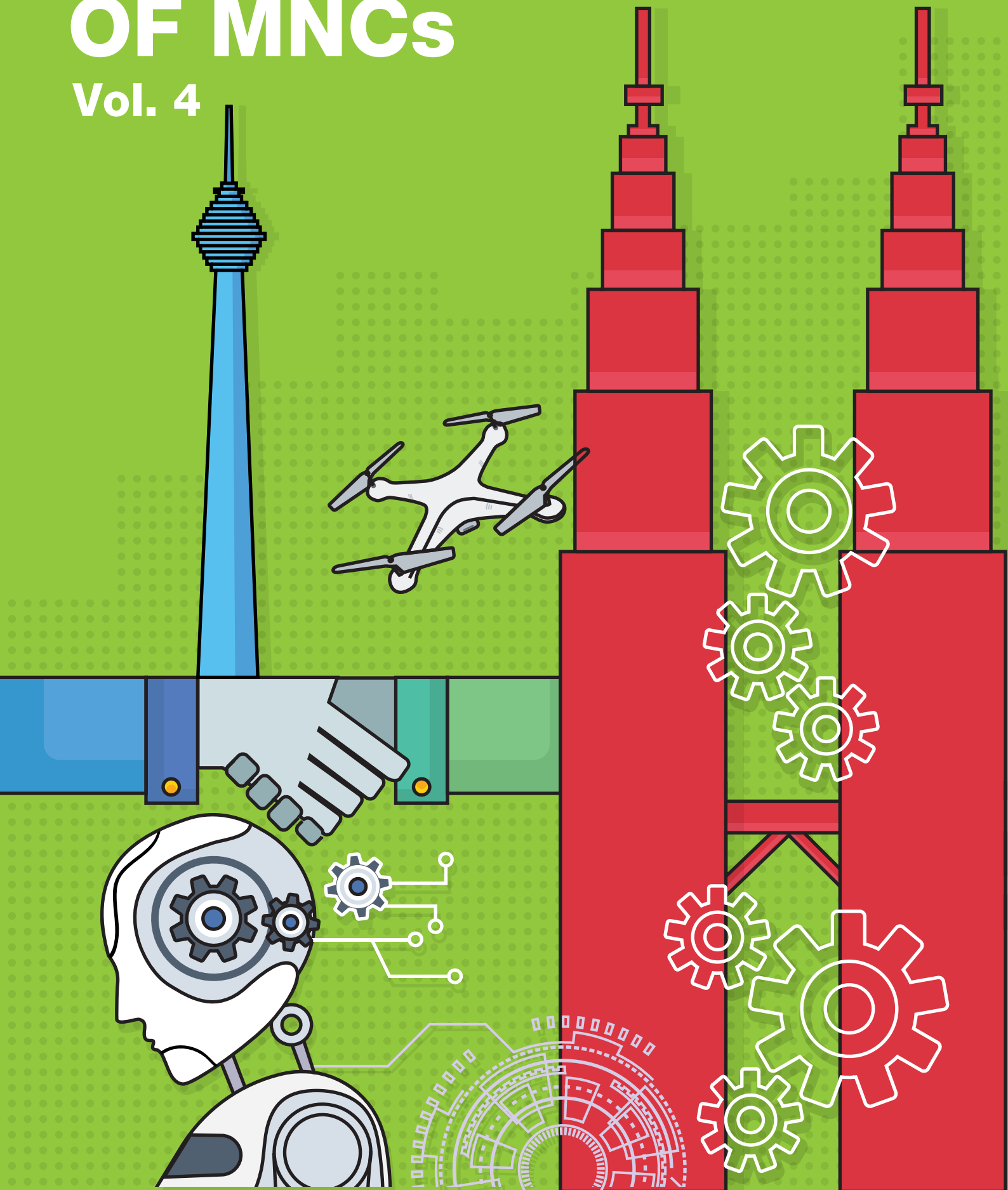


# SUCCESS STORIES OF MNCs

Vol. 4



## **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.4, 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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Content is accurate at the time of publication



Ian Prescott, senior vice-president for Asia Pacific

## MCDERMOTT RIDES O&G RECOVERY BOOM FROM GREATER KL BASE

Rumours of the oil and gas (O&G) industry's imminent demise are exaggerated, despite the great swings in the Brent crude oil price in the past 12 months.

**T**hat is certainly the case for O&G service providers like McDermott International Inc, whose Kuala Lumpur-based Asia-Pacific operations are thriving, according to Ian Prescott, the US O&G giant's senior vice-president for Asia-Pacific (APAC).

"Our pipeline is at the highest it has ever been," says Prescott. "So far we have won

more than US\$6.5 billion worth of jobs in the first quarter of 2019 alone."

The job wins include two Malaysian contracts, one in partnership with Sarawak Shell Bhd and the other with Sapura Exploration and Production. McDermott will provide transport and installation of offshore structures, pipelines and pre-commissioning work for the Pan Malaysia field development off Sarawak. The fact

that the year is going so well for a multinational O&G firm like McDermott in Asia-Pacific may surprise industry outsiders. After all, the Brent crude oil price has not exactly been stable in the past 12 months — in October it broke past US\$80 per barrel for the first time since 2014 but then slumped back to just above US\$50. Despite that, upstream players are becoming more active in Southeast Asia, with more capital expenditure and drilling plans for 2019, which means more contracts for support services.

Of course, upstream is not the only segment bustling with activity. And that means the entire industry is in uncharted waters. “It is unprecedented that both the upstream and downstream segments are both active right now,” says Prescott. “Historically, they run counter-cyclically to each other depending on the prevailing crude oil price trend,” he adds.

That is good news for McDermott APAC, which provides engineering, procurement and construction (EPC) expertise to both segments

of the industry. Prescott expects McDermott APAC to sustain the current pace of job wins barring a seismic shift in the landscape.

“I like to think of McDermott APAC as the best kept engineering secret in the region. We have 4 Centres of Engineering Excellence in the region. Our Centre of Excellence in Kuala Lumpur has over 700 employees who are experts in their field. This means we can offer clients the expertise with our technology patents and a true turn-key EPC experience,” says Prescott.

#### ‘Easy to do business’

The company’s excellent start to the year is supported by its base of operations in Kuala Lumpur, which has been its regional headquarters since 2016. Its regional base was previously in Singapore, though McDermott’s operations in the region stretch back almost a century.

Since it relocated to Kuala Lumpur, McDermott APAC’s head office headcount has more than doubled to about 700, mostly Malaysians.

“I like to think of McDermott APAC as the best kept engineering secret in the region. We have 4 Centres of Engineering Excellence in the region. Our Centre of Excellence in Kuala Lumpur has over 700 employees who are experts in their field. This means we can offer clients the expertise with our technology patents and a true turn-key EPC experience.”

— Ian Prescott, the US O&G giant’s senior vice-president for Asia-Pacific (APAC)

## McDermott



Global consultancy business



Established in Malaysia since 1948



2 Malaysian contracts:

Sarawak Shell Berhad      Sapura Exploration and production



## WHY GREATER KUALA LUMPUR



**Established oil & gas ecosystem**



**Outstanding engineering talent pool**



**Ease of doing business**



**Geographical location with proximity to other Asian countries**

The outside Malaysian presence in its workforce is also true for McDermott's 119ha fabrication yard in Batam, the firm's biggest globally, which has been up and running since 1970. It has three fabrication yards in APAC, with others located in China and Thailand.

It is an outstanding success story for InvestKL, the agency tasked with attracting global multinational companies to set up regional bases in Greater Kuala Lumpur. InvestKL acts as the reference point and facilitator for MNCs such as McDermott to adjust to the local landscape and hit the ground running.

"The organisation made the decision three years ago to relocate the engineering centre from Singapore to Kuala Lumpur. Kuala Lumpur is an easy place to do business," Prescott reflects, adding that InvestKL's facilitation and assistance throughout the process has helped tremendously.

"KL has a very well-educated workforce and a large O&G workforce. We opened the office here three years ago with 90

people and now we have over 700, most of whom are Malaysians," he adds.

That strong talent supply is thanks to a particularly well-developed O&G industry with an established track record, driven by Petroliam Nasional Bhd.

Adding to Greater Kuala Lumpur's allure is its central location in the region, which Prescott says has helped McDermott manage its regional presence across key markets in Australia as well as India.

"We have a large base in India, we are the largest offshore O&G player there and our offices in Chennai and Delhi are very easy to reach from Kuala Lumpur."

With the combination of an excellent talent supply chain and geographical proximity to major clients and key markets from Kuala Lumpur, it is no surprise that the city houses one of the four McDermott Centres of Excellence.

"It is easy to do business in Malaysia and it is easy to do business from Malaysia," says

"KL has a very well-educated workforce and a large O&G workforce. We opened the office here three years ago with 90 people and now we have over 700, most of whom are Malaysian."

— Ian Prescott, the US O&G giant's senior vice-president for Asia-Pacific (APAC)

“McDermott APAC is well positioned to support the global growth of McDermott International and we are seeing a lot of global activity, we are seeing many clients invest.”

— Ian Prescott, the US O&G giant’s senior vice-president for Asia-Pacific (APAC)

Prescott. “And if McDermott gets a project anywhere in the world, the Centre of Excellence is right here.”

#### More growth ahead

“And McDermott APAC is only the beginning,” he adds. The firm has already run out of available office space for its short-term expansion needs. “This is not the ceiling, we have more plans to invest in Kuala Lumpur and grow even bigger.”

The local talent pool is fast becoming a key supporting ingredient in McDermott APAC’s push into digitisation and innovation. One successful example is its GeminiXD platform, a single “source of truth” for design, procurement, fabrication and construction.

Listed on the New York Stock Exchange, McDermott International comprises five core business segments that include McDermott APAC. The others are North, Central and South America; Europe, Africa, Russia and the Caspian; Middle East and North Africa; and Technology.

It is worth noting that in May 2018, McDermott International completed a combination with Chicago Bridge

and Iron Co NV (CB&I), which resulted in a new McDermott, a premier, fully integrated provider of technology, engineering and construction solutions for the energy industry.

For McDermott APAC, the completion of the combination offers its operations in the region additional offerings that are becoming a key competitive advantage.

According to McDermott International’s latest annual report, Asia-Pacific is its second largest segment outside of the US by revenue contribution in 2018, contributing US\$411 million. Prescott expects that to rise to US\$700 million to US\$1 billion in 2019 if the current pace is sustained.

“It was a good strategy to combine, and in the region it most definitely allows us to provide much broader services for our clients,” says Prescott. “McDermott APAC is well positioned to support the global growth of McDermott International and we are seeing a lot of global activity, we are seeing many clients invest.”

Source: New Straits Times

## BENEFITS TO THE LOCAL ECONOMY



**Majority of McDermott employees in KL are local**



**Kuala Lumpur has been the regional headquarters since 2016**



**More plans to invest and grow in Kuala Lumpur**





Published date 22 October 2018  
Content is accurate at the time of publication



Tuan Le, Orange Business Services general manager for ASEAN and Korea

Silke Weber, Orange Business Services Asia Pacific vice-president for regional operations

## ORANGE LAUNCHES ASIA COMPETENCY CENTRE IN KUALA LUMPUR TO SERVE ASIA-PACIFIC

When French information technology service provider Orange Business Services (Orange) set out to find a suitable regional base for its Asia-Pacific operations centre several years ago, the stakes for making the right choice were high.

Orange Business Services — the B2B branch of Orange SA (with 95,000 employees in France and 59,000 elsewhere) — is a leading infrastructure operator, a technology integrator and provider of global information technology and telecommunication services to multinational companies (MNCs). Orange

has a global headcount of 22,000, with 3,500 spread across 14 nations in Asia-Pacific — its fastest-growing market. Orange SA (formerly France Télécom SA) is one of the world's leading telecommunications operators with sales of €41 billion in 2017 and it is listed on Euronext Paris and the New York Stock Exchange.



According to Orange Business Services Asia-Pacific vice-president for regional operations Silke Weber, after a thorough evaluation, Orange set its sights on Kuala Lumpur, where it already had a strong presence. Its Centre of Excellence (CoE) was eventually set-up in May 2017.

“The city has all the right ingredients — readily available talent at competitive costs, ease of doing business and good infrastructure, coupled with strong air connectivity.”

“Geographically, the city is right at the heart of the action. Southeast Asia is one of Orange’s fastest-growing markets within Asia-Pacific, and Kuala Lumpur’s time zone covers most of our regional business operations,” Silke says.

Besides having strong technical capabilities, the choice of Kuala Lumpur arms Orange with a critical competitive advantage — multi-lingual capabilities that are vital to its Asian language support function in Kuala Lumpur.

“A challenge we faced was catering for the various language support services required by our customers. By having the business operations hub in Kuala Lumpur, Orange was able to tap

the language talent pool with these capabilities,” she says.

Called the Asia Competency Centre (ACC), the CoE in Kuala Lumpur serves most of Orange’s MNC customer base in Asia-Pacific.

The Kuala Lumpur ACC joins its other regional CoEs that serve Orange customers in Europe, the Americas, the Middle East and Russia.

#### Key growth market

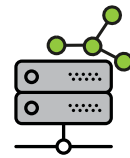
With a strength of 200 highly skilled professionals in the Kuala Lumpur ACC so far, Orange is poised to grow from strength to strength in the capital city.

Its future growth in Kuala Lumpur will march in lockstep with its ongoing push into various niche markets within Asia-Pacific, which offers exciting potential.

“Asia-Pacific is a key growth market for Orange. We continue to focus on our network infrastructure, solution platforms and up-skilling of staff in the region,” says Tuan Le, Orange Business Services general manager for ASEAN and Korea.

The latest regional economic outlook report by the International Monetary Fund, released in May this year,

## ORANGE



**Leading global infrastructure operator, technology integrator and value-added service provider for enterprises**



**3,000+**  
multinational companies supported worldwide



**22,000 employees**  
dedicated to serving B2B activities globally

“Geographically, the city is right at the heart of the action. Southeast Asia is one of Orange’s fastest-growing markets within Asia-Pacific, and Kuala Lumpur’s time zone covers most of our regional business operations.”

— **Silke Weber, Orange Business Services Asia-Pacific vice-president for regional operations**



“Orange considers multiple key areas of expertise in assisting its client base. These include software defined networks, big data and internet of things, cloud computing, unified communications and collaboration as well as cybersecurity.”

– Tuan Le, Orange Business Services general manager for ASEAN and Korea

### WHY GREATER KUALA LUMPUR



Great geographical location in Asia



Skilled talent with strong technical capabilities



Valuable multilingual talent



Ease of doing business

forecasts that Asia-Pacific will grow by 5.5% this year, accounting for two-thirds of global growth.

In the longer term, the region is expected to remain the world's fastest-growing economic bloc until 2030, by which time its share of global gross domestic product will rise to 40%, according to the Organization for Economic Cooperation and Development.

“These exciting growth prospects hold a trove of opportunities for Orange,” says Tuan.

“Asia-Pacific alone is expected to see a compound annual growth rate of 18.9% until 2023, based on a study by BBC Research, with an estimated market value of nearly US\$1 billion by that year. Smart cities require numerous technological solutions that Orange is well positioned to provide. To the uninitiated, Orange considers multiple key areas of expertise in assisting its client base. These include software defined networks, big data and internet of things, cloud computing, unified communications

and collaboration as well as cybersecurity,” says Tuan.

#### Range of support

The ACC Kuala Lumpur supports its end-to-end service delivery across Southeast Asia, Australasia, China, Hong Kong, India, Japan and South Korea.

“These supporting functions range from presales and technical solution design to project management, among others. The diverse geographical breadth covered by the ACC also requires it to provide support in the various languages spoken by its customers,” says Silke.

Hence, having multi-lingual Asian language support capability, available in Kuala Lumpur, is crucial. The presence and continued growth of the ACC in Kuala Lumpur will also mean the further growth of high-value technical skills that will help propel the national economic agenda forward.

#### ACC expansion

InvestKL, the investment promotion agency tasked with advocating for Kuala Lumpur as the preferred destination for

multinationals operating in Asia-Pacific was one of the reasons the ACC was able to expand easily and quickly.

Among others, the agency eased Orange's expansion by providing support in the establishment process — connecting it to the appropriate government agencies to facilitate its establishment.

InvestKL also promoted the Orange presence in Malaysia so it could gain market access more quickly. Naturally, the fact that Orange already had a sales office in Kuala Lumpur eased the entire process.

Kuala Lumpur's proximity to Orange's Asia-Pacific headquarters in Singapore was also a major coordination benefit.

#### Looking ahead

Orange sees clear skies ahead as it seeks to expand and grow its ACC in Kuala Lumpur in line with its business growth in Asia-Pacific.

The plan is to build strong business support ecosystems in the ACC for its strategic portfolios including cyber defence, cloud and flexible IT

solutions, IoT services and big data analytics expertise. This will naturally create further job opportunities in Kuala Lumpur.

"The ACC workforce will naturally have access to regular specialised technical skills training — further enhancing their global competitiveness," says Tuan.

The training sessions are conducted by experts from Orange's international teams, who can either deliver the instruction in person or through comprehensive online learning platforms.

"Due to these training sessions, the workforce is able to up-skill and cross-skill, which makes them very valuable to Orange and our customers," says Silke.

With more MNCs like Orange establishing centres and enhancing the talent pool in Malaysia, we can look forward to becoming an even more attractive destination for global businesses operating in Asia-Pacific.

Source & Photos: The Edge Malaysia

## BENEFITS TO THE LOCAL ECONOMY



**Launched Asia Competency Centre in KL serving APAC market**



**Promote growth of high value technical skills**



**Propel Malaysian digital ecosystem in areas such as new-generation enterprise connectivity, Big Data, IoT, cloud computing, unified collaboration, and cyber security**

"The ACC workforce will naturally have access to regular specialised technical skills training — further enhancing their global competitiveness."

— Tuan Le, Orange Business Services general manager for ASEAN and Korea



Published date 18 February 2019  
Content is accurate at the time of publication



Joey Caisse, Pickles Asia  
general manager

## PICKLES SEES SOUTHEAST ASIA EXPANSION THROUGH KUALA LUMPUR

For Pickles Auctions, Malaysia was a whole new adventure. Its new Kuala Lumpur base was the first overseas foray for the Australian vehicle valuation and auctioneering specialist.

**A**nd the experience is mutual — there is no local equivalent of what Pickles Auctions does in Malaysia. In other words, it was entering a blue ocean market via its local subsidiary Pickles Ventures.

In a nutshell, Pickles — Australia's largest privately owned auction company — helps

insurers recover as much value as possible from wrecked and scrapped vehicles after the insurance payout to the original vehicle owners. Pickles' underpinning philosophy is to maximise the return on every asset put on sale on behalf of its vendors.

The value recovery is measured as the return on payout value (ROPV) and Pickles

“The establishment of a regional Centre of Excellence (COE) in Kuala Lumpur means that the business units supported by Pickles Ventures, the start-up incubator arm of the auction company, will also get a boost from local talent, especially when it comes to technology and marketing.”

– Joey Caisse, Pickles Asia general manager

has been a huge boon for the insurance industry as far as value recovery is concerned.

The average ROPV in Malaysia prior to Pickles was a dismal sub 5% compared with an 18% average in Australia. Post-Pickles, the Malaysian ROPV average is now in the region of 22%.

In actual ringgit and sen, Pickles’ services have resulted in RM18 million in additional cash gain for the industry overall, according to the company.

The additional value recovered is positive not just for the industry players, but ultimately the policyholders as well. In the longterm, higher value recovery from wrecked and scrapped vehicles will theoretically allow insurers to reduce premiums.

That said, Pickles does not just work for insurance players. The company can also help private vehicle owners fetch better sale prices for their used vehicles via auction, according to Joey Caissie, Pickles Asia general manager.

Setup in 1954, Pickles now commands a 70% market share in Australia with 250,000 vehicles

sold on an annual basis. Its global workforce totals 1,000 staff and its annual turnover exceeds A\$2.7 billion.

“The establishment of a regional Centre of Excellence (COE) in Kuala Lumpur means that the business units supported by Pickles Ventures, the start-up incubator arm of the auction company, will also get a boost from local talent, especially when it comes to technology and marketing,” says Caisse.

Pickles is currently staffing up with top software developers to build next-generation services for the Australian car market and beyond. These new services include Carzapp, a wholesale car trading platform and Datium, a company that uses machine learning and decades of Pickles’ auction data to predict what used cars will be worth in years to come, says Caisse.

The company’s entrance into Kuala Lumpur is part of a bigger master plan.

On one level, being invited by a long standing client into a new, untapped market presents obvious incentives for Pickles as it can hit the ground running with a ready revenue stream.

## PICKLES

**53**  
YEARS

**Kuala Lumpur is the first overseas foray in its 53 years of history to serve South East Asia market**



**Global Workforce totals 900 employees with 23 branches nationwide and more than 150 online auctions monthly**



**Australia's leading vehicle auction company with 70% of market share**



**475,000 sq ft warehouse facilities in Peninsular Malaysia**



## WHY GREATER KUALA LUMPUR



**Untapped blue ocean market in vehicle evaluation and auctioneering**



**English speaking population**



**Commonwealth based laws**



**Geographical location with proximity to other Asian countries**

Apart from the obvious advantages such as an English-speaking population, having Commonwealth-based laws and being able to offshore back-office functions from Down Under, another factor attracting Pickles to Kuala Lumpur is geography.

“Kuala Lumpur is a great base of operations for an Asian expansion. The city is close to Indonesia and Thailand, for example, so for me to jump on a plane it is not too far to get to a lot of places in Asia,” says Caisse.

The general manager confirms that Pickles is exploring potential expansion into several neighbouring countries from its Kuala Lumpur hub but declined to say more, save that discussions are ongoing.

To-date, Pickles has invested about A\$3 million in its Kuala Lumpur hub with roughly 25 staff based in Bangsar South and Petaling Jaya. Over the next three to five years, the company plans to invest the same amount with the headcount expected to nearly triple to 65.

For Malaysia, the entry of Pickles completes the downstream

component of the local auto insurance industry, in addition to introducing a unique skill set that local talent will eventually absorb.

One of the advantages of Malaysia was having a ready clientele and non-existent local competition in the same mould.

Working for Pickles requires a unique skill set, given the specialised nature of auctioneering that Pickles do. Malaysian talent, though highly skilled, needs to be trained further to match Pickles' unique requirements. Technologists and an auction facility manager were brought in to further transfer knowledge to the local talent.

InvestKL, an agency under the Ministry of International Trade and Industry, has been there for Pickles every step of the way, Caisse says. “For one, the agency made all processes smoother. InvestKL emphasised the ease of doing business and we took advantage of their relationships with other stakeholders.”

The agency also proved indispensable in guiding Pickles through the bureaucracy of acquiring property for warehousing facilities as well as planning the

“Kuala Lumpur is a great base of operations for an Asian expansion. The city is close to Indonesia and Thailand, for example, so for me to jump on a plane it is not too far to get to a lot of places in Asia.”

— **Joey Caisse, Pickles Asia general manager**

proper renovations — that included helping the auctioneer navigate the local approval requirements.

Today, Pickles has about 475,000 sq ft in warehousing facilities across Peninsular Malaysia. It has also received formal endorsement from the General Insurance Association of Malaysia.

It has conducted nearly 100 successful auctions to-date. The company now holds salvage auctions every Thursday with auctions for driveable cars once a month on a Saturday, usually with a turnout of up to 150 interested bidders.

Pickles encountered some pushback from the existing wreck-and-scrap vehicle dealers whose businesses were being disrupted by its operations. However, the company is persisting with the support of the insurance industry and intentionally befriend local traders by

creating a huge market of new inventory.

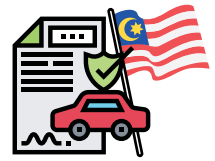
In fact, its successful venture in Malaysia has even raised interest among other overseas competitors, who are now looking into the possibility of setting up a base in Malaysia too. When asked about that prospect, Caisse is, however, not worried.

He says Pickles has struck partnerships with local auto players such as Proton, Sime Darby Hertz Rent-A-Car and Avis, as well as private car dealers and private car sellers to help fetch better sale prices for their used vehicles.

“There’s a huge barrier to entry in our business, and it takes a huge capital outlay to get started, so we are in a defensible position here with a first-mover advantage,” says Caisse.

Source: The Edge Malaysia

## BENEFITS TO THE LOCAL ECONOMY



**Completing the downstream component of Malaysia’s auto insurance industry**



**Introducing unique skillsets to local talent**





Published date 2 September 2019  
Content is accurate at the time of publication



## SHAPING BETTER LIVES IN ASIA-PACIFIC FROM KUALA LUMPUR

Enrique Patrickson, CFO  
of Electrolux Asia-Pacific,  
Middle East and Africa

When Electrolux Group set up a shared service centre in Kuala Lumpur eight years ago, it was just to standardise finance processes across Asia-Pacific.

**B**ut last September, the group took things up to a whole new level with the introduction of a full-fledged Centre of Excellence (CoE), which supports the entire Asia-Pacific

not only for accounting functions but also finance-related IT expertise, robotic process automation (RPA), SAP projects and even some financial analysis. "We are 100 years old this year and we are still quite diverse, so

“We decided on Kuala Lumpur as the most ideal location, as it offers a great mix of highly skilled talent, and it is not easy to find a good combination of IT, accounting, languages and a mentality of understanding customers in remote locations.”

— Enrique Patrickson, CFO of Electrolux Asia-Pacific, Middle East & Africa

to stay relevant for the coming 100 years, it is super important that our CoE keeps evolving and develops the service offering,” says Enrique Patrickson, CFO of Electrolux Asia-Pacific, Middle East & Africa.

The CoE represents a key regional investment for the Swedish appliance maker, which is listed on the Stockholm Stock Exchange and employs over 55,000 employees worldwide.

For perspective, the group’s Asia Pacific businesses contributed 9.6% of its 124.13 billion krona in 2018. Note that Asia-Pacific is one of two geographical segments (out of four) that saw increased turnover last year, the other being its home region of Europe, Middle East and Africa.

According to Patrickson, the importance of the CoE lies in having a central team to develop best practices and maximise efficiencies internally in order to better deliver to its customers and partners — which is easier said than done.

He stresses that the choice of location, and what the said location has to offer, is critical and

that finding the right convergence of ingredients is challenging at best in order to ensure a CoE is successful.

Among others, the key criteria that Electrolux had prioritised included access to a good talent pool, strong language capabilities as well as access to its major offices.

“We decided on Kuala Lumpur as the most ideal location, as it offers a great mix of highly skilled talent, and it is not easy to find a good combination of IT, accounting, languages and a mentality of understanding customers in remote locations,” Patrickson says.

Another key highlight for Electrolux is that the multilingual talent pool in the capital city can speak English, Chinese and Bahasa Melayu, which pretty much covers the majority of its English-speaking regional markets plus China and Indonesia.

Kuala Lumpur is also located right in the heart of Southeast Asia and within several hours flight to most of Asia-Pacific, with the group’s regional head office just an hour flight away in Singapore.

## ELECTROLUX



**Global leader in household appliances & appliances for professional use**



**Aims to deliver enjoyable & sustainable living**



**Asia Pacific CoE for Digital Transformation in Kuala Lumpur**



**Celebrating 100 years anniversary**



“The CoE uses a range of digital technologies and capabilities that can drive digital transformation in the wider Kuala Lumpur ecosystem.”

– Enrique Patrickson, CFO of Electrolux Asia-Pacific, Middle East & Africa

### WHY GREATER KUALA LUMPUR



**Great mix of highly skilled multilingual talent with IT and Finance skills**



**Strategic location with good market access to APAC, MEA & major cities worldwide**



**Pro-business approach**

“In Kuala Lumpur, we have a young and hungry team that works with cutting-edge digital technologies to develop better services,” he says. Among others, the work at CoE involves optical character recognition, RPA, development of mobile applications and smart connected appliances.

The CoE’s ongoing training and professional development programmes for its employees also mean that Malaysians working at the centre has the opportunity to continue building expertise in the latest digital technologies via hands-on training on the job.

“The CoE uses a range of digital technologies and capabilities that can drive digital transformation in the wider Kuala Lumpur ecosystem,” says the CFO.

“All of these capabilities have enabled the CoE to be at the forefront of digital transformation within the organisation as well as in the industry, which will in turn, benefit the local workforce by upgrading their knowledge and

expertise in these areas,” he adds.

Also, while prioritising local talent development, Malaysia is also open to importing talent for a wider-picture benefit, Patrickson notes.

“This is key. Diversity becomes so important to develop a CoE. In Kuala Lumpur itself, we have a mix of local and foreign talents that help to add to the diversity that is so important to develop business,” he says.

“Understanding cross-cultural communication is so important for any CoE professional. You need to have an interest in other cultures to be successful,” Patrickson adds.

The Electrolux CoE is one of a dozen success stories in 2018 for InvestKL, an investment promotion agency under the Ministry of International Trade and Industry (MITI) tasked to attract MNCs into Greater KL.

Among others, InvestKL plays a key role in guiding MNCs every

“Diversity becomes so important to develop a CoE. In Kuala Lumpur itself, we have a mix of local and foreign talents that help to add to the diversity that is so important to develop business,”

– Enrique Patrickson, CFO of Electrolux Asia-Pacific, Middle East & Africa

step of the way through the investment process, ranging from locating attractive and suitable office spaces to navigating the local legal framework to avoid undue hitches.

And the agency's help has been invaluable and critical to setting up the CoE, says Patrickson.

At least 150 of those high-value jobs are in the Electrolux CoE today. And the figure will keep increasing as the CoE expands, says Patrickson.

While it is difficult to quantify how much Electrolux has invested in the CoE to-date, Patrickson stresses that the bulk of the investments was — and will continue to be — in training and upskilling its people.

He also foresees that the group will continue to invest into the centre as it expands to support the wider business operations in the region.

"It is no secret that many CoEs have high employee attrition and the main investment is in

training employees," Patrickson reflects. "We have, today, more than 150 people in the CoE, excluding our local Malaysia sales company, so providing training and development [programmes] and creating new tools are true investments for the future."

In fact, the excellent talent pool in Kuala Lumpur has not gone unnoticed by many other MNCs and that has, in a way, created a strong incentive for Electrolux to invest even more into talent development, Patrickson adds.

"As more companies set up Global Business Services in Kuala Lumpur, we have seen a growing demand for labour, which puts a crunch on talent," he says.

"This makes it rather a priority for us to not only focus on attracting talent, but also retaining them so we do not lose the valuable knowledge and experience the team has gained or affect the quality of the work."

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Source: The Edge Malaysia

## BENEFITS TO THE LOCAL ECONOMY



**Drive digital transformation in the wider Kuala Lumpur ecosystem**



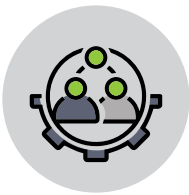
**More than 150 Malaysian staff who benefit from regional sharing and cross-cultural learning**



**Continuous upgrade of knowledge & expertise with CoE**

"Among others, InvestKL plays a key role in guiding MNCs every step of the way through the investment process, ranging from locating attractive and suitable office spaces to navigating the local legal framework to avoid undue hitches."

— Enrique Patrickson, CFO of Electrolux Asia-Pacific, Middle East & Africa



## MNCS MOVING UP VALUE CHAIN IN GREATER KL

### Indra



A Spanish global technology company that delivers core business operations technology in various industries



Set up Asia Pacific Transport Business Unit in KL



More than 50 highly-qualified professionals, 70% are Malaysians

KL offers plenty of business opportunities in transportation and transformation

Many global companies have opened regional services hubs, providing high-value employment opportunities and at the same time supporting Malaysia's transformation towards becoming a high value services-driven economy.

In a recent announcement, International Trade and Industry Ministry minister Datuk Darell Leiking said the services sector contributed RM16.5 billion in approved foreign direct investments last year. It continues to be the cornerstone of the nation's economic growth as it was the

largest contributor to total approved investments last year.

The government unveiled Budget 2019 to plot a path forward for the country and trust that with the existing policies in place, Malaysia can and will continue to spark confidence in investors.

This has paved the way for enhanced productivity, job creation and highly-skilled talent pool.

The success of regional business services is notable, especially an increase in global multinational companies that have chosen



Greater Kuala Lumpur to set up their high value regional services hubs.

One of the multinationals is Indra, a Spanish global technology company that delivers core business operations technology in various industries, such as transport, traffic and amp, defence as well as specialises in digital transformation for industries and public administrations.

Indra has set up its regional hub for the transport market in Kuala Lumpur.

Indra's managing director Gabriel Moyano Vazquez said Malaysia is attractive for the Spanish information technology solutions company. The country offers plenty of business opportunities in most areas such as transportation, defence, and digital transformation.

“Malaysia is a stable economy with flexible, attractive regulations and is business-friendly. That holds promising opportunities in our fields of expertise. For that reason, after many years of executing projects in the country, it has become the hub for our Asia Pacific Transport Business Unit,” Moyano Vazquez told the New Straits Times.

Indra has executed projects in Malaysia in the areas of transport, air traffic management, defence and digital transformation in several industries, such as airlines and oil and gas. It has an office here with a team of more than 50 highly-qualified professionals, of which 70 per cent are Malaysians.

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— **Moyano Vazquez, Indra's managing director**

In transportation, Indra is implementing an Integrated Common Payment System for Prasarana for seamless passenger movement, said Moyano Vazquez.

“Indra will continue to contribute in the technology arena through its solutions in main projects in Malaysia as well as through the Industrial Collaboration Programmes with which we intend to enhance the capability of the existing workforce and develop new talent and skills,” he added.

He said InvestKL has been a key facilitating partner in helping Indra move up the value chain. It has introduced Indra to the local ecosystem, local enterprises and education institutions.

It is through participation in InvestKL's Malaysia Global Talent programme that Indra is heavily engaged with local education institutions.

Universiti Kuala Lumpur, is one of the few local universities to provide rail-related studies. The collaboration with Universiti Kuala Lumpur includes working and planning the course syllabus with various faculties in ensuring that students are taught the latest up-to-date subjects in preparation for their career in relevant fields.

This further cements Indra's plans to keep its position in the transportation field and expand in other fields such as the security, defence markets and digital transformation in the energy sector.

## WHY GREATER KUALA LUMPUR



**Wide business opportunities in transportation, defence, and digital transformation**



**Stable economy with flexible, attractive regulations**



**Business-friendly destination**

## BENEFITS TO THE LOCAL ECONOMY



**Contribute to the local technology industry by offering solutions through main projects in Malaysia**



**Collaboration with UniKL to up skill students to be industry-ready**



**Industrial Collaboration Programmes that intended to enhance the capability of the existing workforce and develop new talent and skills**



## Wilhelmsen Ship Management



**A Norwegian top 10 ship management company**



**Present in 20 countries with more than 200 employees in KL**



**Provides key technical management for ships and crew management, accounting and finance services**

“It is through participation in InvestKL’s Malaysia Global Talent programme that Indra is heavily engaged with local education institutions.”

— **Moyano Vazquez, Indra’s managing director**

“Indra has interned and employed several of its students,” said Moyano Vazquez.

Another multinational company that has grown its regional business services hub is Wilhelmsen Ship Management, a global third-party ship manager in the maritime industry. They have set-up their regional headquarters in Greater Kuala Lumpur and have big plans to extend their services from this regional headquarters in developing and supporting its digital technology in the region.

Wilhelmsen Ship Management president Carl Schou said it aims to continue to strengthen its footprint here, leveraging on the government’s stable ecosystem of digital technology. Wilhelmsen Ship Management, a Norwegian based ship management company, is one of the top 10 ship managers in the world with presence in some 20 countries.

“We have different segments of operations in Kuala Lumpur and employ more than 200 people,” said Schou.

Wilhelmsen Ship Management’s services initially provided key technical management for ships and crew management, accounting and finance services for the ships including crew, procurement, information and technology services for vessels, global marketing and communication and global human resource.

New activities supported by the Kuala Lumpur office, especially in the digital and IoT sphere, include Robotics Process Automation for their financial services in the Asia Pacific region.

“Our company initially had a hub in Hong Kong. But we moved to Malaysia in 1994 and kicked off with the ship management business in Kuala Lumpur as the city had been the right place for relocation as it was geographically well-located,” he said.

Schou said it received a good value proposition in terms of cost and support from the government.

“We managed to attract people to work with us as the workforce is competent with English-speaking ability and the cost of manpower is considerably at a good rate in the region.”

“InvestKL supports by facilitating our requirements and helping to solve issues with government agencies,” he said.

An area where InvestKL is facilitating is enabling collaboration between Wilhelmsen Ship Management and local universities in building up the maritime talent ecosystem.

In the advent of digital technology, Schou said it was vital for Wilhelmsen Ship Management to develop and enhance its business presence with the new digital technology.

As a conservative industry, Schou said the shipping sector has a lot to



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— **Carl Schou, Wilhelmsen Ship Management president**

learn and more momentum is expected to develop or move into the digital sphere.

He said Malaysia has the talent pool and Wilhelmsen Ship Management is confident in finding and recruiting the right young people, who are digitally-focused with the right digital competency in Malaysia, to accommodate their business model as it adopts a more inclusive innovation and digitalisation agenda.

“Our drive is towards digitalisation, to make our operations more efficient and competitive. The local environment is supportive of the ecosystem in building up a strong digital competency in KL.”

“We have to invest quite a lot in digital technology and innovation sphere to develop our local business proportionately. We see Malaysia as an important place for the expansion of our global business.”

“We see the sector getting less crew onboard the ship but more digitalisation and innovation, which will automate low value, repetitive jobs. However, this will not happen in one to two years.

“We see autonomous ships being designed and built. We will see smaller ships being run autonomously on coastal water in the near future but most of the ships — deep sea fleet —

“Kuala Lumpur continues to gain good investment tractions from MNCs due to our rapid urbanisation, robust infrastructure and a strong eco-system.”

— **Datuk Zainal Amanshah, former InvestKL chief executive officer**

would need some time as international regulations are still being sorted out,” he said.

Former InvestKL chief executive officer Datuk Zainal Amanshah said MNCs are taking advantage of the country’s sophisticated business ecosystem particularly on the high value services activities.

“There is now a shift away from the normal shared services and basic hub activities. MNCs are moving up the value chain where the degree of innovation and usage of digital is high, requiring our talent to be more creative in their thinking and decision making.

These are the activities which will create more high-paying jobs for locals and increase MNC’s competitiveness.”

“Kuala Lumpur continues to gain good investment tractions from MNCs due to our rapid urbanisation, robust infrastructure and a strong eco-system.” he said.

He said the government initiatives on Industry 4.0 would add to strengthen Malaysia’s proposition as a choice for MNCs to set up regional services hubs in the Asian region.

Source: New Straits Times

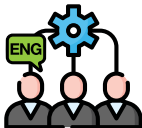
## WHY GREATER KUALA LUMPUR



**Government’s stable ecosystem of digital technology**



**Good cost value proposition**



**English competent and digitally focused talent pool**

## BENEFITS TO THE LOCAL ECONOMY



**KL office supports in digital and IoT for financial services in the APAC region**



**Collaboration with local universities to build up maritime talent ecosystem**



**Create more high-paying jobs for locals**



## WATERING ASIA PACIFIC'S GROWTH FROM KUALA LUMPUR

Frederic Théry, CEO of Veolia Water Technologies

Veolia bets on new regional base to ride the rising tide

If water is life, then wastewater is a fact of life. And nowhere in the world is the growth potential for both industries bigger than in Southeast Asia.

That is why Veolia Water Technologies (Veolia), one of the world's leading solutions provider for both water and wastewater treatment, is betting on its new regional base in Kuala Lumpur to ride the rising tide.

"Having a regional headquarters in KL allows us to be closer to customers

and partners in the region. It also plays an important role in expanding our footprint across Asia Pacific," says Frédéric Théry, chief executive officer of Veolia Water Technologies, Asia Pacific.

Asia Pacific has been a critical region for Veolia globally, making up 15% of its global revenue in 2017. Théry expects that proportion to continue growing amid rapid development in Southeast Asia.

Crucially, tightening environment regulations alongside global water and

wastewater issues in Southeast Asia have spurred corporates to acknowledge that being environmentally responsible is the way to go.

And therein lies the significant market potential that Veolia is eyeing. With a complete range of services from designing and building, to maintaining water and wastewater treatment facilities for both industries and the public, Veolia specialises in responsible and sustainable solutions that reduce corporates' water footprint.

According to Théry, Kuala Lumpur's central location in Southeast Asia is a key competitive advantage for the company in that perspective. For starters, Kuala Lumpur's time zone is ideal for its client base, who are spread across Oceania, China and South Asia.

The reliable infrastructure in the city and strong English capabilities among the local talents has also supported its growth strategy, with Malaysians making up as much as 20% of its 1,100-strong Asia Pacific workforce. Overall, Veolia employs 169,000 workers worldwide.

**Kuala Lumpur — truly Asia**

Of course, neither Asia nor Kuala Lumpur are unknown territory for Veolia. It has operated in Asia for over 35 years, with a Kuala Lumpur presence going back two decades.

But it was not just familiarity that drew the company to set-up a

regional headquarter in the capital city. Rather, it sought access to the soft capabilities of the local talent as a critical business edge.

"The Malaysian talents are multi-lingual and multi-cultural and are familiar with the Asian culture. This enables them to communicate effectively with clients in the region and bolsters their understanding of the client's needs," says Théry.

In addition, the regional base location in Kuala Lumpur has also allowed the company to refocus various functions, and to become leaner and faster in responding to the unique needs of different markets across the region.

This is helped greatly by the capital city's inherent friendliness towards multinational companies (MNCs). For example, business-friendly government policies make it attractive and cost-effective for MNCs to operate in the city.

"Kuala Lumpur is fertile ground for MNCs to grow and flourish," Théry says.

Critical to Veolia setting-up its regional headquarters in Kuala Lumpur has been the facilitation and support provided by various agencies, especially InvestKL — the entity spearheading the promotion of Kuala Lumpur as a regional hub of choice for MNCs.

Veolia's regional chief, Théry, agrees, praising InvestKL's assistance as

**VEOLIA**



**Delivered drinking water to 96 mil people and provided wastewater treatment services to 62 mil people across the globe in 2017**



**Asia Pacific region contributed 15% of global revenue in 2017**



**World leader & solutions provider for water and wastewater treatment**

**BENEFITS TO THE LOCAL ECONOMY**



**Asia Pacific regional headquarters and engineering Center of Excellence in KL**



**Malaysians make up about 20% of Veolia's 1,100-strong Asia Pacific workforce**



**Collaborating with local universities to offer talent pipeline programs (e.g. technical internships to undergraduates)**



## WHY GREATER KUALA LUMPUR



**Strategic location in Southeast Asia to reach client base in Oceania, China and South Asia**



**Business-friendly government policies**



**Strong English capabilities in local talent**



**Reliable infrastructure**

essential to making the set-up in Kuala Lumpur “seamless” for the group.

“InvestKL assisted greatly by connecting us with the relevant authorities and agencies in dealing with local regulations, and by providing necessary advice on various other processes, such as the relocation of some of our key management personnel to KL,” he adds.

### Long-haul planning

It is clear that as far as Veolia is concerned, it is in Kuala Lumpur for the long-haul. Numbers aside, the headcount in Kuala Lumpur also includes key management roles that are held by local talent, it says.

Furthermore, Veolia is also building a pipeline of talent supply locally. It is already collaborating with local universities to develop degree programs related to the water and wastewater industry and will offer technical internships to undergraduates.

Locally, one of its landmark project is the 20-year partnership agreement to provide a wastewater treatment and reclamation plant for the iconic Tun Razak.

The project will see Veolia build a 30,000-square-foot plant to treat 3.5 million gallons of wastewater daily for non-potable purposes. Reports say the plant can cut water demand by half as at least 80% of fresh water used can be recycled.

But Veolia is not resting on its laurels just yet. Instead, it is looking ahead to keep up with the myriad of challenges faced by water and wastewater players.

Among other ways it is managing these challenges is via a proprietary digital platform called AQUAVISTA™, which provides real-time monitoring of its plants and connected equipment.

“Veolia will continue to contribute to the sustainable development in the region by providing unique water, wastewater, and reclaim solutions — from process design to complete turnkey installation and operation services for municipal and industrial customers,” says Théry.

“We look forward to working in partnership with stakeholders to focus on what we do best in delivering results with our solutions.”

Source & Photos: The Edge Malaysia

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— **Frédéric Théry, chief executive officer of Veolia Water Technologies, Asia Pacific**





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