

ISKANDAR PUTERI: MORE THAN ANOTHER LOCATION



Zulfiqar Zainuddin: Managing Director of i2M Ventures Sdn Bhd.

ZULFIQAR ZAINUDDIN, MANAGING DIRECTOR OF I2M VENTURES TALKS ABOUT HOW FAR THEY HAVE COME AND WHAT LIES AHEAD. I2M VENTURES WAS ESTABLISHED IN 2013 AS AN ENTITY THAT FOCUSES ON THE DEVELOPMENT OF STRATEGIC INVESTMENT PROMOTION INITIATIVES FOR THE BUSINESS SERVICES AND SHARED SERVICES & OUTSOURCING (SSO) SECTOR IN ISKANDAR PUTERI, SOUTH OF MALAYSIA.

WITH the plan to develop Iskandar Puteri into one of South-East Asia's biggest services hub, Zulfiqar said the location is currently in their third wave of development. The first was in 2006, when the then Prime Minister launched the programme to spread the economic development of the country. Khazanah Nasional was tasked with the planning and the setting up of the infrastructure to make this happen.

A COMMON GOAL

Between 2011 and 2015, the second wave kicked in, where the catalytic developments took place. These developments included Legoland, hotels, highways and residential properties. He sees the third wave as creating a sustainable environment and adding life to the area with the creation of jobs.

The years between 2013 and 2016 saw them working closely with various policy makers – agencies such as MDEC (Malaysian Digital Economy Corporation), MIDA (Malaysian Investment Development Authority), and IRDA (Iskandar Regional Development Authority) – to work on the developments and other detailed aspects such as policies that are vital to spur the location.



Glitzy but pricey ... i2M expects more entities setting up base in Iskandar Puteri due to high costs of doing business in the neighbouring Singapore.

Much research was done to gather information about whether there was a mismatch in what was being built against what was required to entice a GBS sector into the location. They also worked with universities and recruitment companies to understand the talent situation of the area.

“We soon realised that we needed a common goal and a strong platform to bring everybody together, while still maintaining the individual targets of these agencies. April 2016 saw the birth of the GBS ISKANDAR initiative, announcing to the world that there is now a common platform to develop the Global Business Services as a sector by bringing in major players, while looking at the four components: Policy, Marketing, Talent Development and Infrastructure.”

The past one year has seen two main objectives of the GBS ISKANDAR programme being met – firstly the recognition of GBS as a key sector of Iskandar Malaysia. Secondly, through collaboration with MDEC, the Medini Iskandar Malaysia has been included as one of the locations under the MSC Malaysia programme.



Solid nearshore advantage ... i2M sees further traction for GBS ISKANDAR as it expects more entities to set up base at the location due to high costs of doing business in the neighbouring Singapore.”

Clearly, this is a location proving to be a boon for business services players.

HAVING THE EDGE

It's close proximity to Singapore is a very unique selling point for this hub, with other factors such as cost, skill sets availability and the business environment also coming into play to give this area the edge from other similar developments around Malaysia.

“The one key differentiator, both immediately, and in the long term, is the dedicated support through the GBS ISKANDAR programme. Everything that we do is from the viewpoint of making this sustainable, competitive and having a long-term implication.”

The availability of skilled talent is increasing and many Malaysians are slowly but surely choosing GBS as a career due to better awareness about the industry prospects. GBS ISKANDAR's various talent development programme such as Campus Connect is helping to create new skillsets and develop more talents for the industry.

Zulfiqar added: “Talent attraction and talent retention are two areas that we give much





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attention to, bearing in mind the location and the current stage of development, as well as age group that the industry is targeting.”

i2M collaborated with Outsourcing Malaysia (OM) recently, creating a Thought Leadership series, with the view of helping HR managers and leaders of companies to understand the current situation in regards to talent and the steps that can be taken to deal with this.

The company has created a series of social events such as running, futsal and bowling activities to engage, inform and invite more engagement from the teams of the various companies.

THE COLLABORATION

OM has been a strategic partner since 2015, even before the advent of the GBS ISKANDAR programme. Through the collaboration, i2M wanted to delve deeper and create a situation that was a “win-win” for both parties.

On a normal day, it is a mere 45 minutes commute from downtown Singapore to Iskandar Puteri, and this was indeed enticing to OM and its members. The effort that was taken to further understand and address the needs of OM members – leading to three Outsourcing Malaysia companies setting up operations in Iskandar Puteri.

Zulfiqar plans to carry on working closely with OM, to gain a deeper understanding of what is needed to get more companies on-site as the location will certainly help them to penetrate the Singaporean market.



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To date there are 10 companies doing GBS activities at Iskandar Puteri with more in the near pipeline. i2M sees further traction for the location during these tough global economy climate as it expects more entities setting up base there due to high costs of doing business in the neighbouring Singapore – capitalising on its nearshore location advantage.

“Ultimately, the targets that were set (RM6.5 billion in investments and creation of 14,000 high-value jobs) for GBS ISKANDAR are basically the tipping point. We are creating much interest and I am very confident that we will be getting more companies in and achieve this target in the future.”



An initiative by i2M Ventures