

PM: Use strengths to be top in outsourcing niche

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PUTRAJAYA: Cost competitiveness, high quality infrastructure, and a skilled and multi-lingual workforce.

These are the qualities sought by companies that want to outsource their services and Malaysia has them in abundance.

As such, the country is positioning itself to be the first-choice location for the global shared services and outsourcing (SSO) industry.

It is already recognised as a global leader, ranking third after India and China.

Prime Minister Datuk Seri Abdullah Ahmad Badawi said Malaysia should leverage on its strengths to propel itself to the top spot.

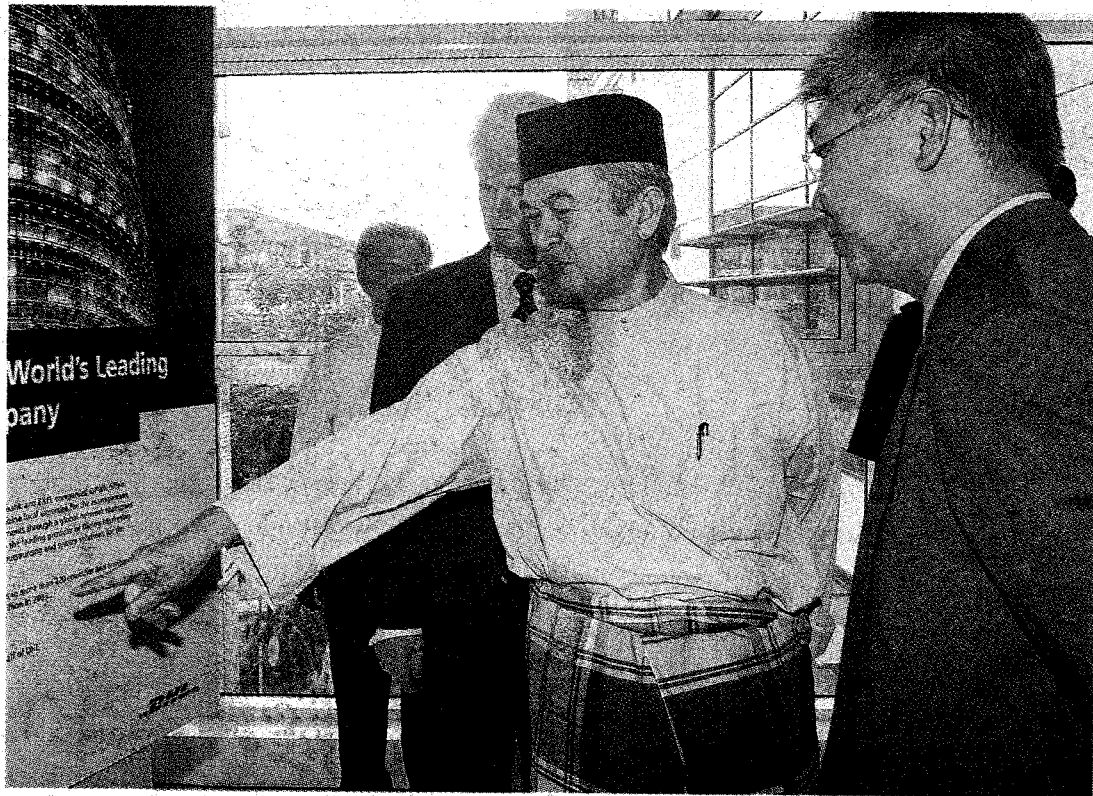
"Building on these basic strengths, and in order to enhance our competitiveness in the global SSO landscape, Malaysia aims to distinguish itself by positioning the country as the premier destination for high-quality outsourcing activities," he said at the opening of DHL's IT Service Centre West Wing in Cyberjaya yesterday.

Abdullah said there were 76 world-class SSO companies in Malaysia which had created jobs for 20,000 people.

By leveraging on Malaysia's workforce strength, IT infrastructure, competitive costs and good logistics, the SSO industry could be developed to provide 100,000 jobs in the future.

He said a recent Frost and Sullivan study supported Malaysia's move to position itself as first choice in the global SSO industry.

Malaysia was especially strong in the energy, technology, finance,



Abdullah is attracted to the explanation on the DHL poster during his visit to the DHL IT Services Centre in Cyberjaya yesterday. With him are Lee (right) and McGuckin.

manufacturing and logistics sectors, and had experience as a base for multinational companies.

"This has given us the edge over other countries with limited experience hosting multinationals, as they can only offer generic, low-value outsourcing services."

He said proof of Malaysia's strengths was in DHL's decision to expand its investment here. The West Wing, a RM50 million facility that would see to the running of DHL's global operations covering 220 countries, followed its initial

investment in 2002. It was one of four DHL global "nerve centres".

"I take this opportunity to encourage other multinationals engaged in industries such as logistics, energy, technology, finance and manufacturing to favourably consider Malaysia as a base for their outsourcing activities," said Abdullah, who is also chairman of the Multimedia Super Corridor Malaysia ICT advisory panel.

He said Malaysia would continue to expand the MSC by creating cybercities and cybercentres na-

tionwide.

"We will also continue to respond to the needs of multinationals by providing supportive policies, a conducive environment and customised incentives so they will find us an attractive destination to base their operations."

Also present at the opening were Multimedia Development Corporation chairman Tan Sri Halim Ali, DHL IT Services managing director Stephen McGuckin and DHL IT Services Centre Cyberjaya director Lee Chuan Yew.