in Kuala Lumpur gives MNCs a ready stepping stone to the heart of Asia.” — Zainal

Driving Malaysia's digital ambitions through Kuala Lumpur

As Malaysia marches toward an inevitably digitalised future, the nation can take heart in the fact that it already has many factors necessary for a digitally powered comprehensive ecosystem.

First and foremost is a thriving digital economy, which is expected to contribute 20% of Malaysia's gross domestic product by 2020, according to a statement by Minister of International Trade and Industry Darrel Leiking back in August 2018.

Others include affordable, high-quality broadband connectivity, as well as an enabling policy environment that promotes innovation and competitiveness, according to The World Bank's Senior Specialist

for Technology & Jobs, Siddharta Raja, in January 2019.

The most essential factor to power a digital economy however, is a robust talent pool that can exploit digital technologies to its maximum potential. The fact that such a diverse talent pool is readily available in Malaysia, among others, is a key lure for global insurer AXA to relocate its Asian IT hub to Kuala Lumpur, says AXA Shared Services Centre Kuala Lumpur CEO Pierre Rullier.

InvestKL chief executive officer Datuk Zainal Amanshah agrees wholeheartedly. According to Zainal, that is exactly how multinational companies such as AXA comes into the larger picture when it comes to developing a wholesome digital ecosystem.

"Global players such as AXA bring with them specialised expertise and knowledge transfer that Malaysian professionals could gain and benefit from, which in turn enhances the capabilities of our talent pool," says Zainal.

"In return, setting up a regional base in Kuala Lumpur gives them a ready stepping stone to the heart of Asia."

The government is already looking at long-term prospects of investments in the country, with a strong emphasis on innovation and Industry 4.0, as per the policies set by the Trade Ministry. In other areas, there is also encouraging discussions on cloud-based technologies and how it should be adopted in

Malaysia, according to Rullier.

"This is very important because the entire IT world is moving towards cloud-based technologies, so for me, the first important point is that the government does not discourage or open up barriers towards this kind of technology," he explains.

To Zainal, AXA's IT hub in Kuala Lumpur encapsulates the mutually beneficial relationships that develop for MNCs that recognise what the capital city has to offer as a potential regional base of operations.

"Tapping into Kuala Lumpur's robust infrastructure and highly skilled talent enable global players such as AXA to take their regional expansion further," he says.