

# GLOBAL

## BUSINESS SERVICES

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Gazing Forward:  
A Perspective On The  
Future Of Work

Sustainable Sourcing:  
Sustainability Integrated  
Within The Value Chain

Beyond Boundaries:  
Rethinking Your  
Business Avenues



THE RIGHT PICK:  
**TECHNOLOGY**  
AND THE TALENT GAP

ORGANISED BY:



# GLOBAL BUSINESS SERVICES NETWORK

GBSN CONFERENCE SERIES 2018

**An ASEAN Perspective On The Burgeoning GBS Landscape**

**Date: 18th October, 2018**

**Venue: Kuala Lumpur**

## **Topics Discussed:**

- Embracing Blockchain: Why You Need to Prepare for This Transformative Technology.
- The State of GBS in ASEAN.
- Getting Ahead of the Digital Disruption with Multisourcing Paradigms.
- Harnessing The Power Of Automation & Technology For Improved Efficiency, Productivity And Reduced Costs.
- Diversity is Great, Inclusion is Greater.

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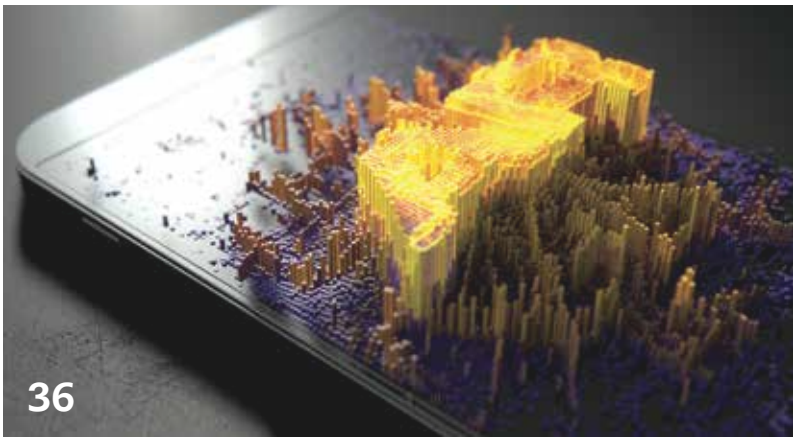
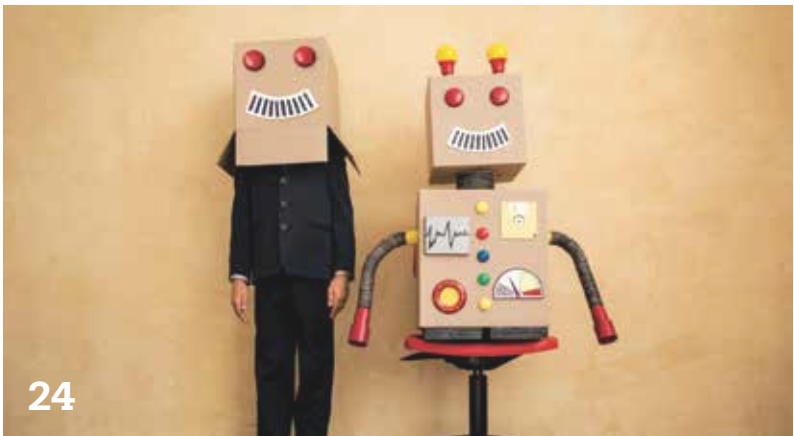
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Unit No.617, Block D, Kelana Square,

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47301 Petaling Jaya, Selangor, MALAYSIA

Tel: +603 7880 4200/7886 4933

Fax: +603 7803 0500

admin@wordlabs.com.my

tamyne@wordlabs.com.my

URL: [www.the-outsourcing.com](http://www.the-outsourcing.com)

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## the team

Founder / Editor  
**SRITHARAN VELLASAMY**

Members of Editorial Advisory Board

**BOBBY VARANASI**  
**MARTIN CONBOY**  
**SUNDRA SURIAN**

EDITORIAL [sri@wordlabs.com.my](mailto:sri@wordlabs.com.my)

Deputy Editor **DARREN TIMOTHY**  
Graphic Artist **ISMAIL MORTHAR**  
Photography **AYLWIN JOSHUA**  
Contributors **JAMIE OW, VITTORIO FURLAN,**  
**FONG HENG HUO, DAVID HAND, MICHIEL**  
**ROELOF DE BOER, BOBBY VARANASI, CK**  
**MAH, ANGELICA LIM, HELEN SELVANATHAN,**  
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## INFO & SALES

**TAMYNE MENON**  
[tamyne@wordlabs.com.my](mailto:tamyne@wordlabs.com.my)

**RAJAN GOPAL**  
[rajan@wordlabs.com.my](mailto:rajan@wordlabs.com.my)

**HILARY LAZAROO**  
[hilary@wordlabs.com.my](mailto:hilary@wordlabs.com.my)

**WORDLABS**  
**GLOBAL**

[wordlabs.com.my](http://wordlabs.com.my)

No.617, Block D,  
Kelana Square, 17 Jalan SS7/26,  
Kelana Jaya,  
47301 Petaling Jaya,  
Selangor, Malaysia  
Tel: +603 7880 4200; +603 7886 4933  
Fax: +603 7803 0500  
Email: [info@wordlabs.com.my](mailto:info@wordlabs.com.my)  
Web: [www.wordlabs.com.my](http://www.wordlabs.com.my)

## OUR EVENT SERIES:



[gbsforum.com](http://gbsforum.com)

IT'S evident that the movers and shakers of the Global Business Services sphere have their eyes on raising the stakes and accelerating industry growth. This is as clear indication as any of a well lit path, moving forward.

As of now, the GBS landscape as we know it is changing, and disruptive technologies are accelerating this. Gone are the days of traditional outsourcing, and enter the era of Big Data Analytics, Internet of Things, Machine Learning, Robotic Process Automation, Artificial Intelligence and Blockchain.

Adoption of these new technologies and the internal restructuring of strategies to tackle this new market remain the key deciding factors in an organisation's success. Additionally, acquiring and nurturing the right talent to match these new technologies is proving to be a challenge in this day and age as well.

GBSN is proud to bring you the 51st issue of the Global Business Services Magazine. Flip to our cover story "Technology And The Talent Gap" by David Hand, which explores how business leaders and organisations navigate the digitalised workplace by addressing talent shortages and implementing strategic planning. The article looks at how organisations need to match the right talents to the right technologies, whilst taking the initiative to equip employees with the right skills.

In the article "Battles for Talent" by Fong Heng Huo, it digs deep into the nature of talent progression in GBS centres, and how it differs from traditional career paths. Companies need to understand the challenges that come with setting up a GBS centre so that they are prepared to weather the storms that might hit. Besides that, graduates and prospective employees need to be equipped with the skills and knowledge of the GBS industry.

I am also excited to announce that the GBS Forum is back once more, carrying on the role of being the coveted platform for the business community to come together and share valuable insights and updates in the GBS sphere.

The theme for the upcoming forum is "An ASEAN Perspective On The Burgeoning GBS Landscape", and will be held on October 18th at the heart of Kuala Lumpur.

I am also excited to announce that our media partner, Wordlabs Global, will also be organising an upcoming new segment comprising both a forum and magazine under the banner of the Fourth Industrial Revolution.

Entering the second half of the year, there's no doubt that things will kick into high gear. Stay tuned and keep updated on all the exciting plans we have in store for the remainder of 2018.

– Sritharan Vellasamy  
([sri@wordlabs.com.my](mailto:sri@wordlabs.com.my))

## About the GBS Network:



# Know More: Global Business Services Network

## About Global Business Services Network (GBSN)

Global Business Services Network (GBSN), enables the business and sourcing community in Asia to meet and discuss Global Business Services, sourcing trends and to explore opportunities for developing the industry in Asia.

GBSN consists of GBS magazine and the GBS Forum Series – that leverages the strength of WordLabs Global Sdn. Bhd., an integrated communications company, in ensuring continuous thought leadership and the provision of solutions for the GBS industry through our forum-driven events and discussions on the latest trends, incorporating knowledge sharing within the industry.

In addition, GBSN provides solutions for our partners and clients by providing services the likes of GBS Events, which organises events commissioned by industry stakeholders specifically modelled according to their needs with GBS Media, GBS Digital solutions and GBS PR services completing a comprehensive suite of offerings.

## What is the Global Business Services Network (GBSN) Forum?

GBS Forum (gbsforum.com) creates a neutral platform together with public and private players and stakeholders to enable the business community in the Asian region to gather and discuss global business services trends and shifts in business technology.

The origins of GBS lie in Shared Service Centres (SSCs), originally established with a strong focus on cost efficiency

through centralisation and standardisation. SSCs allowed businesses to concentrate on their core activities while contributing to cost reduction. The major issue with this model was image, with SSCs rarely being seen as an innovative career choice, with a culture more aligned to a ‘call centre’ environment rather than a transformation engine.

Times are changing. Organisations want GBS to provide an enhanced customer experience for both internal users (business management, employees) and external users (suppliers, customers). They want a wider scope of activities that add value and enhance their digital organisations; services that go far beyond the repetitive business tasks traditionally associated with SSC. Both mature and new GBS sites are grappling with this challenge.

However, what do the global business services structures look like? Moreover, how will they evolve to support and enhance the businesses that they operate or serve? This void Wordlabs is filling – not just with the GBS Forums – but also by extending the conversations through all our media channels. The intent is not to educate practitioners and enablers on the “how” (operational issues); what GBS Network is aspiring to do instead is to focus on the “what” (strategic issues) in order to take a more comprehensive view of the value proposition of this industry.

Events under the GBS Forum series seek to find answers to pertinent matters within the GBS sector and at the same time create a platform for the uninitiated to get the right information and latest trends, besides setting the stage for interaction within the business community to share knowledge and debunk myths.

# ARE YOU READY? THEN JOIN US ON THE JOURNEY ...

## WHY ATTEND?

- **FOR CUSTOMER ORGANISATIONS:**  
Learning, Interactions, Networking, Best practices
- **FOR VENDORS & ENABLING AGENCIES:**  
Positioning Opportunities; Value Selling; Case Studies & Access to Marketplace
- **FOR SOURCING ADVISORS & INDUSTRY OBSERVANTS:**  
Expert Insights

## FORMAT

- **KEYNOTES**  
Buyers/ End-Users to Articulate Issues
- **PANELS**  
Mix of Buyers, Vendors & Advisors
- **CASE STUDIES**  
Vendors & Enabling Agencies

## DELEGATE PACKAGES

Conference Delegate Fees
One Standard Delegate (RM2000)
Three Standard Delegates (RM5400)
Five Standard Delegates (RM9000)
Seven Standard Delegates (RM12600)

## VENUE: KUALA LUMPUR

# Are You Ready For The Revolution ... GBSN's Malaysian Event

October 18<sup>TH</sup> Kuala Lumpur, Malaysia

**GLOBAL BUSINESS SERVICES NETWORK**  
GBSN CONFERENCE SERIES 2018

ORGANISED BY:  **GBSN**

An ASEAN Perspective On The Burgeoning GBS Landscape

Date: 18th October, 2018    Venue: Kuala Lumpur

Time: 8.30am - 5.00pm (Main Conference) / 5.00pm - 8.00pm (Networking Cocktail)

ORGANISED BY: 

The Global Business Services (GBS) Industry is undergoing a revolution. Disruptive influences are changing the way GBS operates, with Technology disruptors being the most significant and impactful and creating unique opportunities. This requires a fundamentally new vision for GBS across all markets and specifically for Malaysia. Malaysia has a unique opportunity to strengthen its position as the location of choice for large multinationals looking to expand existing facilities or set up new centres.

Malaysia can flourish and be a leading location globally for GBS because of its young, nascent talent pool; GBS experience, and favourable economic environment. It is a place where creative and talented people work closely with technology such as robotic automation, to build a GBS model that can truly power an organisations' growth and

transformation. Malaysia needs to be positioned as a Centre of Excellence (CoE) globally, for GBS Enabling Technology and have the capability to deliver automation and artificial intelligence projects globally from an organisation's Malaysian GBS centre.

Capitalising on global shifts, Malaysia's GBS centres can free themselves from traditional Shared Services stereotypes and upskill Malaysian talent to work at the leading edge of the GBS Industry in new services such as Advanced F&A, Commercial Services, Data Management and Analytics. Key to success will be Malaysia's ability to build on the elements that brought Shared Service Centres here in the first place. Elements the likes of the talent pool; the low-risk, low-tax business environment, and the speed at which we can bring many groups together across government, industry and academia to work together

with the common goal of cultivating expertise and leadership in disruptive technologies and new models that will power the next-generation in GBS.

The next phase will be about influencing the building blocks of GBS, the services, technology, people and putting in place government support and a skills strategy to achieve a vision of being globally recognised as a Centre of Excellence for GBS, leading in specialised talent and innovative business services.

Paving the way for driving changes in the GBS Industry include:

- New technologies (Digital Disruptors) like AI and machine learning, are revolutionising business services offerings. Automation is on course to deliver 40% of all transaction accounting work by 2020

- Users, both external and internal, are demanding more from their service experiences and expect access from everywhere, intuitive features and a personalised experience
- Businesses are becoming complex and demand real-time insights to make decisions and have increased volume and efficiency expectations of GBS functions
- Business life expectancy for companies fell from 75 to 15 years in the last 50 years, and continuous innovation and transformation has become an imperative for longevity.

- Low cost economies have increased competition and wider labour arbitrage opportunities make it harder for Malaysia to differentiate from a pure cost perspective - Global political status quo is changing with increased protectionism and a growing anti-globalisation sentiment

Malaysian GBS organisations cannot take a back seat in today's global environment with business as usual. In response to such disruption, companies are now moving towards more advanced models.

Research shows that the industry is developing to focus on 'experienced based' services and/or solving more complex business problems, with almost half of companies expecting to use a more advanced service delivery model within 5 years. GBS organisations are moving towards a customer-centric, end-to-end service based model. It is through this approach that the next wave of value of the GBS model can be unlocked and the Global Business Services Network (GBSN) is here to provide a platform for the Malaysian GBS Industry to discuss, challenge and embrace the changes.



For latest information, please log on to [www.gbsforum.com](http://www.gbsforum.com) or email [gbsforum@wordlabs.com.my](mailto:gbsforum@wordlabs.com.my) or [tamyne@wordlabs.com.my](mailto:tamyne@wordlabs.com.my)



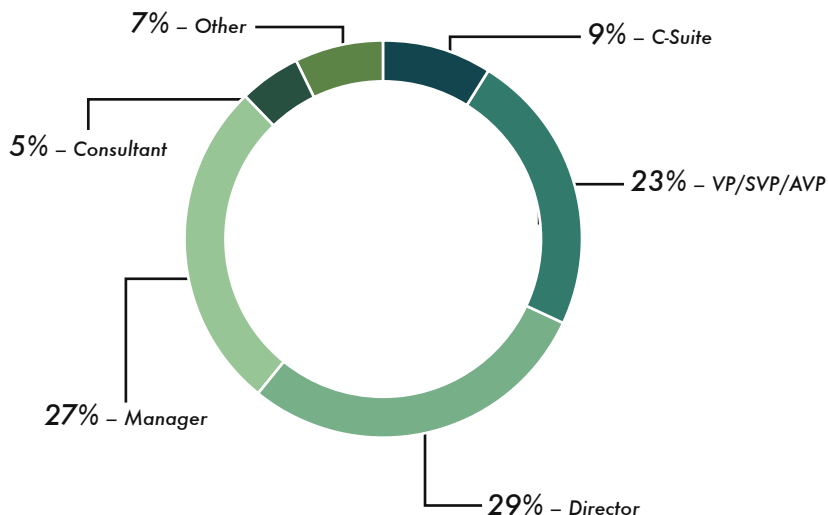
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200+

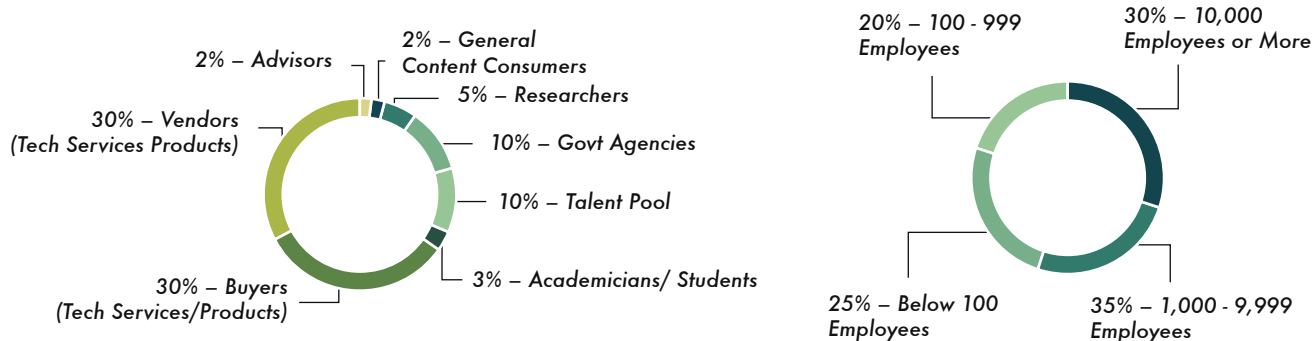
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120+

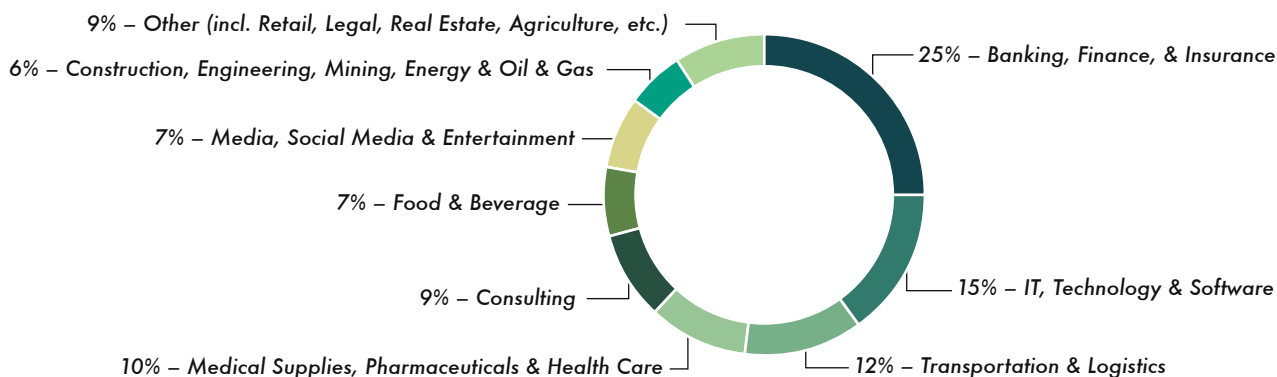
## MEET THE DECISION MAKERS



## THE GLOBAL BUSINESS SERVICES (GBSFORUM.COM) MAGAZINE CIRCULATION IS INDUSTRY SPECIFIC & TARGETED



## INDUSTRY BREAKDOWN



Highlights of the upcoming event on October 18th 2018

An ASEAN Perspective On The Burgeoning GBS Landscape

08:00 - 08:30	Registration & Welcome Refreshment
09:00 - 09:15	<b>Opening Remarks</b> Sritharan Vellasamy – CEO - Wordlabs Global Sdn Bhd /Chairman, GBS Forum
09:15 - 09:45	<b>Speaker 1</b> Embracing Blockchain: Why You Need to Prepare for This Transformative Technology
09:45 - 10:45	<b>Opening Roundtable</b>  The State of GBS in ASEAN
10:45 - 11:00	MORNING TEA & NETWORKING
11:00 - 11:30	<b>Speaker 2</b> Getting Ahead of the Digital Disruption with Multisourcing Paradigms
11:30 - 12:00	<b>Speaker 3</b> Sourcing & Vendor Management’s Excellence Adventure (Case Study)
12:00 - 13:00	<b>Panel Discussion 1</b> Inside the Minds of CXOs
13:00 - 14:00	LUNCH & NETWORKING BREAK
14:00 - 14:30	<b>Speaker 4</b> Incorporating Intelligent Automation
14:30 - 15:30	<b>Panel Discussion 2</b> Harnessing The Power Of Automation And Technology For Improved Efficiency, Productivity And Reduced Costs
15:30 - 16:30	<b>Panel Discussion 3</b> Diversity is Great, Inclusion is Greater
16:30 - 17:00	<b>Speaker 5</b> Riding Disruption Through Innovation in the Era of 4th Industrial Revolution
16:45 - 17:00	LUCKY DRAW
17:00 - 20:00	NETWORKING COCKTAIL (Bridge Bar, Level 28)

\*Speaker list/ Agenda is subject to change on event day.

## What They Say: Global Business Services (GBS) Forum



"DUE TO THE DIVERSE RANGE OF PARTICIPANTS AT THE FORUM, IT ALLOWS US TO BENCHMARK OURSELVES AGAINST OUR PEERS AND TO TAP INTO BEST PRACTICES AND INNOVATIVE SOLUTIONS FROM INDUSTRY EXPERTS AND THOUGHT LEADERS TO OVERCOME CHALLENGES WE FACE."

Adrian Lim

(Managing Director, Operations & Infrastructure Services, Accenture)



"THE EVENT HAS INDEED SUCCESSFULLY SET THE STAGE FOR COMPLEX CONVERSATIONS WITH REGARDS TO THE GBS INDUSTRY."

Mohamed Abdel Razek

(Global Head CnC & Tech Ops, GBS Malaysia Technology Head, Standard Chartered GBS)



"GBS FORUM HAS SUCCESSFULLY CREATED A SOLID STAGE FOR INTERACTION WITHIN THE BUSINESS COMMUNITY TO SHARE KNOWLEDGE AND GAIN BEST PRACTICES."

Tony Collingridge

(OBE, British High Commission Kuala Lumpur Director of Trade and Investment)



"PRIMARY BENEFIT OF THE GBSN EVENT IS THE SHARING OF KNOWLEDGE AND BEST PRACTICES. WITH PRACTITIONERS GETTING TOGETHER TO TALK ABOUT THEIR CHALLENGES AND THE SOLUTIONS THEY HAVE IN PLACE. THESE CONVERSATIONS WILL IMPROVE THE INDUSTRY AS A WHOLE AND THOSE INVOLVED IN IT."

David Hand

Director of Global Business Services (ACCA)



"THE GBS EVENT IS VERY BENEFICIAL TO THE INDUSTRY, BOTH FROM A CLIENT AND A BUSINESS POINT OF VIEW AS DIFFERENT INDUSTRIES ARE LOOKING FOR ROBUST END-TO-END SOLUTIONS AND NEW TECHNOLOGIES THAT ARE AVAILABLE TO SATISFY THEIR BUSINESS NEEDS."

Nikolay Georgiev

Head of Billing Europe (DHL)



"THE GBSN FORUMS BRING A LOT OF VALUE TO THE GBS INDUSTRY IN MALAYSIA AND THE REGION. THE FORUM GIVES PARTICIPANTS AN OPPORTUNITY TO EXCHANGE THOUGHTS, IDEAS AND CHALLENGES, POTENTIALLY LEADING TO COLLABORATIVE SOLUTIONS, FOR THE BENEFIT AND ADOPTION BY THE GBS INDUSTRY."

Hew Wee Choong

(Malaysia Digital Economy Corporation (MDEC), Vice President, Investment and Industry Development)



# BECOMING AN ANALYTICS-DRIVEN CFO



**GLOBAL**  
BUSINESS SERVICES

By Vittorio  
Furlan

**T**HE CFO's role continues to evolve in Asia-Pacific as the demands from the business shift and change. CFOs need to think beyond their traditional transactional responsibilities and step up to help forecast and shape the future by leveraging data and advanced analytics.

For the CFO and finance team to become truly empowered by analytics, they will need to undergo a transformation. Simply aligning the finance team's capabilities to the new agenda and ensuring the business can generate analytics insights with the right technologies are not enough. The new

analytics-driven CFO will need to shine a light on both culture and operations in order to succeed.

## REALIGN STRATEGICALLY

Making data and analytics a strategic imperative, and articulating the role that analytics can play in value creation, will reshape not only the CFO's role but the future of the organisation as a whole. An EY-Forbes Insights survey of 564 global executives, "Analytics: Don't forget the human element", saw only 12% of the respondents describe their analytics maturity as leading. There is plenty of room for improvement.

The new finance strategy should look to lead the business with value-added insights and services. Shifting the focus to what the business needs to succeed at and eliminating any

services that do not fit into that picture, will realign the finance function by default.

CFOs need to consider how much "white noise" exists in their environment and realign the finance function's priorities accordingly. For example, outsourcing "non-core" activities such as time and expense management will free up the team's time to concentrate on predictive analytics. Imagine if CFOs could make fine-grained predictions about what is likely to happen next to their balance sheet or tax position, they could intervene to improve the outcome.

## BUILD FACT-BASED CULTURE

While the potential value of analytics is exciting, how does the CFO execute this vision? Success is most likely when



Working on analytics-driven insights and giving credit where credit is due will hasten the organisation's cultural transformation.





*Just like wine ... the organisation's level of analytics maturity will be repeatedly and increasingly assessed, to determine its overall capabilities.*

everyone from the frontline up uses analytic insights to inform action. Yet this is almost always a challenge. A staggering 89% of executives in the same survey said that they continued to struggle with change management issues in delivering analytics-driven results.

This is where there is a huge opportunity for CFOs to take the driver's seat in transforming an organisation's culture to one that operates in a fact-based, decision-making environment. CFOs who step up to drive this transformation will be valued as strategic heavyweights in the boardroom.

To that end, engaging internal stakeholders is fundamental. Understanding how analytics can create value for the organisation and knowing who cares about specific issues are essential to engage the business in an analytical fact-based conversation. Identifying where the real value lies and involving the people who will more actively effect the change – or be affected by the change – will be critical. If they feel a sense of involvement and ownership, there will be a better chance that they will change something about what they do.

Supporting changes that are based on analytics-driven insights and rewarding people for executing those changes will rapidly reshape the way the organisation operates. In addition, helping to embed analytics leaders throughout the business across business lines and

levels will help drive the transformation agenda.

### **MICRO-INSIGHTS FOR BIGGEST WIN**

Analytics insight and action are not just for the C-suite or boardroom; they must be embedded at all levels within the organisation to improve the benefit. Embedding an analytics mindset across an organisation helps to reduce inherent human decision-making bias and also enables business people to become better analytics consumers.

Micro insights shared with the frontline often has the greatest impact. For instance, being able to run big data text analysis of transaction descriptions can show up any discrepancies and allow the staff member at the time of text entry to know how best to record that particular transaction. This is a micro-prediction that could have a huge impact on efficiency, effective record-keeping and accuracy of data by reducing the need to fix data entry errors after the fact.

### **PRIORITISE ASSETS AND TECHNOLOGY**


CFOs need to treat their data with the respect it deserves; it's likely to be the organisation's most valuable asset over the coming years. Privacy, security and sovereignty are important considerations.

Historically, anything technical has fallen into the domain of the CIO but this is no longer the case. Upon closer inspection, 78%

of executives in the same survey agreed that data and analytics are changing the nature of competitive advantage, where an organisation's level of analytics maturity will become increasingly valued.

Therefore, proper data treatment is now a C-suite problem – where the finance team will need to work hand-in-glove with the CIO to build solutions that will help them undertake actionable insights to shape sound business decisions.

Instead of fearing new technologies and approaches associated with data and analytics, CFOs should embrace them, test them and showcase the results – both the good and the bad. Being innovative may not always be seen as a quality of traditional CFOs, but this needs to change – and can be changed.

In the future of finance, CFOs will rely on big data and analytics to support the human judgment that they bring to everyday decision-making and business processes. Finance teams will have analytics as a core competency in order for business decisions to be informed by data. The focus will be on “what's coming next”, rather than on “what's already been”. 

*The author is Vittorio Furlan, a Director in the data and analytics practice of Ernst & Young Advisory Services Sdn Bhd. The views reflected in this article are the views of the author and do not necessarily reflect the views of the global EY organisation or its member firms.*

# USD4.5 Million Raised By AsiaCollect

**AsiaCollect** - a leading provider of integrated Credit Management Services (CMS) in Southeast Asia - has successfully raised USD4.5 million.

This was achieved after the company closed their recent investment round, which was headed by SIG Asia Investments, a global technology investment firm, and co-invested by Dymon Asia Ventures, the venture capital arm of Dymon Asia Capital. What's notable was the fact Dymon Asia Ventures also invested USD1 million in Asia-

Collect's pre-series A equity round in August 2017.

According to Mr. Tomasz Borowski, chief executive officer and co-founder of AsiaCollect, the company is thrilled to have SIG on board due to their unique track record of picking winners in financial services.

"As we move into the purchasing segment of the value chain, we are increasingly attracting significant investor interest, both from an equity and debt standpoint. Moreover,

investors view the debt collections business as a classic counter-cyclical play, which is becoming increasingly important as we move into what looks like the peak of this cycle," added Borowski.

AsiaCollect will use the new funds to support growth initiatives, including client acquisition in its core markets, enhancements to its SaaS solution, expansion of its collections' infrastructure and teams, and to continue purchasing NPL portfolios.

## Changing Tides: Cloud Services Impact IT Outsourcing Market In Philippines

**IN** an article by James Henderson, published in Channel Asia Singapore, Philippines has recorded a total outsourcing services revenue exceeding US\$300 million in 2017.

Based on the findings by the International Data Corporation (IDC), it was found that cloud services were causing a "fundamental shift" in the IT outsourcing market. One notable statistic was a 3.5% decline in the local IT outsourcing market from the previous year.

The article stated that "this was due to the 'radical change and cannibalisation' of cloud-based models of outsourcing involving infrastructure-as-a-service (IaaS) and software-as-a-service (SaaS), a changing cost structure, and fundamental shifts in the competitor environment."

In an evolving ecosystem, IDC reasons that various strategies are being put into play, ranging from cloud-centric to hybrid IT approach, all with the goal of coming out on top.



# Driving Adoption Of Cryptocurrency



**VITALIK** Buterin of Ethereum believes that at a technical level, challenges pertaining to scalability needs to be addressed for blockchain applications to be widely adopted. To do so, partnering with the global community is the quickest solution.

In late January, the Ethereum Scalability Research and Development Program provided grants of 50,000-1,000,000 USD to groups across the globe. These grants are intended to work on two strategies to scaling: sharding (requires a small percentage of nodes to see and process every transaction) and

off-chain (transactions only interact with the underlying blockchain in when needed) solutions. Vitalik wants to support a multi-pronged strategy toward Ethereum scalability.

Another titan that is contributing to the growth of cryptocurrency is Changpeng Zhao (CZ) of Binance. They have only just launched their crypto-fiat Uganda Exchange, with the goal of expediting the adoption of crypto among the masses. Certainly, they aren't stepping foot into a well-developed financial market; they intend to educate and develop

Uganda's economy.

Launching Binance Lab 1 billion USD fund in a country where only 11% of the total population has a bank account is no doubt an uphill battle. But the view at the top is truly worth the endeavour, according to CZ. They want to invest in infrastructure of blockchain and study the real world application of it. Furthermore, they've reached out, via their charity foundation, to charities to practise recording everything on blockchain for 100% transparency – all admin fees covered.

## Philippines: Emerging Economy, Albeit With Vulnerabilities

**SHRUGGING** off the moniker "sick man of Asia", Philippines grew to be one of the bright spots of the SEA region, with growth in Gross Domestic Product (GDP) by about 6.7% in 2017.

However, implementation of new tax measures, extrajudicial killings, and erratic policies are boring holes into investor confidence. In the first year itself, American investment pledges nosedived by 70%, while South Korea's, by 93%.

The implementation of the TRAIN Law, sees increased taxation, worsen inflation and further

demoralise foreign investors. However, the Philippine government is confident it can achieve their targeted 4% inflation. Besides, a weakening currency may boost exports, BPO sector, and improve the purchasing power of remittance-sending overseas workers.

Yet, actual investment saw a steady growth under Rodrigo Duterte's presidency, breaking the ceiling and hitting 10 billion USD in 2017 – a record high. The first quarter of 2018 also witnessed further growth by 44%, reported the Department of Finance.





# BATTLES FOR TALENT

By Fong Heng Huo

**D**ESPITE being ranked third out of fifty five countries by AT Kearney in the Global Services Location Index, and having a fifteen percent expected growth rate over the next five years—the allure of the Global Business Services (GBS) industry in Malaysia is distinctly more pronounced with employers than employees.

The GBS value proposition to an employer is easily articulated and typically falls within the realms of efficiency and effectiveness of cost and processes. The same cannot be said when the population tries to grasp the value of being associated with a GBS entity.

## EVOLUTION IS KEY

Typically starting out as a centralised Service Centre, then expanding into a Shared Service Centre (SSC) before evolving into

a Business Service Centre – GBS offerings typically range from simple transactional processing functions to more complex reporting, analytics and decision support offerings for local, regional and global organisations. In Malaysia, there are approximately 500 companies that have set up GBS centres, creating close to 90,000 jobs. Most of the jobs span the areas of Finance, Human Resource, IT, and Procurement.

As the global economy continues to face disruptions and gets battered from a multitude of challenges, the GBS industry is poised to flourish. Growth is also further supplemented by an array of incentives that is typically provided by governmental agencies to superficially induce attractiveness. The challenge for organisations now is to quickly close the actual and perceived gaps in processes, perception and people that hinder a smooth trajectory growth.

## CHALLENGES FACED

Hailed as the silver bullet to address common organisational ailments of lacklustre efficiencies – many organisations haphazardly set up a GBS centre in hopes of getting back into the black. Many underestimate the challenges and effort needed to successfully establish and run a GBS operations.

The typical approach of treating a GBS as a sub-division of an existing company with people, processes and tools being boxed and ported over are common reasons why many abort their attempts within a few years. There needs to be an understanding that managing and motivating the GBS workforce is markedly unique. Processes and technology platforms cannot be copied exactly from parent companies. In essence, from the get go, many do not have the right talent to organise and manage the intricacies of GBS operations.




There is also an emerging problem of employability that brings new challenges around talent attraction and retention. The contemporary workforce have been culturally conditioned to look at career development from a technical point of view. For example if you are an accountant, you would work to become a better accountant, and from there, you would slowly move up the ranks with the ultimate goal of leading a group of accountants. However due to the nature of how work is typically set up in a GBS centre, progression might not be as linear and timely as expected. Using the same example, the value proposition of a GBS centre would be career growth that goes beyond the traditional accounting career

development path. However, many are reluctant to take this leap of faith as it is new, uncomfortable and uncharted.

Successful GBS centres operate differently, with jobs that are unique and require a mix and match of different non-traditional competencies; this sadly leads to role fatigue, stress and monotony. The average attrition rate of 30% that plagues the GBS industry in Malaysia, reflects this.

Many potential entrants to the industry hesitate to do so because of the perception that joining a GBS equates to constant backend processes and functions. This jaded perception is caused primarily by the diversity of scope and uniqueness of jobs that typical GBS centres

performs in Malaysia. This is compounded by a low awareness of the industry to start with, unlike in the Philippines and Indonesia, where the awareness of the industry is distinctly higher.

The issue of perception and awareness is partly negated if the business interested in establishing a GBS centre is an already an established brand. However, even with that proposition, the business succeeds in the short term and the industry standing remains dull. 

**Close calls...Many organisations underestimate the challenges and effort needed to successfully establish and run a GBS operations.**





**Time is ticking...Most organisations are pushed to implement the GBS solution, and with this push there is typically a certain level of urgency.**



**GBS organisations have to engage in 'battles for talent' with each other in order to convince prospective employees why they should work for them."**

In the current competitive landscape, GBS organisations have to engage in 'battles for talent' with each other in order to convince prospective employees why they should work for them. To compound to this, GBS as an industry also needs to compete with other more traditional industries for talent.

#### **FOOD FOR THOUGHT**

A plausible start to working out a solution would be to have a tripartite approach of government, industry and academia working together on a coherent strategy to create an environment that GBS as an industry can thrive.

Currently there are pockets of efforts within the academia fraternity, primarily in a few optional



**In Malaysia, there are approximately 500 companies that have set up GBS centres, creating close to 90,000 jobs."**

electives that students can take to better their understanding of the industry – one such effort is by University Kebangsaan Malaysia's course on GBS. The Malaysian government's show of support comes in the form of involvement from agencies such as Talent Corporation and Malaysia Digital Economy Corporation (MDEC). This being said, there is still much work to be done to further bolster this proactive tripartite model of collaboration.

The unfortunate truth is that most organisations are pushed to implement the GBS solution, and with this push there is typically a certain level of urgency. This has led to an increased number of organisations turning to consultancy firms to help them with their implementation efforts. This is understandably so, as such firms offer a one stop solution, have the prerequisite experience and are usually an easy target when plans do not go as planned! A Google search on "Shared Services Practice Leader" will lead you a vibrant page of consultancy firms looking for new talent to feed this demand.

Tactically, this is a sound move, however it is indicative of a myopic mindset that creates an unhealthy over-reliance on external parties. In implementing a GBS strategy, organisations need to strike a balance between internal and external talent. There also needs to be a realisation that there is merit to take the necessary time to build a solid bench of talent right from the start. This will ensure sustainability and eventually a stronger organisational culture.

There is tremendous value in benchmarking with successful GBS organisations. Some great GBS success stories include organisations like Siemens, P&G, BP and DHL. Such best of class organisations, who have progressed further



along the maturity scale are apt benchmarking targets. Success leaves both implicit and explicit clues, and given the right inquiry and time, a wealth of information can be gleaned.

Organisations need to begin with the end in mind. Starting small and scaling fast are fantastic strategies, but such efforts will be in folly if there is no end in mind in the scaling. Best of class GBS organisations define, own, source and operate their global process and service deliveries. Keeping this in mind – organisations need to ensure that they have the right talent to fuel the strategy.


Lastly, a clear and distinct people strategy needs to be present. Best of class GBS organisations invest almost double the resources in the engagement and development of their people and talents.

**Putting employees first...Best of class GBS organisations invest almost double the resources in the engagement and development of their people and talents.**

“

**Many potential entrants to the industry hesitate to do so because of the perception that joining a GBS equates to constant backend processes and functions.”**

### **FORTUNE FAVOURS THOSE THAT CONSTANTLY IMPROVE**

Despite the challenges faced, GBS will continue to be a plausible and critical tool that organisations will call upon. The concept is sound and the business case speaks for itself - the demand for timely information, high volume work, and scalability leads to the longevity of the GBS. However, the collective body of knowledge and experience within the domain remains new and limited. The very nature of GBS calls on the constant push for continuous improvement. Only through continuous improvement of perception, people and processes will the real value of GBS be unlocked. 

*Fong Heng Huo has been involved in end-to-end talent functions, where he managed complete cycles of recruitment, on-boarding, development and engagement of employees. Over the past decade, he has been working with multinational organisations in the GBS industry. He holds a degree in Business Computing, has postgraduate credentials in Management and Information Technology and is a Certified member of the Australian Human Resources Institute.*



# TECHNOLOGY AND THE TALENT GAP



**GLOBAL**  
BUSINESS SERVICES

By David  
Hand

**F**ROM the moment we wake up, to the last thing we do at night, technology is transforming our lives.

Digital technology is also revolutionising the workplace and reframing the debate on how successful businesses operate. It is creating new opportunities for connecting with customers and opening new channels to markets. The businesses that are prepared and able to adapt fastest to this change will be those that reap the rewards.

But what does this mean for finance and shared services? In the face of seemingly bewildering technologi-

cal possibilities, how should business leaders even begin to navigate the tech landscape? Where should they place their digital bets? And how can they take advantage of the significant opportunities that digital may present?

## ADDRESSING TALENT SHORTAGES

Almost everything we do leaves a digital footprint – a data record in the vast data pool that humanity is creating. Human societies are living, and benefitting from, a life based around technology. Businesses talk of automation of the factory floor or the shared services centre, replacing people with robots and intelligent tools that can perform tasks with increased efficiency and reduced cost. This creates opportunities, but also challenges the basis of our traditional ways of working.

For today's technology-enabled working practices, organisations need to equip themselves with new skills, whether by "upskilling", or raising the skill levels of existing employees; "repainting" executives with new skills; or by recruiting externally. Many of these skills may not be available among the current talent pool, requiring leaders to think carefully about the future skills mix, and to create clear and coherent development plans.

To determine the skills mix needed, leaders need to be conversant with the available technology options. They must play a clear role in the organisation's evolution and need to understand the functionality and application of the tools available. In reassessing the required skill sets, there is no avoiding the clear fact that organisations will need to invest in people. They



need to recognise that there is a scarcity of people with these new and highly prized skills coming into the market and organisations need to both acquire and develop these talents.

Furthermore, the types of talent required by shared services organisations are likely to change throughout the transformation journey, and the different stages of the technology implementation.

It is also vital to understand that skills shortages in certain areas will make it especially tough to recruit – an issue already seen today in areas such as data science. Consideration must be given to the extent to which alternate solutions such as external advice or crowdsourcing can be applied in particular circumstances.

Even so, rather than repurposing existing staff for these roles, it will often be necessary to cherry-pick the skills required from outside the organisation. Business leaders need to understand how their talent needs will evolve in the future as their technology strategies are adopted.

**STRATEGIC PLANNING REQUIRED**

An additional complication is that the technologies of the future – such as quantum computing and blockchain – will drive the need for yet another new wave of skills.



**Leaders need to play a clear role in the organisation's evolution and understand the functionality and application of the tools available.**


Filling the gap for today's emerging technology is critical, but it is not a one-time activity. For many leaders, talent is the biggest concern. Businesses can adopt multiple technologies, with many different pockets of information, but without the right people driving that information it becomes redundant.

So what can forward-thinking organisations do to ensure the talent gap does not become a talent chasm?

Firstly, it is vital to have a clear technology strategy and roadmap. The organisation needs to understand where it is going, what it is trying to accomplish and – ideally

– who it is going to execute it. Only then can leaders start to identify the key skills needed.

Secondly, businesses need to ensure that the fundamentals are already in place. It is still surprising how many organisations have failed to implement some of the basic building blocks of a good people strategy. For example, things like well-defined career paths, clear branding to aid with recruitment, market appropriate compensation and benefits strategies, proper talent development plans, etc.

Thirdly, organisations also need to start thinking differently about how they both recruit and develop talent. The vast majority of shared services centres still look to the university graduate pool as their main source of recruitment. Yet many – if not all – complain that recruitment is becoming more difficult. 

**Organisations need to have a strong foundation of people strategy in place to retain talent.**



## EXPANDING THE SEARCH

The advent of new technologies provides an opportunity to act differently. While it is tempting to think of the younger generations as being more “tech-savvy”, the truth is that there are still very few universities teaching their students about cutting-edge technologies such as blockchain.

The harsh reality is that organisations (whether with or without external support) are going to have to take the lead in developing many of these skills themselves. The upside of this is that it is possible to then operate in more diverse recruitment markets. If the organisation is going to have to invest in training these skills, then why focus only on graduates? Why not look at school leavers, or people returning to work after a career break?

Whichever way we look at it, it is clear that making the best use of technology requires a significant shift in mindset. Business leaders need to adjust their way they think and operate – from adopting new training and change-management programmes, to revisiting existing governance controls and processes.

Shared services leaders who embrace new tools and technologies have a huge opportunity to put their organisations at the centre of their companies’ value creation. Failure to do so will risk the future value that they can achieve. **Q**

David Hand is Director of Global Business Services at ACCA. He leads ACCA’s shared services and outsourcing strategy globally, developing partnerships with organisations, governments and employers. Prior to joining ACCA, David spent 15 years in various shared services and BPO leadership roles with major multinationals such as GE and AstraZeneca.



Businesses can adopt multiple technologies, with many different pockets of information, but without the right people driving that information, it becomes redundant.”



**Business leaders should take on a new perspective and review existing processes to be change-ready.**

# SUSTAINABLE SOURCING: SUSTAINABILITY INTEGRATED WITHIN THE VALUE CHAIN

By Michiel Roelof de Boer



*We must ensure that companies to whom we outsourced to, are like-minded in their sustainability policies pertaining to labour standards and environmental policies.*

**S**USTAINABLE sourcing is a new approach to outsourcing services that prioritises not only the financial impact, but also the social and environmental impact of outsourcing. Compared to conventional corporate social responsibility (CSR) policies, sustainable sourcing involves mapping out the social and environmental impact of outsourcing starting from the value chain of the company itself, and not as a parallel activity that is unrelated to the business or market in which the company operates.


Human development is significantly affecting the planet. One of the main drivers of this change is our growth-based model of eco-

nomics. Moreover, society is increasingly concerned about troubling environmental issues coming to light such as, for example, the rise in global warming. In line with this new growth model, the private sector must see sustainability as a priority and not as an issue external to the business, thus moving away from profit-focused models.


Nowadays, CSR departments – which in the past attempted to make an impact mainly through donations – are evolving, trying to go beyond the simple goal of “donating to a cause”: they are now incorporating social and environmental responsibility within the company strategy, considering the impact on people and the planet above potential financial benefits.

They are suggesting strategically integrating sustainability and social responsibility within the company value chain.

## A NEW APPROACH

In this new approach, sustainability is integrated within the value chain and plays a key role in companies becoming truly sustainable. This is easier to implement in the primary (agriculture, livestock, fishing, etc.) and secondary sectors (industry, construction, energy, etc.) of the economy. 



 In the tertiary sector (services, trade, communications, etc.), and particularly in the knowledge economy, the provision of services by third parties makes it more difficult to control sustainability across the value chain, due largely to the relocation and intangibility of services. How do we manage sustainability if a large part of a company's operations is outsourced?

### CREATING VALUE

All outsourcing processes have associated environmental and occupational risks, which sustainable sourcing attempts to mitigate. The impact of these risks is not readily visible and may increase depending on location. In the IT sector, an IT Service Management company can outsource maintenance to another company that may, for example, have a team operating in a country such as India, where environmental and labour standards are different. This is where sustainable sourcing comes in – a tool that helps us select suppliers with values and policies that are in line with our company's definition of sustainability as concerns environmental and labour issues.



**Sustainable sourcing increases the impact of our social and environmental policies, benefiting many more people.**

Reducing these risks, in conjunction with aligning social responsibility and sustainability policies, will have a direct impact on the quality of outsourced services – it has been proven that better working conditions lead to greater customer satisfaction – and, consequently, will help enhance the reputation of our company.

Moreover, sustainable sourcing increases the impact of our social and environmental policies, benefiting many more people. If the



organisation believes that certain labour standards and environmental conditions must be met in order to provide a quality service, does it not make sense to ask that the companies – to which we outsource services – meet the same requirements?

### IMPLEMENTATION

We have included sustainability as one of the aspects to consider when developing our sourcing strategy, taking it into account at all stages of the process: strategy, initiative and management.

Naturally, when implementing this tool, we will always bear in mind the main objective of the sourcing processes: improving the efficiency of the organisation. A first step during the sourcing initia-

tive stage is to prepare a business case that incorporates sustainability as a key principle. Based on this, we move forward with the sourcing process, using sustainability as an important criterion in the selection of suppliers.

Additional sustainability requirements can also be introduced during the RFP (request for proposal) processes. Once the sourcing initiative has been completed, the concept of sustainability is also present at the management stage,

**CSR initiatives today are more than just “donations” but focuses on incorporating social and environmental responsibilities in the overall strategy.**



when it should be implemented during the service transition or transformation. We must also ensure that the objectives of the contract have been met and monitor supplier performance from the point of view of sustainability.

The implementation of a sustainable sourcing model at all stages of the process (sourcing strategy, initiative and management) ensures that this is not only a tool for transformation, but that it also becomes a way of integrating sustainability principles into our value chain, thus maximising the impact of our sustainability strategy. In addition, it is very possible that this will result in our suppliers providing better services in the future.

#### **COMPANY POLICY AND ETHICS**

Many of the sourcing decisions of a company have a key ethical component that ends up resting on those who make the final decision. This is especially relevant when speaking, for example, of outsourcing processes where a service is outsourced to a company located in another country. In these scenarios there are always people and organisations that benefit from these decisions, as well as people and organisations that are harmed by them.

A recent study conducted by Quint Wellington Redwood shows that, when it comes to taking sustainability into account, managers or employees responsible for making sourcing decisions are more influenced by their personal beliefs than the sustainability policies of their company. This shows that conventional sustainability policies are not delivering the expected results.

It's time to opt for sustainable sourcing as a means of ensuring that the sustainable values of a company are transmitted through its value chain. Sustainable sourcing goes beyond providing tools for facilitating decision-making and mitigating the risks arising from the lack of visibility in the processes of third-party service providers.

Taking sustainability issues into account requires a re-evaluation of sourcing processes to ensure that we maximise the positive impact we can have on society and the environment through our value chain. This will, in turn, pay dividends in the future by increasing the quality of outsourced services.

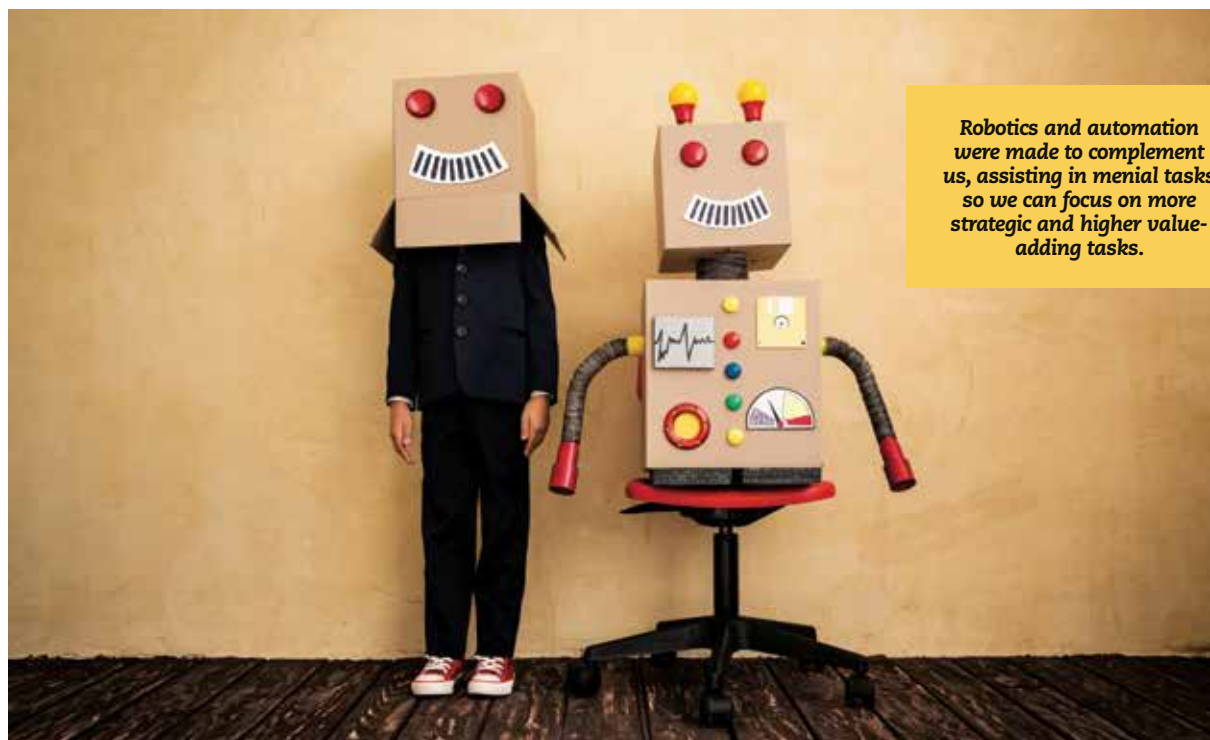
*Michiel Roelof de Boer is a Director Consulting Asia for Quint Wellington Redwood.*



**Managers or employees responsible for making sourcing decisions are more influenced by their personal beliefs than the sustainability policies of their company.**

*Not losing focus ... the sourcing process is meant to improve efficiency.*





*Robotics and automation were made to complement us, assisting in menial tasks so we can focus on more strategic and higher value-adding tasks.*

# GAZING FORWARD: A PERSPECTIVE ON THE FUTURE OF WORK



**GLOBAL**  
(BUSINESS SERVICES)

By Bobby  
Varanasi

**T**HE world is awash with new technologies, launched by nimble startups and large corporations on the back of varied discourse around disruptions, new value creation with consumption models, and the ever-present promise of bridging physical and virtual worlds. Alongside these exciting developments, a few questions arise, spanning the economic and socio-political spectrum.

While the most notable deliberations are around changing the nature of jobs because of automation and artificial

intelligence, more mundane conversations demanding that corporations change their entire approach toward managing millennials has constantly occupied our current thinking.

Meanwhile, we witness concerns raised around increasing inequality, stagnation of (wage-driven) incomes worldwide, and replacement of jobs by machines (increasing the push-back on adoption of automation technologies). Concurrently, governments are beginning to consider alternate solutions like universal basic incomes, restructuring public distribution mechanisms and creating new avenues for revenue generation.

Interestingly, many do argue that automation has always been there. Why then is it perceived to be different this time

around? The argument is that in the past, we had deployed machines to add muscle to human endeavour. In doing so, such mechanisation automated routine tasks, which only complemented humans.

However, now we are not just leveraging intelligent machines, but they seem to be doing new and completely different tasks that didn't exist before. This fact doesn't seem to sit well with people who are beginning to grow concerned over our fate when it reaches a point of no return. The debates around the future of work are about this journey.

Doomsday predictions have begun to spring up as it relates to the types of jobs that will be eliminated before the end of this decade. They may seem

harsh and disturbing. Yet, somehow the inevitability of it has not yet dawned on people. It is therefore pertinent to take a step back and understand the context in more certain terms.

This article will center round the facets influencing workplaces, jobs, tasks, etc., in a concrete manner. The goal is not to predict the future. Instead, my attempt here is to establish a greater understanding such that we are able to collectively ready ourselves for the future.

**WORKPLACE AMBIGUITIES**

Talent is changing; education is abundant. And technologies are creating new opportunities at the learning and deployment ends of the spectrum in a more pervasive manner. Structural changes in the workplace can be painful, but ultimately progressive. Various new techniques driven by machine learning, deep learning, and AI are opening new vistas to gaining business insights. Such tools are also being utilised – particularly in medical sciences – to resolve some thorny issues.

Deployment of such tools in businesses are resulting in greater



Pace of invention of new technologies has begun to alarm humans into inquiring about what would be left to do if machines could completely replace humans.

efficiencies, but increasingly diluting the role of people as a factor of production. While this has a direct impact on an “employed workforce”, organisations have begun to deploy off balance-sheet talent through the adoption of an open talent continuum. These shifts are forcing us to reconsider the role of individuals, organisations, hierarchies, accountability workflows, labor laws et al.

Reimagining the workplace is possible. However, questions remain on the nature of evolution, unavoidable disruptions, resistance to change, and dealing with lost opportunities. We believe this question is best addressed not by looking at the impacted, but by the forces shaping such changes – changing customer behavior, demographics, globalised marketplaces, virtual platforms, and the interactions that take place amongst these forces.

We believe there are three distinct forces influencing the world we live in today. These forces are shaping the future of workplace and consequently, human behavior within contexts of society and economies. We term these forces as the Briquettes.



Technology forces us to step away from the conventional approach and relook into organisational hierarchy, roles and workflows.







*The world today sees the convergence of both the virtual world and reality.*



**Supply chains are beginning to look more like homogeneous networks than the distributed, and severely fragmented ones they were designed to be.**



#### **BRIQUETTE 1 – VIRREAL WORLD**

The past decade and a half has been witness to the convergence of real and virtual worlds, thanks to the vigorous spread of the internet globally. More than half of humanity has access to the internet and is therefore able to navigate both worlds almost seamlessly. Businesses are transacting virtually while customers consume physically.

Self-learning technologies are able to predict consumer behaviour far more accurately than previous management models have ever come close to. Supply chains are beginning to look more like homogeneous networks than the distrib-

uted, and severely fragmented ones they were designed to be. While there are inherent issues surrounding network effects, cybersecurity, information pandemics, and the rise of digital nomads, these are considered new world problems.

Another half of humanity seems ignorant of all these changes, and remains firmly entrenched in an old world where influences from the virtual world are yet to entrench themselves in a beneficial manner. They are however, unfortunate victims. Though smartphones have become ubiquitous across most people worldwide, the inherent assumption that they are therefore connected to the virtual world is a



Reimagining the workplace will require us to upend our views to employment in radical ways, alongside ensuring inclusivity and socio-economic gains without compromising agility.

fallacy at best, and irresponsible at worst. Distribution and governance systems are yet to be redesigned in a manner that the Virreal world is able to spread its benefits to all, and not just the connected ones.

### **BRIQUETTE 2 – WORKPLOSION**

Changes in the workplace owing to adoption of global communications networks is obvious. It is a foregone conclusion that any organisation today is awash with a range of technologies and devices, tools and infrastructure to help conduct business in a modern manner.

Interestingly however, discussions on workplace modernisations almost always remain limited to organisational cultures, security policies, engagement of millennials, and leveraging virtual teams for production endeavors, within the context of quick obsolescence with knowledge, shrinking customer loyalty, and challenges with constant automation.

There is neither clarity nor emphasis on more fundamental issues imploding within workplaces. Trends like increased sense of victimisation, digital narcissism, contextual deficit, low attention spans, high sense of entitlement, and instant gratification are slowly yet inevitably chipping away at organisational foundations in more ways than one is able to clearly put a handle on. These seemingly detrimental trends are more often than not discarded as nothing more than an inability or unwillingness to change.

The deeper factors driving such behavior are neither being examined, nor understood well enough. At another end of the spectrum, moral conflicts surrounding automation and humans is yet to hit mainstream conversations. All these implosions within the workplace will need to be understood, examined and addressed proactively if we are to shape a positive future to workplaces.

### **BRIQUETTE 3 – BORDERLESS BOUNDARIES**

Globalisation is here to stay. We have heard of this for over two decades now. Proponents have always

argued for its increased value, and pursued it with vigour not seen outside war zones. Interestingly however, all such endeavours were more or less pigeonholed around management models that talked about scale, replication, standardisation and virtualisation. Such efforts may have worked, resulting in more complex networks of organisational hierarchies and reporting structures, alongside reduced degrees of separation.

An often-ignored reality with globalisation has been the incremental creeping in of boundaries, manifested predominantly in disappointments amongst customer groups where localisation wasn't prevalent, increased lack of trust amongst collaborating individuals and teams within organisations, and a sense of helplessness at the end of it all. The phrase often used seems to be that the "an aggressively pursued multipolar world order has resulted in depravity more than prosperity".

While I shall refrain from arguing for or against it, I shall submit that a host of boundaries have emanated from the very nature of our endeavours at globalising, rationalising and creating seamlessness. Meanwhile, nation states are beginning to push back on global trade strictures – the very backbone to globalisation – owing to issues surrounding mutuality and equality with sharing garnered benefits. Borderless boundaries are a reality today and need to be addressed urgently if we are to make positive strides toward the future of workplaces.

Each of the briquettes shall need to be delved into in greater detail so as to understand interconnects, network effects and the consequences on workplaces. We shall be dedicating this proposition into a three-part series of knowledge papers, and bring to the fore a range of issues and opportunities that would enable us to collectively reimagine the future of work. **Q**

*Bobby Varanasi is one of the acknowledged Top 25 Globalisation Leaders in the Global sourcing space and the Founder of Matryzel Consulting- an independent advisory firm.*

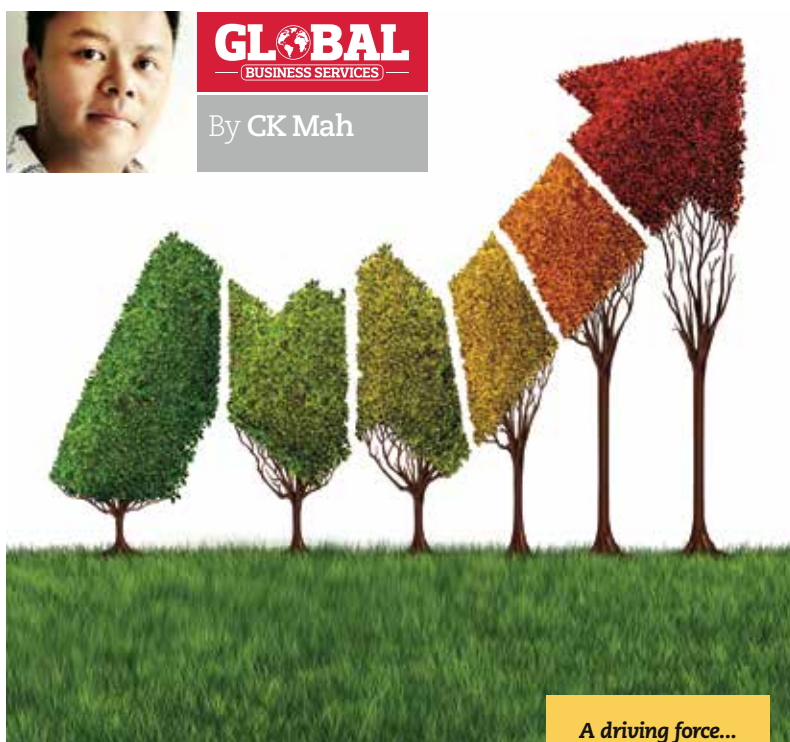


# AN EFFECTIVE SALES FORCE IN ASIA



**GLOBAL**  
BUSINESS SERVICES

By CK Mah



*A driving force...  
sales force in  
companies exists  
primarily to drive  
revenue and  
business growth.*

**A** sales force exists primarily to drive revenue and business growth. It is the supporting pillar of any commercial organisation to pursue commercial benefits for its shareholders or benefactors.

In order to be successful, each of these commercial organisations has its own form of methods and procedures. Since such organisations are commercially motivated, the commercial roles and responsibilities of its sales force must encapsulate a business-friendly mentality, dynamic structure and be results-driven across all units to enable effective selling which in turn, would drive revenue and business growth.

An effective sales force requires a systematic sales methodology to drive sales and increase the productivity of the sales team. Trainings conducted with effective content and accurate analytics will help provide the foundation for a

productive sales team that is both dynamic and results-driven. This will require the management's involvement in order to ensure a focused sales management structure is put in place which would form the key building blocks for an effective sales force.

## UNDERSTAND THE WAY OF THE LAND

This may sound easy but it is very difficult to achieve. Firstly, we need to ensure the sales force understands the local market. To do so, they would have to look into customer behavior, buying patterns and their respective needs.

Some commercial organisations may have a specialised market analyst or a designated team to research, investigate and collate

various forms of information accordingly. However, this comes at a high cost and to recruit such specialists would be difficult. An effective sales force needs to have the right skills and knowledge to fully understand their customers. This is even more vital in Asia as its diverse market comprises different countries with various cultures and demographics. A hurdle here would be establishing a consistent and focused sales force, leading to a more challenging sales training programme.

Additionally, the sales force will also require such customer related information in a timely manner, which is relevant to their sales engagement. In short, an effective sales force need to understand "what, why and when their customer purchases".

While historical information may provide a retrospect, it lacks the ability to provide confirmation or assurance of future customer behavior, needs, or usage pattern. Although there are sales training programmes that may attempt to assist or help improve the probability of such a sales force, most successful sales individuals identify this as being more of an art that comes with experience and polishes their ability to identify the "what, why and when".

## SALES METHODOLOGY

When it comes to sales methodologies or procures, its important that they be easily accessible, understood and executed by the respective sales offices in order to be utilised effectively. Besides being user friendly, these methodologies must be presented in an intuitive manner which allows for a suitable sales engagement conversation to be a guideline for the sales force to use when dealing with potential customers.

One of the other perks of a sales methodology is that it may be used to demonstrate and reinforce the professionalism and good practices of the sales force towards their customers, thus providing a sense of assurance to their credibility.





**Best of both worlds...Web seminars are a time efficient and cost effective training approach.**

## SALES TRAINING PROGRAMME

A sales training programme needs to be consistent and structured as a key building block to help reinforce the organisation's sales strategy and methodology. Therefore, regardless of whether it's new sales hires or existing sales resources, the programme needs to cater to both sales group to improve and reinforce their sale effectiveness throughout their sales career within the organisation.

**The training programme should be constructed in various formats, namely:**

**Class Room:** This is particularly important for new hires, change of roles or launch of new products. Although this is an effective train-

ing method, it's also one of the most costly, especially for a large sales team spread across multiple countries in Asia.

**Web Seminar:** A time efficient and cost effective training approach, web seminars are often more suitable for a specific topic, reinforcement of key topics or simply to act as general refresher to ensure a focused sales mindset. Web seminars have proven to be more effective as they are able to provide more interactive training tools and offer less time constraints for the sales team. This comes as it allows them to utilise the web seminar based on their sales schedule.

**Information Sheet:** A physical or electronic information sheet is another alternative to ensure a

sales team is kept abreast of the latest and accurate information in enabling sales to be conducted effectively. Sometimes, this could be structured as customer-friendly material such information pertaining to a particular product or feature.

**Templates:** It is important to provide the sales team with suitable templates as part of their sales engagement activities. This will help improve sales effectiveness in order to guide their sales conversation, providing relevant customer information and avoid time wastage in duplicating sales engagement material. Such sales templates may include presentations, proposals, sales cycle qualification steps, and product information materials. 



**An effective sales force requires a systematic sales methodology to drive sales and increase the productivity of the sales team."**



**Three big questions that need answering... an effective sales force need to understand "what, why and when their customer purchases".**



**A collective effort...both marketing and sales are highly dependent on each other for success.**

### STRATEGIC THINKING

Since the primary objective of sales is to drive revenue, therefore any effective sales force must be strategically deployed. That is, they must be able to engage their customer strategically. This will allow them to understand the “what, why and when” in a manner that is critical to the customer and their organisation as a whole.

Effective strategic thinking must include the mastery of customer-related skill sets such as marketing, customer service and business development. With such skills in their arsenal, this would allow them to demonstrate their ability to drive revenue and become a critical part of the sales force. This is very much welcomed by customers as well as their organisations.

### MARKETING AND SALES ALIGNMENT

Since customers perception of any organisation are driven by the marketing initiatives, therefore both marketing and sales are



**...the programme needs to cater to both sales group to improve and reinforce their sale effectiveness throughout their sales career within the organisation.”**

highly dependent on each other for success.

Marketing campaigns must be aligned to the sales strategy, and vice versa. And any sales enablement initiatives need to be consistent in order to drive the same business outcome collectively. One easy approach to achieve this is to

ensure both marketing and sales are represented at the point where any marketing or sales strategies and initiatives are put together.

In summary, an effective sales force is critical to the commercial success of any organisation, as it creates the foundation that enables businesses in driving revenue. Furthermore, any effective sales force in Asia must be customised locally because the Asia region, unlike others, is a collection of multiple countries. A localised sales force will be aligned to their Asian customer's behavior, needs and buying pattern. This will significantly improve their sales effectiveness and commercial success in driving business growth. 

*CK Mah is a business excellence driver across a wide IT services spectrum with sound profit margins in a multicultural environment within Asia Pacific region. He is currently employed as a Regional Director for Gartner.*

# HOW DATA ETHICAL IS YOUR DATA ANALYTICS?

“ETHICS IS KNOWING THE DIFFERENCE BETWEEN WHAT YOU HAVE A RIGHT TO DO AND WHAT IS RIGHT TO DO.”

(POTTER STEWART, FORMER ASSOCIATE JUSTICE OF THE UNITED STATES SUPREME COURT)



**GLOBAL**  
BUSINESS SERVICES

By Angelica  
Lim

**D**ATA analytics is featuring more and more in Shared Service and BPO centres. This is an expected evolution in progressing up the value chain - moving away from delivering operational efficiencies and cost savings, to helping generate insights which deliver business value for organisations.

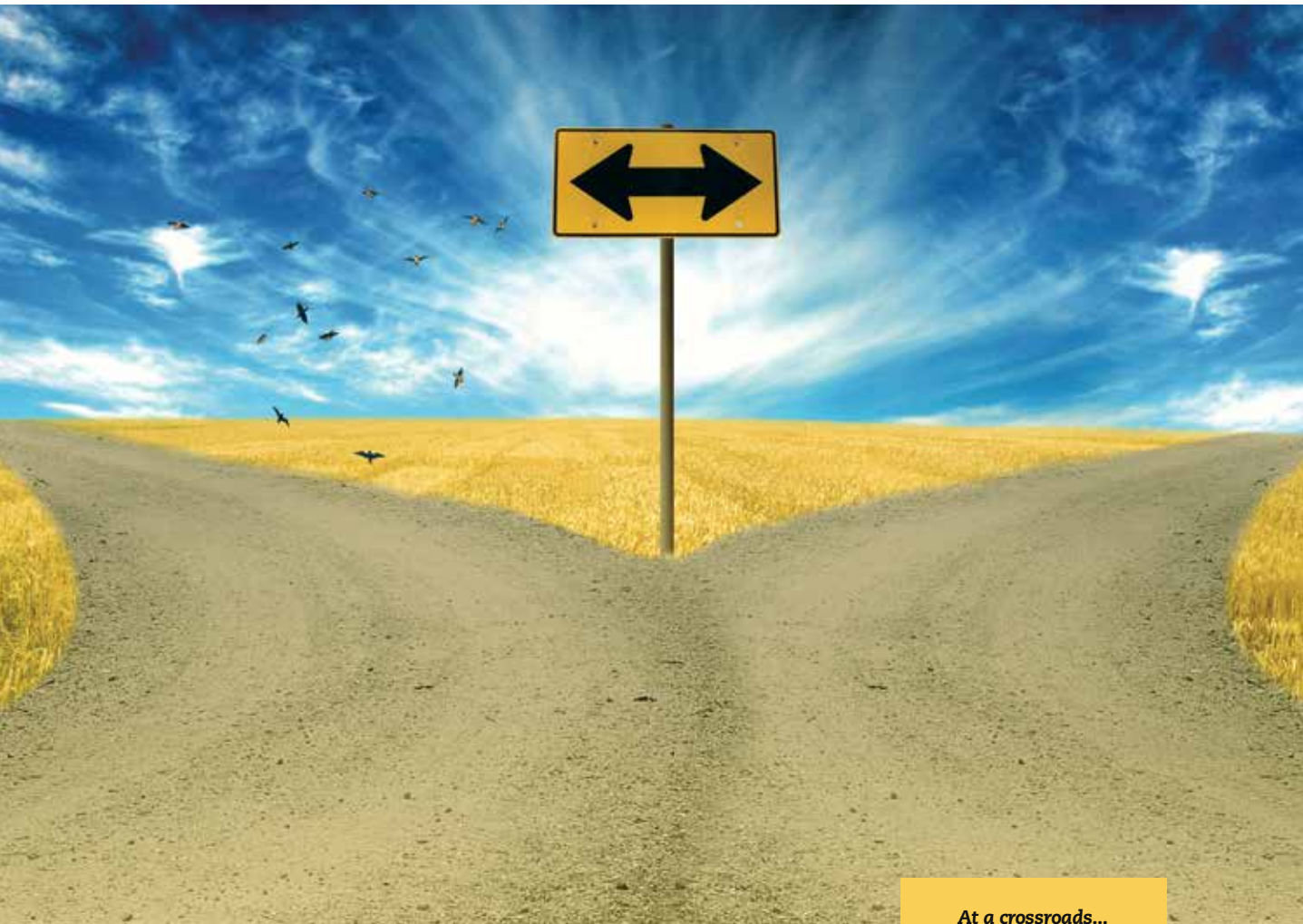
These centres, with their vast reservoirs of data captured through immense volumes of transactions processed, are well-positioned to mine the information to extract valuable insights. The benefits of data analytics in Shared Service and BPO centres are many - e.g. improving the efficiency of the centres' themselves by identifying bottlenecks in transaction processing, determining opportunities to reduce Travel & Expenses, improving contract negotiations by revealing customers who are also vendors and finally, but not least, providing “on-demand” data analytics services which provide actionable insights to the business.

However, there is an aspect to data analytics which is often ignored in the pursuit of delivering insights for business benefits. It is the question of ETHICS. There are many who categorise data analytics as an information technology tool, as thus as a tool, it is ethically neutral. But this is a fallacy as the people who utilise data analytics for their decision making should be ethically bound by how they gather data to be analysed, how they determine the categorisation of the collected information and ultimately how the insights from the analysis are to be used.



*Scales of justice...people who utilise data analytics for their decision making should be ethically bound by how they gather data to be analysed, how they determine the categorisation of the collected information and ultimately how the insights from the analysis are to be used.*





Whilst the obvious wrongdoings such as unauthorised accumulation of data or the illegal sale of individuals' information are condemned and the infractors are pursued to the limit of the law, it is the grey areas of data analytics which are the most concerning.

Take the well-known case where Target used data analytics to correctly predict that a teenager was pregnant and sent to her coupons in the mail for maternity and baby products - before the high-school girl even informed her parents ! Whilst Target may have thought that this was a great way to identify a customer who was facing a major life changing event and a potential for cross-selling; was there any thought to the impact this would have to someone who had not shared her pregnancy widely?; not with her parents; and certainly not with Target. Going back to the quoted saying by Potter Stewart as stated above, ethics is knowing... "what is right to do".



Following the virtue framework, an ethical action is defined as whatever decision a role model virtuous person would make if in the same situation."

*At a crossroads... Someone who uses the Consequence framework would typically want to make a decision which produces the maximum amount of good.*

Which brings us to the question of how do individuals view "what is right"? What may be right to one person may be an absolute abhorrence to another person. This is one of the dilemmas in understanding ethics and may be one of the causes for the challenges in the ethical implications of data analysis. One school of thought is that there are three ethical frames a person can use when assessing the process of making an ethical decision - what is the Duty which you are obliged to perform; what is the Consequence of the decision made and what exemplary Virtues are you trying to emulate?

In a Duty framework, there are guardrails - policies, rules, regulations, laws - which set out the actions which an individual is mandated to follow. The outcome of the actions which is not a consideration in the decision making; it is about following the mandates - i.e. being ethical is about performing one's duty as specified. Whilst this framework is the most straightforward to follow; it may produce actions which cause harm (e.g. when rules are blindly followed with no thought to the impact); or may be used as a convenient excuse when there is an ethical breach.

The latter, is the defence which Facebook used in the early days of the Cambridge Analytica scandal. In a situation where the personal data of 50 million users were used to gain political insights, Facebook executives have claimed that from the company's perspective, there was no ethical data breach. Information was neither stolen nor hacked - the individuals willingly provided their information when they signed-up to a research app; and provided permission for their data to be used for research purposes. Hence, Facebook followed the rules that were in place.

If however a Consequentialist perspective were taken, there may be a different conclusion to Facebook's ethical responsibilities



**"Whilst the obvious wrongdoings such as unauthorised accumulation of data or the illegal sale of individuals' information are condemned and the infractors are pursued to the limit of the law, it is the grey areas of data analytics which are the most concerning."**

in this Cambridge Analytic issue. Taking a Consequence view means assessing the potential impact of the decision on people who will be affected both directly or indirectly. Someone who uses the Consequence framework would typically want to make a decision which produces the maximum amount of good. This may be seen as a compromise approach and there is seldom a consensus on what maximum amount of good means.

**Data Analytics is indeed the future of Shared Services and BPO centres, but must be managed responsibly and ethically.**



Take for example a hypothetical situation where a government requests a social media organisation to provide access to their users' data in order to analyse and mitigate potential sources of terrorists threats. The debate here would be the sacrifice of private information of the many in order to protect the safety of the few. There is no right or wrong, or an easy answer - the questions are which consequence is more acceptable; and more acceptable to which party?

And if the intention is to adopt an ethical approach which is acceptable to the vast majority, then the Virtue framework comes into play. This framework is one that is people-based, instead of action-based. Someone who is concerned about being viewed as an ethically virtuous person would use this framework. An ethical action is defined as whatever decision a role model virtuous person would make if in the same situation.

Applying this framework to the Target example above may have resulted in a different outcome. The background to the prediction of the teenage pregnancy was a request by the Target marketing department to a statistician on the possibility on analysing female customer data to predict if a customer was pregnant - even if the customer did not want Target to know this information. Whilst having this information would potentially help to increase Target sales, and thus increase value to the company, an ethically virtuous person may have chosen to not do the analysis as it may have been construed on snooping on a person's privacy. However, a Virtue framework is the most difficult to apply because different individuals and different societies have significant variations in perspectives of what are ideal virtuous behaviours. There is no knowing for sure what Target would have chosen to do if they had applied the Virtue framework.

In the final analysis, Data Analytics is indeed the future of Shared Services and BPO centres. It is however, a responsibility of those who manage these centres to ensure that the extraction of data insights is done with a lens of doing the right things; instead of just doing what is your right to do. Ethics must be an inescapable part of seeking for and using of data. **Q**

Angelica Lim is a Big Data Researcher and the ex-CFO of BP Petrochemicals.



# BEYOND BOUNDARIES: RETHINKING YOUR BUSINESS AVENUES



**GLOBAL**  
BUSINESS SERVICES

By Helen  
Selvanathan

**W**E are living in a digital-driven era where boundaries are no longer only on sketch boards. In today's world's, one need not physically be somewhere to be connected. It's no secret that emerging technologies are changing the game in every industry. Machine learning, IoT, blockchain and other innovations are disrupting daily consumer usage too. In response, the most agile companies are taking advantage of these innovations—using

technology to make a measurable impact and drive growth in their own businesses

Take for example Augmented Reality, I had my first chance to view what it really means through a friend's company focusing on digital autopsy a few years ago right here at Malaysia. He was rethinking how to make post mortem fraternity a simple, easy and real time accessible effort for pathologists. Great innovation effort even back then.

At ASEAN, Singapore takes a quick off the blocks in the Artificial Intelligence (AI) race, where the government is gearing up to spur innovation through talent building in AI and Data Science through university programmes.

Separately, Singapore's Personal Data Protection Commission is compiling a discussion

paper that describes the key principles to guide responsible development and adoption of AI, such as making sure that decisions made or assisted by AI should be explainable, transparent, fair and human-centric.

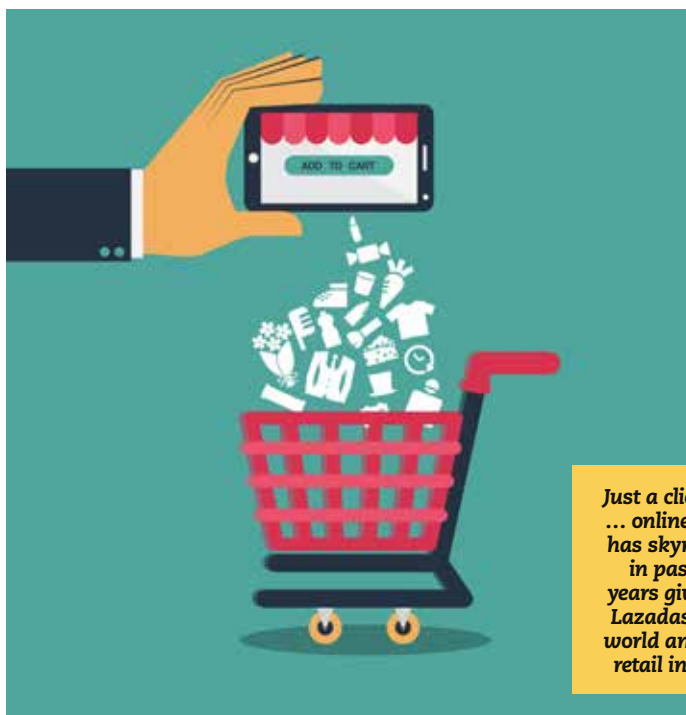
Most recently, Singapore's Ministry of Communications and Information also announced initiatives of setting up a five-year research programme at a new Singapore Management University research center to conduct scholarly research on governance, ethics and other issues related to AI and data management. This would help shape the advisory work and inform the government body on AI related challenges.

Australia has also expressed the need to develop ethical guidelines and standards for the use of AI.

*A world without boundaries ... humans now live in a digitally driven era where there are no longer any physical boundaries and emerging technologies are changing the way businesses operate.*







**Just a click away ... online buying has skyrocketed in past two years giving the Lazadas' of the world an edge in retail industry.**

New generation buying styles have also disrupted the retail industry. Across SEA, retailers like Zalora and Rakuten have started allowing smartphone users to snap a photo of the item, perform a visual search through use of AI before purchasing. Online buying has skyrocketed in past two years giving the Lazadas' of the world an edge in retail industry.

Retailers are betting on customer-facing technologies, such as augmented reality applications, virtual assistants and AI-powered chatbots, to keep up with the herd of increasingly digital-savvy retailers. But the technology going on behind the scenes and on the business side is just as important as what the customer experiences.

Embarking most recently on the integration of Artificial Intelligence, Automation and Big Data into its business strategy and supply chain is Zara, a well known retailer for Asians. Reuters reported that in a bid to stay ahead of competitors, the fashion retailer is hiring talent from startups and partnering with Jetlore, which offers an AI-powered consumer behavior prediction platform, and El Arte de Medir, a Spanish big data company.

The innovation unit of Zara's parent company, Inditex, is working with Intel on devices to measure clothing volume in boxes and Fetch Robotics on robot deployment for stock inventory, according to Reuters. Micro-chips from Tyco,

an alarm provider, are also used to track product data and locations along the supply chain.

This amazing usage cases in retail industry includes street people counting, gender recognition, queue management, customized mobile ads, client shop counting and heat mapping, and staff efficiency. And this is not the future... it is here and now.

Reuters reported that the retail Internet of Things market is projected to reach \$94 billion by 2025, improving accountability and management in supply chains and creating more touch points to measure customer data and behavior. Meanwhile, retail spending on AI is expected to reach \$7.3 billion by 2022 as more businesses adopt automation, chatbot, personalisation and analytics solutions, among others


Emerging technologies such as AI/machine learning, blockchain, IoT, and others are poised to revolutionise the way that companies do business—automating the vast majority of routine tasks, so that highly skilled employees can focus on collaboration, analysis and decision support.

And all this on the cloud... Cloud software is updated several times a year by the provider, delivering new innovations rapidly, so that organisations of all sizes can make data-driven decisions and respond quickly to volatile markets—such as those in developing nations and fast-growing economies.

Companies with a future-ready cloud, provided by a trusted innovation partner, will be well positioned to take advantage of whatever innovation comes next.

IDC predicts spending on AI in APAC region excluding Japan is expected to reach \$4.6bn by 2021. We have a gap to fill as most SEA companies lag behind. This comes as generally, lower budgets are allocated for AI development.

Since most businesses have at least some level of data collection in place, it's likely the foundation is already there.

Businesses, be it SME-focused or otherwise, should look at an avenue to rethink, recharge and review consistently how to leverage innovation for the betterment of their respective community advancement. Build an ecosystem of suppliers, customers and the consumers who are ready to indulge in technology to support a better globalisation of the innovative world. Beyond boundaries! 

*A contribution by Helen Selvanathan, who heads the business development and marketing for the SAP Asia Pacific & Japan ISVs Business Unit and leads the SAP Business Women Network Malaysian Chapter.*



**Future proofing ... companies with a future-ready cloud, provided by a trusted innovation partner, will be well positioned to take advantage of whatever innovation comes next.**

# OUTSOURCING IN THE CONSTRUCTION INDUSTRY



*Stepping into the future ... buildings have to be more livable, sustainable, greener and energy efficient.*



**GLOBAL**  
(BUSINESS SERVICES)

By Dr. Thomas  
S. K. Tang

**T**HE world is predicted to become more urbanised by 2030, when more than half of the global population will move from the countryside to live in towns and cities. With growing urbanisation, the challenges are immense. The world's cities occupy just 3% of the Earth's land, but account for 60-80% of energy consumption and 75% of carbon emissions.

To meet the needs of urbanisation in a sustainable way, the construction industry has to design buildings that are more energy efficient and cities that are more livable and, at the same time, develop sustainable methods within the industry itself to achieve more with less, thus keeping cost to a minimal and maintaining high efficiency.

A common characteristic of construction companies is that they tend

to revolve around scale. Large companies build large projects, even though the margins are slim – it's just a question of size as multimillion dollar projects yield millions of dollars of return for construction professionals.

So, for most companies in the construction industry whether contractors or consultants, the direction tends to be towards growing to cover all the relevant skills – structural, electrical, mechanical, civil, and environmental – so that the service model is kept in-house in order to reap the returns. But this limits the potential of the industry, as scale does not necessarily encourage innovation and the larger the size, the higher the scope for inefficiencies and conflict amongst experts.

In a typical construction project team, there are a number of disciplines involved from the architects and engineers to the quantity surveyors and contractors. Hence, the specialists on the team are already engaged at the outset.

## GLOBAL WORKFORCE

Outsourcing occurs when certain labour intensive tasks like engineering drawings – which are repetitive – need to be produced. The existence of design centres in low-cost economies like China and India now provide this service for construction companies.

The advantages of time zones come into effect as it is possible to request drawings at the close of the working day in the US and get an outsourced services company in Asia to complete these drawings during the working day there. It will then be ready in the morning for US professionals to work on.

Challenges arise in communication and culture, but in general these can be overcome with time and the fostering of working relationships. Contractual specifications are important as well

to avoid misunderstandings and potential infringements.

A more recent trend is to outsource Building Information Modelling or BIM services. BIM is an electronic platform for all members of a project team to view the building design in 3D in real time as the design team develops the concept and the detailed engineering design is applied.

BIM is also said to apply to 5D, whereby the additional dimensions of time and cost are added to the project to give a sense of realism to the latter. BIM is useful for detecting clashes in services e.g. a pipe being laid where a supporting column is in the way or where walls are clearly obstructing access for building inhabitants.

The modelling also allows for discussion among experts to come up with innovative solutions like sensors for motion detection, accessibility for elderly occupants and more use of natural lighting and passive ventilation for environmental comfort. The use of BIM is particularly appropriate for sustainable design and green certification of buildings through LEED, as this can be programmed into the original design to attain the desired level of certification.

But construction companies are traditional by habit and have an aversion to outsourcing. This slows down the construction industry, which is the barometer of a nation's

economy. If the latter is doing well, then the construction industry tends to be booming.

Currently in Asia, the industry is enjoying a high peak, however this may not last. Many companies are investing in downstream activities like owning and operating facilities. Others are seeking diversified activities like building resorts and healthcare facilities.

The better approach is to transfer the risk to outsourced services. BIM is a prime example whereby a reputable BIM services provider would have enough projects worldwide to spread the risk of a downturn. This helps the construction industry in the long run.

### VALUE CREATION THROUGH MODERNISATION

BIM furthermore allows innovation and creative thinking, so the solutions of the future lie in the hands of innovators focused on BIM and 3D modelling. They will have to come up with leaner and greener solutions for their clients as well as aesthetics and high quality buildings.

With digitisation of construction data, it is possible to use virtual reality (VR) and augmented reality (AR) techniques to visualise designs in 3D holograms and to apply this technology to view different constructed options or even "enter" a building in order to design from within.

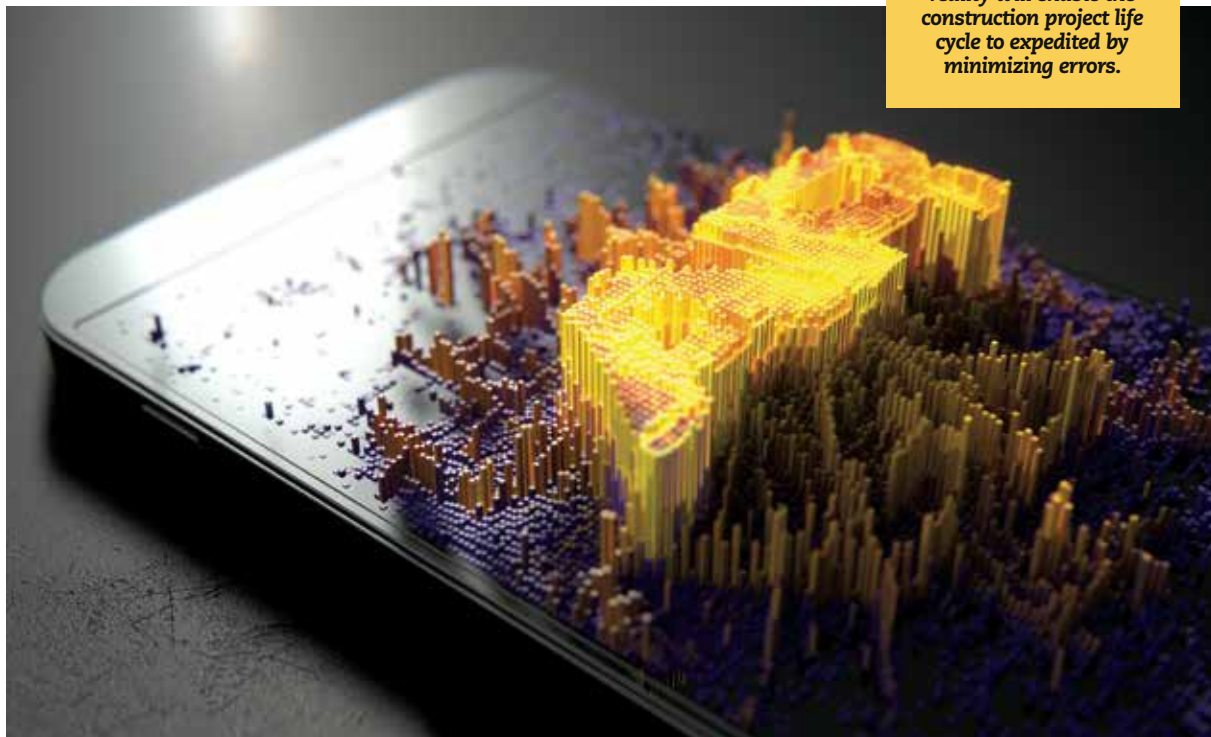
Using cloud technology, BIM experts can "scan" existing buildings to obtain digital data which is uploaded and stored in the cloud for manipulation to identify potential improvements in energy and efficiency.

The 2030 Agenda for Sustainable Development was established by the UN to end poverty, fight inequality and injustice, and tackle climate change by 2030. Goal 11 seeks to "make cities and human settlements inclusive, safe, resilient and sustainable", with a principal target of full access to adequate, safe and affordable housing and basic services.

There is more than enough work to provide for the emerging urban world. The construction industry needs to wake up to this reality and shift the old-fashioned business paradigm to a new partnership model that ultimately creates value for all.

*Dr Thomas S.K. Tang is currently an Advisor for Atlas Industries (Vietnam) Ltd. He can be reached at [dr.thomas.tang@gmail.com](mailto:dr.thomas.tang@gmail.com).*

**Technology such as Building Information Modelling, virtual reality and augmented reality will enable the construction project life cycle to expedited by minimizing errors.**





# A DEEPER LOOK AT DIFFERENT COMPANY CULTURES



**GLOBAL**  
BUSINESS SERVICES

By Dr ArLyne  
Diamond

**C**ULTURE dictates how we behave and think; thus understanding culture, both within and outside the company, is critical to an organisation's success. The culture within helps determine who a company will attract, to what degree those people will thrive, and therefore whether the company will succeed.

Research conducted at the Cross Cultural Resource Center at California State University, Sacramento, several years ago revealed four types of company cultures: traditional, challenging, open and synchronous. The researchers analysed each in six different areas: key behaviour, payoff, goal, information, decision-making and leadership.

## TRADITIONAL CULTURE

In a traditional company, the key behaviour is following orders, the payoff is security and the goal is continuity. In-

formation is filtered; you get what the company wants you to know. The upper echelon makes all the decisions, and position, rather than knowledge, determines leadership.

One example of a traditional company is the old IBM. Back in the fifties and sixties, Big Blue dictated where employees could live and what types of cars they could drive, based on their status in the organisation. Everyone wore the traditional gray suit.

As a side note—during the old IBM days I was the guest of an executive and came into the cafeteria wearing a very professional pantsuit. People gasped. Women were supposed to wear skirts and dresses to work, not pants. Becky Morgan, then CEO of Joint Venture-Silicon Valley, shared with me that she had similar experiences back in the sixties.

*A deciding factor...a company's culture helps determine who a company will attract, to what degree those people will thrive, and therefore whether the company will succeed.*





*In a challenging company, the key behaviour is people opposing each other, the payoff is uniqueness and the goal is creativity.*

## CHALLENGING CULTURE

In a challenging company, the key behaviour is people opposing each other, the payoff is uniqueness and the goal is creativity. Information is shared on a need-to-know basis and decisions are made at the lowest level. Leadership is supportive rather than dictatorial.

Here in Silicon Valley, we think of companies like Apple and Oracle as having challenging cultures.

## OPEN CULTURE

In an open company, the key behaviour is initiating, the payoff is accomplishment and the goal is results. Everyone gets maximum information. Those affected make



**Back in the fifties and sixties, Big Blue dictated where employees could live and what types of cars they could drive, based on their status in the organisation."**

the decisions and those with the greatest ability fill leadership positions.

Google, at least as we imagine it to be, is an example of an open company.

## SYNCHRONOUS CULTURE

In a synchronous company, employees are self-directed and use their full potential. The goal is peak performance and information is self-contained—everyone knows and shares the information they acquire and/or need. Decision-making is intuitive; that is, each person comes to his or her own decisions. And leadership is internalised—each person is his or her own leader.





Perhaps most startups fit this description. Sometimes we see this type of organisation in very creative companies such as advertising agencies and art groups.

### A GREAT COMPANY CULTURE

The six components of an outstanding company culture, according to John Coleman of Harvard Business Review, are *vision, values, practices, people, narrative and place*.

Here's how I interpret these components:

**Vision** - The vision is a dream; it's what the company wants to accomplish.

**Values** - These are ways of treating everyone, including clients, employees and stakeholders. They are the core of the culture, so they must be clearly communicated and repeated from time to time. Values should be honest and real and embraced by everyone. It's important that they not be banal and cloying. People need to believe in them, and management must model them at all times.

**Practices** - These tell us what to do and what not to do. They're the way we behave, how we do things. Naturally they should be consistent with our values.

**People** - In a great company, people are hired because they are the best fit for the job. They are treated well, work happily and are dedicated to their responsibilities.

**Narrative** - This is the company's esprit de corps, what makes employees proud to belong. Think of the Marine Corps and Navy Seals. Even those who don't belong to these outfits stand a little taller when they hear the words Marine Corps and Navy Seals. By the way, this is why companies that seem horrible to us are successful. Employees are proud to work for them despite how they treat their people.

**Space** - This may seem like a strange component of company culture but actually it's critical. Ask yourself: How is your office space configured? Is it open? Does it support conversation, or discourage it? Is your space divided into prison-like cubicles? Are people within easy reach of those with whom they need to communicate?



The six components of an outstanding company culture, according to John Coleman of Harvard Business Review, are *vision, values, practices, people, narrative and place.*

### SPACE SHAPES CULTURE

For example, it's easier to find colleagues and hold a spontaneous conversation in an open setting than it is in a tight cube environment. Also, the latter setting makes you feel a supervisor is constantly watching over you, which I think is deadly. This might sound backwards, but really—if you are living in a cubicle you can't really see who is watching and listening to you.

Here's another example of how space shapes culture. I once consulted with a company that was running out of space while one of its groups was growing. So it moved two members across the hall. As a result, the pair missed out on a lot of decision-making and eventually were part of the team in name





*Breaking down walls...it's easier to find colleagues and hold a spontaneous conversation in an open setting than it is in a tight cube environment.*

only. Call this “collateral damage” or “unintended consequences.” Whatever. Team members need to be together.

The moral here is that when employees aren’t readily accessible to each other, it’s much harder to connect. And if their supervisor is constantly observing them, or if they even think that’s the case, they’ll feel mistrusted. Which can’t be good for the organisation.

Companies now allow a number of employees to work from home, but some are finding this reduces teamwork, creativity, motivation and even productivity. They are also discovering that working from home only “works” with people who can manage themselves. Those who can’t need to be in the

office. As a result, some organisations are changing their policies and insisting employees return to the workplace.

In a way this is amusing, because many of these same companies changed the configuration of their workspace, removing desks and chairs and creating something called “hoteling,” which called for work-at-home employees to reserve an office or small conference room as needed. Now the company must restore the offices and cubicles.

Some companies have been wise enough to create spaces that invite people to stop and chat—to conduct informal meetings. For example, some have opened up the inner walls of a group of cubicles


and placed a small round table and chairs in the center, allowing for conversation. Others have set up areas near staircases and elevators for small, seated, impromptu discussions.

And still other companies have come up with even more dramatic ideas, such as eliminating smaller staircases and creating one that’s big, central and extra wide with deep steps, thus inviting people who bump into each other on the stairs to have spontaneous conversations.

So, what kind of culture do you want for your organisation? The choices are infinite but none are perfect. You may be highly competitive and wildly successful, but your people could eventually burn out. You may be top-down and authoritarian, appealing to low-level workers seeking job security, but your more independent people might chafe at this confinement. You may be open and friendly, but that would require widespread commitment to the company’s goals.

In my view, the culture that produces the best results is participatory management. In this environment all employees may share their ideas and opinions, which are honored and nurtured.

But—and this is no less important—the person with the expertise, no matter what her or his level in the company, must make the final decision. Ultimately, of course, the CEO has final authority; think veto power.

Participatory management also allows different ideas and even arguments to occur in the quest to find and implement the best possible solution to a problem. 

*Arlyne Diamond- Arlyne Diamond Pj.D is an Organisational Development and Human Resource Consultant with over 30 years experience. The article above is an excerpt from her book titled “Culture Inside the Company and Outside the Country”. She can be reached at [ArLyne@DiamondAssociates.net](mailto:ArLyne@DiamondAssociates.net).*



**“What if we don’t change at all ...  
and something magical just happens.”**

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