

Rebirth of the Golden Land

| BY LEE WEI LIAN |

I saw a picture projected on a screen during a conference two years ago promoting trade ties between India and Malaysia. It was a map of Asia, with arrows from India and China pointing to Peninsular Malaysia, indicating millennium-old trade routes.

It was hard not to grasp the significance of projecting that map. After centuries of decline, Indian enterprises were on the rise again, scouring the globe for opportunities. But where once the traders bore spices, today it is things like software and biotechnology.

Nasdaq-listed and Hyderabad-based Satyam (FY2006 earnings guidance US\$1.45 billion), one of the most famous IT services companies to emerge from India, is one that is retracing the ancient path from India to Suvarnabhumi (the Sanskrit term for Southeast Asia that means Golden Land). Back then, it was monsoon winds and central geography that led them to Malaysia; today it's a proven and capable workforce, government initiatives and more. In an interview at the 2005 MSC IAP (International Advisory Panel) in Penang, Satyam's founder Ramalinga Raju had said that he found Malaysia a good place to do business with partly because of "its ability to create comfort for [people from India]."

"I went to one Andra restaurant here that served food that was more authentic than the food in Andra Pradesh itself!" he remarked.

Future growth

Unisys BPO Malaysia

Current headcount: 250

Headcount growth: 100% by 4Q2007

Started operations: June 2003

Locations: Kuala Lumpur, Penang, Johor Baru and

potentially new sites around Malaysia

Satyam Malaysia

Current headcount: 150

Headcount growth: 330% by 4Q2007 and 1,300% in next few years

Started operations: 2003

Location: Cyberjaya



Gupta: [Unisys Malaysia] is recognised as the most efficiently run centre in Asia

More recently, when he was down in KL in December to announce the upcoming transformation of Satyam's Cyberjaya development facility into the largest of its 19 offshore centres outside India, he touched on the historical ties between the two nations again. "Malaysia has become a tourist destination for Indians and there is a lot of social and economic exchange going on."

We highlight what Satyam, a leading Indian technology company, is doing to enhance the economic exchange between Malaysia and India. We also highlight US based Unisys' plans to make Malaysia a preferred BPO centre in Asia.

Service global customers with global talent

Satyam has actually been in Cyberjaya for three years now. And because of its good experience here, it has decided to ramp up from 150 employees to 500 in the next 12 months and achieve about 2,000 within the next few years. Satyam has about 35,000 employees globally. The decision to expand here has also got to do with the increased demand from customers and rapid growth in Asia-Pacific and the EU from five years ago. This means the nature of work here will change to a more global one than at present when



Ramalinga: Malaysia has become a tourist destination for Indians and there is a lot of social and economic exchange going on

half of its 20 customers are local.

As a company that counts 160 of the Fortune 500 companies as customers, having a global footprint is very important. "It enhances the level of confidence in us," said Ramalinga. "We want to service global customers using global talent."

Cyberjaya will operate as a virtual extension of the operations in India and also play an important role in serving the Middle East market.

Unisys' big BPO plans for Malaysia

Satyam was not the only company last year to have grand designs for Malaysia based on past experience. Unisys also plans to make Malaysia an important global BPO (business process outsourcing) centre for it.

"We're recognised as the most efficiently run centre in Asia," Lalit Gupta, country manager of Unisys Malaysia, told *netw@tue2.0* last November. Apart from being the systems integrator for the MyKad project, Unisys processes 40% of cheques in Malaysia and is now looking to cast a wider net and bring in offshore bank clients.

In the same interview, Andrew Barkla, Unisys Asia-Pacific president, praised Bank Negara Malaysia for being open to foreign companies servicing local banks and also stout



We will be bringing in work from MNCs in the region because we can tap the existing skills we have in Malaysia — Barkla

government support for the initiative.

By leveraging on its existing investment in infrastructure and relatively strong English skill base found in Malaysia, Unisys plans to lure to this country multinational corporation (MNC) clients that are doing their back-end processing in China.

In fact, Malaysia will be made the preferred BPO centre in Asia for Unisys. "Once negotiations with three new customers are completed, our market share will rise above 50%," said an upbeat Barkla. "We will also be bringing in work from MNCs in the region because we can tap the existing skills we have in Malaysia. This shows our long-term commitment to the country." **E**

Comments: feedback@bizedge.com