

The cover features a background image of a modern building with a decorative facade. The building has a sign that reads "COMPLEX APESHAD AYUB". The cover is decorated with large, stylized geometric shapes in orange, dark blue, and light grey. A dark blue rectangular box in the upper right corner contains the text "EDITION 1". The main title "AAGBS CASEBOOK" is centered on the page.

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Preface

It is with great pride and enthusiasm that I present this collection of case studies, a testament to the commitment of our 'full name AAGBS', researchers, and students toward bridging theory and practice. This book stands as a reflection of our shared belief that learning is most powerful when grounded in real-world experiences and challenges.

Case studies have long been a cornerstone of effective teaching and learning. They offer insights into complex problems, foster critical thinking, and invite solutions that are both creative and pragmatic. The cases featured in this first volume span industries, disciplines, and geographies, demonstrating the breadth of knowledge and expertise our institution embraces. Each case has been carefully curated to inspire reflection, spark dialogue, and empower readers to develop strategies for action in an ever-changing world.

As the academic landscape evolves, it is imperative that we continue to produce knowledge that is not only rigorous but also relevant. This collection is a step in that direction, offering professionals, educators, and students a resource that blends analytical depth with practical application.

I extend my gratitude to the contributors, whose dedication to research and education has made this publication possible, and to the editorial team for their tireless efforts in bringing this case book to life.

It is my hope that these case studies will serve as a catalyst for learning, innovation, and leadership, inspiring readers to approach challenges with insight and determination.

With best regards,

Professor Dr. Norzanah Mat Nor

Dean

Arshad Ayub Graduate Business School, UiTM Shah Alam

Introduction

Welcome to this compilation of thought-provoking case studies, a collection that highlights the depth, diversity, and dynamism of contemporary business challenges. As you explore the pages of this book, you will discover a wide range of real-world issues that span industries, geographies, and disciplines. Each case has been meticulously crafted to offer insights into the complexities of decision-making, leadership, strategy, and transformation in today's fast-paced world.

This casebook features contributions from a talented group of authors, including students, faculty members, and professionals, each bringing their unique perspectives and expertise. From exploring HR transformation to analyzing strategic agility, navigating change management models, and addressing global issues such as labor shortages and patent litigations, the topics reflect the multifaceted nature of modern business challenges.

The case studies delve into both theoretical frameworks and practical applications, offering not just lessons in business strategy, but also a deeper understanding of the human elements that drive organizational success. Whether discussing employee attrition, safety culture, or leadership during turbulence, the stories in this book emphasize the importance of adaptability, innovation, and resilience in an ever-evolving business landscape.

This collection is more than just an academic exercise, it is an invitation to engage with the challenges that shape industries and economies worldwide. It is a reminder that at the heart of every case lies the potential for growth, transformation, and a greater understanding of how businesses can thrive in uncertain times.

We hope that readers, whether students, professionals, or anyone with an interest in business, will find inspiration in these case studies and take away valuable lessons that can be applied to real-world situations. Each case represents a unique journey, and we believe that, together, they form a rich resource for anyone seeking to navigate the complexities of the modern business world. As you turn the pages, we encourage you to think critically, challenge assumptions, and consider how the strategies, decisions, and frameworks discussed can be applied to your own experiences and future endeavors. We are thrilled to present this collection of case studies, marking a special milestone for our School as we embark on our first-ever published case book. We look forward to the continued success of this initiative and anticipate future editions that will build on what we have started here.

Assoc. Prof. Dr Herwina Rosnan

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A CASE STUDY ON HIGH EMPLOYEE ATTRITION: HUMAN RESOURCES TRANSFORMATION NEEDED AT XYZ PHARMACEUTICAL COMPANY

Noraini Ismail wrote this case under the supervision of **Professor Dr Norzannah Mat Nor** solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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SUMMARY

Employee attrition is a critical concern for organizations, particularly in the pharmaceutical industry where skilled professionals are essential. This case study aims to examine the patterns and factors contributing to employee attrition at the XYZ Pharmaceutical Company over the period from 2018 to 2023. The study analyzed 1,357 records of employees who have left the XYZ Pharmaceutical Company to gain insights into the dynamics of employee attrition within the organization. The findings of this case study not only shed light on the dynamics of employee attrition within the pharmaceutical industry but also offer actionable insights for the XYZ Pharmaceutical Company to address employee retention through Human Resource (HR) transformation.

KEYWORDS: Employee Attrition, HR Transformation, Employee Retention, Pharmaceutical Company

COMPANY BACKGROUND

The pharmaceutical industry plays a critical role in developing, producing, and distributing medications that improve human health and well-being. This industry encompasses a wide range of activities, including research and development (R&D), manufacturing, marketing, and distribution of pharmaceutical products. The pharmaceutical industry is characterized by its continuous pursuit of innovation and the development of new drugs to address various medical conditions.

In the global economy, pharmaceuticals contribute significantly to Gross Domestic Product (GDP) growth and employment generation. It has established itself as one of the most profitable sectors globally, with earnings substantially higher than companies in other industries between 2000 and 2018 (13.8% vs. 7.7%) (Ledley et al., 2020), and it is expected to continue its growth trajectory in the coming years. The global pharmaceutical industry is not limited to specific regions or countries. It is dominated by multinational corporations that operate on a global scale. These companies contribute to the accessibility and affordability of pharmaceuticals worldwide, ensuring that essential medications reach populations in need.

In Malaysia, the pharmaceutical industry is known as a critical component of the nation's healthcare

infrastructure. It ensures access to a wide range of life-saving medications and contributes to the welfare of its people. Simultaneously, the industry is a vital contributor to the nation's economic development, offering employment opportunities, fostering innovation, and bolstering Malaysia's reputation as pharmaceutical manufacturing and research hub. Consequently, the performance of pharmaceutical companies in Malaysia holds profound implications for both the healthcare sector and the broader economy.

The XYZ Pharmaceutical Company, a renowned player in the Malaysian pharmaceutical industry, stands as a testament to dynamic growth and advancement in healthcare solutions. This Company has carved a niche for itself both domestically and in the international market. As one of the largest pharmaceutical companies in Malaysia, XYZ boasts an extensive network that spans R&D, manufacturing, logistics and distribution as well as marketing. The Company operates several manufacturing facilities and has a wide distribution network that ensures the availability of pharmaceutical products across various regions, with approximately 2,300 employees in Malaysia based on the Annual Report 2022.

In the pharmaceutical industry, employee attrition is a particularly critical issue. The pharmaceutical industry is characterized by its stringent regulatory environment, complex R&D processes, and the need for highly skilled professionals. The loss of experienced staff means a loss of valuable knowledge and skills. When employees who are familiar with the Company's processes and culture leave, it takes time for new hires to reach the same level of proficiency. Therefore, retaining talent is paramount to maintaining the Company's competitive edge and ensuring the continued delivery of high-quality products and services. It also contributes to a positive corporate image and long-term growth prospects.

The XYZ Pharmaceutical Company has recently been confronted with a concerning trend of high employee attrition. This issue has become increasingly prominent, posing a significant challenge to the Company's operational stability and its aspirations for future growth. Addressing this issue is imperative to ensure the Company's sustained success and leadership in the pharmaceutical industry. Hence, this case study aims to delve into those factors and provide insights that can transform HR strategies to enhance employee retention at the XYZ Pharmaceutical Company. The key objectives of this study are as follows:

- Objective₁:* Analyze the characteristics and historical trends of employee attrition within the XYZ Pharmaceutical Company from January 2018 to October 2023.
- Objective₂:* Investigate the factors contributing to high attrition rates for the XYZ Pharmaceutical Company.
- Objective₃:* Identify the solution considered by the XYZ Pharmaceutical Company in retaining valuable employees and suggesting HR transformation strategy.

LITERATURE REVIEW

Employee attrition is a critical concern for organizations worldwide. It encompasses both voluntary and involuntary departures from an organization. Voluntary departure occurs when employees choose to leave, often due to personal reasons such as job dissatisfaction or seeking better opportunities elsewhere. On the other hand, involuntary departure results from factors such as layoffs, terminations, or retirement. Addressing attrition is pivotal for maintaining a stable and productive workforce. In recent years, HR transformation has emerged as a strategic response to mitigate attrition and optimize workforce management.

Past studies have identified various causes of employee attrition, among others, job dissatisfaction, inadequate compensation, limited career growth opportunities, and poor work-life balance are often cited

as primary drivers (Akasheh et al., 2024; Kurniawaty et al., 2019). Additionally, factors such as workplace culture, lack of recognition, and ineffective leadership play significant roles in influencing employee decisions to leave (Bharath, 2023). Attrition has substantial consequences for organizations, including increased recruitment and training costs, disrupted operations, and leads to the loss of valuable talent as well as institutional knowledge. Moreover, high attrition can negatively affect employee morale, hinder productivity, and damage an organization's reputation (Al-Suraihi et al., 2021).

While HR transformation involves a fundamental shift in the role and functions of HR departments within organizations. It aims to align HR practices with broader business strategies, moving beyond traditional administrative tasks to strategic workforce management. This transformation encompasses changes in HR technology, processes, leadership, and culture (Al-Suraihi et al., 2021). Recently, HR transformation strategies have increasingly focused on addressing attrition challenges. Research has highlighted several key initiatives within HR transformation that contribute to attrition reduction, such as talent management and development, employee engagement, leadership development, technology integration, and cultural change (Ekhsan et al., 2022).

Employee attrition is a multifaceted challenge with significant implications for organizations. As organizations continue to evolve, the integration of HR transformation is essential to effectively manage attrition and create a more engaged and supportive work environment.

METHODOLOGY

The methodology employed in this case study involves an analysis of employee attrition at the XYZ Pharmaceutical Company over an approximately six-year period from January 2018 to October 2023 to identify patterns and relationships within the data. The dataset consists of 1,357 records encompassing details of employment, demographics, and the reasons for employees' departures, extracted from the Company's exit survey forms. Then, the analysis is supported by minutes recorded during the management meeting and individual discussions held with the HR representative.

ANALYSIS AND DISCUSSION

Characteristics of Employee Attrition Based on Demographic Information

The demographic data in Table 1 below provides valuable insights into the characteristics of employees who have left the XYZ Pharmaceutical Company. In this specific case, the study examined employee attrition based on gender, educational qualification, age, monthly income, and the length of services.

Based on the demographic data, it has been observed that the employee retention at the XYZ Pharmaceutical Company is dominated by male employees (53%), a significant number of them had bachelor's degrees (70%), and more than half of the employees who have left belong to the age group of 30-50 years old (55%). Other than that, a substantial number of employees have a low income (44%) and have less than 5 years of work experience (45%) in the XYZ Pharmaceutical Company.

Gender

This statistic indicates that among the employees who left the organization, 53% were male, while 47% were female. It suggests a gender-specific pattern in attrition, with a slightly higher percentage of males leaving. This could be due to various factors, including career opportunities, work-life balance, or job satisfaction, which may affect male and female employees differently.

Table 1 Demographic Profile

Demographic	Description	Frequency	Percentage (%)
Gender	Male	716	53
	Female	641	47
Educational Qualification	Professional Certificate	85	6
	Diploma	240	18
	Bachelor's degree	622	46
	Master's Degree	65	5
	Doctoral Degree	1	0
	Others	344	25
Age	Below 30	574	42
	30-50	744	55
	More than 50	39	3
Monthly Income	Very Low	414	31
	Low	172	13
	Medium	335	25
	High	300	22
	Very High	136	10
Length of Service	Less than 1 year	373	27
	1-5 years	611	45
	6-10 years	204	15
	More than 10 years	169	12

Educational Qualification

Among the employees who left the organization, a significant majority (51%) held undergraduate degrees. This information suggests that a high proportion of departing employees had completed at least a bachelor's degree. It may indicate that employees with higher educational qualifications were more likely to explore other job opportunities or were dissatisfied with their current roles.

Age

The age group of 30-50 years represents the highest percentage of employees (55%) who left the organization. This implies that a substantial portion of attrition occurred within this age range. Potential reasons for this include career changes, mid-life career crises, or personal life factors that lead to employees seeking new opportunities.

Monthly Income

The distribution of income levels appears to be skewed, with a significant number of individuals (44%) falling into the lower income categories ("Very Low" and "Low"). This suggests income inequality within

the group, with a larger proportion of individuals having small incomes. While 22% of individuals fall into the "Medium" income category, indicating that a small portion of the group has a moderate-income level, the remaining 32% fall into higher income categories.

Length of Service

The data shows that 72% of departing employees had a length of service of less than 5 years. This suggests that a significant proportion of employees who left had relatively short tenures with the organization. Shorter tenures may be indicative of issues related to job fitness, career growth, or job satisfaction that prompted employees to seek alternative employment relatively early in their careers with the Company.

Trends of Employee Attrition

Based on Figure 1 below, there is a clear upward trend in attrition rates at the XYZ Pharmaceutical Company from January 2018 to October 2023. In 2018, the XYZ Pharmaceutical Company experienced 174 employee attrition. This number represents the employees who left the Company during that year and serves as a baseline for comparison. The lower attrition rate in 2018 suggests that the organization had relatively stable employment during that period. The year 2019 shows a slightly higher number of employee attrition (approximately 7.5% increase), with 187 employees leaving the organization. This increase in attrition indicates changes within the Company or external factors that influence employees' decisions to leave. In 2020, employee attrition decreased by 14.4% to 160 employees. This could be attributed to the impact of the COVID-19 pandemic, which may have led to fewer job opportunities elsewhere and reduced employee mobility (Mate et al., 2022).

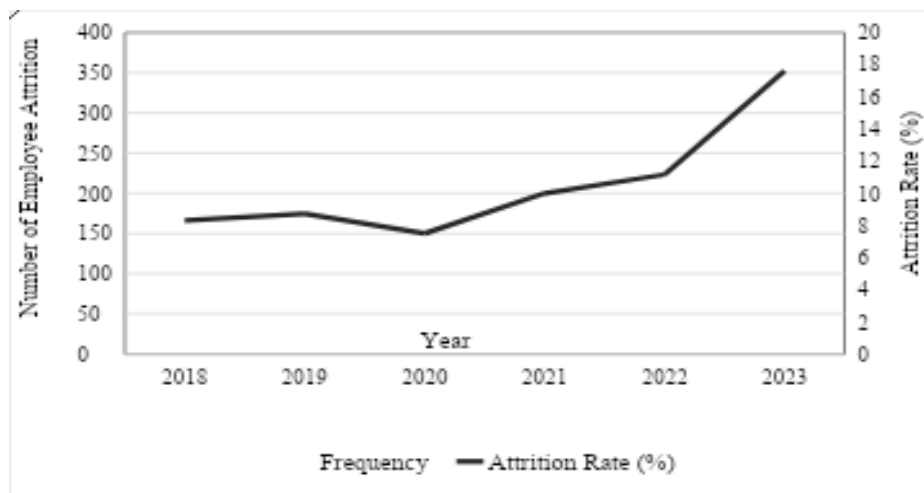


Figure 1: Number of Employee Attrition Based on Year

However, the XYZ Pharmaceutical Company has witnessed an increase in employee attrition of 37%, with 219 employees leaving the organization in 2021. This could indicate a post-pandemic recovery phase, with more employees possibly seeking new opportunities as the job market stabilizes and grows (Anggraini & Sridadi, 2023). In 2022, there was another increase in employee attrition of 17.4%, with 257 employees leaving. During this period, the XYZ Pharmaceutical Company experienced a change of management where such transitions can often lead to shifts in corporate culture, policies, and strategic directions. Employees may feel uncertain or dissatisfied with these changes, leading to an increase in attrition. As of October 2023, the organization experienced a significant surge in employee attrition of 40%, with 360 employees leaving the Company. This data point indicates a substantial and possibly abrupt change in the organization's employee retention landscape. Being classified under Practice Note 17 (PN17) issued by Bursa Malaysia in that year indicates that the Company is in financial distress. This status can lead to significant uncertainty

regarding job security and the Company's future. Such financial and operational instability is a major factor driving employees to seek more stable employment opportunities (Anand et al., 2023). The intense increase in employee attrition likely reflects the workforce's response to the Company's financial struggles.

Furthermore, the attrition rate depicted in Figure 1 for the years 2021 to 2023 is a matter of significant concern for any organization. Employee attrition, especially at a rate exceeding 10%, can have far-reaching implications on an organization's stability, productivity, and overall performance. While industry-specific norms may vary, maintaining an attrition rate below 10% is generally advisable for companies.

SOLUTION CONSIDERED BY XYZ PHARMACEUTICAL COMPANY

Based on the quarterly meeting held in 2023 between the Risk Management Unit and the Human Capital Management Department of the XYZ Pharmaceutical Company. They have recognized the high employee attrition rate as a significant risk to the Company. Hence, understanding the root causes of high employee attrition is crucial for developing effective strategies to address the issue. In the case of the XYZ Pharmaceutical Company, the main factors contributing to high attrition rates are identified as per the following sub-sections.

Job Insecurity

Early in 2023, the XYZ Pharmaceutical Company found itself in a challenging situation as it had been categorized as a PN17 Company, and there were changes in the management where several chiefs, including the Chief Executive Officer stepped down. In times of organizational changes or uncertainty about the Company's future, employees feel insecure about their job stability, and their overall job satisfaction tends to decrease. Besides that, the constant worry about job loss or downsizing also leads to increased stress and anxiety, making the work environment less enjoyable. Over time, this diminished job satisfaction and motivated employees to seek alternative job opportunities.

Emphasizing organizational resilience is a key strategy for reducing job insecurity among employees. The XYZ Pharmaceutical Company consistently demonstrates the Company's ability to thrive in challenging times by openly communicating past successes and showcasing proactive strategies for the Company to exit PN17 status. Regular town hall sessions, conducted by the Management every quarter are designed to disseminate updates on the progress of the regularization plan and reassure employees of the Company's stable state. This concerted effort aims to instill confidence within the workforce, ultimately diminishing job insecurity and nurturing a workforce that is both more resilient and committed.

Lack of Company Direction and Poor Communication

A lack of direction or clarity by the Management regarding a Company's goals, vision, and strategy during the financial crisis contributed significantly to employee attrition. When employees feel uncertain about where the Company is headed and how their roles fit into the broader picture, it can lead to dissatisfaction and ultimately result in attrition. The absence of well-defined Company direction makes it difficult for employees to effectively prioritize their tasks, leading to inefficiencies, frustration, and burnout as they grapple with understanding their responsibilities.

To address this issue, the XYZ Pharmaceutical Company has conducted an Employee Engagement Survey to assess and improve various aspects of the workplace, including communication and Company direction. The survey provides a structured approach to gathering employee feedback, identifying areas for enhancement, and implementing positive changes to create a more engaged and aligned workforce. Conducting the survey demonstrates a management's commitment to listening to employees and making necessary improvements to foster a positive work environment.

Wage and Benefits Issues

The employee wage and benefit adjustments have not been made for an extended period (more than 10 years), resulting in wages and benefits being no longer competitive with the market. Competitive compensation is a key factor in employee retention. If the pay scales are not in line with industry standards, or there is a perception of inequity in compensation, it can lead to dissatisfaction and subsequent turnover. In addition, benefits like bonuses, healthcare, retirement plans, and educational assistance also contribute to employee satisfaction. If the XYZ Pharmaceutical Company's benefits package is lacking compared to competitors, it can be a factor in employees' decision to leave. Other than that, economic factors such as inflation and the rising cost of living can erode the real value of an employee's compensation package. If wages and benefits do not keep pace with the increasing cost of living, employees may feel financially strained and look for opportunities with higher pay to maintain their standard of living.

In November 2023, the XYZ Pharmaceutical Company launched "Project Re'fresh" as a proactive measure to address this concern. Project Re'fresh is an initiative designed to comprehensively review and overhaul an organization's existing job grade and benefits structure. The primary goal of this project is to make significant improvements to how job roles are classified and compensated, as well as to enhance the overall benefits offered to employees.

Lack of Employee Involvement

Involvement in the workplace often fosters a sense of connection to the Company's culture and values. A lack of involvement can lead to a feeling of disconnect, making employees more willing to explore job opportunities at organizations with a better cultural fit.

Recognizing this situation, the management has initiated a series of well-being initiatives encompassing four essential elements, i.e., biological, psychological, cognitive, and spiritual. In terms of biological well-being, the Company conducts nutrition workshops, fitness challenges, and stress management programs. To support psychological well-being, employees have access to emotional intelligence workshops, counselling sessions, and resources to maintain a healthy work-life balance. Cognitive well-being is promoted through activities such as innovation workshops and engaging gamified learning experiences. Lastly, spiritual well-being is nurtured through mindfulness practices, volunteer opportunities, and continuous awareness. By implementing this diverse range of well-being activities, the Company acknowledges the multifaceted nature of employee health and happiness. This holistic approach aims to cultivate a more motivated, engaged, and content workforce, which in turn can have a positive impact on the Company's overall performance and success.

RECOMMENDATION OF HR TRANSFORMATION STRATEGY

Certainly, addressing a high attrition issue requires a strategic HR transformation. To develop an effective HR transformation strategy, it is essential to consider the evolving landscape of Human Resource Management and the strategic imperatives for organizational success. The strategy should focus on leveraging innovative HR practices, digital and data analytics, implementing organizational justice, agile and adaptive processes, and coaching for success via positive leadership.

Innovative HR Practices

In today's rapidly changing business environment, HR management has evolved significantly. Traditional HR practices, such as recruitment and onboarding, are no longer sufficient to tackle high attrition. Instead, HR needs to adapt to new challenges and opportunities. This transformation begins with a shift from a transactional HR model to a more strategic and proactive. It involves crafting an employer brand that

attracts top talent, implementing data-driven recruitment strategies, and assessing candidates for skills, cultural fit, and long-term potential within the organization (Oltamari et al., 2019).

Digital and Data Analytics

Leveraging technology and data analytics is pivotal in addressing attrition. The digital age has brought significant advancements to HR management (Bonilla-Chaves & Palos-Sánchez, 2023; Jani et al., 2023). Implementing modern HR technologies, such as AI-powered recruitment tools, employee self-service portals, and data analytics platforms can help HR professionals make more informed decisions. Talent analytics can be especially useful in identifying attrition risk factors and predicting which employees are more likely to leave, enabling proactive interventions.

Organizational Justice

Organizational justice is also fundamental to addressing this issue. It refers to the perceived fairness and equity in the workplace, particularly in how employees are treated, decisions are made, and resources are allocated within an organization. Organizational justice is typically divided into four main components, among others, distributive justice to ensure equitable resource allocation, procedural justice to ensure fair decision-making processes, interactional justice to promote respectful and dignified treatment, whereas informational justice involves transparent communication (Jaboob, 2023; Zhang et al., 2009). It is a concept that plays a crucial role in employee satisfaction, employee engagement, and overall organizational effectiveness.

Agile and Adaptive Processes

Agile and adaptive processes are critical components of modern organizational strategies that emphasize flexibility, responsiveness, and continuous improvement. HR should regularly review and refine its practices, staying up to date with industry trends and best practices to remain effective. HR should also be flexible in response to changes such as remote work trends and accommodating different work arrangements while maintaining productivity and employee well-being (Aibaghi Esfahani et al., 2017).

Coaching for Success via Positive Leadership

Lastly, positive leadership fosters an environment of support and growth within the employee. It is rooted in the belief that leaders should not only focus on managing their teams but also inspire and motivate them by creating a positive work environment (Tombaugh, 2005; Wymer, 2023; Yan et al., 2023). Positive leaders lead with optimism, empathy, and a growth mindset. They encourage open communication, build trust, and promote a culture of respect and inclusion, which can lead to increased job satisfaction and performance.

CONCLUSION

In conclusion, the XYZ Pharmaceutical Company acknowledges the pressing requirement for HR transformation due to the substantial employee attrition. Embracing this transformation and implementing the recommended strategies will lead to attrition reduction and the establishment of a thriving workplace. This will ultimately secure the organization's continuous growth and prosperity within the pharmaceutical sector. While the path ahead may present challenges, the benefits of achieving a stable and engaged workforce make the endeavor highly worthwhile.

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MY5G HORIZON: VIRTUAL INNOVATION FOR CUSTOMERS

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SUMMARY

The emergence of technology has created opportunities to offer interactive virtual experiences, fundamentally transforming the conventional approach to customer experience. This paper examines technology's potential application in providing new customer experience through a virtual showcase. The virtual showcase combines physical and virtual reality, allowing customers to interact with products or services in a captivating and interactive environment. The interactive experience, distinguished by a feeling of being fully present and the ability to interact, empowers customers to make well-informed choices, thereby enriching their overall experience. The paper explores the potential of a virtual showcase in creating customised experiences that cater to individual customers' distinct preferences and requirements. The paper also highlights the importance of businesses adjusting and being creative in response to the changing customer experience landscape by utilising emerging technologies to increase accessibility and promote continuous learning.

KEYWORDS: Virtual Showcase, Customer Experience, Virtual Experience

BACKGROUND OF THE MY5G PORTAL

The introduction of 5G technology in Malaysia is expected to transform the digital landscape, ushering in unprecedented connectivity and innovation. The My5G Portal was launched in 2023 and has been said to be one of the significant milestones in Malaysia's journey towards digital transformation. The experience centre provides a comprehensive platform for demonstrating the numerous applications and use cases of 5G technology. Since its launch, the centre has attracted diverse visitors, including industry representatives, government officials, academicians, and the public. It fosters a better understanding and appreciation of 5G technology and its transformative potential for businesses, governments, and Malaysians.

The My5G Portal is operated by Digital Nasional Berhad (DNB), a government-owned company of the country's Ministry of Finance (MOF). DNB has worked with Ericsson, a key partner and over twenty local and international solution partners to create an interactive and immersive environment that brings the digital future of 5G technology into reality. This collaborative effort demonstrates DNB's commitment to knowledge sharing, ideation, and co-creation, which is critical to advancing 5G technology and its global adoption, particularly for Malaysia.

The purpose of the My5G Portal is to highlight the capabilities of 5G-enabled technologies in areas such as robotics, extended reality (XR), artificial intelligence (AI), and smart automation. The centre's objective is to promote the adoption of 5G technology among business leaders and the public and encourage the exchange of information, generation of ideas, and collaboration. This will help progress 5G technology adoption in Malaysia and its nationwide deployment.

PROBLEM STATEMENT

The My5G Portal, an experience centre launched by Digital Nasional Berhad in 2023, aims to facilitate and highlight the implementation of 5G technology and has been attracting a broad range of visitors, including industry delegates, government authorities, educational institutions, and public members. Nevertheless, it encounters several challenges. Due to its location in Tun Razak Exchange, Kuala Lumpur, the centre is not accessible to a significant number of potential visitors. The limited availability of tour slots not only limits the number of visitors daily but also results in the inefficient use of resources due to instances where registered visitors fail to show up. Moreover, the current website needs more complete details about the centre, limiting efficient planning and optimising visits and tours. These problems collectively restrict the centre's ability to reach and achieve its intended impact, therefore requiring a creative solution to improve accessibility and the use of resources.

ROLE OF TECHNOLOGY TO ENHANCE CUSTOMER EXPERIENCE

The COVID-19 pandemic, which hit the world in 2019, has highlighted the importance of technology in our daily lives and impacted how organisations operate their businesses. This is due to the need for social distancing to curb the virus and lockdowns implemented by governments worldwide. This was ultimately due to the need for social distancing to curb the virus and lockdowns implemented by governments worldwide. The situation has caused various establishments such as shopping malls, offices, schools, and cultural centers to be closed to the public. During the lockdown, many people have relied on internet-based services to communicate and work from home. Companies and service providers from various industries had to figure out how to use technology, such as offering virtual solutions for customers to access services and products from the comfort and safety of their homes.

Virtual experiences can provide an immersive and interactive environment that simulates real-world experiences. This innovation helps individuals obtain valuable information in many situations, such as purchasing a product, selecting a hotel for accommodation when travelling, and picking the best university to continue their studies. For example, the University of Sunderland in England is one of many educational institutions that provide virtual experiences on its website for prospective students who wish to enroll. Their virtual experience site features include 360-degree views of the university's facilities, virtual tours of available accommodations, and a chat function to connect with current students.

Leveraging technology and innovation is also evident in how educational activities have evolved. Consider a group of students organising a field trip to a museum. Traditionally, they had to travel to the museum's physical location to view the exhibits. However, virtual showcases allow these students to visit the museum virtually, eliminating the need to travel. This eliminates geographical limitations and allows for visits at any time, increasing accessibility and convenience to access various offerings offered by the museum.

Moreover, the COVID-19 pandemic has further accelerated the transition to virtual showcase adoption, transforming customer experiences by making them more accessible and adaptable. For example, Google Arts & Culture has enabled anyone to visit world-class museums from the comfort of their own homes.

They have collaborated with more than 1,200 museums and galleries worldwide to provide virtual tours and online exhibits. They have collaborated with more than 1,200 museums and galleries worldwide to provide virtual tours and online exhibitions. This initiative includes notable museums such as the British Museum in London, the Van Gogh Museum in Amsterdam, and the Guggenheim in New York City. Since its inception, this innovation has allowed people to learn about art, history, and science without travelling. This has also enabled cultural and educational exploration directly from the visitors' couches without having to leave their homes.

To summarise, the introduction of technology, particularly in the aftermath of the COVID-19 pandemic, has significantly altered how organisations operate and individuals access services and experiences. The shift to virtual experiences, as seen in educational institutions, museums, and industries, has increased accessibility while improving customer experiences. As we navigate the digital age, innovations such as virtual showcases and tours will shape our experiences and interactions, eventually leading to a more connected and inclusive digital future.

HIGHLIGHTS OF THE MY5G PORTAL

The My5G Portal Experience Centre at TRX, in the heart of Kuala Lumpur, is critical to Malaysia's digital transformation. TRX, developed by the Malaysian government, is a strategic location to attract high-value investments and businesses, particularly those in finance and technology. The centre's strategic location increases its visibility and accessibility, making it a key player in promoting the real-world benefits of 5G. This, in turn, may stimulate increased interest, investment, and widespread adoption of 5G technology, aligning with DNB's mandate to accelerate 5G adoption across the country.

The centre displays an impressive collection of about fifty potential 5G technology applications for consumers and businesses. These use cases are presented in customised sections, each with a different aspect of 5G technology. The sections include '5G for Malaysia', which demonstrates DNB's objective and role in rolling out 5G technology for the country; 'Ericsson 5G Leadership', showcasing the company's end-to-end 5G technology solutions and services are currently being implemented in the country for government and businesses; 'Enterprise and Industry Applications', focusing on 5G technology use cases that could benefit businesses and society; and 'Consumer and Home Applications', highlighting 5G use for consumers. Visitors can find various technologies such as a hologram, a connected ambulance, smart surveillance cameras, mission-critical communications, Ericsson Security Manager (ESM), 5G for connected enterprises, 5G Education, Fixed Wireless Access (FWA), and 5G Remote Driving when visiting the My5G Portal.

In addition to its physical presence, the My5G Portal has an online presence via its official website, accessible at <https://www.my5gportal.com.my/>. The website provides basic information about the centre and allows potential visitors to schedule a visit using a booking system. When a booking is made, the visitor will receive a QR code and an email confirmation to their registered email address.

LOWLIGHTS OF THE MY5G PORTAL

The centre faces several challenges based on the observations made through the methods mentioned earlier. First, the centre's location in Kuala Lumpur presents a significant challenge. While being in the heart of Kuala Lumpur has its advantages, it also creates a geographical barrier that prevents many potential visitors from visiting the centre. This is especially true for those who are coming from outside of Kuala Lumpur. As a result, many individuals, organisations, and businesses who want to experience the showcased 5G technologies at the centre cannot do so. This geographical limitation limits the centre's reach and impedes

its mission to promote understanding and adoption of 5G technology to all Malaysians.

Second, the centre has a tour-based system with limited slots. While this system allows for a manageable flow of visitors, it also limits the number of people visiting the centre at any time. It was observed that only fifteen people can register for each slot and that only three tour slots can be held per day. The centre is only open during the week and closed on weekends and public holidays. Additionally, no-shows depleted the centre's resources and impacted its administration. And because the centre's facilitators lead the tours, the inability to accommodate a larger number of visitors has resulted in a bottleneck, limiting its capacity.

Finally, while functional for booking purposes, the centre's current website lacks comprehensive information about the centre and the technologies it highlights. Potential visitors who want to learn more about the centre before visiting may find that the website lacks useful content. This reduces the website's effectiveness and makes it difficult to plan and optimise visits and tours. All the challenges mentioned above have limited the centre's ability to promote 5G technologies to their full potential and must be addressed to maximise their impact.

THE PROPOSED INNOVATION: MY5G HORIZON

Given the challenges faced by My5G Portal, an innovative solution, My5G Horizon is proposed. My5G Horizon is a virtual showcase that mirrors the physical centre of the My5G Portal. The showcase offers an interactive 24/7 experience, allowing any visitor to learn and explore 5G technologies and applications at any time convenient, regardless of their geographic location.

One of My5G Horizon's distinguishing features is its 3D environment. This environment is a virtual replica of the physical centre, allowing visitors to navigate and explore different sections and exhibits just as they would when visiting the physical centre. This experience brings the featured 5G technologies to life, improving visitors' understanding and appreciation of the technology. The second feature is the personalised experience. Visitors can tailor their journey through the My5G Horizon based on their interests, selecting which technology and use case to explore. This personalisation increases visitor engagement and ensures that each visitor's experience is tailored to their specific requirements and preferences.

The third feature is the virtual assistance powered by artificial technology (AI). To enhance the user experience, My5G Horizon includes an AI-powered virtual assistant named Mariam. Mariam is equipped to give guided tours of the virtual centre. She provides additional information about the featured technologies and the ability to answer visitors' questions, intending to enrich the visitor's learning experience. Besides Mariam, the virtual showcase will also have accessible content to cater to a diverse visitor profile. All contents of the virtual showcase, including text, audio, and video, will be available in multiple languages, such as English, Bahasa Malaysia, and Chinese. This feature will allow the visitors to access and understand the content easily, regardless of their language proficiency and learning style.

By addressing the limitations of the physical My5G Portal and improving the visitor's experience with these innovative features, My5G Horizon has the potential to transform the way visitors explore and learn about 5G technologies. It eliminates geographical barriers, maximises resource utilisation, and offers a comprehensive, personalised learning experience. This makes the knowledge of 5G technologies available to everyone, in line with the government's aspiration to promote digital inclusion and democratising access to technology.

UNIQUE PROPOSITION OF MY5G HORIZON

My5G Horizon provides a distinct offering that distinguishes it from traditional physical centres. It improves the customer experience, increases accessibility, and encourages continuous learning, as explained in the points below:

Enhanced Experience: My5G Horizon prioritises the visitor's experience. It provides an interactive environment that is identical to the physical My5G Portal, allowing visitors to navigate through various sections and use cases as if they were physically present at the centre. This interactive experience is further enhanced using AI-powered virtual assistants that offer guided tours, answer user questions, and provide additional information about the technologies on display. This not only improves the learning experience but also makes it more engaging and enjoyable for visitors. Furthermore, My5G Horizon enables visitors to tailor their journey based on their preferences and requirements. They can select which technologies and use cases to investigate, resulting in a personalised experience tailored to their specific interests. This level of personalisation is uncommon in physical locations and significantly improves the visitor experience.

Increased Accessibility: The physical My5G Portal's location in TRX, Kuala Lumpur, makes it inaccessible to many visitors. My5G Horizon addresses this issue by offering a virtual platform that is accessible anytime and anywhere. All visitors need is an internet connection, which eliminates geographical barriers and makes the knowledge of 5G technologies available to a much larger audience. This increased accessibility is especially useful for those who live in locations outside Kuala Lumpur and are interested in 5G technologies but are unable to visit the physical centre. Moreover, My5G Horizon provides content in various languages and formats, catering to a diverse group of visitors with varying language proficiency and learning styles. This ensures that visitors can access and understand the content regardless of their language proficiency or learning style, thereby increasing My5G Horizon's accessibility.

Continuous Learning: Unlike the physical centre, My5G Horizon offers 24/7 access to showcased technologies, allowing visitors to explore at their own pace and convenience. This encourages continuous learning because visitors can return to the virtual site as often as they want, deepening their understanding of the featured technologies. Also, My5G Horizon can be updated in real time with updated content and use cases, resulting in a continuous learning platform for 5G technologies. This is especially useful in the rapidly evolving field of 5G, where new technologies and use cases are constantly emerging. My5G Horizon keeps visitors updated on the latest developments in 5G technologies by providing timely information.

MY5G HORIZON SUPPORTING THE UN SDG GOALS

The My5G Horizon innovation demonstrates its dedication to sustainable development and digital inclusion by aligning with several United Nations Sustainable Development Goals (SDGs). The alignment emphasises the capacity of My5G Horizon to foster a digital future that is both sustainable and inclusive.

First, My5G Horizon significantly contributes to SDG 4, which focuses on Quality Education. It accomplishes this by providing an interactive learning environment in which visitors can explore 5G technologies and use cases in an engaging and informative way. This improves the learning experience and makes it more accessible to a larger audience. My5G Horizon democratises access to quality education by removing geographical barriers and making 5G technologies available to everyone. Furthermore, real-time updates on updated content and use cases create a continuous learning platform that encourages lifelong learning. This is especially important in the rapidly evolving field of 5G, where new technologies and use

cases are constantly emerging. Staying current on these developments allows visitors to constantly update their knowledge and skills, contributing to potential adoption within the industry.

Second, My5G Horizon represents a significant innovation in the tech industry, in line with SDG 9, which focuses on Industry, Innovation, and Infrastructure. It transforms how visitors explore and learn about 5G technologies by using the power of technology. This novel approach improves the user experience and optimises resources, addressing the issues with the physical My5G Portal. Furthermore, My5G Horizon encourages sustainable industrialisation by reducing the demand for physical resources. Its virtual platform uses digital resources, reducing the need for physical materials and producing less waste. This is consistent with SDG 9's goal of building resilient infrastructure, promoting inclusive and sustainable industrialisation, and fostering innovation.

Third, by making 5G technology accessible to all, regardless of location, My5G Horizon contributes to reducing inequalities, in line with SDG 10. Its increased accessibility overcomes geographical barriers, making the knowledge of 5G technologies available to a much larger audience. Furthermore, My5G Horizon provides content in various languages and formats, catering to a diverse user base with varying language proficiency and learning styles. This ensures that visitors can access and comprehend the content regardless of language proficiency or learning style, thereby reducing inequalities.

Finally, My5G Horizon supports climate action by lowering carbon emissions, which aligns with SDG 13. Providing a virtual alternative to the physical centre reduces the need for travel, resulting in lower carbon emissions. This is especially important considering the global climate crisis, where any effort to reduce carbon emissions counts. Furthermore, by using digital resources, My5G Horizon reduces the need for physical materials and waste generation, which helps to improve resource efficiency and reduce waste.

CONCLUSION & RECOMMENDATION

The My5G Horizon innovation represents a significant step forward in terms of customer experience. By leveraging technology, the virtual showcase offers visitors a new and interactive way to learn about 5G technology and its applications across various industry verticals. The personalised feature of the My5G Horizon experience is a game changer, allowing visitors to explore and learn in ways that are tailored to their specific interests and needs. The virtual showcase environment encourages continuous learning by providing real-time updates on new content and use cases, ensuring visitors can access the most recent information on the 5G technologies. This improves the customer experience and promotes a culture of lifelong learning and curiosity.

In conclusion, My5G Horizon is more than just an innovative platform; it demonstrates technology's transformative power. It redefines the customer experience and sets a new standard for digital engagement by creating a personalised, interactive, and ever-changing learning environment. It exemplifies how technology can be used to break down barriers, democratise access to information, and shape a more inclusive and sustainable future.

EXHIBIT 1: Launch Of My5g Portal by Former Minister and Deputy Minister Of Communications and Digital On 26th October 2023



(From left to right) Mr. David Hägerbro, Head of Ericsson Malaysia, Sri Lanka and Bangladesh, Deputy Communications and Digital Minister YB Teo Nie Ching, and Communications and Digital Minister YB Tuan Ahmad Fahmi Fadzil at the newly launched 'My5G Portal' Experience Center.

Source: Ericsson

EXHIBIT 2: Photo of the Entrance at My5g Portal Taken During the Site Visit



Source: Authors collection

EXHIBIT 3: ERICSSON 5G Leadership Zone at My5g Portal



Source: Authors collection

EXHIBIT 4: MY5G Horizon Mock-Up



Source: Authors impression

SILVER LINING IN TURBULENCE TIME: THE MAKING OF A LEADER

Tengku Nabilah Tengku Ismail wrote this case under the supervision of Dr Sharizan Sharkawi solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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SUMMARY

This article presents the work of Dr. Marlina Abu Bakar an Emergency Physician at Hospital Serdang, Kuala Lumpur. She graduated from the National University of Ireland, Republic of Ireland in 2007 with a Bachelor of Medicine & Bachelor of Surgery M.B., B.CH., B.A.O. Following that, she started her career at Hospital Serdang as a Medical Officer before she rose to her current position as a Consultant of Emergency Physician at Hospital Serdang, Kuala Lumpur. Currently, she is part of the Emergency Physician team at Klang Valley Ambulance Services. The Nation Emergency Physician team is leading this pilot project to improve ambulance services in Malaysia. Studies show that Malaysian ambulances are in desperate need of replacement after more than eight (8) years of service (more than their average life span). Emergency Services within the Healthcare Services go beyond the emergency setting in hospitals. The Healthcare System was tested when Covid-19 hit the country. As daily cases spiked up to thousands, hospital beds, ICUs, and medical equipment for infected patients were in short supply. As a result of the high number of infections in healthcare facilities, the Emergency Team often faces death daily. Therefore, it was a lesson learned for the Emergency Team, and for that, Dr. Marlina's aspiration continues to improve the Healthcare Services in Malaysia and at the same time to further develop Ambulance Services in Malaysia and subsequently nationwide.

KEYWORDS: Emergency Department, Covid 19, Leadership Traits

INTRODUCTION

The COVID-19 pandemic is a global outbreak of coronavirus, an infectious disease caused by the severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) virus. Following that, the first cases of COVID-19 were first detected in China in December 2019 (Surveill, 2020), with the virus spreading rapidly to other countries globally. Our front liners were put to the test during this period as they are responsible for protecting the people especially us, Malaysians. However, other Malaysians aside from the frontliners are not spared. Everyone is forced to face the unknown. It is safe to say that most people suffered when the pandemic hit Malaysia.

The measures and standard operating procedures (SOP) rolled out by the government to prevent the virus from escalating would not be effective without the role played by frontliners which includes the police, armed forces, People's Volunteer Corps (RELA), other security agencies and of course, the people of Malaysia.

However, despite the virus started spreading in December 2019, Malaysia only started its first wave of infection in January 2020 when a total of 22 cases (Hashim, 2021) were identified initially, of which 12 included individuals who had a travel history to affected countries and regions. Following that, a groundbreaking record was recorded when Malaysia was ranked the fourth highest number of COVID-19 cases in Asia. More than 3000 cases were recorded during that period with a death toll that kept rising to more than 100 deaths a day.

Following the increased number of COVID-19 cases, ICU beds were fully occupied with infected individuals leaving no additional beds for other patients with other recorded cases. The bed occupancy rate rose to more than 100% and the frontliners were working around the clock to treat all the patients. It was a disastrous moment faced by most health practitioners in Malaysia who tirelessly focus on saving people's lives.

In addition to that, most hospitals in Malaysia have had a high percentage of Bed Occupancy Rate (BOR). Selangor and Kuala Lumpur recorded the highest BOR in the country (Basyir, 2021). Other countries were also not spared from this. China, Italy, United States were among the countries in the world that recorded more than thousands of cases and deaths daily. Most countries have also announced that all citizens of each country returning from high-risk countries like China are subjected to a mandatory quarantine of 14 days.

Back in 2020, even the World Health Organization (“WHO”) and most countries in the world had limited understanding of COVID-19. In just a short period, the healthcare systems and society have been severely challenged by yet another emerging virus. Preventing transmission and slowing the rate of new infections are the primary goals; however, the concern of COVID-19 causing critical illness and death is at the core of public anxiety.

This period was when the healthcare system in Malaysia was put to the test. Dr. Marlina is attached to the Emergency and Trauma Department at Hospital Serdang. The Emergency and Trauma Department is the gatekeeper in most healthcare facilities. As COVID-19 cases escalated, her team in Hospital Serdang was deployed to several locations around Klang Valley to assist overcrowded hospitals and hospitals with a lack of medical equipment and doctors to treat patients. Dr. Marlina and the team were first deployed to Lahad Datu, Sabah for six (6) months when cases in Sabah were high. In Lahad Datu, Dr. Marlina and her team's responsibilities include coordination of ambulance movement for COVID-19 patients, critical care transfer of infectious disease patients, critical care in acute resuscitation for severe and critical COVID-19 patients, and the logistical coordination of oxygen supply.

Once the team returned to Kuala Lumpur they were then deployed to Hospital Kuala Lumpur, HKL for 6 weeks followed by MAEPS, Serdang for a year. Dr. Marlina's role during COVID-19 was part of the Emergency and Trauma Services (EMTS) under MOH with a focus on Pre-Hospital Care and Disaster Management. In MAEPS, her team role is also to coordinate the ambulance movement for COVID-19 cases in and out of MAEPS, and around Klang Valley. They were also involved in the mass triaging and screening of patients for admissions in MAEPS while still focusing on critical care transfer of infectious disease patients and logistical coordination of oxygen supply for Klang Valley Hospitals due to the shortage of oxygen supply throughout the Nation during that period.

The team was also part of the multiagency collaboration team in multiple repatriation operations where Malaysian citizens stranded in other countries were brought back to Malaysia during the pandemic. Dr. Marlina and her team led the medical flight team from various infected countries including Italy, Wuhan China, and Iran. The team was also involved at the base as the receiving team for repatriations from other countries.

CHALLENGES FACED

Without a doubt, the COVID-19 pandemic has been a highly disruptive force, throwing the world into turmoil in 2020. Many leaders across the globe were not spared. Leaders were to reassess and redefine their priorities to weather the situation through the storm, whilst remaining perseverance.

In this context, Dr. Marlina being part of the Ministry of Health ("MOH") Emergency team and part of the frontliners, was placed under immense, and unprecedented pressure. As a result, their physical, mental, and social well-being were at risk. The challenges of dealing with highly virulent infectious diseases whether during clinical consultations and treatment or when arranging movement and transport make it even more difficult. COVID-19 was a game changer and a new environment to our frontliners, and everyone has to adapt quickly to avoid further disruption. Thousands of cases were recorded daily that the frontliners had to deal with. Despite being under immense pressure, our frontliners were constantly working around the clock to treat and save lives. This is a commendable effort by our frontliners.

High Bed Occupancy Rate ("BOR")

With thousands of cases reported daily, most hospitals in Malaysia were fully occupied. The bed occupancy rate ("BOR") rose to more than 100% in most hospitals. There are a few hospitals in the hot spots area which recorded more than 200% when COVID-19 first began.

The high bed occupancy rate only focuses on COVID-19 patients and no other patients who are not infected. Therefore, most of the non-emergency cases were not allowed to be in the hospitals to avoid being infected and of course due to no availability of beds in the hospitals. As a result, some critical cases were unable to receive treatment due to congestion and insufficient beds.

Table 1: Bed Occupancy Rate ("BOR") of COVID-19 Patients in Selangor Hospitals
As of 5 August 2021

Hospital	Number of beds	Number of ICU beds	BOR	BOR in ICU
Sungai Buloh	1,602	92	87%	96%
Ampang	640	34	85%	100%
Serdang	658	38	87%	100%
Selayang	900	51	85%	98%
Tengku Ampuan Rahimah	743	-	-	-
Kajang	171	-	-	-
Banting	154	-	-	-

Source: Data from the Ministry of Health's report "Increase in COVID-19 cases in the state of Selangor (5 August 2021)"

Shortage of Ambulances in Malaysia

The shortage of ambulances in Malaysia has been an ongoing challenge faced by medical practitioners in

Malaysia. Studies have shown that of the overall total number of ambulances in Malaysia, only 50% of ambulances are in good condition in Malaysia.

The balance 50% of ambulances in Malaysia are either Beyond Economic Repair ("BER") or have aged more than 8 years. This data only reflects the ambulance conditions in the Northern Region and not focusing Malaysia in totality. Hence, this causes delays in response for in need of treatment patients. During the COVID-19 pandemic, not all individuals with positive COVID-19 cases were brought to the hospitals for treatment because of the shortage of ambulances.

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Table 3: Number of Patients Visits to the Emergency and Trauma Department (“ETD”)

Year	2015	2016	2017
Number of Patients	7.94 million	8.18 million	8.01 million

Source: Data from Jabatan Audit Negara 2018

Note: Approximately 38.1% to 38.9% of the total number of patients above visited the ETD to seek treatment

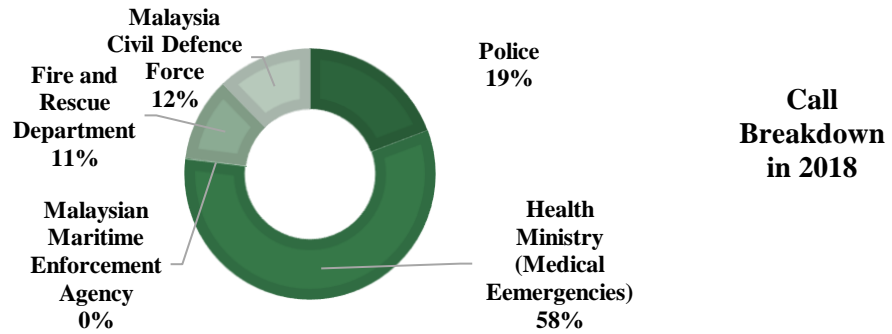
Table 4: Number of Patients Ambulance Utilization to the Emergency and Trauma Department (“ETD”)

Year	2015	2016	2017
Number of Patients	3.02 million	3.10 million	3.04 million

Source: Data from Jabatan Audit Negara 2018

It has been revealed that the MERS 999 call mostly calls for emergency assistance i.e., ambulance support. Even with MERS 999 some patients still received late treatment due to the shortage of ambulances especially in rural areas. To make matters worse, in Klang Valley, roughly around 80% of the ambulances are aging and Beyond Economic Repair. Aging ambulances will incur more cost for maintenance and safety is a concern.

Chart 5: MERS 999 Call Breakdown as of 31 December 2018



Source: Data from Telekom Malaysia

Shortage of Hospital Equipment

The rise in COVID-19 cases has posed great challenges to intensive care units (ICUs) across the globe causing a shortage of hospital equipment. With limited equipment provided by the Government, most hospitals faced challenges in treating patients. This makes it worse with critical cases of patients that require urgent treatment. Critical patients in high bed occupancy rate hospitals had to be transferred to other hospitals jeopardizing their health condition which is not an ideal situation. As for healthcare practitioners, the emotional and mental stress of dealing with death daily and compounded working hours in response to the increased work burden impacted them badly.

The shortage and lack of medical equipment make it worse. With the shortage of ambulances, and having to transport patients to other hospitals, many other patients with health issues are deprived of treatment. Various approaches were used to address ICU shortage and to expand the physical ICU space capacity. It is also worth noting that, a typical ICU bed requires a minimum of five nurses – one for the morning shift, one for the afternoon, and another for the night shift. Thus, it is not just the ICU equipment but also involves the bed availability and manpower to treat the patients.

The rise in COVID-19 cases has posed great challenges to intensive care units (ICUs) across the globe causing a shortage of hospital equipment. With limited equipment provided by the Government, most hospitals faced challenges in treating patients. This makes it worse with critical cases of patients that require urgent treatment. Critical patients in high bed occupancy rate hospitals had to be transferred to other hospitals jeopardizing their health condition which is not an ideal situation. As for healthcare practitioners, the emotional and mental stress of dealing with death daily and compounded working hours in response to the increased work burden impacted them badly.

The shortage and lack of medical equipment make it worse. With the shortage of ambulances, and having to transport patients to other hospitals, many other patients with health issues are deprived of treatment. Various approaches were used to address ICU shortage and to expand the physical ICU space capacity. It is also worth noting that, a typical ICU bed requires a minimum of five nurses – one for the morning shift, one for the afternoon, and another for the night shift. Thus, it is not just the ICU equipment but also involves the bed availability and manpower to treat the patients.

APPROACH TO OVERCOME THE CHALLENGES

One of the major leadership traits portrayed by Dr Marlina Abu Bakar is her determination to treat and save lives. Determination is defined by the desire to get a job done and includes characteristics such as initiative, persistence, dominance, and drive (*Shelley A. Kirkpatrick, 1991*). People with determination are willing to assert themselves, are proactive, and have the capacity to persevere in the face of obstacles.

Being determined includes showing dominance at times and in situations where followers need to be directed. Dr. Marlina has shown determination when the hospital emergency team was badly impacted during the pandemic. This does not stop Dr. Marlina and her team from continuing to save lives and treat people. With thousands of cases daily, their perseverance was commendable. Imagine working tirelessly around the clock with a lack of sleep saving lives. Moreover, working in an environment that most are unfamiliar with. Dr Marlina motivated her team in Hospital Serdang to focus on what's best for the people and to always stay positive.

Agile is another leadership trait that was showcased by Dr Marlina Abu Bakar. Agility plays a vital role in Covid-19 care to enhance the operational performance to meet the dynamic demand of within the healthcare setting. To overcome the challenges, the only option they had was to adapt quickly to the situation. The team was deployed to various countries with a high number of COVID-19 infectious cases namely Wuhan, China, Italy, India, and Indonesia. The purpose of the deployment is to transport our fellow Malaysians back to Malaysia especially those who are on holiday and are unable to travel back to the country due to the travel restriction.

Flying to countries that some are unfamiliar with and with viruses still unknown to mankind was indeed a terrifying moment. However, with no choice in line to the frontliners, they were forced to adapt quickly to the situation to save lives again. A team of emergency physicians is also based in Malaysia to receive fellow Malaysians back from high-risk countries to assess and treat if required during that moment.

Dr. Marlina also has to ensure that her team is motivated during this difficult time. Motivation is the processes that account for an individual's intensity, direction, and persistence of effort toward attaining a goal. She displayed the key elements as highlighted under the leadership trait whereby she provides direction to her team that will benefit the team and the nation and also she was persistent in maintaining her team's effort.

On top of that, Dr. Marlina was seen as an adaptive leader as she was able to quickly adapt to the new environment and was followed by her team members. Adaptive leadership is the practice of mobilizing people to tackle tough challenges and thrive. An adaptive leader usually focuses on the adaptations workers need to make in response to changing environments while engaging in activities that mobilize, motivate, organize, orient, and focus the attention of others (*Heifetz, 1998*). Adaptive leader helps others to do work by mobilizing them, motivating them, organizing them, orienting them, and focusing their attention on what is important. Facing the unknown, Dr. Marlina spearheaded the team to work together to treat thousands of patients who were brought to the hospital daily.

This applies to other front liners as well where they are required to stay agile when faced with the pandemic. Most frontliners have however portrayed their adaptive skills in dealing with the pandemic. As new environments are usually unknown/uncertain, adaptation skills and agility are necessary.

Thus, with many challenges faced by frontliners, teamwork plays an important aspect in keeping everyone motivated with work and in this case saving lives. Motivation helps people to stay positive during tough times. Leaders must ensure the team is supportive of each other to serve the nation and people (*Mumford, 2000*). A regular brain-storming session helps the team to work more efficiently and make fast decisions when faced with a critical situation according to Dr. Marlina. Fast decision-making is crucial in healthcare as it involves the lives of others.

A regular operational meeting to review and revise hospital strategies will also help to overcome issues and challenges. Many strategies were put in place during this tough time to overcome issues and challenges faced by the leader. Among the strategies was to engage with the Private Sector for assistance in terms of funding and upgrading of hospital medical equipment.

Furthermore, feedback from subordinates on their welfare when faced with a new environment was also crucial. It is important to know if the frontliners are exhausted or in need of rest as it may affect their performance at work. After all, individual performs better when their physical, mental, and well-being are taken care of.

LESSON LEARNED

Navigating an unprecedented healthcare landscape in Malaysia, without a doubt was challenging. COVID-19 has been a highly disruptive force, throwing the world into turmoil in 2020. The upheaval caused by COVID-19 was indeed extensive, as most countries around the globe instituted lockdowns to contain COVID-19. These containment measures had a significant impact on global markets and economies, particularly in the first half of the year as many sectors and industries essentially ground to a halt. Thus, the new environment we were forced into required front liners, and everyone for that matter to adapt instantly.

Dr. Marlina Abu Bakar, an Emergency Physician at Hospital Serdang, Kuala Lumpur, was also required to mobilize her team to several countries some of which are not familiar with transporting our fellow Malaysians back. The team also had flown to Wuhan, China where Covid-19 all started. Dr. Marlina and the team had to adapt to the situation, showcasing their agility in the new environment. It was important for her to lead and motivate her team. As her adaptive leadership skills were put to the test, she rose to the challenge and organized the team, both flying to other countries to bring our people back as well as the receiving end doctors/front liners/medical assistants in Malaysia to assure patients' safety and no delay in treatment if required. During COVID-19, intense testing on an individual was required to assure the safety of the people in Malaysia.

The leader, when faced with this kind of situation, also plays an important role in motivating the team members. Faced with many challenges, exhaustion may result in team members feeling demotivated and demoralized aside from burnout. Most importantly, leaders are needed to motivate their team to focus on what's best for the team and in this case, the people. Dr. Marlina's role was crucial, and her team had to adapt quickly to the environment and uncertainty to help combat Covid-19. A leader in this situation plays an important role in motivating and organizing their team to assist in treating people and overcoming the rise of COVID-19 cases. A leader also needs to be confident when implementing a strategy particularly in the healthcare landscape as it may affect patients' well-being. This may include implementing strategies on how to overcome challenges that were faced during the pandemic for the betterment of the nation. A leader must persevere throughout the pandemic and stay committed to saving lives.

A leader should be able to strategize and work together on how to overcome the challenges faced during the pandemic. The Malaysia Ministry of Health (MOH) had to put in place a strategy and collaboration with the Private Sector helps to overcome the challenges. Private funding assists in improving the healthcare infrastructure by providing additional beds and supplying Hybrid ICUs when thousands of cases were reported daily.

MOVING FORWARD PLAN

The COVID-19 pandemic is now a thing of the past. COVID-19 was first identified in late 2019 in Wuhan, China, and started to appear rapidly in other countries primarily through travel-related cases. The COVID-19 pandemic was declared in March 2020 by the World Health Organization ("WHO"). The healthcare

authorities globally implemented various measures to contain COVID-19 spread and to mitigate the impact of the pandemic. Since 2020, the virus has undergone several mutations since its initial emergency.

As of 2023, more than 700 million confirmed cases have been reported to WHO, including more than 7 million deaths recorded. However, after more than 2 years, the WHO has declared that COVID-19 no longer constitutes a public health emergency of international concern in 2023. For Malaysia, the transitioning period has taught us the importance of uplifting and upgrading our healthcare system. A few vital lessons learned need to be addressed and implementation needs to be done. Firstly, let us focus on the importance of Pre-Hospital Care Services. The Malaysia Ministry of Health ("MOH") notes that the upgrading of Ambulances is required especially in Klang Valley. The Pre-Hospital Care Team is the team responsible for ensuring ambulances around Klang Valley are in good condition to be able to transport patients.

Now the target for the team is not only to ensure the ambulances are in good condition but also to ensure that early treatment is given to patients upon the arrival of the ambulance. Part of the program to enhance Pre-Hospital Care in Malaysia is also to embed new technology and solutions to the healthcare services in Malaysia that may include Telemedicine and Contact & Command Centre (CnC) that allows paramedics to update the hospitals on the condition of the patients the ambulance is transporting. This allows the paramedics to provide early treatment to the patient with guidance from Emergency Physicians before reaching the hospitals. In fact, in Malaysia, each hospital has its expertise. For instance, if a patient is suspected of having a stroke, the patient would normally be transported to a dedicated hospital that specializes in Stroke. This gives a higher chance of survival for patients if early treatment is being administered.

The Government has allocated the highest budget for the Ministry of Health ("MOH") in 2023 to ensure all issues faced during COVID-19 are being addressed and not taken lightly. MOH was given RM36.3 billion allocations for 2023, an increase of 12% from the previous year to assist MOH in upgrading its infrastructure and to also train and create more opportunities for medical staff to develop their leadership skills. This will help Malaysia to create more doctors like Dr. Marlina to help Malaysia achieve universal access to quality healthcare.

COVID-19 prevails the importance of upgrading the Malaysia Healthcare System to allow accessibility to all Malaysians and to also save more lives. From uplifting Pre-Hospital Care to providing a better healthcare infrastructure in Sabah and Sarawak, we hope that the Government will be able to bring Malaysia's Healthcare System to par with other developed countries.

CONCLUSION

The COVID-19 pandemic was a crisis globally back in 2020 with almost everyone affected by it, economically, socially, and more so for the healthcare side. To put things in place, the main issue during the pandemic was the overloading of patients as we were all forced to face a newly emerged virus that everyone knows nothing of. For the healthcare practitioners, there was insufficient logistics and medical equipment to handle the situation and due to that, they were forced to adapt quickly. However, there are times according to Dr. Marlina when they could not keep up with the adaption. It was getting out of hand at one stage. Therefore, the team had to strategize the way they work and function in a lot of ways to save lives during the pandemic.

There are various lessons learned when COVID-19 hits, especially for the healthcare practitioners to learn from and now help Malaysia improve its healthcare system. During the pandemic, several strategies that were put in place were tabled to the Government as part of the national plan to uplift and improve Malaysia's Healthcare System.

Therefore, Dr. Marlina's aspiration towards the nation is to improve and uplift the Pre-Hospital Care Services and Disaster Management in Malaysia. Pre-Hospital Care and Disaster Management should be put as high priority within the MOH for improvement and betterment to serve the Rakyat and concurrently reduce patient morbidity. The supply of more ambulances to replace the aging ambulances would help in increasing the efficiency of operation for emergency response and at the same time, reducing the cost of maintaining aging ambulances in Malaysia. Embedding technology and new solutions would also assist Healthcare Practitioners to provide early treatment to patients. Most hospitals in Malaysia are now moving towards telemedicine to avoid overcrowding in hospitals and the Contact and Command Centre ("CnC"). Telemedicine allows paramedics to treat patients upon arriving at the patient's location before deciding whether to transport the patients to the hospital or just provide treatment as per need at the very location.

Technology adoption will allow Malaysia Healthcare Services to provide operational excellence. Now the ambulance is not just a regular shell and core ambulance, the new ambulances of the future will provide paramedics with advanced life support skills that connect to Healthcare Practitioners at the hospital or a centralized CnC by the Government.

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ADAPTIX: HATCH-WAXMAN ACT IN PATENT LITIGATIONS

Nur Arfah Mustapha under the supervision of Professor Yoshiyuki Matsuura wrote this case solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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SUMMARY

This case study examines the intricacies of patent litigation in the pharmaceutical industry, with a specific focus on Adaptix's strategic use of the Hatch-Waxman Act. The study examines the balance between intellectual property rights and public health interests, particularly under the provisions of the Abbreviated New Drug Application (ANDA) process and Paragraph IV certifications. Through a comprehensive analysis of Adaptix's role as a frequent defendant in ANDA litigations, the research highlights the company's approach to leveraging legal frameworks for market dominance, while scrutinizing the ethical and economic implications of such strategies. The paper reveals that Adaptix's litigation practices, while legally permissible, potentially delay the entry of generic drugs, impacting drug affordability and accessibility. This study contributes to a broader understanding of the strategic enforcement of intellectual property in the pharmaceutical sector and underscores the need to balance innovation incentives with public health considerations. The findings suggest avenues for future research, including the long-term effects of patent litigation on pharmaceutical innovation and public health policies.

KEYWORDS: Abbreviated New Drugs Application (ANDA), Hatch-Waxman Act, Patent Litigation, Pharmaceutical Industry

INTRODUCTION

The intersection of intellectual property law and pharmaceutical innovation is a critical area of study, especially in the context of patent litigation. The Hatch-Waxman Act, formally known as the Drug Price Competition and Patent Term Restoration Act of 1984, fundamentally reshaped the landscape of pharmaceutical patents and generic drug entry into the market. This legislation aimed to balance competing interests: incentivizing innovation by pharmaceutical companies while facilitating the entry of lower-cost generic drugs post-patent expiration.

A pivotal player in this landscape is Adaptix, a company that has recurrently found itself as a defendant in ANDA (Abbreviated New Drug Application) litigations. Adaptix's involvement in these cases offers a unique perspective on how pharmaceutical companies leverage the Hatch-Waxman Act and intellectual property law as part of their business strategy. This includes tactics that some might interpret as attempts to prolong patent monopolies, thereby impacting the availability of generic alternatives.

In exploring these issues, this paper will delve into the complexities of the Hatch-Waxman Act, the role of intellectual property in the pharmaceutical industry, and how companies like Adaptix navigate and potentially exploit this framework. The analysis contributes to a deeper understanding of the strategic use of patent litigation in the pharmaceutical industry and its broader implications for drug accessibility and healthcare costs.

Patent Protection

In the realm of pharmaceuticals, patents are the lifeblood of innovation. They provide the necessary legal protection for companies to recoup their substantial investments in drug research and development. Patents grant pharmaceutical companies exclusive rights to sell a new drug for a period typically ranging from 17 to 20 years, depending on the molecular uniqueness of the drug. This exclusivity period is crucial as it precedes the extensive and costly process of clinical trials and regulatory approvals.

The case of Adaptix exemplifies a strategic approach to leveraging patent protection. As a recurrent defendant in patent litigations, particularly under ANDA litigations, Adaptix's involvement underscores the significance of patents in the pharmaceutical industry's competitive landscape. The strategic use of patent litigation by companies like Adaptix not only protects their interests but also shapes the dynamics of competition and innovation within the industry.

Adaptix Company Background in the Context of Patent Litigation Strategies in the Pharmaceutical Industry

Adaptix has garnered significant attention in the pharmaceutical industry, primarily for its strategic use of patent litigation under the Hatch-Waxman Act. The company's approach to intellectual property rights and litigation exemplifies a broader trend in the pharmaceutical sector, where patent protection is a key element in maintaining market dominance and competitive advantage. Adaptix's role in the pharmaceutical industry, particularly through its patent litigation strategies, illustrates the complex interplay between protecting intellectual property and public health interests. The company's approach to navigating and exploiting the legal frameworks surrounding pharmaceutical patents provides critical insights into the operational dynamics of the industry and underscores the need for ongoing discussion and potential policy refinement in balancing these competing interests.

Strategic Use of Patent Litigation

Adaptix's frequent involvement in patent litigation, particularly as a defendant in ANDA (Abbreviated New Drug Application) litigations, highlights its strategic approach to leveraging legal frameworks for market benefit. This involves actively defending patents against generic drug manufacturers, a practice that can delay the entry of lower-cost generic drugs into the market. Adaptix's litigation strategies are indicative of a proactive effort to extend the commercial lifespan of their drug products beyond the original patent expiration dates.

Role in Shaping Pharmaceutical Patent Law

Adaptix's litigation activities have also played a role in shaping the interpretation and application of pharmaceutical patent law. The company's cases often bring to the forefront the complexities of the Hatch-Waxman Act, particularly regarding the balance between incentivizing pharmaceutical innovation and ensuring the timely availability of generic drugs. The outcomes of these litigations can set precedents and

influence the strategies of other companies in the industry.

Patent Litigation Trends

Patent litigation, especially in the pharmaceutical sector, has seen a notable trend towards strategic enforcement. Analyzing patent litigation activity reveals that companies often engage in litigation not merely as a reactive defensive measure but as a proactive strategy to protect their market share and intellectual property. Between 2002 and 2008, for instance, firms in the pharmaceutical industry were more likely to adopt a proactive proprietary patent litigation strategy compared to those in other sectors like the semiconductor industry. In the context of Adaptix, their frequent role as a defendant in ANDA litigations is indicative of a broader industry trend where patent litigation is used as a strategic tool. This is not only a defensive maneuver but also a means to potentially delay the entry of generic competitors, thus maintaining market exclusivity for a longer period.

Explore Hatch-Waxman Act and Adaptix's Strategies

The ANDA Process and Paragraph IV

The Hatch-Waxman Act, a critical piece of legislation in the pharmaceutical industry, has revolutionized the way generic drugs are brought to the market. Central to this act is the Abbreviated New Drug Application (ANDA) process, which allows generic drug manufacturers to seek approval for their products without undergoing the extensive and rigorous clinical testing required for the original innovators. This streamlined pathway is instrumental in significantly reducing both the time and cost associated with introducing generic drugs. By relying on the original drug's safety and efficacy data, generic manufacturers can expedite the availability of more affordable medication options to the public, facilitating increased access to essential drugs.

Paragraph IV of the Hatch-Waxman Act plays a crucial role in shaping the strategies of pharmaceutical companies, particularly in the realm of patent litigation. This provision enables generic manufacturers to challenge the validity of a brand-name drug's patent before its expiration. They can file a certification asserting that the patent in question is either not infringed upon by the generic product or is, in fact, invalid. This aspect of the Act has become a linchpin in the strategic planning of companies, including Adaptix, as they navigate the complex and often contentious patent landscape. By utilizing Paragraph IV certifications, generic manufacturers can seek to enter the market sooner, potentially leading to legal battles with patent holders over the legitimacy of the patent claims. These challenges can result in litigation or settlements, influencing the balance between patent protection and the availability of generic alternatives.

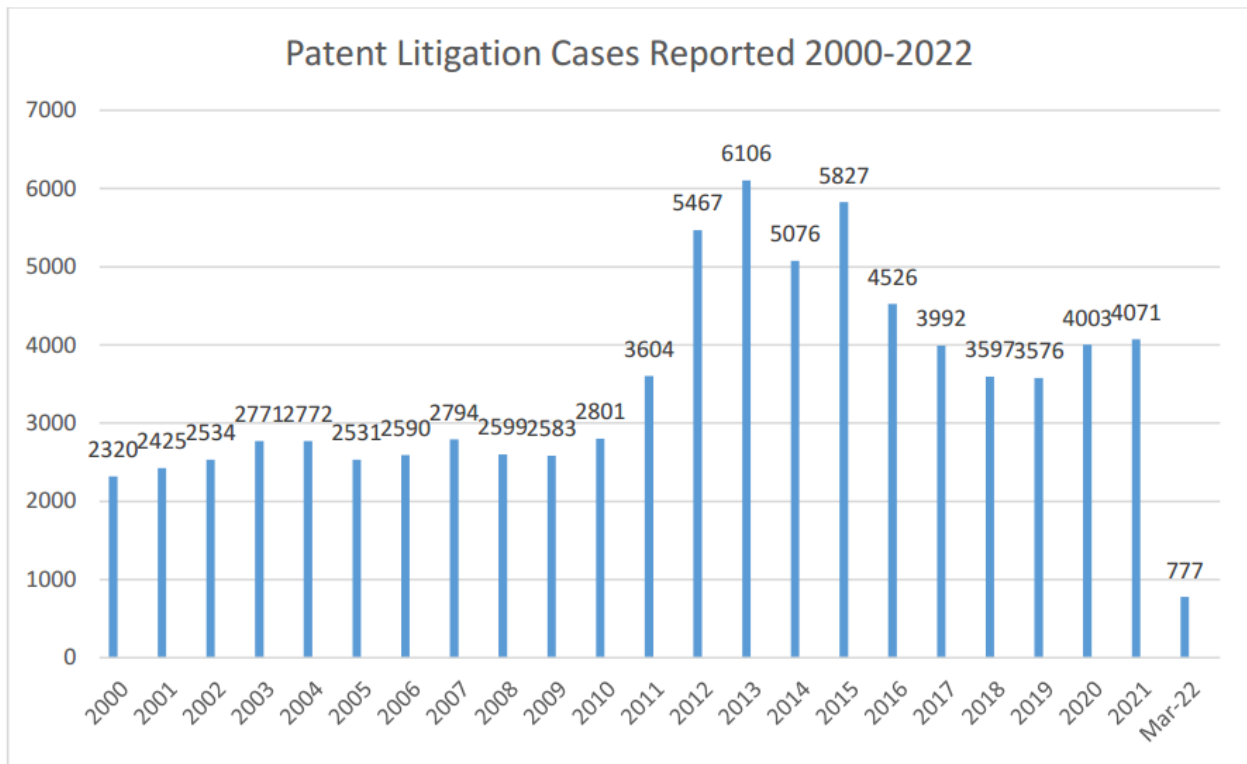
For companies like Adaptix, the strategic use of Paragraph IV challenges is a critical aspect of their business model. It allows them to assert their patents aggressively, often leading to litigation with generic manufacturers. These legal confrontations can delay the entry of generic drugs, impacting drug prices and accessibility. The interplay between the ANDA process and Paragraph IV challenges under the Hatch-Waxman Act underscores the intricate relationship between intellectual property rights and public health interests in the pharmaceutical industry.

Adaptix's Litigation Strategy

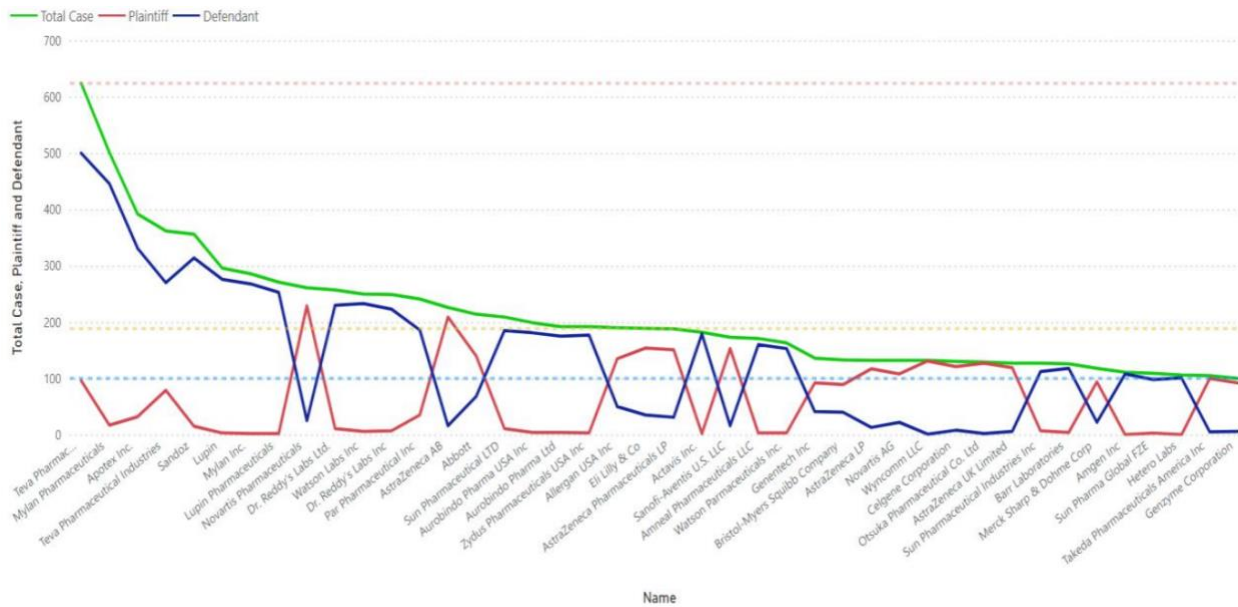
Adaptix's involvement in ANDA litigations, particularly as a defendant, underscores a calculated approach to leveraging the Hatch-Waxman framework. By engaging in these litigations, Adaptix appears to utilize the legal system to possibly delay the entry of generic competitors, thereby extending its market exclusivity and potentially maximizing profits. This strategy, while legally permissible, raises questions

about the balance between patent protection and market competition】 .

An in-depth analysis of patent litigation trends, especially in the pharmaceutical sector, reveals the strategic maneuvers of companies, as seen through their roles as plaintiffs or defendants. Graph 2 serves as a testament to this, placing Adaptix Inc prominently among the proactive litigators, alongside major firms such as Novartis and AstraZeneca. Adaptix's litigation record, marked by a 100% plaintiff rate (refer to Table 1), is indicative of a robust, offensive strategy in patent protection. This approach is in stark contrast to other companies that predominantly face litigation as defendants. Adaptix's unwavering commitment to defending its patents through litigation highlights a strategic dimension in their business model. This method of leveraging legal battles not only reinforces their market position but also impacts industry-wide practices concerning patent disputes. The company's consistent plaintiff role showcases a strategic foresight in utilizing litigation as a means to shape market trends and assert its influence within the pharmaceutical industry.



Graph 1: Total Number of Patent Litigation Lawsuit from 2000-March 2022



Graph 2: Total Case Plaintiff and Defendant

Economic and Ethical Considerations of Adaptix's Litigation Strategies

Financial Implications

Under the Hatch-Waxman Act, patent litigation in the pharmaceutical industry unfolds in a unique and complex manner, particularly when generic manufacturers challenge brand-name patents. A critical element of this process is the 180-day exclusivity period awarded to the first generic applicant who challenges a patent. This period effectively freezes the entry of subsequent generic versions, creating a temporary monopoly for the challenger. However, this exclusivity can also serve as a strategic window for the original patent holder – typically an innovative drug company like Adaptix. During these 180 days, the innovator can develop and market a similar product or an alternative formulation, thereby circumventing the impact of the generic competition. This period also provides a crucial timeframe for the innovator to bolster marketing efforts and reinforce its market position.

Generic manufacturers, despite having the capability to produce similar drugs, often find themselves at a disadvantage due to the extensive distribution networks and market influence of established pharmaceutical companies. In many instances, patent disputes between these entities are settled outside of court, with agreements that may involve financial compensation or other forms of value exchange. Such settlements often reflect strategic business decisions rather than purely legal outcomes, influencing drug prices and market dynamics.

For companies like Adaptix, engaging in patent litigation under the Hatch-Waxman Act is a strategic, albeit costly, endeavor. The act provides a mechanism to defend intellectual property and sustain market dominance but comes with significant financial implications. The direct costs of patent litigation can be staggering, often reaching upwards of one million dollars per case. However, the financial impact extends beyond just legal fees. Defending patents through litigation may temporarily protect market share and profit margins by delaying generic entry, but it also incurs substantial long-term costs. These include not only the direct expenses of ongoing legal battles but also the indirect costs associated with market uncertainty and potential reputational damage.

Continuous engagement in litigation can strain a company's resources and may divert attention and funds from research and development or other constructive areas. Moreover, the aggressive defense of patents, especially when perceived as unduly obstructing generic entry, can lead to public and regulatory scrutiny. This situation can adversely affect a company's public image and stakeholder relations, potentially impacting its long-term market position and profitability.

In this complex landscape, the question arises of how to mitigate such manipulative situations and ensure a more equitable balance between protecting intellectual property and fostering market competition and public health. Addressing this challenge requires a multifaceted approach, involving policy reforms, increased transparency in settlement agreements, and perhaps the introduction of mechanisms to scrutinize and regulate patent litigation practices more effectively. Such measures would aim to reduce the propensity for litigation abuse while ensuring that the market remains competitive and responsive to public health needs.

IMPLICATIONS TO THE PHARMACEUTICAL INDUSTRY

The litigation practices of companies like Adaptix carry profound implications for the pharmaceutical industry, particularly in the realms of drug pricing and accessibility. By strategically delaying the entry of generic drugs, Adaptix and similar corporations are able to sustain elevated drug prices over extended periods. While this approach may align with the company's financial objectives, it concurrently sparks ethical debates regarding patients' access to affordable medication.

This situation places an imperative on other pharmaceutical firms, especially smaller or less financially robust ones, to develop expertise in navigating patent litigation. These companies often find themselves at a disadvantage in legal battles against larger, more experienced entities. Without the necessary legal acumen or resources, smaller companies are vulnerable to being overwhelmed in patent disputes, leading to scenarios where they might be coerced into unfavorable settlements. Such outcomes can include sharing profits under duress, transferring patent rights, or, in extreme cases, being acquired by the litigating competitor.

The consequences for these smaller entities can be severe, ranging from loss of competitive edge to relinquishing control over their own innovations. In some scenarios, the inability to defend effectively against patent litigation may force a company to cede their patents, essentially awarding their hard-earned intellectual property to larger companies that have the resources to enforce their patent claims aggressively. This dynamic not only affects the individual companies involved but also has broader implications for innovation and competition within the pharmaceutical industry.

Therefore, it is vital for smaller pharmaceutical companies to invest in developing robust patent litigation strategies and legal defenses. This might involve forming alliances, seeking expert legal counsel, or advocating for legislative changes that level the playing field. Such measures are crucial to safeguard their inventions and ensure a more equitable and competitive market, ultimately benefiting public health by ensuring a diverse and accessible range of medication options.

ETHICAL CONSIDERATIONS

The strategic use of patent litigation by companies like Adaptix raises several ethical concerns. Primarily, it highlights the tension between protecting intellectual property and ensuring timely access to affordable generic drugs. While Adaptix's legal strategies might be within the bounds of the current legal framework,

they could be perceived as contributing to delayed availability of cheaper generic alternatives, thus impacting patient access to essential medication.

Such strategies might also contribute to the overall trend of high drug prices, affecting not just individual patients but the broader healthcare system. The ethical implications of such practices call for a careful examination of the balance between incentivizing pharmaceutical innovation and protecting public health interests.

CONCLUSION

This analysis has elucidated the complex interplay between intellectual property rights and pharmaceutical industry dynamics, particularly through the lens of Adaptix's litigation strategies under the Hatch-Waxman Act. While Adaptix's approach to patent litigation reflects a legally permissible strategy to protect its market interests, it also underscores the broader ethical and economic challenges inherent in balancing pharmaceutical innovation with public health needs. The financial burden of litigation and the ethical implications of delayed generic drug entry highlights a tension between corporate profit motives and societal welfare.

FUTURE RESEARCH

Long-term Industry Impact

The exploration of long-term industry impacts is a crucial area for future research, especially in understanding how aggressive patent litigation strategies influence pharmaceutical innovation and competition. Such research should aim to unravel whether these strategies stifle innovation by creating barriers for new entrants or, conversely, if they stimulate innovation by ensuring returns on investment for original research. This investigation could involve longitudinal studies examining trends in drug development, market entry of generic drugs, and the overall health of pharmaceutical companies engaged in frequent litigation. The focus would be on identifying correlations between litigation practices and the rate of new drug development, shifts in market share, and changes in industry dynamics over time. This knowledge is vital for stakeholders aiming to balance competitive business practices with the fostering of innovative drug development.

Public Health Considerations

Another vital area of research pertains to the implications of patent litigation strategies on public health, with a focus on drug accessibility and affordability. This research should delve into how these strategies impact the availability of generic drugs and, consequently, the overall cost of healthcare. Studies in this realm could analyze trends in drug pricing, the timing of generic drug entry into the market, and the resultant effects on patient access to medication. It is crucial to evaluate the real-world outcomes of these litigation practices on patient health outcomes, especially in underserved and economically disadvantaged communities. This research would provide valuable insights into the ethical dimensions of patent litigation and its alignment with public health priorities.

Policy and Legal Frameworks

Finally, an examination of potential reforms to the Hatch-Waxman Act and other related legal frameworks is imperative. This research should aim to identify gaps and inefficiencies in the current legal structures that govern pharmaceutical patents and propose modifications to better align these practices with public health objectives. The focus would be on assessing the effectiveness of current laws in balancing the interests of drug innovators with the need for accessible and affordable healthcare. Potential areas of reform might include the processes around ANDA filings, Paragraph IV certifications, and the mechanisms for resolving patent disputes. This research is crucial for policymakers and legal professionals seeking to create a more equitable and health-oriented pharmaceutical industry.

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REINFORCING SAFETY CULTURE FOR ORGANIZATIONAL SUSTAINABILITY

Mohd Hafiez Bin Mohd Nafiah wrote this case under supervision *Dr. Suriana Ramli* solely to provide material for class discussion. The author does not intend to illustrate either effective or ineffective handling of a managerial situation. The author may have disguised certain names and other identifying information to protect confidentiality.

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SUMMARY

TNB Janamanjung, the largest power plant in Peninsular Malaysia, faces a declining safety culture due to a high accident rate. The leadership of Ir Ahmad Afzainizam Bin Mokhtar, who has 23 years of experience, is responsible for fostering a culture of safety and mitigating risks. To address this, he is introducing the Behavior-Based Safety (BBS) program, which is a systematic application of psychological research on human behavior to safety problems. The BBS program aims to reduce accidents, but initially received poor feedback from staff. Ir Afzainizam must act swiftly to address the safety issues and demonstrate a strong commitment to improving safety culture and compliance with the regulations of TNB Janamanjung.

Ir Afzainizam's leadership style has been instrumental in transforming TNB Janamanjung's safety culture. He employs a combination of situational and transformational leadership approaches to inspire staff and contractors to adopt the Behavior-Based Safety (BBS) program. Despite initial mixed feedback, Ir Afzainizam's leadership style has successfully reformed the safety culture at the organization.

His focus on providing support, guidance, and feedback, as well as his commitment to open communication and staff involvement, has helped to create a supportive environment where safety is a top priority. His leadership style is well-suited to addressing safety issues at TNB Janamanjung, demonstrating the importance of a strong safety culture.

KEYWORDS: *Leadership, Safety Culture, Transformational, Situational, BBS*

COMPANY BACKGROUND

Tenaga Nasional Berhad (TNB) wholly owns TNB Janamanjung, the largest power plant and generator of electricity in Peninsular Malaysia, which was established in 1996. It generates 3100MW of electricity from its three units of 700MW are known as Generating Facility 1 (GF1) and one unit of 1000MW unit is known as Generating Facility 2 (GF2). The Sultan of Perak officially launched the GF1 project in 2005, having begun in 1999. Conversely, GF2 commenced its operation and business activities on April 14, 2015. TNB Janamanjung, through the deployment of the most modern clean coal technologies, meets the stringent environmental standards set by the World Bank and Malaysia's Department of Environment. TNB Janamanjung has a total of 566 staff, including contract personnel.

LEADER BACKGROUND

Ir Ahmad Afzainizam Bin Mokhtar currently holds the post of Chief Operating Officer in Kapar Energy Ventures Sultan Salahuddin Power Station, Klang Selangor since February 2023. He has vast experience of more than 23 years in managing and operating various types of power plants in Malaysia and overseas (Pakistan). Ir Afzainizam holds a Bachelor of Mechanical Engineering (Hons) from Universiti Tenaga Nasional (UNITEN) as well as a Master of Sciences (Engineering Business Management) from the University of Warwick, UK. He was also appointed as an adjunct lecturer & Industrial Advisory Panel for Universiti Teknologi Petronas (UTP), Universiti Teknologi MARA (UiTM) and Universiti Tenaga Nasional (UNITEN).

In the year 2013, he was transferred from Senior Engineer Mechanical at TNB Gelugor Power Station to TNB Janamanjung as Head of Safety, Health & Security. He was responsible for developing, implementing, and overseeing comprehensive safety, health, and security programs within the organization. This leadership role involves collaborating with various departments to ensure compliance with regulatory standards, fostering a culture of safety, and mitigating risks to protect the well-being of staff, assets, and the overall organization.

ERODING SAFETY CULTURE AT TNB JANAMANJUNG

After operating for several years since 1999, the safety culture among the staff and contractors in TNB Janamanjung has slowly eroded and declined. This is evidenced by a noticeable increase in the accident rate at TNB Janamanjung. Based on accident records in 2013, the accident rate recorded at TNB Janamanjung can reach up to 2 accidents per month. Which was concerning high compared to the other power plants or similar industries. Legal action may be taken by the Malaysian Department of Occupational Safety and Health (DOSH) against TNB Janamanjung i.e. force its temporary closure if the situation does not improve. Tenaga Nasional Berhad as a whole as well as TNB Janamanjung's operations and corporate image will be impacted.

CHALLENGES FACED BY THE LEADER

As Head of Safety, Health and Security of TNB Janamanjung, Ir Afzainizam faces many challenges in addressing the declining safety culture and the increasing accident rate. These challenges include: -

1. Overcoming complacency and ingrained habits: After years of relatively safe operations, many staff and contractors may have become complacent about safety procedures and may not recognize the importance of following them diligently.
2. Addressing the root causes of accidents: The rising accident rate is probably a sign of more serious problems that the TNB Janamanjung is facing. Ir Afzainizam and his team will need to conduct thorough investigations of past accidents to identify the root causes, such as inadequate equipment maintenance, faulty safety procedures, or communication breakdowns.
3. Addressing resource constraints: Safety initiatives often require additional resources, such as funding for training, safety equipment, and personnel. The leader will need to make a compelling case for allocating these resources to improve safety without compromising operational efficiency.
4. Addressing legal and reputational risks: The potential for legal action from DOSH and the damage to Tenaga Nasional Berhad's corporate image pose significant threats to the future of TNB Janamanjung. Ir Afzainizam will need to act swiftly and decisively to address the safety

issues, demonstrating a strong commitment to safety and compliance with regulations.

During the interview, Ir Afzainizam mentioned that the biggest barrier to improving the safety culture at TNB Janamanjung is the staff themselves.

STRATEGIC SOLUTION AND IMPLEMENTATION

The safety culture at TNB Janamanjung has eroded over the years, leading to an increase in accidents and raising concerns about legal and reputational risks. The concept of safety culture to begin with, was first introduced by the investigation report on the Chernobyl Accident which occurred in 1986 by the International Atomic Energy Agency (IAEA) (International Nuclear Safety Advisory Group, 1986). Ir Afzainizam, as Head of Safety, Health & Security of TNB Janamanjung faces the daunting task of addressing this critical issue by overcoming complacent habits, identifying root causes of accidents, securing adequate resources, and mitigating legal and reputational risks. While changing the mindset and behavior of the workforce is the most significant challenge, it is also the most crucial step in transforming the safety culture at TNB Janamanjung.

Organizations can improve their safety performance by implementing an appropriate safety culture (Alkhaledi et al., 2023). As a part of improving the safety culture in TNB Janamanjung, Ir Afzainizam introduced the Behavior-Based Safety (BBS) program. Behavior-Based Safety (BBS) is the systematic application of psychological research on human behavior to the problems of safety (Choudhry, 2014). It was estimated that 85% of accidents can be attributed to unsafe acts (Heinrich, 1941) and 70% of all accidents were caused by human factors including negligent misconduct and incompetence. In particular, it was indicated that 90% of accidents that had occurred in the steel industry (as an example) were caused by human factors (Shi & Shiichiro, 2012). The BBS approach was proven in other industries (Oil and Gas) can minimize accidents, change unsafe behavior, and improve quality and safety environment (Ismail et al., 2012). In 2014, TNB Janamanjung launched the BBS program led by Ir Afzainizam. According to Ir Afzainizam, the initial feedback from staff during the implementation of the Behavior-Based Safety (BBS) program was quite poor. He has encountered opposition and resistance, particularly from experienced staff.

NURTURING SAFETY CULTURE THROUGH LEADERSHIP

Research indicates that leaders are important in fostering a culture of safety, which encourages staff to take more precautions, reducing the number of mishaps and injuries. (Barling et al., 2002). Leadership is crucial for achieving organizational objectives by establishing clear goals, aligning resources, motivating teams, providing guidance, adapting to change, promoting a growth mindset, and communicating effectively (Zwetsloot et al., 2017). Leaders have a significant impact on an organization and can be key players in promoting workplace safety culture (Flin & Yule, 2004).

It has been suggested that a variety of leadership styles and qualities are necessary for managing different kinds of crises and issues (Pham et al., 2021). Combining different leadership styles is necessary to build a robust new safety culture, as each is essential in encouraging constructive behavior change and building a nurturing atmosphere (Foy & Foy, 2023). Strict adherence to rules and regulations is not the only factor in creating a safe workplace; instilling a culture where safety is a core value is equally important (French, A.R., & Geller, E.S. (2008). *Creating a Culture Where Employees Own Safety.*, 2008). My interview with Ir Afzainizam led me to the conclusion that he employed a variety of leadership styles to inspire the staff and contractor to use BBS as a tool to enhance TNB Janamanjung's safety culture.

Leadership Style: Situational Leadership

As an expert in the BBS program, Ir Afzainizam provides strong support, guidance, and feedback to help the staff implement BBS. Since BBS is a new initiative to improve safety culture, the staff perceive this initiative as a new burden to penalize them. After all, any new initiative that imposes additional requirements or procedures can be seen as an added workload, especially if it's not clearly communicated or implemented effectively. Some factors that could contribute to this perception among the staff is due to lack of clarity and understanding of the purpose and benefits of the BBS program during the initial program was introduced. Another factor that led the staff to feel the burden during the BBS initiated is because lack of trust the BBS program could improve the safety culture in TNB Janamanjung.

Ir Afzainizam stated that to get out of this situation, he spent a lot of time interacting with the employees and providing BBS coaching, particularly to the "experienced staff," which included engineers and foremen. In addition to problems with staff, Ir Afzainizam said he also had to deal with problems from some senior managers who didn't believe the BBS would work to improve safety work culture. In this case, he must get buy-in from top management in the implementation of the BBS program in TNB Janamanjung. There was numerous meetings, explanations, and awareness sessions were conducted for staff during the initial phase of the BBS implementation.

Leadership Style: Transformational Leadership

It was suggested transformational leadership has been associated with numerous positive safety outcomes, such as improved safety climate, increased safety behaviors, and decreased accidents and injuries (Hoffmeister et al., 2014). Transformational leadership that emphasizes safety has been linked to increased employee safety behaviors (Barling et al., 2002). Ir Afzainizam inspires and motivates the TNB Janamanjung staff and contractor to improve the safety culture in the workplace by setting clear goals (zero accidents) and empowering the staff to take ownership of their work. They encourage open communication, provide opportunities for employee involvement in decision-making processes, and foster a sense of collective responsibility for safety through the BBS program, the staff itself is now able to rectify the safety issue without minimal intervention from higher management. As a token, Ir Afzainizam also gives recognition to the staff who are very dedicated to implementing BBS in the workplace.

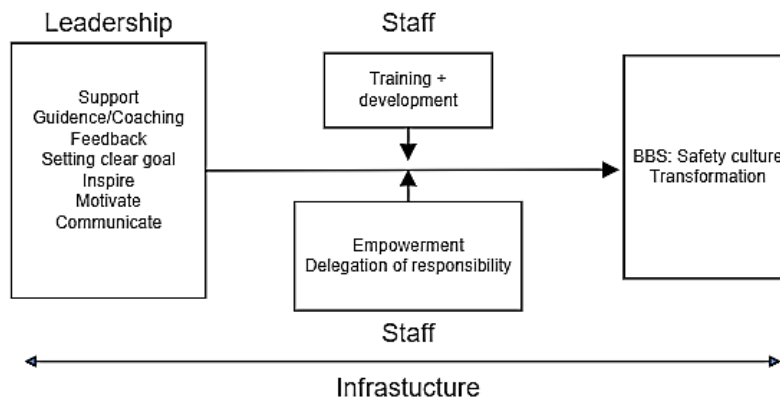
DISCUSSION

The erosion of the safety culture at TNB Janamanjung stands as a critical concern, presenting significant risks to the organization, its personnel, and its reputation. Ir Ahmad Afzainizam Bin Mokhtar, in his role as Head of Safety, Health & Security, is tasked with the formidable challenge of rectifying this issue and reinstating a robust safety culture within the organization. The initiation of the Behavior-Based Safety (BBS) program is a commendable stride in the right direction, showcasing an acknowledgment of the necessity for a systematic approach grounded in psychological research on human behavior. However, Ir Afzainizam notes the initial mixed feedback from staff, a predictable response to change, especially when it involves challenging ingrained habits and behaviors.

Ir Afzainizam's leadership style combines situational and transformational leadership in a way that is well-suited to handle and manage the challenges in the organization. His emphasis on providing support, guidance, and feedback proves instrumental in overcoming complacency and instigating change in established habits among the workforces. By combining elements of inspirational motivation and a steadfast commitment to open communication and staff involvement, Afzainizam creates a conducive environment for the success of safety initiatives. This dual approach fosters not only a sense of responsibility but also a shared commitment to the overarching goal of reinstating and strengthening the safety culture at TNB Janamanjung.

Furthermore, Afzainizam's proactive measures underscore his commitment to facilitating the effective implementation of the BBS program. The provision of necessary resources and infrastructure, including the introduction of a real-time reporting platform through mobile applications, demonstrates an innovative approach to ensuring continuous improvement and heightened awareness among TNB Janamanjung's staff. This platform serves not only as a reporting tool but also as a means of keeping employees well-informed about the ongoing developments related to the BBS program. It aligns with Afzainizam's broader strategy of promoting a culture of transparency and accountability, ensuring that every individual within the organization is an active participant in the journey towards a safer workplace.

Afzainizam's comprehensive leadership strategy extends beyond merely addressing the immediate challenges of safety culture erosion. Instead, it lays the foundation for lasting positive change within TNB Janamanjung. Every aspect of his approach demonstrates his dedication to creating a work environment where safety is not only a top priority but deeply embedded in the organizational culture. By actively involving employees in the process, leveraging both situational and transformational leadership elements, and implementing innovative tools, Afzainizam positions TNB Janamanjung on a trajectory toward a safety-centric culture that transcends compliance and becomes an integral part of the organization's identity. In doing so, he not only safeguards the well-being of the personnel and the organization but also secures its reputation as a responsible and safety-conscious entity in the power industry.



Graph 1 Reinforcing Safety Culture: Transformational Leadership Perspectives

CONCLUSION

It is possible to attain a safety culture and the goal of zero accidents by continuing to give the staff strong support and direction with strong leadership. This includes providing regular training and coaching on BBS principles and practices. Empowering staff to take ownership of safety matters also can expedite the nurturing of a safety culture. This involves delegating responsibility for safety initiatives and providing staff with the resources they need to succeed. A strong and effective leadership style is essential for creating a positive safety culture. Leaders who can inspire, motivate, and empower their staff can create an environment where safety is a top priority. Ir Afzainizam's leadership style is well-suited and proven to this task, and he is taking the proven steps to address the safety issues at TNB Janamanjung.

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DOTA PACIFIC OFFSHORE: NAVIGATING CHANGE THROUGH LEWIN'S CHANGE MODEL

Shahrul Reza Abdul Moa'it wrote this case under the supervision of **Dr Hamidah Md Yusop** solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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SUMMARY

Organizational change is crucial for keeping pace with evolving trends and consumer needs over time, a necessity particularly true in sectors like the maritime industry, which is known for its economic volatility. This case study presents the challenges encountered by Duta Pacific Offshore Sdn Bhd, operating within this volatile sector, and suggests strategic change management measures to tackle these issues. By conducting interviews with the company's key figures and performing a strategic analysis, the study identifies critical problems such as inadequate marketing channels, inefficient cost management, and shortcomings in human resource management. It recommends aligning the company's vision with strategic objectives to enhance brand recognition, improve cost efficiency through better operational processes, and institutionalize a comprehensive human development program. Leveraging Lewin's change model for a three-year planned period facilitation, implementing these initiatives aims to steer the company towards excellence and sustainability for enduring success in the competitive maritime market.

KEYWORDS: small, medium enterprise, Lewin's change model, oil and gas industry

INDUSTRY BACKGROUND

The oil and gas sector plays a crucial role in the global energy supply chain, providing fuel for various domestic and industrial purposes (Lisitsa et al., 2019). In the context of the Malaysian economy, the oil and gas industry is a significant contributor to the country's GDP, with downstream and upstream sectors being the main categories (Ajmal et al., 2022). Additionally, the industry is intertwined with the Malaysian economy, influencing decision-making in other key sectors (Meghanathi & Chakrawal, 2023). However, the industry has, as it has been associated with carbon emissions and environmental concerns (Fallahpour et al., 2021).

Supply chain management is a critical aspect of the oil and gas industry, involving complex domestic and international transportation, ordering, inventory control, and information technology (Lisitsa et al., 2019). The complexity of the supply chain in the oil and gas industry is evident, with links between upstream suppliers, downstream distributors, and the flow of information and capital (Gaghman, 2020). Moreover, sustainability practices within the industry have been a research subject, particularly in the downstream

sector, where challenges in supply chain management practices have been noted (Adam et al., 2019). The industry's sustainability practices have been a focal point, with researchers emphasizing the need for sustainable supply chain practices in the downstream sector (Adam et al., 2019).

In conclusion, the oil and gas industry is integral to the global energy supply chain and is important in the Malaysian economy. While it contributes substantially to the country's GDP and economic revenue, it also faces challenges related to sustainability, environmental impact, and complex supply chain management. Efforts to address these challenges are ongoing, focusing on safety management, sustainability practices, and environmental impact mitigation.

COMPANY BACKGROUND

Duta Pacific Offshore Sdn Bhd, a subsidiary of its parent company, Duta Marine Sdn Bhd, has established itself as a player in the oil and gas industry since its establishment on 30th September 2013. The company's core business is providing marine logistics solutions. Known for its services in supplying oil tankers for offshore oil storage, Duta Pacific Offshore Sdn Bhd is highly respected for its reliability in meeting the unique requirements of the energy sector. Duta Pacific Offshore Sdn Bhd is driven by its parent company's vision to emerge as a leading marine logistics provider for goods and people, emphasizing reliability, safety, and efficiency in all its operations. With a team of 10 employees, Duta Pacific Offshore Sdn Bhd has earned a reputation in the market as a competent service provider.

The company's significant milestone is securing a 10-year long-term contract with Petra Energy Berhad, serving as the dedicated storage tanker in Banang Field, Offshore Terengganu. This collaboration is evidence of Duta Pacific Offshore's steadfast dedication to developing enduring, profitable partnerships within the sector. With the single contract, the company achieved an annual sales turnover of 17 to 19 million Ringgit. Duta Pacific Offshore Sdn Bhd remains dedicated to delivering unparalleled services, leveraging its industry expertise, and maintaining its commitment to excellence and innovation within the maritime logistics sector.

As the industry continues to evolve, major competitors include major players such as MISC Berhad and Yinson Holdings Berhad, who strive to gain a competitive edge through technological advancements and operational efficiencies. Having a small portion of the market share, Duta Pacific Offshore Sdn Bhd is also one of the oil tanker service providers supporting one of Malaysia's oil operators.

Therefore, the primary objectives of this case study include conducting basic research to evaluate the workability of the current strategy employed by Duta Pacific Offshore Sdn Bhd. This involves utilizing strategic tools such as SWOT Analysis to identify the key issues the company faces. Based on the findings, the research aims to propose recommendations or solutions that leverage an appropriate change management strategy. This comprehensive approach is designed to ensure that the company identifies its strengths, weaknesses, opportunities, and threats in the current market landscape and implements effective changes to enhance its operational efficiency and competitive edge.

ISSUES, PROBLEMS AND CHALLENGES

Throughout the preliminary interview, the person responsible for the company outlined various critical challenges that Duta Pacific Offshore Sdn Bhd is confronting, potentially affecting its profitability, operational effectiveness, and survival in a competitive and unpredictable industry. The company has been dealing with increasing costs due to economic instability, leading to higher prices for essential supplies like fuel, freshwater, and spare parts. This situation has resulted in a 10% increase in maintenance expenses from 2021 to 2022, surpassing the management's budgeted growth expectation of 7% for vessel upkeep costs. Such an increase in operational expenses could diminish profit margins and the company's

ability to efficiently cover its overhead costs.

Moreover, the company's heavy dependence on a single contract presents a significant risk to its continuity, as any operational risks could severely impact on its sustainability. External economic factors, such as a recession leading to lower oil prices, could also decrease industry job opportunities, leaving the company with high operational costs and no revenue if the vessel remains unchartered.

The interview highlighted the company's internal weaknesses, notably the absence of standardized systems for most internal processes. This reliance on the tacit knowledge of experienced staff, without formalized procedures for guidance, can lead to inefficiencies, errors, and an inability to adapt swiftly to market changes.

This case study underscores the importance of addressing both internal and external challenges to maintain the financial health and operational stability of Duta Pacific Offshore Sdn Bhd. Identifying these issues through strategic analysis tools like SWOT and implementing change management strategies is crucial for the company's long-term success. It demonstrates the need for continuous improvement in operational processes and strategic planning to navigate the industry's complexities effectively.

SITUATIONAL ANALYSIS

The SWOT analysis of Duta Pacific Offshore Sdn Bhd reveals a comprehensive overview of its strategic position within the oil tanker industry. The company's strengths include its established trust with clients and partners, attributed to its proficiency in managing an oil tanker, resulting in low vessel operations downtime and exemplary ship management performance. The firm boasts a low employee turnover rate, with a workforce that remains loyal over long periods, underpinning strong relationships with clients, suppliers, and ship owners, and a commendable business track record over its 10-year existence. Highly experienced and dedicated employees further support these strengths.

However, weaknesses such as a limited online presence and marketing strategy, poor cost management, and a lack of employee development programs indicate areas for improvement. The company's adherence to a traditional business management structure, absence of standardized systems across various internal processes, and unsystematic risk management, coupled with reliance on a single vessel for contracts, highlight critical vulnerabilities.

Opportunities for Duta Pacific Offshore Sdn Bhd lie in diversifying into other sectors like different types of vessel businesses, ship management, oil trading, and supplying workforce for maritime activities. Embracing technology and innovation could significantly enhance operational efficiency and service quality. The stable economic rate of oil prices and high market demand for oil tankers presents an opportune moment for expansion into new markets and regions.

Conversely, the company faces threats from intense competition with major industry players like Yinson, Bumi Armada, and MISC. Its heavy reliance on the volatile oil & gas and energy industry, compounded by the limited number of oil tankers in the region, the high acquisition costs for new tankers, and economic conditions that inflate operating and spare part costs, pose significant challenges.

This SWOT analysis underscores the necessity for strategic planning and adaptability in navigating the industry's complexities, leveraging strengths and opportunities while addressing weaknesses and mitigating threats to ensure sustained growth and competitiveness.

EVALUATION OF THE CURRENT PRACTICES

The company sets itself apart through its exceptional organizational skills in managing oil tanker operations, boasting a track record of success that underscores its commitment to excellence. The

organisation ensures high operational efficiency by adhering to global standards and leveraging the latest technology. This commitment to excellence is evident in its impeccable operations record, free from incidents, which has solidified its reputation as a dependable and professional entity within the industry. Clients' trust in the company stems from its unwavering dedication to safety, environmental sustainability, and strict compliance with industry norms.

This expertise in ship management is further showcased through meticulous supervision and strategic maintenance practices, with ship management staff demonstrating specialized knowledge in overseeing the operational facets of the vessel. Their commitment to ensuring the vessel's seamless functionality and efficiency is manifest in the remarkably low downtime, indicative of the thorough and strategic planning employed. The organization's pursuit of optimal ship performance aligns with industry best practices, emphasizing its dedication to maintaining the highest standards of maritime operations.

Moreover, the company's ability to maintain a low employee turnover rate is a testament to a working environment characterized by employee satisfaction and loyalty. The competitive remuneration packages meet and exceed employee expectations, playing a pivotal role in enhancing job satisfaction. This low turnover rate clearly indicates effective human resource management practices that resonate well with the workforce, creating a symbiotic relationship between the company and its employees and underscoring the organization's commitment to its staff's well-being and professional growth.

REASONS FOR THE FAILURE OF THE CURRENT PRACTICES

The company employs a marketing strategy that primarily leverages close networks and direct customer engagement through initiatives like business meetings, indicating a deliberate yet limited approach to client outreach. While this strategy has facilitated establishing intimate client relationships, it also reveals a significant gap in marketing diversification and expansion potential. In the modern business landscape, a multifaceted marketing strategy is necessary to ensure broader brand visibility. The company's reliance on direct, human-centric interactions within a narrow network may hinder its ability to achieve wider market recognition. Expanding its marketing efforts across various channels could significantly enhance its market footprint and competitive stance.

On the operational front, while the company exhibits proficiency in ship maintenance, its cost management approach presents a critical improvement area. The absence of a comprehensive strategy for comparing suppliers for ship spare parts suggests a need for more rigor in the procurement process. This gap in strategic sourcing could result in suboptimal cost efficiency, underscoring the importance of establishing a more disciplined financial oversight mechanism. Without a detailed evaluation of expenditure versus benefits, unchecked spending poses a substantial risk to the company's profitability.

Furthermore, the company's Human Resources Management framework shows notable weaknesses despite achieving low employee turnover and fostering a positive work environment. While employee contentment is commendable, it has inadvertently led to complacency, potentially stalling personal and collective professional growth. The lack of a structured employee development program indicates a significant shortfall in the company's HR strategy. The absence of systematic professional growth and skill advancement initiatives curtails the potential for employee development, representing a considerable challenge to the organization's overall progression and capacity for innovation.

STEPS AND IMPLEMENTATION PLAN

Duta Pacific Offshore Sdn. Bhd. Aims to achieve operational excellence and ensure its relevance in the industry. The company's ambition, encapsulated in the motto "Towards Business Excellence and

Sustainability," is both commendable and strategic, highlighting the importance of committing to elevated levels of achievement. Adopting an optimistic approach is essential to realize this vision of excellence and sustainability. It is recommended that the company devises a detailed strategy focusing on critical aspects of its operations to secure a leading position in the market, enhance operational efficiency, and achieve enduring sustainability.

In pursuit of this objective, the proposed solution involves fortifying the company's core through a detailed plan to increase brand visibility, minimise costs, and establish a structured program for human resource development, details of which will be expanded upon in the subsequent discussion.

STAGE: UNFREEZE

STEP 1 – Establish Task Force and Change Initiative Framework

The first step to developing the Change Management Strategy for the company is to establish a trusted team of employees who will be the committee members of the Change Management Task Force. The Managing Director will chair the Task Force and will be supported by the Head of Departments. Once the Task Force has been established, the team shall discuss and develop the Change Initiative Framework covering detailed information proposed in this study. The Change Initiative framework is illustrated in Table 1 in the Appendix section, and from the framework itself, the proposed Strategic Planning Timeline shall be developed accordingly, as shown in Table 2.

STEP 2: Establish a Communication Plan

Once the Initiative Framework has been finalized, the communication plan to relay the Change Initiative's information must be developed to benefit the company's employees' notifications and awareness. The communication plan shall include but not be limited to town hall sessions, department-level monthly awareness briefing sessions, posters, and internal memos. The communication plan timeline is shown in Table 2.

STAGE: CHANGE

STEP 3: Implement Communication Plan

The communication plan shall be executed accordingly once the top management fully approves the plan. Throughout the 3-year implementation period, an annual feedback survey will be collected, and critical issues will be addressed immediately.

STEP 4: Individual Goal Plan Execution

Individual goal plans will be executed concurrently based on each specific task the committee plans. The task plan is presented in Table 3 in the Appendix section.

STAGE: REFREEZE

STEP 5: Final Feedback and Gap Closure

At this stage, the committee will gather feedback from the employees about the change's implementation throughout the 3 years. This feedback shall be analyzed, and any gap identified shall be addressed accordingly.

STEP 6: Reinforcement and Sustainability

Once every gap has been closed, the committee shall document each process into a Standard Operating Procedure (SOP) for the company's future reference. At this stage, the top management shall communicate the outcome of the change initiatives and continuously reinforce the company's vision and mission to

achieve sustainable practice throughout the organization.

CONCLUSION

Duta Pacific Offshore Sdn Bhd is at a pivotal point, poised for significant growth and operational enhancement, underpinned by its ambition for operational excellence and sustained industry relevance. The strategic imperatives of enhancing brand visibility through diversified marketing channels, optimizing operational and procurement efficiencies for cost-effectiveness, and investing in workforce development are foundational to its momentum. Embracing digital transformation to broaden market reach, implementing rigorous cost control measures, and fostering a skilled and motivated workforce underscore a holistic approach to navigating the competitive maritime sector. This comprehensive strategy, focused on operational excellence, cost management, and human capital development, positions Duta Pacific Offshore to bolster its competitive position and secure its long-term success and sustainability. The integration of these strategic objectives, supported by employee commitment and collaboration, marks a transformative journey for the company, aiming to achieve a synthesis of growth, innovation, and efficiency that will propel Duta Pacific Offshore Sdn Bhd towards becoming a more resilient and thriving entity in the maritime industry.

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EXHIBITS



Interview session with the owner of Duta Pacific Offshore

GLOBAL HALTECH SDN BHD: Fostering Trust and Integrity Journey in Advancing the Halal Industry

Syed Mohd Faiz Syed Nokman under the supervision of Dr Suriana Ramli wrote this case solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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SUMMARY

Global Haltech Sdn Bhd overcame challenges in the Halal industry by adopting a multifaceted strategy focused on trust and integrity. They integrated education, rigorous testing, and a B2B/B2C marketplace, emphasizing "Trust but Verify." This involved establishing practitioner programs, labs, and quality management systems, alongside the publication "@Halal" for industry awareness. Lessons emphasized a holistic approach, leading to increased Halal integrity awareness. Future efforts include promoting their Halal ESG program for SMEs, issuing GRI certification, and ongoing innovation. This strategy has established Global Haltech as a reliable Halal partner globally, fostering trust and reinforcing the Halal ecosystem.

KEYWORDS: Halal integrity, Trust but Verify, Education, Global presence, Halal industry advancement, Multifaceted strategy, Global market penetration, SME empowerment

INTRODUCTION

Global Haltech Sdn Bhd, in its pursuit of advancing the Halal industry, faced several key challenges. The primary issue was ensuring the trust and integrity of Halal products in a rapidly growing global market. This included the need to educate and engage global communities while addressing the complexities of Halal testing and certification.

To overcome these challenges, Global Haltech adopted a multifaceted approach. They integrated comprehensive education and training programs, implemented rigorous testing procedures, and developed a B2B and B2C marketplace to facilitate Halal trade. This approach was underpinned by the core value of "Trust but Verify."

The implementation of this strategy involved the establishment of Halal practitioner programs, laboratory setups, and quality management systems. It also included the publication of "@Halal" to raise awareness and educate industry leaders.

Lessons learned from the implementation emphasized the importance of a holistic approach to Halal integrity, including continuous education, rigorous testing, and an ethical trade platform.

Global Haltech's dedication has led to an increased awareness of the importance of Halal integrity and the reinforcement of the Halal ecosystem, establishing them as a reliable partner for both businesses and consumers. Their future endeavors focus on expanding their global presence, primarily through the promotion of their Halal ESG program, a specialized training initiative geared toward Small and Medium-sized Enterprises (SMEs). After SMEs successfully complete this program, Global Haltech will issue a Global Reporting Initiative (GRI) certification. This certification empowers SMEs to export their products and services to countries that prioritize Halal ESG compliance, thereby broadening their market reach. As part of their ongoing commitment to the Halal industry, Global Haltech also plans to continue innovating and staying at the forefront of developments in the field.

Global Haltech Sdn Bhd has successfully addressed the challenges of the Halal industry by implementing a comprehensive strategy that fosters trust and integrity. Their commitment to education, validation, and trade has yielded positive results and positioned them as leaders in the global Halal market.

Therefore, this case study report shall examine the method and strategy used by Global Haltech Sdn Bhd in its pursuit to gain global presence and educate the global consumer on the importance of Halal.

COMPANY BACKGROUND

Global Haltech Sdn Bhd stands as a beacon of innovation and integrity, pioneering the future of Halal Science and Trade. In a world where consumer awareness regarding product quality and origin is on the rise, Global Haltech plays a pivotal role in ensuring the highest standards of integrity and trust within the Halal industry.

At its core, Global Haltech is driven by a vision to become a Global Halal Trade Ecosystem by engaging global communities, thereby fostering prosperity in the global Halal market. Their mission revolves around upholding the sanctity of the Global Halal Trade Ecosystem through comprehensive Halal testing, the introduction of Halal products, and the enhancement of competency.

The motto "Trust but Verify" serves as a guiding principle, echoing their unwavering commitment to transparency and reliability. Their core values, including innovation, integrity, and excellence, are embedded in every facet of their operations, reinforcing their dedication to continuous improvement.

Central to their offerings is the "Total Halal Trade Ecosystem," an approach that integrates education, testing, and tools for trade. This holistic perspective ensures that Halal products are thoroughly verified, creating a foundation of trust between producers and consumers.

The three pillars of their services are as follows:

1. Educate: Global Haltech is devoted to educating global communities and industries, both online and offline. This mission encompasses the verification of Halal integrity through validated analyses and methods compliant with ISO17025. They also ensure the integrity of Halal lab testing service providers through the ISO17043 Laboratory Competency Program and offer validation through Halal Certified Reference Material (CRM). In the event of Halal-related issues, they conduct investigations through Halal Contamination Scene Investigation (CSI).

2. Validate: Global Haltech acts as a one-stop hub for Halal, Toyyiban, and Ethical Testing. Their services range from Halal practitioner programs to designing Halal laboratories, setting up quality management systems, developing Halal analysis techniques, and assisting with Halal regulatory and compliance processes.

3. Trade: Facilitating global Halal trade is a cornerstone of their operation. They offer a verified B2C and B2B lifestyle marketplace that assists with product sourcing and selection. Their services include providing Halal verification and assurance, along with enabling Halal consumer product transactions, delivery, and payment processing.

Global Haltech has further expanded its reach by introducing "@Halal," a dedicated Halal Business magazine. This publication serves as a valuable resource for the Halal community and businesses, providing insights into the Halal world from A to Z. It acts as a trusted media partner for major events and contributes to creating awareness and sharing knowledge within the industry.

Their commitment extends to training and consultancy, where they are at the forefront of competency-based training. They offer specialized programs that enhance skill proficiency and provide consultation on various domains, including Business Development, Quality Assurance, Regulatory Affairs, Professional Development, and Project Management.

The Halal industry is a rapidly growing and evolving sector. Global Haltech recognizes the significance of Halal certification, ensuring that every step of the Halal value chain, from production to testing and verification, is meticulously scrutinized. In a globalized world where products often cross borders and cultures, they play a pivotal role in bridging the gap between producers in the Far East and the global market, ensuring that Halal products are recognized and trusted on a global scale.

Looking forward, Global Haltech's next steps involve expanding their global reach and promoting their **Halal ESG program**. This specialized training initiative, targeted at SMEs, offers a path to **Global Reporting Initiative (GRI) certification** upon completion. This certification empowers SMEs to export their products and services to Halal ESG-compliant countries, broadening their market reach.

In conclusion, Global Haltech Sdn Bhd is a driving force in the Halal industry, dedicated to pioneering the future of Halal Science and Trade. Their holistic approach, encompassing education, verification, and trade, sets the standard for the integrity of Halal products. As the Halal industry continues to grow on a global scale, they remain a trusted partner for businesses, organizations, and consumers who value the sanctity of the Halal ecosystem. Their commitment to innovation, integrity, and excellence creates a brighter and more trusted future for Halal products and services worldwide.



Figure 1: Global Haltech Sdn Bhd Services

Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> Comprehensive Halal Ecosystem: Global Reach Education and Awareness Core Values 	<ul style="list-style-type: none"> Dependence on Partnerships Market Competition 	<ul style="list-style-type: none"> Rising Global Demand Technology Integration Diverse Halal Products 	<ul style="list-style-type: none"> Regulatory Challenges Market Saturation Economic Volatility

Figure 2: SWOT Analysis of Global Haltech Sdn Bhd

Key Partners	Key Activities	Value Proposition	Customer Relationships	Customer Segments
<ul style="list-style-type: none"> PT Global Halal Industry King Sight Guangzhou Fine Strategy Ltd JAKIM Regulatory Authorities Industry Associations 	<ul style="list-style-type: none"> Education and Awareness Halal Testing and Certification Partner Collaborations Content Creation Regulatory Compliance Marketplace Facilitation 	<ul style="list-style-type: none"> Holistic Halal Ecosystem Comprehensive Education and Awareness Halal Validation and Certification Reliable and Transparent Halal Testing Strategic Partnerships Access to Global Halal Market 	<ul style="list-style-type: none"> Education and Training Certification Services Continuous Support and Engagement Industry Awareness 	<ul style="list-style-type: none"> Halal Product Manufacturers Small and Medium-sized Enterprises (SMEs) Consumers Businesses seeking Halal certification
	Key Resources <ul style="list-style-type: none"> Halal Science and Testing Facilities Strategic Partnerships Experienced Team Educational Content Digital Platforms Regulatory Expertise 		Channels <ul style="list-style-type: none"> Online Education Platforms Collaborative Partnerships Halal B2B and B2C Marketplace @Halal Publication 	
Cost Structure <ul style="list-style-type: none"> Education and Training Costs Testing and Certification Costs Marketing and Promotion Personnel Expenses Research and Development Regulatory Compliance Costs 		Revenue Streams <ul style="list-style-type: none"> Certification Fees Testing and Validation Fees Educational and Training Services Marketplace Transactions Publication Advertising 		

Figure 3: Business Model Canvas of Global Haltech Sdn Bhd

DESCRIPTION OF THE ISSUE, PROBLEMS OR CHALLENGES FACED

Promoting Halal products and services globally faces several issues, problems, and challenges. One challenge is the lack of international halal certification and ambiguous halal guidelines, which hinders the adoption of halal logistics. Additionally, halal certification authorities face challenges such as a lack of manpower, skills, and knowledge among Halal Auditors, as well as issues with the halal certification process and competition from foreign certification bodies. Another challenge is the difficulty in obtaining halal raw materials and dealing with unsupportive suppliers in the production of halal cosmetics.

Furthermore, there are challenges in realizing the halal certification program in the halal food industry, including the need for socialization and addressing legal and governance constraints. The global market for halal products and services also poses challenges in terms of trade diversion risk, acceptance of imported products with halal logos, and the multiplicity of halal standards.

Despite these challenges, there are opportunities for the halal industry, such as the growing demand for halal-certified goods and the potential for export opportunities. Overall, promoting Halal products and services globally requires addressing certification issues, improving logistics, and ensuring the availability of halal raw materials. Global Haltech Sdn Bhd's business model is strategically designed to effectively address many of the complex issues, problems, and challenges associated with promoting Halal products and services globally.

Firstly, Global Haltech's emphasis on comprehensive education and training programs directly addresses the challenge of consumer awareness. By educating both businesses and consumers on the importance of Halal integrity, they contribute to bridging the awareness gap.

Secondly, the company's commitment to rigorous testing and certification processes ensures the authenticity and integrity of Halal products. Their approach of "Trust but Verify" instills confidence in consumers and businesses alike, tackling issues related to certification fraud and product compliance.

Thirdly, Global Haltech's Total Halal Trade Ecosystem offers a holistic solution to supply chain management challenges. By integrating education, validation, and trade, they contribute to maintaining the integrity of the entire Halal supply chain, from sourcing to distribution.

Additionally, the company's efforts in technology adoption and innovation align with the challenge of staying technologically up to date. This enhances efficiency, traceability, and quality control within the Halal industry.

Furthermore, their role as a market connector linking Far East producers to the global market helps address cross-border trade barriers, as they facilitate international trade while ensuring compliance with diverse regulations.

In essence, Global Haltech's business model is strategically positioned to tackle the major challenges in promoting Halal products and services. Their multifaceted approach, grounded in education, validation, and ethical trade, contributes to building trust, integrity, and awareness within the Halal industry, ultimately driving its growth on a global scale.

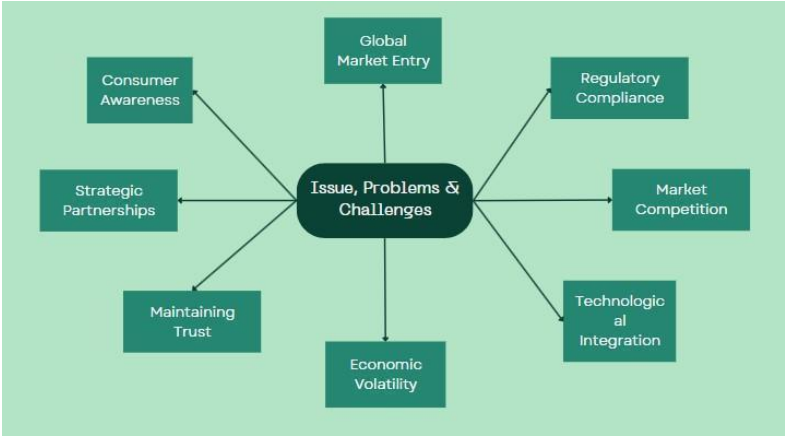


Figure 4: Summary of issues, problems & challenges by Global Haltech Sdn Bhd

DESCRIPTION OF THE SOLUTIONS

In pursuit of global expansion, Global Haltech Sdn Bhd has strategically forged key partnerships with established companies, including PT Global Halal Industry in Indonesia, King Sight Guangzhou in China, and Fine Strategy Ltd in Japan. This approach was carefully selected due to its inherent advantages, offering a swift market entry by leveraging the existing expertise and local knowledge of these partnering entities.

Global Haltech takes on the central role as the principal driver of these collaborations. Their decision to partner with companies already entrenched in their respective regions reflects a well-calculated strategy. By teaming up with these seasoned players, Global Haltech gains the benefit of a rapid and informed market entry, bypassing the complexities of establishing a presence from scratch. This approach not only accelerates their global reach but also ensures that they can strategically initiate and expand their business operations effectively in each of these pivotal markets.

These partnerships represent a synergy of expertise, with Global Haltech at the helm, guiding the strategic direction. Through these collaborative endeavours, Global Haltech is well-positioned to bolster its global presence and fortify its role as a leader in the Halal industry, serving consumers and businesses worldwide with the highest standards of Halal integrity and trust.



Figure 5: Global Haltech Sdn Bhd Partner

DESCRIPTION OF THE IMPLEMENTATION OF THE SELECTED SOLUTIONS

Global Haltech's choice to establish a global presence through strategic partnerships with established companies, such as PT Global Halal Industry in Indonesia, King Sight Guangzhou in China, and Fine Strategy Ltd in Japan, is a well-thought-out approach driven by several compelling reasons.

First and foremost, the decision to partner with existing entities in these regions reflects an acute awareness of the intricacies and nuances of local markets. These partnering companies bring with them an in-depth understanding of the cultural, regulatory, and market-specific dynamics, which is invaluable when expanding into new territories. Leveraging their local knowledge ensures that Global Haltech can navigate these regions with precision, sidestepping potential pitfalls and expediting the market entry process.

Secondly, this approach offers a swifter and more efficient setup. By collaborating with established entities, Global Haltech bypasses the time-consuming process of establishing a new presence from scratch. This expedites their ability to serve the local market and address the growing global demand for Halal products and services.

Moreover, partnering with these local companies also provides an element of trust and credibility. Consumers and businesses in these regions may be more inclined to engage with a Halal industry leader working in conjunction with reputable local partners, further enhancing the company's reputation and market acceptance.

Global Haltech's strategic approach to global expansion through partnerships is a well-considered move that leverages local expertise, accelerates market entry, and enhances credibility. This approach positions them for success in the global Halal industry, where trust, integrity, and local knowledge are paramount.

SUMMARY OF LESSONS LEARNED FROM IMPLEMENTATION

Global Haltech's strategic implementation through partnerships with local companies has yielded valuable lessons. They've recognized the importance of leveraging regional expertise for effective market entry and expansion, saving time and resources. These partnerships have underlined the significance of cultural and market-specific insights, guiding their approach to local consumers and regulations.

Moreover, the trust and credibility associated with these partnerships have reinforced the importance of building strong relationships within the global Halal industry. Global Haltech has learned that such collaborations are instrumental in achieving a swift and successful global presence while maintaining their commitment to Halal integrity and excellence.

RESULTS THAT HAVE BEEN ACHIEVED FROM THE IMPLEMENTATION

The implementation of Global Haltech's strategic approach, partnering with local companies in Indonesia, China, and Japan, has yielded tangible results that underscore the success of their expansion strategy. One notable outcome has been the substantial increase in awareness of Halal integrity within these regions. By collaborating with local entities deeply rooted in their respective markets, Global Haltech has been able to effectively convey the importance of Halal standards, reaching a broader audience of consumers and businesses.

Moreover, the partners' active engagement in conferences and in-house training sessions for Small and Medium-sized Enterprises (SMEs) has further amplified the impact. These educational initiatives have not only fostered a better understanding of Halal principles but have also empowered SMEs to align with Halal compliance, enhancing their ability to export products and services to Halal-conscious countries.

In essence, the results achieved through this implementation have not only expanded awareness but have also laid the foundation for stronger Halal ecosystems in these regions, ultimately contributing to the global growth and recognition of Halal standards and products. Global Haltech's strategic approach has proven to be a resounding success, creating a positive ripple effect across Indonesia, China, Japan, and beyond.

NEXT STEPS DISCUSSION

Global Haltech's strategic vision for the future involves establishing a formal presence not only in the selected countries but also expanding this successful method to other regions. This forward-looking approach minimizes the inherent risks associated with setting up operations from scratch in unfamiliar territories. By leveraging their partnerships and allowing them to evolve and flourish, Global Haltech ensures a robust and stable foundation for their long-term global strategy.

The decision to establish permanent offices in these respective countries reflects a commitment to deepening their engagement with local markets. It signifies a recognition of the value of nurturing these collaborative relationships, which have already proven instrumental in enhancing awareness and understanding of Halal principles.

As they replicate this model in additional countries, Global Haltech paves the way for a dynamic global presence, where trust, integrity, and regional expertise are at the forefront of their operations. The path forward is marked by expansion through strategic partnerships and a shared commitment to advancing the Halal industry. By nurturing these partnerships, Global Haltech aims to not only thrive in new markets but also to play a pivotal role in reinforcing Halal integrity and trust on a global scale.

CONCLUSION

In conclusion, Global Haltech Sdn Bhd stands as a dynamic and innovative force in the Halal industry, dedicated to upholding the sanctity of the Halal ecosystem through Halal Science and Trade. Their commitment to "Trust but Verify," backed by a foundation of innovation, integrity, and excellence, sets a high standard for the industry. Through strategic partnerships, they've expanded awareness of Halal integrity in key regions and are poised for further global expansion. Their holistic approach, encompassing education, validation, and trade, fosters trust, integrity, and prosperity in the Halal market. With a vision to establish a formal presence in selected countries and beyond, they are positioned to play a pivotal role in shaping the future of the Halal industry on a global scale.

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JG SDN BHD: GLOBAL LABOR SHORTAGE

Nursyafira Aidros under the supervision of Dr Suriana Ramli wrote this case solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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SUMMARY

Amidst the rapid globalization and evolving business environment, JG Sdn Bhd, a leading retail supermarket chain faces a significant challenge, a global labor shortage that affects its ability to meet customer needs. This study delves into the multifaceted nature of this issue, considering factors such as evolving global employment trends and regulations governing foreign worker recruitment. With a focus on premium goods and services, JG's statewide presence operates in a highly competitive retail environment. However, sustaining operational efficiency hinges on a diverse, non-skilled workforce, necessitating the reliance on foreign labor due to local talent scarcity. Yet, this reliance faces hurdles as foreign workers increasingly choose alternative destinations for employment, influenced by economic expansion, shifting immigration policies, and cultural dynamics. As a result, increasing turnover rates pose a risk to overall productivity as well as satisfaction among employees. It is critical to address this issue, not only for JG's immediate operation but also for the company's long-term sustainability and competitive edge. Addressing this challenge is paramount for JG's immediate operations and long-term viability. The study outlines organizational obstacles, implemented tactics, and provides recommendations, aiming to equip both JG and other industry stakeholders with insights and strategies to navigate the global labor shortage while sustaining operational excellence.

KEYWORDS: Globalization, Labor shortage, Operational efficiency, sustainability

INTRODUCTION

The global labor shortage is a pressing problem affecting diverse sectors such as communications services, energy and utilities, healthcare, information technology, consumer goods and services and a number of other fields. Employers in these sectors have difficulty hiring workers to fill vacancies, whether they are skilled, semi-skilled or unskilled workers. This labor shortage is a multifaceted issue with far-reaching implications for businesses, economies, and labor markets around the world. Based on 2023 Global Talent Shortage report produced by Manpower Group, there are 77% shortage of labor in Consumer Goods & Services industries – retail industry (Manpower Group, 2023).



Figure 1: Talent Shortage by Industry

The global labor shortage is caused by a complex interplay of various factors. While the specific causes vary by region and industry, using the PESTEL framework, the following are some of the major contributors to the global labor shortage:

Political	Economic	Social	Technology	Environment	Legal
Immigration Policies: <ul style="list-style-type: none"> • Rapid changes on policies • Stringent immigration policies and visa restrictions • Quota of FW intake 	<ul style="list-style-type: none"> • Economic recessions or downturns may lead to layoffs and reduced hiring, contributing to a temporary labor surplus in some areas. • Economic growth in certain regions or industries can lead to increased demand for labor, 	<ul style="list-style-type: none"> • Changing work values leads to a mismatch of labor requirement • Social class bias may hinder labor to join certain industry 	<ul style="list-style-type: none"> • Automation & Robotics: Automation of certain work process may result in job displacement and change of skill requirement 	<ul style="list-style-type: none"> • Climate Change and Agriculture - Changing weather patterns can affect crop yields, which, in turn, can affect labor requirements 	<ul style="list-style-type: none"> • Evolving labor laws and regulations can influence labor availability. These laws can address issues such as minimum wage, working hours, and labor protections.

Figure 2: Analysis on External Forces

This research aims to investigate and comprehend the multifaceted dynamics surrounding this global phenomenon, with a particular emphasis on the retail sector. Malaysia is one of the countries dealing with the effects of the global labor shortage. The retail industry plays an important role in Malaysia's economy, serving as a key driver that contributes significantly to the country's GDP. During the third quarter of 2022, the country has seen remarkable growth in its retail sector, with a staggering 96% increase in retail sales compared to the same period in 2021. However, against this backdrop of soaring retail success, there is a paradoxical challenge: Malaysia's retail landscape is currently marred by a persistent and troubling labor shortage issue that has persisted throughout the year (Hazim, A., 2022). In Malaysia, the top three (3) nationalities that have been contributing to our labor pool are coming from Indonesia, followed by Nepal and India. Nonetheless, Malaysia has recently faced difficulties in recruiting foreign workers to meet the manpower needs of certain industries.

COMPANY BACKGROUND - THE INDUSTRY

JG, a prominent Malaysian supermarket chain, was established in 2007 by Teng Yew Huatt, the founder of Giant Hypermarket. Known for offering a premium shopping experience, they provide a wide range of high-quality products, including fresh produce, groceries, household items, and personal care products, sourced locally and internationally. With 50 outlets across Malaysia as of October 2023, JG has expanded its presence. To remain competitive, the company ventured into online retail in 2017 with the launch of JG Online, enhancing the shopping experience for customers in Malaysia. In January 2022, Green Delivery, Southeast Asia's top super app, completed its acquisition of a 75% share in JG. The acquisition is to bring the convenience of on-demand grocery delivery to more consumers in Malaysia. The acquisition comes at a time when on-demand grocery delivery businesses are rapidly expanding. Along with the acquisition, Green Delivery and JG further expanded the e-commerce platform by introducing GreenPay and GreenRewards. With the goal of becoming the leading online-to-offline (O2O) retailer, the company intends to use its omnichannel strength to provide customers with a rewarding, fulfilling, and exciting experience. This vision emphasizes the company's commitment to improving the customer journey by providing high-quality yet affordable products, enabling seamless cashless checkouts, and

launching its private label, "Green Signatures." In pursuit of this visionary goal, JG has laid out a clear and purposeful mission and values as per the following diagram:



Figure 3: JG'S Mission, Vision and Values

The strategic alignment of JG's vision, mission, and values demonstrates the company's commitment to improving the shopping experience for customers and shaping the retail industry's future. JG operates in a highly competitive retail sector, where it faces stiff competition from well-known competitors such as Village Grocer and Ben's Independent Grocer. In order to stay competitive in the market, JG's 2024 vision is to expand their service to few more states with 6 new outlets opening. The company's expansion is a clear indicator of its robust growth and expanding market presence. To effectively support this outlet expansion and manage the increased operational demands, JG, which currently has 3,506 employees, and comprises of 66% local and 34% foreign workers who majority are station at the outlets, will require an additional 300 personnel to maintain and grow its operations.

STATEMENT OF PROBLEM

2023 manpower planning has identified a significant labor shortage of 75 employees in the Operations Department to support the outlet operations. With the expansion of the business plan in 2024, the situation will become more critical as the department will require an additional 300 employees to support 6 new outlets opening. Currently, the Human Resource department is facing high monthly attrition of 3.7% which is equal to the departure of 130 employees where the majority are local laborers. Due to the difficulties in recruiting local talent to bridge the workforce gap, the company has resorted to hiring foreign workers to keep the outlets running smoothly. The labor shortage crisis is made worse by a concerning trend among foreign workers who hesitate to extend their employment contract upon completion of 2 years tenure. Prior to 2022, there was a notable abundance of foreign workers who willingly extended their contracts to a maximum period of ten years. This has somehow shown a significant shift in the labor landscape and underlying issues that have prompted this change in behavior. Recognizing these constraints, JG's management continues to seek local labor to diversify the demographic of its workforce in order to address the ongoing labor shortage and contribute to the company's sustainability and success. Using fishbone analysis in identifying the root causes of the shifting labor landscape among foreign workers is critical to developing effective solutions that secure the company's future workforce and operational excellence.

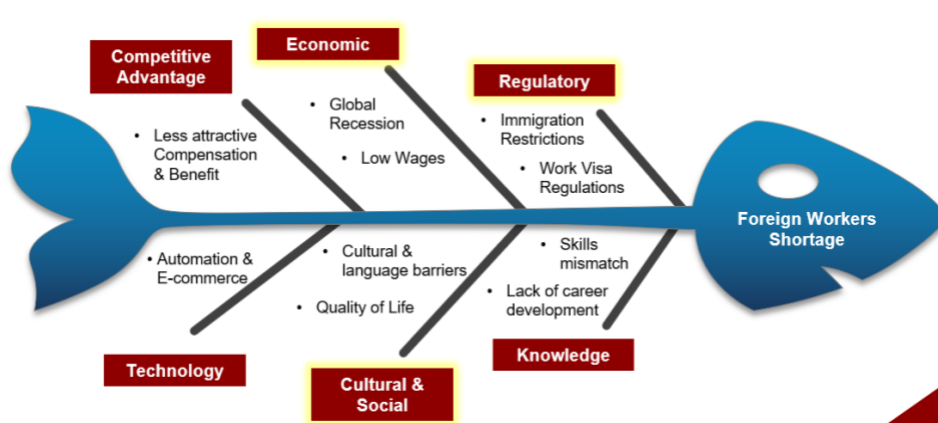


Figure 4: Analysis on Problem Statement

From the six underlying issues, the most significant factors resulting in a shifting labor landscape among foreign workers in Malaysia are influenced by a complex interplay of economic, regulatory, and social factors. Recently, the global recessions that have affected the world have contributed to the economic challenges faced by various countries, including Malaysia. These difficulties have resulted in a significant decrease in the number of foreign workers entering the country. As economic growth slows and the falls of our currency, the Malaysian Ringgit, has subside the attraction. Because of the rising cost of living in Malaysia and our minimum wages remain low, which has a significant impact on the attractiveness of job opportunities in a foreign country. This somehow discourages foreign workers from considering the country as a desirable destination for employment.

In addition to that, regulatory factors have a significant impact on foreign workers entering Malaysia. Local news on April 2023 reported that effective January 2023, Malaysia's government has added new requirements in the Employment Act that Employers who require immigration passes in Malaysia must now seek prior approval from the country's Director General of Labor (DGL) for hiring of foreign employees. There have been few revisions to the system of immigration since 2022 post-COVID 19 which has caused a decrease in efficiency and prolonged the application waiting time. The lengthy period for visa approvals created a further bottleneck in the recruitment process, especially in the Klang Valley has further delayed the process. On top of that, the government has restricted the quota of hiring for certain industries and JG are one of the impacted companies. Clear, fair, and accessible regulatory frameworks can make Malaysia an appealing destination for foreign workers, whereas convoluted or restrictive regulations can deter them from entering. Moreover, cultural differences, language barriers, and social integration factors can indeed be barriers to foreign workers and make adaptation difficult. A lower quality of life, such as concerns about safety and accessibility to healthcare facilities may deter foreign workers from considering Malaysia as an attractive employment destination.² in the country. Understanding these factors is critical for Malaysian labor market stakeholders in developing effective policies and strategies to address labor shortages and meet the changing needs of foreign workers. Given the wide range of factors that may have contributed to JG's labor shortage as well as its far-reaching implications over operational efficiency, supply chain stability, workforce cohesion, employee morale, and the company's image, it is vital for JG's management to determine potential areas for improvement.

DESCRIPTION OF THE IMPLEMENTATION OF THE SELECTED SOLUTION

JG Business is set to expand in 2024 with plans to open several new outlets. With the challenges in filling the vacancies due to global labor shortage, this expansion will result in increased job vacancies. To overcome the labor shortage, JG's management is adopting a holistic approach that integrates technology,

education, policies, and industry-specific solutions, recognizing the importance of staying current with digitalization and evolving labor trends for sustained business competitiveness. Firstly, JG has already implemented self-checkout counters at high-traffic outlets to reduce queues since early 2023 and this effort simultaneously shall result in reduction of manpower requirement and reduce the number of customer’s waiting time at payment counter. Secondly, as online platforms become increasingly popular, JG has launched additional GreenMart stores available at unconventional hours to meet customer demand without having to visit the outlet. Thirdly, the Human Resource department has been actively investing in Learning & Development, with plenty of external and in-house training provided to the employees with the objective to close the skills gap and make the local workforce more employable in roles within the retail industry. As technology advances and reshapes industries, reskilling and upskilling become increasingly important for both individuals and organizations (Tejeda, 2022).

Fourthly, recognizing the contribution of the aging population to the manpower shortage, JG has been offering a part-time job for low-risk job scope with shorter working hours to capable elderly individuals. Acknowledging the wealth of experience and expertise in the table, among the position offered is Customer Service position. These arrangements help to create a more inclusive and age-diverse workplace that benefits both employees and the company. Fifthly, employer branding is a critical element in attracting and retaining top talent. One of the efforts that is champion by the Human Resources department is in shaping the Employee Value Proposition (EVP) following Green Delivery's acquisition in 2022. This effort aims to harmonize the company's culture, compensation and benefits structure, provide a comprehensive training experience, and create an enjoyable overall employee journey. Additionally, the recruitment strategy that now focuses on attracting local talent and improving retention efforts has been actively promoting the JG branding via strong presence on social media platforms such as via TikTok and LinkedIn, aiming to showcase company culture to Generation Z and millennials. Additionally, JG has targeted specialized positions like baking and food processing through participation in career fairs and collaboration with TVET colleges. They're also reaching out to untapped talent pools, such as the Orang Asli community, via partnerships with JAKOA. This proactive approach strengthens the recruitment strategy by fostering community involvement and building a talent pipeline with the right skill alignment.

In addition to refining their hiring strategy, JG's HR team has revamped their compensation and benefits approach by aligning the salary structure with industry standards to maintain competitiveness. They've also introduced several initiatives to support employees, including an Advance Salary program for operational staff facing financial difficulties and establishing a mental wellness support group through external partnerships. Additionally, JG offers flex benefits to selective group of employees by offering annual health screenings, dental care, and optical benefits with the objective to enhance flexibility and support.

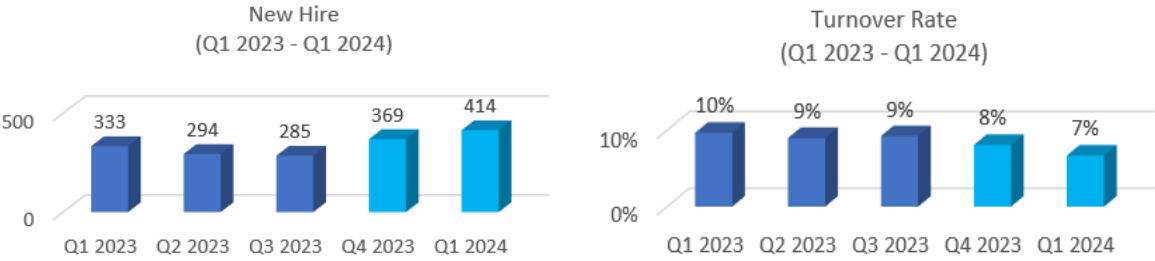


Figure 5: JG’s New Hire vs Turnover Trend (Q1 2023 – Q1 2024)

All the initiatives mentioned above have proactively enhanced sourcing efforts and talent retention, reducing JG's reliance on foreign workers. Figure 5 illustrates a decrease in turnover rate from Q4 2023 to Q1 2024 alongside an increase in new hires during the same period.

SUMMARY OF LESSONS LEARNED FROM IMPLEMENTATION

The complex structure of the global labor shortage that JG and other retail industries face poses significant challenges to operational performance, supply chain stability, and overall staff unity. Recognizing the implications of this gap is critical for businesses like JG to maintain productivity and competitiveness. To lessen reliance on foreign labor and address skill shortages, businesses must widen their workforce recruitment strategies. Organizations may successfully navigate the complexities of the global labor marketplace by gaining a thorough understanding of the multifaceted difficulties and implementing proactive steps.

ANY RESULTS THAT HAVE BEEN ACHIEVED FROM THE IMPLEMENTATION

Data presented in Figure 5 demonstrate the impact of JG's proactive initiatives for improving talent management. Hiring expenses have significantly dropped as a result of their initiatives to expand the talent pool as well as employee retention, especially by reducing dependency on recruiting firms. By focusing on employee retention, less time is needed for onboarding and more resources can be spent on upskilling and preserving information from competent workers for long-term business success. In a nutshell, retaining people has also resulted in enhanced productivity and efficiency.

NEXT STEPS DISCUSSION

Building on current efforts to maintain corporate operations in the face of labor scarcities, JG corporate is exploring the use of smart shopping cart technology. With this change, the business has an outstanding opportunity to improve store efficiency and conform to international retail standards. The implementation of automated digital trolleys holds potential for drastically lowering the need for labor, enhancing operational effectiveness, and improving consumer satisfaction. However, JG needs to assess the employee readiness to adopt with this rapidly changing technology. The plan has higher implementation costs even though it promises more efficiency and for adoption to be effective, it is imperative that staff members receive the necessary training and preparation for technological transmission.

CONCLUSION

In conclusion, JG's labor shortage, caused by a variety of factors, poses a significant risk to the company's overall competitiveness. It is critical to emphasize the significance of developing an appropriate improvement strategy. JG can craft targeted strategies to not only resolve immediate staffing issues but also ensure the organization's long-term sustainability and growth by understanding the root causes. JG's adaptability, innovation, and proactive investment are critical in today's dynamic global business landscape. This will allow the company to navigate the complex challenges posed by the global labor shortage, maintain operational excellence, and continue to deliver high-quality products and services to its customers. JG's future success is dependent on its ability to effectively address recognized manpower challenges and secure a skilled, diverse, and motivated workforce.

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KEK HANG PISANG: UNIFYING LEWIN'S CHANGE MODEL AND ADKAR MODEL FOR BUSINESS TRANSFORMATION

Muhammad Zahin Jamaludin wrote this case under the supervision of *Dr Hamidah Md Yusop* solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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SUMMARY

The case study focuses on Kek Hang Pisang, a home-based SME bakery in Malaysia specialising in banana cake production. It identifies key challenges the bakery faces, including low profitability and operational inefficiencies, and proposes a strategic transformation using Lewin's Change Model and the ADKAR Model. The proposed solutions include investing in larger baking equipment and transitioning to a commercial kitchen to enhance production capacity, scalability, and professional image. The study aims to optimise production efficiency, improve customer satisfaction, and achieve sustained growth and profitability for the bakery.

KEYWORDS: small, medium enterprise, Lewin's change model, ADKAR, food industry

INDUSTRY BACKGROUND

The bakery market in Malaysia is characterised by a diverse range of competition, encompassing industry giants and a growing landscape of home-based bakeries (Carbonetto et al., 2018). Statista data reveals that the sales value of bread, cakes, and various bakery products in Malaysia exceeds RM12 billion, underscoring the significant scale of this vibrant sector (Alexander et al., 2022). This substantial figure not only emphasises the industry's size but also highlights a moderate level of competitiveness in the market.

However, the industry faces challenges in maintaining and sustaining its market presence, particularly in dealing with the rising prices of raw materials influenced by uncontrolled demand and economic and political factors, such as the Ukraine-Russia war impacting wheat prices (Alexander et al., 2022). The impact of the global conditions on the prices of materials like eggs and butter is also significant (Alexander et al., 2022). The challenges posed by these unpredictable conditions affect both large-scale bakery producers and small businesses, necessitating the deployment of creative solutions and optimisation of available resources to meet customer expectations effectively.

The Ukraine-Russia war has had a significant impact on various sectors, including the stock market, government bond markets, and cryptocurrency markets (Boungou & Yatié, 2022; Yagli & Deviren, 2023; Appiah-Otoo, 2023). Furthermore, the war has led to disruptions in grain commodities, impacting the

economies of countries like Ukraine (Rose et al., 2023). Global repercussions have also affected the aviation sector (Prakasa et al., 2022). The bakery industry, particularly small and medium enterprises, is grappling with financial pressures to sustain operations while minimising potential increases in product prices for market viability (Sucipto et al., 2020).

COMPANY BACKGROUND

Kek Hang Pisang, a home-based bakery specializing in homemade banana cakes, was established in late 2020, during the height of the COVID-19 pandemic. The business emerged from a pivotal life transition when the owner accepted a mutual separation scheme from their previous employer. Initially navigating this period by driving for GrabCar, the owner was inspired by their spouse to explore the world of baking, setting the foundation for Kek Hang Pisang's journey.

Driven by a commitment to quality, the owner invested significant effort into perfecting the recipe for banana cake. The business began modestly, relying on word-of-mouth marketing and sales to family and friends. Positive customer feedback and steady demand propelled the bakery to expand its reach through social media platforms. Over time, the product line diversified to include banana chocolate cake, soft marble cake, and banana chips, catering to a broader audience and enhancing customer appeal.

Despite its early success, Kek Hang Pisang encountered significant operational challenges, particularly in scaling its production. Key obstacles included rising raw material costs, insufficient baking equipment, and the owner's personal fatigue from balancing business and family responsibilities. The lack of adequate equipment hindered production capacity, operational efficiency, and the ability to meet increasing customer demand.

This case study examines Kek Hang Pisang's entrepreneurial journey, emphasizing the strategic decisions, resource constraints, and growth challenges faced by a small-scale business. By understanding these dynamics, the study aims to explore practical solutions to enhance operational efficiency and sustainability, offering valuable insights for other SMEs navigating similar growth trajectories.

ISSUES, PROBLEMS AND CHALLENGES

Kek Hang Pisang, a home-based bakery specializing in banana cakes, faces several challenges that threaten its profitability and long-term sustainability. The primary issue revolves around diminished profitability, which stems from a combination of factors such as high production costs, rising expenditures on raw ingredients, and potentially ineffective pricing strategies. These factors collectively hinder the bakery's ability to achieve sustained financial growth.

In addition to financial challenges, the bakery struggles with operational inefficiencies. Limited production capacity, insufficient baking equipment, and suboptimal supply chain logistics have compounded its difficulties in meeting customer demand. These inefficiencies not only impact daily operations but also contribute to increased costs and reduced productivity, further straining the business's profitability.

The dual focus of this case study is on addressing profitability concerns and improving operational processes. By analyzing cost structures, production workflows, and supply chain management, the study aims to identify actionable solutions for optimizing resources, reducing costs, and streamlining operations. The ultimate goal is to transform Kek Hang Pisang into a more efficient and financially stable enterprise, capable of thriving in a competitive market.

SITUATIONAL ANALYSIS

The bakery excels in offering exceptional taste and premium quality products, setting it apart in the marketplace. This core strength draws in a loyal customer base and fosters a cycle of positive word-of-mouth and repeat patronage. Further bolstering its position are the positive customer reviews it garners, a testament to its dedication to quality and customer satisfaction. These reviews amplify the bakery's reputation and trustworthiness. Personalised customer service is a hallmark of the bakery's approach, deepening customer relationships and encouraging loyalty and positive feedback. The bakery's brand credibility is well-established, signalling a dependable and trustworthy choice for consumers and providing a competitive edge in the industry.

However, the bakery's production capacity suffered with insufficient baking equipment, leading to potential delays and an inability to meet demand during peak times, which could affect revenue and customer satisfaction. Being home-based presents scalability, professional image challenges, and regulatory compliance complexities. Limited delivery options and dependency on third-party services increase delivery costs, potentially affecting competitiveness and customer orders. Furthermore, insufficient manpower, relying mainly on the owner and part-time help, posed challenges for the bakery's capacity to manage larger orders efficiently, impacting operational efficiency and customer service.

Despite these challenges, opportunities for growth remain within reach. Expanding delivery channels, whether through partnerships or an in-house delivery system, could help Kek Hang Pisang reach a wider customer base, boosting sales and market presence. Collaborating with local businesses offers another avenue for growth by fostering community ties, creating mutual benefits, and increasing brand visibility through joint ventures or promotional events. Additionally, diversifying the product line with innovative offerings could attract a broader market segment, stimulate interest, and drive sales. Strengthening the bakery's online presence through a professional website, active social media engagement, and e-commerce capabilities could significantly enhance brand visibility, attract new customers, and support online sales—ultimately paving the way for business expansion.

Kek Hang Pisang must also navigate several potential threats to its business. The rising costs of raw materials pose a significant challenge to maintaining profitability, making it imperative to adopt strategic pricing and cost-management measures to protect margins. Supply chain disruptions, whether due to unforeseen events or market volatility, can impact the availability of key ingredients, leading to production delays and increased expenses. The bakery sector's competitive landscape continues to intensify, with new entrants and aggressive strategies from competitors threatening to erode market share and customer loyalty. Additionally, the need for operational adjustments to address market dynamics, regulatory changes, or technological advancements introduces further complexities. To remain competitive, the business must embrace flexibility and invest in necessary innovations and adaptations.

EVALUATION OF THE CURRENT STRATEGY

An evaluation of the company's strategic direction, including its goals and objectives, has been conducted using insights from the current operational model and a detailed SWOT analysis. This review highlights two critical areas requiring immediate attention to enhance business operations: insufficient baking equipment and the limitations of a home-based operational setup. These factors have been identified as significant barriers to the company's growth and operational effectiveness.

The lack of adequate baking equipment is a primary obstacle, restricting the company's ability to scale production and operate efficiently. This limitation hampers the ability to meet customer demands promptly, potentially causing delays in order fulfilment and missed opportunities for business expansion.

Addressing this issue is essential for boosting production capacity and optimizing overall efficiency. Simultaneously, the home-based operational model presents its own set of challenges. While initially adopted as a cost-saving strategy, it now restricts the company's scalability and poses difficulties in meeting regulatory compliance requirements. Additionally, this setup may undermine the professional image of the business. Transitioning to a commercial facility is a critical step toward overcoming these challenges and supporting sustainable growth.

Resolving these issues is vital to aligning the company's operational strategies with its broader business goals. Strategic investments in upgrading baking equipment and relocating operations to a commercial setting will significantly enhance productivity, better accommodate increasing customer demand, and elevate the company's market presence. These measures not only address immediate operational hurdles but also establish a robust foundation for long-term success and expansion.

RESISTANCE TOWARDS CHANGE

Resistance to change is a natural reaction that can hinder the progress of business transformations, especially for small enterprises like Kek Hang Pisang. Despite the clear benefits of transitioning to a commercial kitchen and upgrading baking equipment, resistance may stem from several factors. Emotional attachment to the current home-based setup, which represents cost-efficiency and familiarity, can make it difficult for the owner to embrace significant operational shifts. Additionally, the financial implications of these changes, such as the upfront investment required for new equipment and leasing a commercial space, may intensify hesitation.

Operational adjustments, including compliance with new regulatory requirements and adapting to a commercial environment, could appear overwhelming. This reluctance might be further fuelled by uncertainties surrounding the return on investment, potential disruptions during the transition, and the need to adopt new skills or workflows. The owner's personal fatigue and the dual responsibility of managing both family and business also contribute to a reluctance to venture into unfamiliar territory.

To overcome this resistance, it is crucial to foster a mindset that views change as an opportunity rather than a threat. Utilizing change management frameworks like Lewin's Change Model and the ADKAR Model, Kek Hang Pisang can systematically address the psychological and operational barriers to change. Creating awareness of the benefits, cultivating a desire for improvement, and providing the necessary support and training will ensure a smoother transition. By reinforcing the positive outcomes, such as improved scalability, enhanced efficiency, and a more professional brand image, the bakery can successfully align its operations with long-term growth objectives while mitigating resistance.

STEPS AND IMPLEMENTATION PLAN

For the change initiative to be effective and efficient and yield a significant impact, Kek Hang Pisang must devise a long-term solution to change the overall business and set the objective for the business owner. This case study recommended that the business owner adopt Lewin's change model and the ADKAR model. The bakery can implement a comprehensive set of action steps to enhance the effectiveness, efficiency, and impact of Kek Hang Pisang's transition to investing in larger equipment and shifting to a commercial kitchen. The following table 1 specifies the details of the proposed models.

Table1: Steps of The Proposed Models

Lewin's	ADKAR	Explanations	Actions
Unfreeze	Awareness	Acknowledge the current scalability issues and the need for a more professional setting in a commercial kitchen.	Communicate the challenges of limited scalability and the benefits of transitioning to a professional commercial kitchen.
	Desire	Cultivate motivation in owners to invest in a commercial kitchen by emphasising increased scalability and enhanced professional image.	Provide the advantages of a commercial kitchen, aligning them with business goals.
	Knowledge	Provide comprehensive education on the benefits and operation of a commercial kitchen.	Conduct training sessions to familiarise the team with the functionality of a commercial kitchen, ensuring a smooth transition. Address any concerns or misconceptions.
Change	Ability	Equip the new kitchen with the necessary skills to operate within a commercial kitchen efficiently.	Offer hands-on training and support during the initial commercial kitchen implementation stages. Ensure staff members are confident and competent in their roles.
Refreeze	Reinforcement	Sustain the change by reinforcing positive outcomes and showcasing improvements in scalability and the bakery's professional image.	Regularly communicate and celebrate the success of the transition to a commercial kitchen. Implement measures to embed the change into the organisational culture and celebrate the success.

Firstly, it is through continuous monitoring. Regularly assessing production efficiency, scalability, and customer satisfaction through performance metrics and feedback mechanisms is crucial. This ongoing monitoring allows the bakery to identify areas for improvement and address any emerging challenges. Kek Hang Pisang can make informed decisions to optimise its operations and ensure a seamless transition by closely tracking key indicators.

The second is customer engagement. Active customer engagement is essential for gaining valuable insights into their preferences and satisfaction levels. Kek Hang Pisang should encourage and collect customer feedback, using this information to make necessary adjustments. Implementing customer-centric strategies, such as loyalty programs or promotional activities, will foster a stronger connection with the customer base

and serve as a valuable data source for continuous improvement.

Third is marketing and promotion through digital platforms. Promoting the shift to a commercial kitchen is crucial for generating awareness and expanding the customer base. Kek Hang Pisang can employ robust marketing strategies to emphasise the bakery's enhanced capabilities, professional environment, and steadfast dedication to quality. Leveraging diverse channels, including social media and collaborations, will position the bakery as a preferred choice among consumers seeking high-quality baked goods. The home-baking market is experiencing significant growth, propelled by digital marketing, with social media playing a pivotal role in product advertisement and promotion to boost sales.

By adopting these action steps, Kek Hang Pisang can enhance its transition's ongoing effectiveness and continuously refine its strategies to ensure long-term success in the competitive bakery industry.

EXPECTED OUTCOMES FROM THE PROPOSED SOLUTIONS

The strategic goal for Kek Hang Pisang is to optimise its production capacity, scalability, and overall business success through a comprehensive transition. These involve investing in larger equipment and shifting from a home-based operation to a professional commercial kitchen setting. The aim is to address existing limitations, enhance production efficiency, and foster a more professional image, aligning with broader business objectives such as increased profitability, improved customer satisfaction, and sustained growth. The strategic goal is rooted in the acknowledgement of current challenges and a proactive approach to leveraging the benefits offered by upgraded equipment and a commercial kitchen setup.

Among the expected outcomes from the proposed implementations are:

Larger Scale Production

In the short term, investing in larger equipment immediately boost Kek Hang Pisang's production capacity, allowing the bakery to handle larger orders and meet heightened customer demand efficiently. This short-term solution addresses the immediate scalability challenges, ensuring the bakery can quickly adapt to increased production requirements. On the other hand, the long-term transition to a commercial kitchen strategically establishes a foundation for enduring larger-scale production. With optimised processes, ample space, and advanced equipment, the commercial kitchen ensures sustained growth and adaptability to evolving market demands.

Positive Customer Feedback & Satisfaction

The short-term solution of investing in larger equipment results in immediate positive customer feedback and increased satisfaction. Timely order fulfillment and improved product quality contribute to an enhanced customer experience, fostering favourable reviews and recommendations. In the long term, the transition to a commercial kitchen solidifies overall customer satisfaction. The consistent ability to meet customer demands, maintain product quality, and provide efficient service contributes to sustained positive feedback. The professional setting and optimised processes in the commercial kitchen further enhanced customer satisfaction over time.

Sustained Profitability

In the short term, investing in larger equipment optimises resource utilisation and reduces per-unit production costs, contributing to immediate profitability for Kek Hang Pisang. This short-term solution allows the bakery to capitalise on increased production efficiency while meeting demand without compromising quality. In the long term, transitioning to a commercial kitchen lays the groundwork for sustained profitability. The economies of scale, improved efficiency, and positive customer experiences established in the commercial kitchen contribute to the bakery's enduring success and competitiveness in the market.

CONCLUSION

In conclusion, evaluating Kek Hang Pisang's current strategies, goals, and objectives reveals critical issues that demand immediate attention for the bakery to thrive in the industry. The identified challenges, insufficient baking equipment and reliance on a home-based operation are hindering overall business operations and impeding growth. The inadequacy of baking equipment limits production capacity, potentially causing delays and missed opportunities, while the home-based operation introduces scalability challenges and regulatory complexities. Recognising these challenges, it becomes evident that aligning operational strategies with business objectives is imperative. A comprehensive set of proposed solutions, rooted in both short-term and long-term strategies, is recommended to address these issues. Leveraging the ADKAR Model, Kek Hang Pisang can create awareness about the need for enhanced production capacity, cultivate motivation in owners to invest in larger baking equipment, provide comprehensive education on the benefits and operation of upgraded equipment, equip staff with the necessary skills, and reinforce the change by celebrating positive outcomes. Simultaneously, adopting Lewin's Change Model involves highlighting the challenges associated with limited scalability, implementing the shift to larger baking equipment, and reinforcing the change by showcasing positive outcomes and celebrating improved scalability.

This integrated approach ensures a seamless transition and sustained success, enhancing production efficiency, scalability, and the bakery's overall professional image. Kek Hang Pisang sets the stage for continued growth and resilience in the competitive bakery industry by investing in larger equipment and transitioning to a commercial kitchen. By unifying Lewin's Change Model and ADKAR Model, Kek Hang Pisang ensures a holistic and effective approach to business transformation. The strategy addresses the identified weaknesses and sets the groundwork for sustained profitability, positive customer experiences, and long-term growth. This integration acknowledges change's organisational and human elements, fostering a cohesive and resilient business environment.

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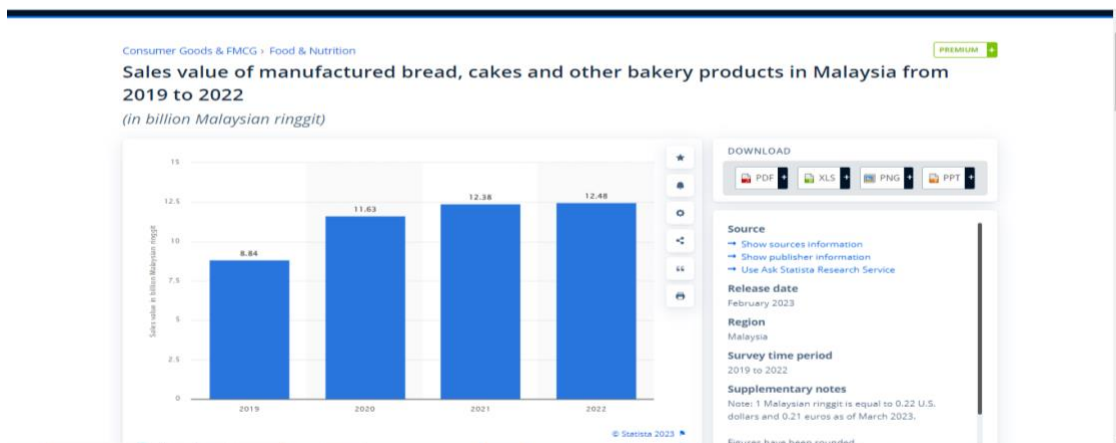
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EXHIBITS

Kek Hang Pisang's online presence – social media



Graph from Statista for the sales value of manufactured bread, cakes and other bakery products in Malaysia from 2019 to 2022.



LEADING THROUGH THE COVID-19 PANDEMIC: LEARNING FROM ONE OF SUCCESSFUL FEMALE LEADERS IN MALAYSIA

Ria Restyani Said wrote this case under the supervision of *Dr Suriana Ramli* solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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SUMMARY

This case closely examines the crucial concept of steering through turbulent times and the importance of effective leadership amid industry challenges in Malaysia. It outlines how the COVID-19 pandemic has significantly impacted various sectors of the Malaysian economy. In essence, the study provides a detailed exploration of how leaders can successfully navigate through turbulent times, specifically during the COVID-19 crisis. This evaluation is broken down into three main parts. The first part focuses on the background of the leader and the case. The following section of the assessment highlights the challenges faced by the leader in navigating the turbulence caused by the COVID-19 pandemic and the strategies employed by the leader to overcome these challenges. The final section of the study analyses the leadership style adopted by the leader and its impact on the organization's performance and resilience during these turbulent times. The findings of this study reveal that effective leadership plays a crucial role in navigating turbulence and ensuring the resilience of organizations in Malaysia.

KEYWORDS: Leadership, Turbulence, Resilience, Covid-19 Pandemic

INTRODUCTION

In the dynamic and constantly evolving global landscape, leaders must possess the crucial ability to navigate through challenging situations effectively. This is particularly essential during times of crisis like the current COVID-19 pandemic. As the world faces unprecedented challenges, it becomes evident that exceptional leadership plays a vital role in minimizing the effects of such crises on businesses, industries, and societies worldwide. Amidst these chaotic circumstances, Malaysian leaders have demonstrated remarkable resilience and adaptability by successfully implementing innovative strategies and adopting best practices to maneuver through the turmoil caused by this ongoing pandemic.

The significance of effective leadership in Malaysia's business landscape cannot be emphasized enough, especially in the face of relentless uncertainties brought about by the COVID-19 pandemic. Effective leadership is essential for addressing the crisis and managing key stakeholder expectations, communicating tough decisions with employees, and developing agile strategies to adapt to changing market conditions.

Strong leadership is essential in guiding organizations through complex and uncertain times. It necessitates both a reactive response to current challenges and proactive adaptation to a changing corporate landscape, particularly among government-linked companies that contribute primarily to the country's economy. Effective leadership in Malaysia during this crisis, entails deliberate communication and the activation of resilience through network interactions.

The background of the leader and the case study are presented first in this study. The leader's talents and competencies of the leader have positioned them to handle the obstacles brought by the COVID-19 epidemic effectively. The focus leader is a highly experienced and skilled professional who has exhibited outstanding leadership characteristics throughout their career. This study focuses on Malaysian leader' reactions to the COVID-19 pandemic, in which leaders utilized a variety of methods and ways to manage issues and improve business resilience. It hopes to gain insight into the critical function of leadership during times of crisis by studying these leadership approaches and their outcomes, notably in Malaysia's ongoing struggle against COVID-19.

BACKGROUND OF THE LEADER

The selected leader is an extraordinary leader who has made a significant impact in her field. While growing up with six siblings in humble circumstances, she graduated with a master's degree in Human Capital Management and has dedicated 18 years of diligent service to the Lembaga Tabung Haji. From hotel management to current position as Regional Director for Sabah and Sarawak, her journey has been nothing short of remarkable. Throughout her career, she has demonstrated outstanding leadership skills and has been able to navigate numerous challenges effectively.

As a result of her exceptional achievements and contributions, she has received numerous accolades. A few of these include the Excellence Sabah State Achievement Awards, *Anugerah 100 Wanita Inspirasi Sabah 2022*, as well as the Best Regional Director Award. Additionally, she has been recognized for her leadership qualities during disruptive times like the COVID-19 pandemic, when she demonstrated compassion, empathy, connectedness, and vulnerability in leading her team.

Her leadership skills have consistently led to increased depositor numbers and increased zakat contributions over the course of her tenure.

Years	Depositors
2019	529,737
2018	521,429
2017	513,208
2016	497,990

Table 1 : Number of depositors in Sabah based on Pelan 50TH

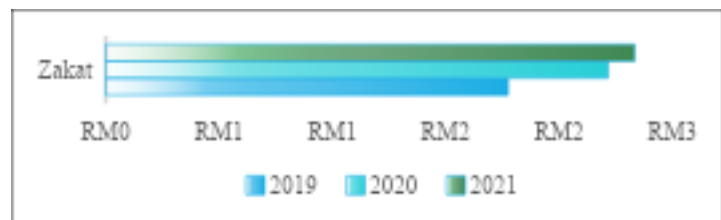


Figure 1: Zakat Contributions in Sabah

The remarkable journey and accomplishments of the leader which is among the few successful female leaders in the organisation serve as indisputable evidence of her outstanding leadership abilities, relentless determination to make a positive impact in her field, and ability to navigate the evolving landscape of COVID-19 adeptly.

BACKGROUND OF THE CASE

In Malaysia, as in many other countries, the COVID-19 pandemic has presented unprecedented challenges and disruptions to various sectors, including healthcare, education, and the financial sector. One of the sectors significantly affected by the pandemic is the operations of Company **HAJ**. **HAJ** is an Islamic institution that continuously strives to provide the most comprehensive and systematic facilities for the welfare of Malaysian hajj pilgrims. Other than providing a halal savings platform and efficient hajj management services, **HAJ** also carries out investment activities to increase the value of depositors' savings with **HAJ**.

When COVID-19 hit Malaysia, it caused significant disruption to the operations of **HAJ**, posing immense challenges for their leadership. The pandemic has presented numerous challenges to **HAJ**, affecting its operations in several ways. Travel restrictions imposed due to the pandemic have severely impacted **HAJ** core function of facilitating Hajj pilgrimage for Malaysian Muslims. The closure of international borders and the suspension of the Hajj pilgrimage by the Saudi Arabian government have led to the postponement, causing disruptions in its everyday operations.

THE CHALLENGES FACED BY THE LEADER

Our selected leader encountered several challenges in dealing with operational disruptions, particularly during the pandemic. The ever-shifting circumstances confronting her proved to be one of the most formidable challenges, as the situation was constantly in flux. The environment proved to be dynamic and unpredictable due to constant shifts in information and requirements. For instance, at one point, management mandated that customers fill out a form for service at branches; however, when the government announced that MySejahtera would be required for all activities, the standard operating procedure abruptly changed. COVID-19 also disrupted branch operations due to lockdown measures and movement restrictions imposed to control the spread of the virus. This resulted in temporary closures of branches, limited access to services for customers, and a decrease in customer transactions.

In addition, the leader mentioned the challenges she faced in prioritizing the health and well-being of her team members. With some employees working on-site and others affected by COVID-19, it limited the overall operation. To ensure customer safety at branch offices, **HAJ** implemented measures such as restricting the number of customers allowed inside at a time, providing hand sanitizers at entrances, and conducting temperature screenings. These initiatives had an impact on operating hours during this period.

Besides that, managing business operations and effectively overseeing remote teams also become challenges to her. It became essential to ensure that critical operations, such as savings and withdrawal, continued seamlessly while adhering to new health guidelines. She acknowledged encountering some initial resistance from certain team members who expressed concerns about personal safety and requested permission to work remotely. With remote work becoming the new norm, she was required to learn strategies for effectively leading remote teams to maintain collaboration among teams and ensure productivity despite the challenges posed by working remotely. In this period of uncertainty, effective and reliable communication with all parties involved has become crucial. She had expressed the difficulties faced in ensuring transparent and consistent communication with staff members, customers, and other significant stakeholders, particularly considering the delay of the hajj pilgrimage.

THE APPROACH TAKEN

In navigating the challenges of uncertainty and rapid changes, the leader strategies were grounded in three core principles: regularly updating crisis response plans, communicating clearly and staying informed. She encouraged open dialogue and collaboration among team members, department heads, and experts. While she provided overall direction and guidance, she valued input from all levels of the organization to make informed decisions regarding operational adjustments during the pandemic.

Our selected leader showed a solid commitment to the health and safety of her team members. She implemented safety measures at branch offices and accommodated requests for remote work, prioritizing the well-being of employees. To ensure their health and security, she established the *Jawatankuasa Keselamatan Kesihatan HAJ*, which quickly adapted to new health requirements and provided protection for on-site workers.

Furthermore, our leader and her team placed a strong emphasis on equipping employees with the necessary tools to carry out their duties securely and efficiently. This encompassed supplying personal protective equipment as part of their safety measures. She expressed her commitment to effectively listening to the concerns of her team members and addressed them with empathy. She also ensured that resources and programs, such as *HAJ Bantuan Khas Covid-19*, were provided to support employees in managing their mental health and overall well-being.

During the challenging period, our lead implemented various strategies to ensure the smooth functioning of HAJ Borneo. One of these approaches involved establishing a robust Remote Work Infrastructure, enabling employees to carry out their responsibilities effectively from home. This initiative included equipping staff with necessary tools and technology, such as laptops instead of desktops. Additionally, a structured duty schedule was devised for both on-site and remote teams to prioritize safety measures during this time. In response to the shift towards remote work, she took proactive measures to promote a sense of unity, productivity, and effectiveness among the remote teams. She initiated frequent virtual team meetings, established designated communication channels for COVID-19 updates, and encouraged individual check-ins with team members.

During the postponement of Hajj pilgrimage, our leader implemented various strategies as a Regional Director to ensure team cohesion and motivation. One such strategy was organizing a virtual town hall meeting where she addressed concerns, explained the rationale behind the decision, and expressed appreciation for the team's commitment. She underscored the significance of their mission and emphasized the need for unity among team members. This approach provided reassurance and boosted motivation within the team.

LEADING FROM THE HELM: DISCUSSION ON THE LEADERSHIP STYLE

The concept of organizational resilience is a topic of interest as experts examine how organizations grow through challenges and develop new competencies. However, the question of "how an organization can build resilience at the organizational level" remains unanswered. Building organizational resilience, especially during times of crisis or adversity, is closely tied to the leadership role's ability to facilitate resilience and focus on recovery. Our selected leader utilizes three different leadership styles - servant leadership, adaptive leadership, and transformational leadership - that align with her approaches. She displayed a solid dedication to the welfare and security of her team members, demonstrating a clear emphasis on their well-being. She promptly established a health and safety committee to address their needs.

She actively listened to and addressed the concerns of her team members, going above and beyond professional expectations to support their mental health and well-being. Her approach adhered to the Servant Leadership Model as stipulated by Greenleaf, 1970, which emphasizes leaders' roles as servants to their teams, prioritizing their needs, and encouraging personal and emotional growth.

The leader shows the ten characteristics of a servant leader, which include listening, empathy, and healing. Listening is accepting and validating followers' viewpoints; empathy is "putting oneself in the shoes" of another person and attempting to understand the world through that person's eyes; and healing is helping followers become complete; servant leaders are themselves healed.

She achieved the continuation of operations by developing defined guidelines for working from home and setting up remote work infrastructure. These adaptive leadership tactics enabled her to swiftly adjust to the remote work environment and align with the situational approach discussed by Hersey & Blanchard, 1982 by providing the required resources to team members and adjusting to the situation.

Her management of remote teams demonstrated her adaptability by leveraging virtual team meetings and individual check-ins. These strategies were in line with the Situational Leadership Model presented by Hersey & Blanchard, 1982, as she shifted her communication style to meet the changing demands of her remote team members.

Furthermore, her approach to the virtual town hall meeting, where she enthused and motivated her team members, exemplified transformational leadership. She underlined the importance of their mission and unity, emphasizing the transformational leader's role in establishing a compelling vision and encouraging people to that vision.

PLOTTING THE COURSE FORWARD: RECOMMENDATIONS

Based on the study's focus, which highlights the effects of strong leadership in navigating turbulence in Malaysia, there are several key recommendations that can be made to enhance leadership effectiveness:

1. Implement comprehensive and tailored leadership development programs: These programs should provide leaders with the necessary knowledge, skills, and tools to navigate turbulent situations successfully.
2. Foster a culture of empowerment and autonomy: Leaders should be provided with ample resources, authority, and autonomy to make informed decisions during challenging circumstances.
3. Cultivate an environment characterized by empathy and understanding: Encourage leaders to prioritize empathy towards their team members while actively seeking to understand their unique perspectives and challenges.
4. Promote open communication channels: Encourage leaders not only encourage but equip them to communicate transparently and honestly with their teams especially when faced with uncertainty circumstances.

CONCLUSION

In conclusion, the leader leadership approach during the COVID-19 pandemic incorporated elements of both servant and adaptive leadership styles. She prioritized the safety and well-being of her team, demonstrating qualities associated with servant leadership, such as empathy and supporting personal growth. Additionally, she showed adaptability by effectively communicating and responding to rapid changes in circumstances. By combining these two approaches, she successfully maintained employee unity while also ensuring operational continuity during challenging times.

ACKNOWLEDGEMENT

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STRATEGIC AGILITY: PAVING THE WAY FOR VENDOR COMPANY SURVIVAL AMID FUNDING CHALLENGES

Muhammad Syafiq bin Abdul Rahman wrote this case under the supervision of **Professor Dr Norzanah Mat Nor** solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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SUMMARY

The research delves into the challenges faced by Genetron, a company struggling to maintain profitability due to a shortage of research grants from its clientele. The paper posits a range of agile strategies suitable for adoption by Genetron and analogous industries to sustain profitability despite financial constraints. These strategies encompass implementing adaptable pricing models, initiating equipment leasing programs, cultivating strategic partnerships, tailoring service packages, adoption subscription-based services, engagement in open-source initiatives, providing rapid prototyping services, pursuing agile product development, and diversifying services. Recommendations on executing these strategies are also delineated, including introducing agile pricing strategies, implementing lean operations, utilising rapid prototyping, and encouraging cross-functional collaboration. The anticipated outcome of implementing these strategies is the facilitation of swift adaptation to changes, the creation of diversified revenue streams, heightened customer satisfaction, improved operational efficiency, and the cultivation of stronger collaborative ties.

KEYWORDS: Strategic Agility, Funding Challenges, Agile Solutions, Customer-Centric Strategies, Lean Operations

COMPANY BACKGROUND

Genetron, operating as a multinational entity, stands at the forefront as a premier provider of Electric and Electronic field test and measurement equipment, encompassing oscilloscopes, protocol analyzers, digitizers, and arbitrary waveform generators (AWG), among other instruments, across regions including Singapore, Malaysia, Thailand, Philippines, Vietnam, and Indonesia. Committed to establishing itself as a proficient and reliable test solutions partner, Genetron emphasizes delivering robust and responsive pre- and post-sales services to its diverse clientele. The company offers various electronic tests and measurement instruments for sale, accompanied by comprehensive calibration and repair services for all products sold and represented. Furthermore, Genetron provides application support and training to equip customers with insights into the latest technological advancements, aiding them in advancing their applications. Additionally, the company consults with customers to tailor software development for automated testing, streamlining research processes and reducing time constraints.

Genetron's primary customer base hails from industries and IPTA (Institute of Public Technical and Academic) sectors, specifically focusing on applications related to communication, Power Electronics, Power Systems, and other domains within the Electric and Electronic Engineering realm. Consequently,

Genetron's employees play a pivotal role in ensuring the realization of the company's goals, fostering continuous engagement with customers, and upholding the company's commitment to excellence in the field.

Operation in Malaysia

The company's objectives and mission underscore Genetron's status as a multinational entity dedicated to facilitating industries and academia by disseminating cutting-edge equipment tailored for engineers and researchers in various applications. Within the academic domain, Genetron is a consultant for projects spanning electric vehicles, battery management systems, photonics, photovoltaics, and other facets of the electrical and electronic field. The consultancy process entails recommending a curated list of test equipment suitable for the customer's application, providing quotations, participating in tenders, coordinating deliveries, and offering training services. Collaboration with third parties is a requisite, enabling participation in tenders and bolstering support for equipment distributed by Genetron Malaysia.

The acquisition of research grants holds paramount significance for Genetron, serving as the sole means to sustain annual profits. Consequently, it is imperative for Genetron to consistently engage with its customers, particularly researchers and lecturers, proactively addressing their application requirements well in advance of grant deadlines. This proactive approach is vital for ensuring a seamless alignment with customer needs and, in turn, maintaining a robust financial standing for Genetron.

RELATED INDUSTRY

In recent years, the higher education industry in Malaysia has undergone substantial growth and development, solidifying the country's position as a regional hub for academia and research. This sector encompasses various institutions, including public universities, private colleges, and international branch campuses, collectively contributing to the nation's progress in knowledge, innovation, and socio-economic development. The expansion of Malaysia's higher education industry has been particularly noteworthy, establishing it as a prominent centre for academic and research endeavours in the region (Ahmad et al., 2014). Notably, Malaysia's higher education sector is distinguished by its emphasis on international collaborations and partnerships, attracting students and faculty worldwide to participate in academic and research activities, thereby enriching global knowledge exchange and cultural diversity within the Malaysian higher education landscape.

In summary, Malaysia's higher education industry has made significant strides in becoming a hub for academic and research pursuits, actively fostering international collaborations and partnerships to enhance its global reputation and impact. Research serves as a foundational element for higher education institutions (HEIs) in Malaysia, propelling the advancement of knowledge, addressing societal challenges, and fostering innovation across diverse academic disciplines. Actively engaging in research endeavors enhances the academic offerings of HEIs but also solidifies their reputation as influential contributors to global knowledge and innovation (Sultana & Momen, 2017). Through research, HEIs in Malaysia deepen their understanding of local and global issues, develop solutions to pressing societal challenges, and establish themselves as leaders in their respective fields. Additionally, research is pivotal in attracting top-tier faculty and students, fostering a vibrant academic environment characterized by intellectual curiosity, innovation, and collaborative partnerships.

EDUCATION GRANT

An illustration of a research grant accessible to Malaysian universities is the Research University Grant Scheme, a competitive program designed to bolster and facilitate research endeavors within these institutions. Through this scheme, universities can secure financial support for research projects, encompassing the procurement of essential equipment for their investigative pursuits. The initiative provides funding for research activities and aids in acquiring necessary tools, thereby fostering the progression of knowledge and innovation across various academic disciplines.

Another example is the Fundamental Research Grant Scheme, which specifically supports fundamental research projects conducted by universities and research institutions in Malaysia. This grant program extends financial assistance to universities to acquire equipment and resources essential to conducting fundamental research (Tawi et al., 2015). These grants are pivotal in empowering universities to execute their research initiatives and obtain the requisite equipment, contributing significantly to the holistic development of higher education in Malaysia.

Furthermore, the Malaysian Ministry of Higher Education extends various research grants to universities, including the Exploratory Research Grant Scheme. This scheme offers financial support for exploratory research projects, enabling universities to delve into new research realms, generate preliminary data, and cultivate innovative ideas that may evolve into more extensive research initiatives. Despite the availability of these research grants and funding opportunities, challenges persist for many Malaysian universities in securing grants specifically for procuring equipment (Tawi et al., 2015).

MOH Research Grant (MRG)	Ministry of Health Malaysia (MOH)
Fundamental Research Grant Scheme (FRGS)	Ministry of Higher Education (MOHE)
Long Term Research Grant Scheme (LRGS)	Ministry of Higher Education (MOHE)
Prototype Development Research Grant (PRGS)	Ministry of Higher Education (MOHE)
Trans-disciplinary Research Grant Scheme (TRGS)	Ministry of Higher Education (MOHE)
Malaysia Laboratories for Academia-Business Collaboration (MyLAB)	Ministry of Higher Education (MOHE)
Applied Innovation Fund	Ministry of Science, Technology and Innovation (MOSTI)

Diagram 3.0: The lists of Research Grants in Malaysia

PROBLEM STATEMENT

Genetron Sdn. Bhd faces a problem in maintaining its profitability from 2018 until 2023. One of the issues is due to a long waiting period and the loss of the profit margin for the company. The data from Genetron itself has shown that there was almost a 55% loss from 2020 until mid-year 2023 compared to 2018. Instead of that, due to the underfunding issues, the purchase cancellation might also be considered. This is because the insufficient grant from the IPTA leads to a lower profit margin thus exceeds the transfer price that the manufacturer gave. All industries with the same scope as Genetron in Malaysia need to implement agile solutions to maintain profit and survive in this industry.



Diagram 4.0: Genetron Profitability 2018- 2022

The critical importance of precise weather forecasts cannot be overstated in the contemporary and rapidly evolving world. However, acquiring grant funding for equipment in higher education encounters various challenges, impeding the advancement and accessibility of education. A key obstacle lies in the limited funding availability, which curtails universities' capacity to procure and sustain essential, up-to-date equipment for teaching, research, and other educational pursuits. Another noteworthy challenge is the escalating competition among institutions for the finite pool of funding resources. This heightened competition further complicates securing grants for equipment acquisition, with higher education institutions grappling to secure the necessary funds.

Moreover, the effective allocation of bursaries poses an additional hurdle for higher education institutions, constituting a global phenomenon rather than a localized issue (O'kane et al., 2021). In the context of Malaysia, specific challenges such as underfunding, restricted access to computing technologies, elevated equipment costs, and insufficient support for e-learning initiatives are prevalent. Despite the commendable

goals and objectives set for universities in Malaysia, the systemic challenges practically hinder the realization of these objectives. A significant issue Malaysian universities face in obtaining grants for equipment purchases is the intense competition for limited funding (O’kane et al., 2021). With numerous universities vying for the same pool of funds, the selection process becomes highly competitive, potentially leaving many deserving institutions without the necessary financial resources to acquire equipment for their research endeavors.

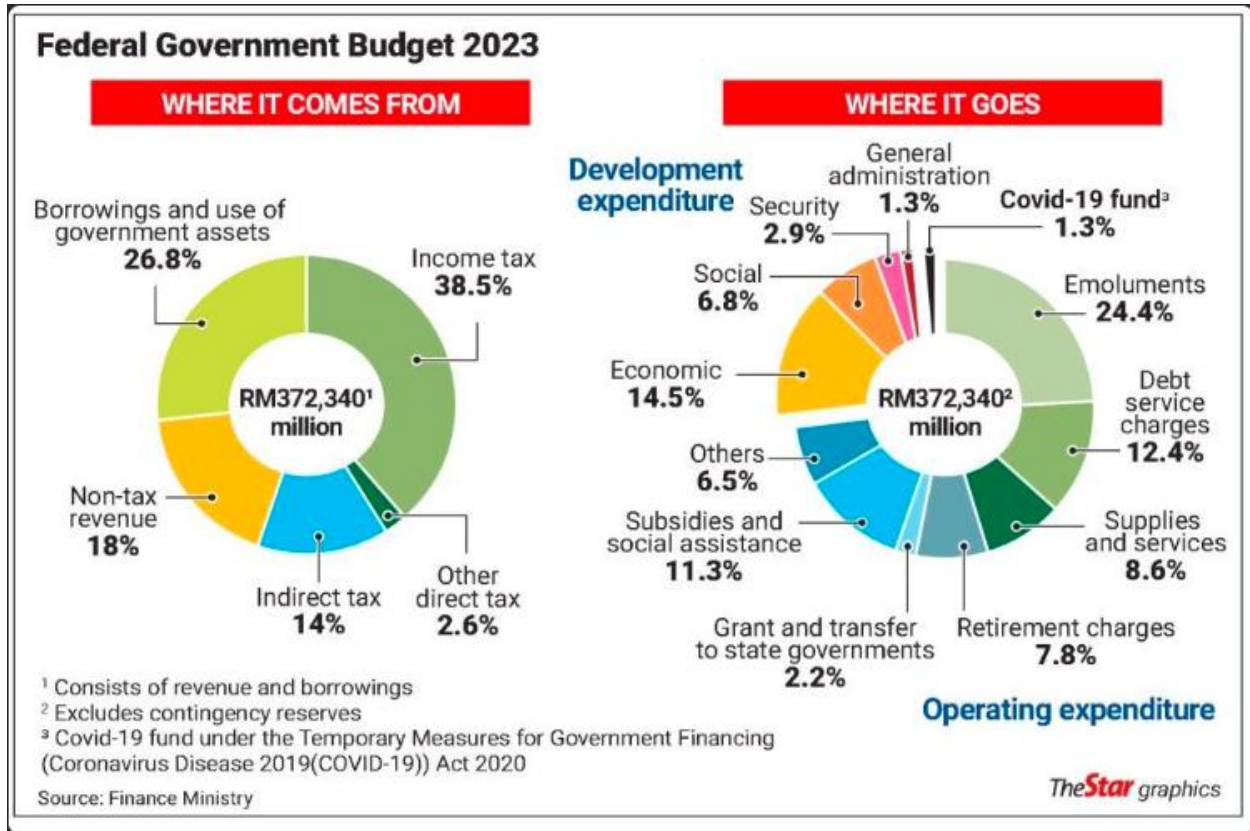


Diagram 4.1: 2023 Federal Government Budget

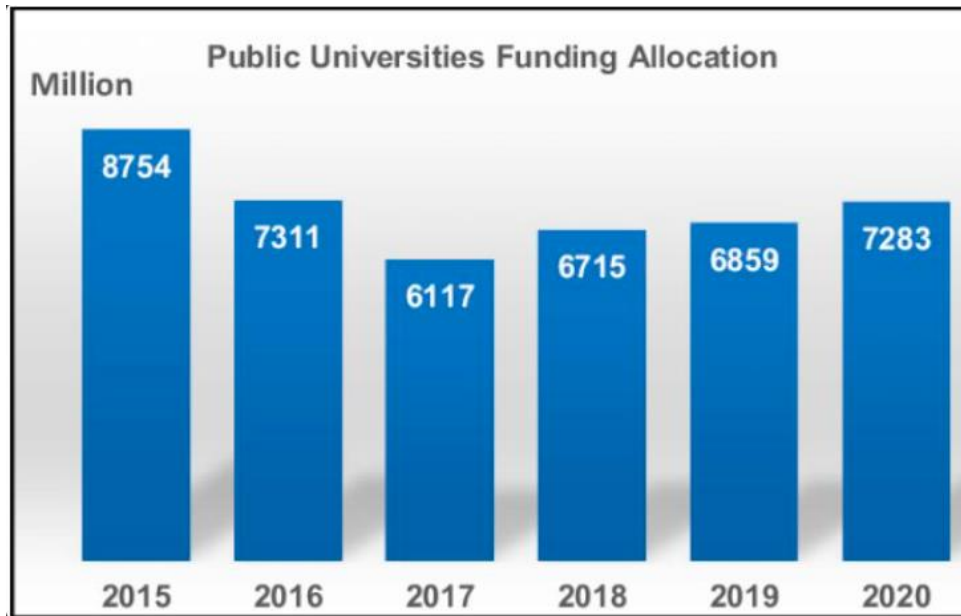


Diagram 4.2: Public Universities Funding Allocation

SOLUTIONS

Managing financial challenges and maintaining profitability independently of research grants is a daunting yet critical task for Genetron. As a vendor company operating in an industry where researchers often face budgetary constraints, adopting agile solutions is essential for navigating evolving circumstances effectively. By implementing innovative strategies tailored to the specific needs of financially constrained customers, Genetron can not only overcome these challenges but also ensure long-term sustainability and profitability. One of the primary strategies recommended is the adoption of Flexible Pricing Models. These pricing structures are designed to accommodate the financial limitations of researchers and academic institutions. Flexible options, such as tiered pricing, subscription-based plans, or pay-as-you-go models, enable customers to select a payment structure that aligns with their budgets. This approach lowers the entry barrier for potential clients and establishes steady and predictable revenue streams for Genetron.

Another critical solution is the introduction of Equipment Leasing Programs. Leasing allows researchers to access essential tools without incurring significant upfront costs, making advanced equipment more financially accessible. For Genetron, this approach provides a consistent revenue flow while fostering long-term customer relationships. Leasing is particularly advantageous for researchers engaged in short-term projects, as it reduces financial risk and provides flexibility in resource allocation. Strategic Partnerships play a pivotal role in addressing financial constraints. By collaborating with academic institutions, research centers, and funding agencies, Genetron can share resources, expertise, and costs. These partnerships can take various forms, including joint ventures, co-funding arrangements, or shared resource agreements. Such collaborations enhance Genetron's market reach and strengthen its reputation as a reliable and community-oriented partner.

Additionally, Customizing Service Packages to meet customers' specific needs with limited budgets is a practical solution. Scaled-down versions of high-cost equipment or bundled services, such as training and support, can provide cost-effective options for researchers. This tailored approach demonstrates Genetron's commitment to addressing customer needs, fostering loyalty, and building trust. The introduction of

Subscription-Based Services is another promising strategy. This model allows researchers to access equipment and services over time, spreading out costs and alleviating financial burdens. For Genetron, subscriptions ensure a steady income while establishing ongoing customer relationships that encourage retention and upselling opportunities.

Moreover, Genetron can explore Open-Source Initiatives or reduced-cost offerings. Making certain tools or services available for free or at a discounted rate enhances the company's reputation within the academic community and attracts a broader customer base. This approach not only fosters goodwill but also encourages researchers to invest in complementary paid services or upgrades in the future. To further support researchers in making informed purchasing decisions, Genetron could offer Rapid Prototyping Services. These services allow researchers to test equipment at a reduced cost before committing to a full purchase. By mitigating financial risk and building trust, this strategy increases the likelihood of eventual sales while fostering customer satisfaction.

Another essential component of the solution is Agile Product Development. Genetron can respond promptly to customer feedback and evolving market needs by adopting an iterative approach. This ensures that products remain relevant, competitive, and valuable, solidifying the company's position as an industry leader. Finally, service diversification is imperative for reducing reliance on a single revenue stream. By expanding into consulting, training programs, and maintenance services, Genetron can offer its customers a more comprehensive value proposition. Diversification enhances customer satisfaction and creates additional avenues for revenue generation.

In conclusion, managing financial challenges requires flexibility, innovation, and customer-centric approaches. By implementing these agile strategies, Genetron can fortify its resilience, adapt to financial constraints, and sustain profitability despite substantial research grants. These solutions address immediate challenges and position Genetron as a trusted partner for researchers, fostering long-term success and growth.

IMPLEMENTATION

Vendor companies often face significant financial challenges, particularly when reliant on external funding such as research grants. In such circumstances, implementing agile strategies is vital for sustaining profitability and ensuring survival. These strategies allow companies to respond dynamically to market demands, streamline operations, and prioritize customer needs, fostering long-term adaptability and resilience.

One effective approach is the introduction of agile pricing strategies. These pricing models are designed to be responsive to market conditions and customer budgets, ensuring affordability for researchers with limited financial resources. Such strategies include tiered pricing, which offers multiple service levels at different price points; discounts for early adopters to incentivize quick adoption; and variable pricing based on usage to cater to fluctuating needs. These flexible models not only make services more accessible to a broader audience but also ensure consistent revenue generation for the vendor.

Another key strategy involves lean operations and cost optimization. Companies can significantly reduce operational costs while maintaining quality and performance by identifying inefficiencies, minimising waste, and streamlining workflows. This lean approach ensures that profitability is sustained even in resource-constrained environments. For instance, focusing on efficiency improvements in production and inventory management can free up valuable resources, making the company more resilient to financial pressures.

The adoption of rapid prototyping and Minimum Viable Products (MVPs) is also critical. Rapid prototyping enables companies to quickly develop and deliver essential features of equipment or services, reducing time-to-market. This approach ensures the company can respond swiftly to market demands and facilitates the collection of valuable customer feedback for iterative improvements. By prioritizing MVPs, companies can test their offerings with minimal investment and refine them based on real-world usage.

Cross-functional collaboration is another essential element in addressing financial challenges. Breaking down silos between departments fosters enhanced communication and ensures a unified approach to tackling profitability-related issues. For example, collaborative efforts between research and development, marketing, and sales teams can result in better-aligned strategies, faster decision-making, and more effective resource utilization.

Additionally, companies like Genetron can introduce flexible service models to meet the evolving needs of researchers. These models might include subscription-based services, short-term rental options, or pay-as-you-go systems. Such alternatives provide cost-effective solutions for researchers while creating recurring revenue streams for the company. These models are particularly beneficial in an environment where outright equipment purchases may not be feasible for many customers.

Customer-centric innovation plays a pivotal role in maintaining relevance and competitiveness. By actively seeking and integrating customer feedback, companies can tailor their offerings to better align with their audience's specific needs and pain points. Continuous innovation driven by customer insights not only enhances satisfaction but also builds long-term loyalty and trust.

Lastly, implementing agile supply chain management is crucial for navigating dynamic market conditions. Maintaining lean inventories, collaborating closely with suppliers, and employing flexible sourcing strategies enable companies to respond swiftly to changes in demand and supply. This approach minimizes resource wastage and ensures the company remains responsive to market fluctuations.

In conclusion, by integrating these agile implementations—ranging from pricing strategies and lean operations to customer-centric innovation and supply chain management—companies like Genetron can enhance their adaptability, responsiveness, and sustainability. Despite substantial research grants, these strategies provide the flexibility and innovation required to navigate financial challenges and maintain profitability in a competitive environment.

LESSONS LEARNED

There are some valuable lessons from agile implementations that a vendor company can learn to sustain profitability and survive when facing financial constraints due to a lack of research grants. First is embracing flexibility in Business models that allow for quick adjustments based on market demands, pricing strategies, and customer preferences. The second is to apply an iterative approach to product development, focusing on delivering minimum viable products (MVPs) quickly. Gather feedback from customers and continuously enhance products based on evolving needs. The third is to prioritize a customer-centric approach by actively seeking customer feedback, understanding their pain points, and tailoring services to meet their specific requirements within budget constraints. Next is to implement agile marketing strategies to respond swiftly to changes in the market environment. Utilize digital marketing channels, social media, and data-driven insights for targeted and cost-effective promotion. In addition, adopt a culture of continuous cost optimization by regularly assessing internal processes, identifying improvement areas, and eliminating unnecessary expenses. Besides that fosters cross-functional collaboration within the organization to break down silos and ensure a unified approach to addressing challenges related to profitability and financial sustainability. Moreover, recognize the value of strategic partnerships and

alliances to share resources, expand service offerings, and navigate financial challenges collaboratively. Other lessons are applying lean operations principles to streamline workflows, reduce waste, and improve overall efficiency. This lean mindset enables the company to do more with fewer resources. Next is embracing digital transformation initiatives to enhance online presence, improve customer experiences, and facilitate remote access to services. Digital tools can increase operational efficiency and open new revenue streams. The agile solutions and implementation for this case study can
Harness the power of data-driven decision-making. Utilize customer data, market trends, and performance metrics to proactively inform strategic decisions, identify opportunities, and proactively address challenges.

Lastly, the lesson is to invest in employee upskilling and cross-training to enhance versatility. A skilled and adaptable workforce is essential for the company to navigate changing roles and responsibilities effectively. Thus, by internalizing these lessons from agile implementations, a vendor company can enhance its ability to adapt, innovate, and navigate financial constraints effectively, ensuring sustained profitability and survival in challenging situations.

RESULTS

Implementing agile strategies in response to financial challenges can yield several expected results for a vendor company especially for Genetron Malaysia aiming to sustain profitability and survive without relying on research grants. It can increase the ability to quickly adapt to market conditions, customer preferences, and emerging trends. Agile implementations foster a more responsive and flexible business model. The results also lead to the creation of diversified revenue streams. The company may explore new service offerings, business models, or markets to reduce dependency on a single source of revenue. Besides that, agile approaches, driven by customer feedback and continuous improvement, can enhance customer satisfaction. Satisfied customers are more likely to remain loyal and continue doing business with the company.

In addition, implementing lean principles and agile operations can increase operational efficiency. Streamlined processes, reduced waste, and optimized workflows contribute to cost savings and improved overall efficiency. Moreover, Agile product development and iterative approaches can result in a faster time-to-market for new products or services. This agility allows the company to seize opportunities and swiftly respond to market demands. Next, agile strategies may foster stronger collaboration with internal teams and external partners. The company may establish strategic alliances and partnerships to leverage shared resources and capabilities. Other expected results are that agile implementations often lead to cost reduction through the identification and elimination of unnecessary expenses. Resource optimization ensures that the company operates efficiently within financial constraints. Agile principles can contribute to a more engaged and adaptable workforce. Employees may feel empowered to contribute ideas, adapt to changing roles, and actively participate in continuous improvement initiatives. Agile digital transformation initiatives can result in an improved online presence, enhanced customer experiences, and the integration of digital tools to streamline operations and engage with customers more effectively. The company's ability to harness data-driven insights for decision-making is likely to improve. This can lead to more informed and strategic decisions based on customer behavior, market trends, and performance metrics. Finally, successfully implementing agile strategies prioritising customer needs and market responsiveness can enhance brand reputation. This positive image may attract new customers and partners. Thus, it is important to note that the actual results may vary based on the specific context, industry, and the extent to which agile principles are effectively implemented and embraced by the vendor company. Regular monitoring, feedback loops, and a commitment to continuous improvement are integral to maximizing the benefits of agile implementations.

DISCUSSION

Examine the imperative of cultivating an agile mindset within the organization. Delve into the necessity for a cultural transformation that embraces adaptability, collaboration, and a customer-centric orientation. Additionally, underscores the importance of incorporating customer-centric agile strategies, elucidating how comprehension and responsiveness to customer needs play a pivotal role in the company's capacity to maintain profitability.

Further, explore the implementation of lean operations and the value of perpetual cost reduction. Discuss how eliminating waste and optimizing processes contribute significantly to the organization's financial sustainability. Additionally, scrutinize the rationale behind diversifying revenue streams, considering potential avenues such as introducing new services, targeting different markets, or exploring partnership opportunities.

Highlight the role of strategic partnerships and collaborations in surmounting financial challenges, emphasizing how such collaborations can grant access to shared resources, expertise, and potential co-funding opportunities. Move on to the importance of data-driven decision-making, exploring how data analytics can offer insights into customer behavior, market trends, and operational performance, thereby informing strategic decisions.

Emphasize the significance of digital transformation initiatives, discussing how embracing technology and enhancing the company's digital presence contribute to operational efficiency and heightened customer engagement. Subsequently, discuss the role of employee engagement and upskilling in building an agile workforce, exploring how engaged and skilled employees foster adaptability and innovation within the organization.

Examine the impact of agile marketing strategies on reaching and retaining customers, discussing utilizing digital marketing, social media, and targeted campaigns to promote services within budget constraints effectively. Lastly, underscore the importance of continuous learning and adaptation, exploring how the company can stay abreast of industry trends, emerging technologies, and evolving customer needs to remain agile.

These discussions should form an integral part of a broader dialogue within the organization, involving key stakeholders, leadership, and employees. The overarching goal is to establish a shared understanding of agile initiatives and their profound impact on sustaining profitability, ensuring the company's survival, particularly in challenging financial circumstances.

CONCLUSION

The paper discusses the financial struggles experienced by higher education institutions, particularly Genetron, due to the limited availability of research grants. It then proposes several agile strategies and their implementation to help Genetron and similar industries maintain profitability despite such constraints. These include flexible pricing models, equipment leasing programs, strategic partnerships, service package customization, subscription-based services, open-source initiatives, rapid prototyping services, agile product development, and service diversification. Implementing these strategies should aid in adopting market changes, creating diversified revenue streams, improving customer satisfaction, increased operational efficiency, and fostering stronger collaborations. These can be considered as the general takeaways or findings of the paper based on the provided excerpts.

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RICHCHOC ENTERPRISE: A STRATEGIC SHIFT THROUGH KOTTERS'S 8-STEP CHANGE MODEL

Azizi Hazwan Azizulkarim wrote this case under the supervision of *Dr Hamidah Md Yusop* solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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SUMMARY

This case study outlines strategic changes for RichChoc Enterprise, adopting Kotter's 8-Step Model for change to address industry challenges and secure a prosperous future for SMEs. It highlights the necessity of evolving within the snack food sector, focusing on innovative packaging and agent management to meet market demands, enhance customer satisfaction, and boost agent morale. By doing so, RichChoc aims not only to adapt and lead but also to set industry benchmarks. The initiative underscores the importance of change for maintaining competitiveness, strongly emphasising managing stakeholder resistance through comprehensive engagement and communication. This ensures all parties are aligned, contributing to a collaborative environment and a feedback-rich culture. Overall, the proposed transformation seeks to position RichChoc as a resilient market leader, influencing the broader snack food industry's progression. It presents a vision of change beyond mere organizational growth, aspiring to inspire industry-wide excellence and innovation. This strategy represents a significant shift towards overcoming obstacles and fostering a culture of continuous improvement and leadership in the sector.

KEYWORDS: small, medium enterprise, Kotter's 8-step change model, food industry

INDUSTRY BACKGROUND

Malaysian Small and Medium Enterprises (SMEs) are crucial to the economy, contributing significantly to the GDP and providing employment to a substantial workforce (Hussain et al., 2022). However, these SMEs face various challenges that impact their sustainability and competitive advantage. These challenges include social and technological factors (Muhammad et al., 2009), financial constraints (Haseeb et al., 2019), market turbulence (Iswan & Kihara, 2022), and the need for continuous innovation (Akhtar et al., 2015). Additionally, implementing new technologies, such as blockchain and digitalization, presents both opportunities and challenges for SMEs (Lim et al., 2022). Furthermore, adopting enterprise risk management and valuing intangible resources are critical for SMEs' sustainable business performance (Chong et al., 2019).

The snack food industry, a significant segment among Malaysian SMEs, operates within the broader food and beverage sector, catering to consumers seeking convenient and ready-to-eat options for on-the-go consumption. However, despite their importance, many SMEs in this industry need help to sustain their operations and achieve growth (Leong et al., 2023). The challenges SMEs face in the snack food industry mirror those encountered by SMEs in other sectors, including the need for technological adaptation,

financial stability, and market responsiveness.

COMPANY BACKGROUND

RichChoc Enterprise, founded by Ms. Nazhirah Adam in 2019, quickly carved out a niche in the competitive food and beverage industry. Its flagship product, Kokojarshake, a unique blend of chocolate and other flavours packaged innovatively, became a sensation. This product's success propelled the company to impressive heights, with monthly revenues exceeding RM1,000,000 during its zenith between 2020 and 2021. This period marked a significant achievement for the fledgling company, showcasing the potential for innovative products to capture the market's attention and generate substantial financial returns.

However, the journey for RichChoc Enterprise was challenging. Despite the initial success and rapid growth, the company faced the common challenges that many small and medium-sized enterprises (SMEs) encounter in maintaining their business momentum over time. These challenges may have included fluctuations in consumer demand, operational inefficiencies, supply chain disruptions, or difficulties in scaling the business sustainably. Such obstacles are typical for SMEs, which often need more resources than larger corporations to navigate adverse market conditions or invest in long-term strategies for growth and adaptation.

RichChoc's experience underscores the volatile nature of business success, especially in industries driven by consumer trends and preferences. The company's initial triumph with Kokojarshake illustrates the potential for innovation and quality to establish a strong market presence. Yet, the subsequent challenges highlight the ongoing need for strategic planning, adaptability, and resilience in sustaining growth and navigating the complexities of the business landscape.

Therefore, this case study aims to enhance RichChoc Enterprise's market standing and tackle its challenges through a four-fold strategy. Firstly, it seeks to conduct a detailed situational analysis to understand market dynamics and internal issues. Secondly, it seeks to evaluate the effectiveness of current strategies, focusing on their impact on sales and sustainability, to identify successful tactics and areas needing improvement. Thirdly, by suggesting actionable strategy, the study will propose solutions for critical problems, such as sales decline and resistance to change in the agent scheme. Lastly, it intends to develop an implementation plan based on Kotter's 8-Step Model, outlining phased approaches, communication strategies, and potential hurdles, ensuring a comprehensive roadmap for achieving sustainable growth and improved market position for RichChoc Enterprise.

ISSUES, PROBLEMS AND CHALLENGES

RichChoc's story began in 2019, initiated by Nazhirah Adam, a housewife, with support from her husband, Amirul Ikhsan, and her sister, Najihah Adam, who decided to commercialize their homemade chocojar into a brand. The company was founded with a small team of seven full-time employees based at their headquarters in Setapak, Kuala Lumpur, and developed a nationwide network of sales agents for distributing their product, Kokojarshake. The organizational structure is efficiently managed by Ms Nazhirah, who assigns Production and Supply Chain responsibilities to Mr Amirudin and two other staff, while Ms Najihah and her team focus on Agent Management and Marketing Material. They collaborate with a manufacturing partner to produce Kokojarshake using a unique recipe, with stock distributed to master stockists by Mr Amir from their headquarters, ensuring a streamlined supply chain for stockists and sales agents. Product diversification helps RichChoc expand its product line and maintain its competitive edge despite new market entrants. The brand has cultivated a strong consumer base through

effective marketing and partnerships with celebrities for product endorsements.

However, in 2022, RichChoc encountered significant challenges, including a sales decline and the loss of sales agents, leading to stagnation. The management is now focused on identifying strategies to address these issues, aiming to revitalize the company's growth and secure its future success. Since 2022, RichChoc Enterprise has been grappling with a downturn in sales, a situation exacerbated by the emergence of new market competitors. Customer critiques regarding the product's oversized packaging have also surfaced, suggesting that its large size may deter consumption. Changes in consumer habits post-pandemic, as individuals return to their workplaces and children to schools, have additionally influenced product preferences. Sales agents have reported issues with the product's transparent packaging, noting instances where the chocolate doesn't fully coat the inside of the jar. Despite this feedback, the company's leadership maintains that these are mere rationalizations, choosing to adhere to their established product design and confident in their ability to mirror the initial years' success.

A significant hurdle for RichChoc Enterprise is maintaining its network of sales agents. Throughout 2020 and 2021, the company thrived with over 800 agents working under seven master stockists. However, proposed modifications to the agent scheme were met with pushback, underlining the importance of having a dedicated sales force for a small enterprise like RichChoc. Sales agents are crucial for customer engagement and revenue generation. Presently, the agent network has dwindled to just 60, mostly consisting of family and friends. This dramatic reduction in the sales force has starkly affected monthly sales figures, dropping from peaks of over RM1,000,000 to below RM100,000.

This case study underscores the urgent need for RichChoc Enterprise to address its critical challenges, including the decline in sales and the shrinking network of sales agents. It highlights the importance of responsive adaptation to market changes, customer feedback, and the evolving landscape of consumer behaviour post-pandemic. Furthermore, it emphasizes the necessity for the company to re-evaluate its product packaging and sales strategies, considering customer and agent feedback. The significant drop in sales and agent numbers demonstrates the need for a strategic overhaul to rejuvenate RichChoc's business model, ensuring its sustainability and growth in a competitive market. By identifying and implementing effective solutions to these issues, This case study serves as a vital tool for understanding the complexities of maintaining market relevance and the continuous effort required to foster a resilient and thriving enterprise.

SITUATIONAL ANALYSIS

RichChoc Enterprise benefits from early market entry, fostering strong brand loyalty and establishing a robust agent network for efficient product distribution, which, together with its product's extended shelf life, compelling branding, and competitive pricing, positions it strongly in the market. However, challenges arise from a limited marketing budget, non-premium packaging, and informal agent agreements, which may hinder broader market appeal and efficient network management. Growth opportunities include leveraging the rising interest in side hustles, employing effective social media strategies, and utilizing government support for SMEs, which can enhance brand presence and operational efficiency. Conversely, threats such as health concerns, changing consumer preferences, intensifying competition, and the potential decrease in demand post-pandemic necessitate strategic adjustments and innovation to maintain competitiveness and agent network vitality. Simplifying these SWOT analysis points underscores the need for RichChoc to capitalize on its strengths and opportunities while addressing its weaknesses and threats to navigate the evolving market landscape successfully.

RichChoc Enterprise navigates a landscape marked by intense rivalry among existing competitors in the competitive snacking industry, necessitating continuous innovation, effective marketing, and strategic

positioning. The low barriers to entry amplify the threat of new entrants, compelling RichChoc to bolster brand loyalty and innovation to deter new competitors. Consumers wield significant bargaining power due to numerous alternatives, pushing the company to focus on customer satisfaction, adaptable pricing strategies, and targeted marketing to maintain buyer interest. The presence of easily accessible substitute snacks further challenges RichChoc to differentiate Kokojarshake through unique flavours, health benefits, or sustainable packaging. However, RichChoc benefits from a low power of suppliers, enabling it to secure favourable terms, manage costs efficiently, and maintain a reliable supply chain, collectively strengthening its competitive stance in the market.

EVALUATION OF THE CURRENT STRATEGY

The situational analyses highlight two main issues that RichChoc Enterprise needs to address: 1) packaging perception and 2) agent scheme challenges. Firstly, the packaging size and its budget appearance hinder its appeal as a quick dessert option and as a gift for events, with the transparent design raising quality concerns when the chocolate only partially covers the jar. Feedback from agents on these packaging issues has been dismissed as excuses for poor sales. Secondly, introducing a new agent scheme aimed at simplifying logistics and ensuring fair stock distribution through mandatory online registration and ordering processes met resistance from master stockists. They viewed these changes as headquarters' overreach, preferring autonomy over their operations and fearing direct interference with their recruited agents. Furthermore, effective communication of the scheme's benefits could have been improved, leading to dissatisfaction and challenges in its implementation.

REASONS FOR THE FAILURE OF THE CURRENT STRATEGY

Amongst the reasons for the failure is resistance to the new agent system, primarily due to fears of losing control, which has been a significant issue for master stockists at RichChoc Enterprise. The company's leadership could have foreseen or mitigated these concerns, leading to many group leaders and their agents departing. This resistance is rooted in a reluctance to change from established practices, including stock holding, social media showcasing, and direct financial transactions with agents, highlighting a failure to manage resistance effectively and anticipate the impact of these changes on the company's distribution network.

Additionally, the change process needed more involvement from key personnel outside the immediate family circle, limiting the diversity of perspectives and understanding of the challenges faced. Poor communication strategies compounded these issues, with online sessions focusing on success stories, leaving those with difficulties hesitant to voice their concerns. This approach, coupled with a one-size-fits-all messaging strategy and the absence of an effective feedback loop from agents and customers to headquarters, hindered the identification and resolution of problems.

The timing and execution of the new system's implementation further exacerbated the situation. Implementing changes during sales is difficult, and uncertainty about prospects increases anxiety among agents and the sales team. The lack of clear communication of urgency, absence of a dedicated change agent team, and inadequate addressing of concerns contributed to a poor implementation strategy, demonstrating a need for a more thoughtful and inclusive approach to change management.

The challenges faced by RichChoc Enterprise, stemming from resistance to a new agent system, inadequate involvement of key personnel, ineffective communication strategies, and poorly timed implementation, underscore the critical need for adopting a robust change management model. Such a model should prioritize clear communication, inclusive involvement of all stakeholders, and a well-thought-out feedback mechanism to ensure that concerns and suggestions are promptly addressed.

Implementing a change management model is essential for SMEs to navigate the complexities of organizational change effectively by emphasizing the importance of managing resistance, fostering a culture of openness, and being proactive in change management to build resilient SMEs (Ates & Bititci, 2011). Additionally, Ates et al. (2013) highlight the need for effective performance management practices, which can be facilitated by implementing a structured change management model. Furthermore, Huang & Lin (2020) argue that conscientiously coping with resistance to change is crucial for SME managers. This aligns with the findings of (Falkner & Hiebl, 2015), who stress the need for effective risk management processes, including strategy implementation and control, to enhance SME performance. Moreover, Panjan et al. (2021) emphasize the importance of implementing change management in strategic human resource management processes to adapt resources in line with SME operations (Panjan et al., 2021). These insights underscore the significance of structured change processes for sustainable success in a dynamic market environment.

STEPS AND IMPLEMENTATION PLAN

For the change initiative to be effective, efficient, and yield significant impact, RichChoc Enterprise must devise a comprehensive implementation strategy together with a timeline. This case study recommended that the organization adopt the Kotter's 8-Step change model. The following delineates the specifics of this approach.

STEP 1: Establish Urgency (Timeline: One Month)

Under Ms. Nazhirah's leadership, the necessity for organizational change is articulated through the dissemination of market trends, customer insights, and critical data. She underscores the importance of promptly responding to the evolving market demands to Mr. Amirudin, responsible for Production, and Ms. Najihah, overseeing Agent Management, laying the groundwork for a shared recognition of the change imperative.

STEP 2: Form a Leadership Coalition (Timeline: One Month)

The creation of a leadership group comprising key individuals, such as team leaders in production and influential agents, serves as a driving force for the change initiative. Mr. Amir is tasked with gathering technical opinions from the production side. This phase emphasizes inclusivity by potentially involving master stockists, stockists, or agents in the coalition, with a clear delineation of roles and tasks to ensure collaborative and concerted leadership.

STEP 3: Articulate Vision and Strategy (Timeline: One Month)

A clear and compelling vision alongside a strategic framework is articulated, evaluating the organization's readiness and resources for implementing change, identifying the ideal timing, and planning for resistance management. This step aims to provide a clear direction and consensus on the change process, ensuring all stakeholders are aligned with the transformation's objectives.

STEP 4: Communicate the Vision for Change (Timeline: One Month)

Towards the end of February, the vision for change is shared through a detailed communication strategy, ensuring messages are customized for different tiers within the organization, from the headquarters to the production and marketing teams, down to the agents, while fostering an environment for open feedback. Utilizing a variety of communication channels ensures widespread understanding and buy-in. Ms. Nazhirah is advised to adopt a "Tell and Sell" communication approach, moving away from the less effective "Spray and Pray" method previously used.

STEP 5: Identify and Eliminate Barriers (Timeline: Three Months)

Collaboration within the production team is essential to pinpoint and resolve any impediments to change.

Mr. Amiruddin coordinates with the manufacturing partner to confirm the feasibility of new packaging initiatives and works alongside agents to smooth out any logistical issues in supply chain management. Concurrently, the agent management team undertakes efforts to keep agents informed and trained, facilitating their transition to the new operational model.

STEP 6: Recognize and Reward Progress (Timeline: One Months)

By June, the organization evaluates progress and acknowledges significant achievements, celebrating milestones like the expansion of the agent network or sales targets met. Incentive programs and recognition events, such as appreciation dinners, are organized to motivate continued positive engagement and acknowledge those contributing to the success of the change efforts.

STEP 7: Sustain and Build Upon the Change (Timeline: One Months)

Maintaining the momentum of change is crucial, with ongoing initiatives to enhance packaging and agent management practices. Constant evaluation and feedback loops help to reinforce the improvements made, ensuring sustained progress and exploration of further enhancements to solidify the company's competitive edge.

STEP 8: Institutionalize New Approaches (Timeline: One Months)

By year's end, the changes are entrenched within RichChoc Enterprise's operational fabric through the establishment of clear Standard Operating Procedures, especially in agent management. This final step is essential to ensure the durability of the changes implemented, setting a structured precedent for future operations and continued organizational success.

CONCLUSION

This case study exemplifies the importance of adaptability, strategic alignment, and the continuous pursuit of excellence in maintaining relevance and achieving long-term success in a competitive marketplace. It underscores the urgent need for strategic interventions to address the brand's critical challenges, including packaging perceptions and agent management issues. By leveraging insights from SWOT and Porter's 5 Forces analyses, it becomes clear that to regain its competitive edge, Kokojarshake must embark on a comprehensive change management process. The proposed adoption of Kotter's 8-Step Model offers a structured approach to navigating these complexities, focusing on establishing a sense of urgency, forming a powerful coalition, creating a vision and strategy, and communicating this vision effectively. Furthermore, by identifying and removing barriers to change, recognizing, and rewarding progress, sustaining the momentum, and institutionalizing new practices, Kokojarshake aims to revitalize its operations and market positioning. The strategic shift envisioned for Kokojarshake, through detailed planning and implementation of changes in packaging and agent management, reflects a deep commitment to adapt and thrive in the dynamic snacking industry. This approach not only aims to meet evolving consumer demands but also to enhance agent motivation, ensuring the brand's growth and sustainability. The emphasis on customer satisfaction and a reimagined agent management scheme highlights the brand's evolution towards a more customer-centric and innovative business model. By positioning itself as a responsive and pioneering entity in the market, Kokojarshake is poised to set new industry standards and inspire transformative changes within the sector. In conclusion, Kokojarshake's strategic initiatives represent a forward-thinking approach to overcoming current challenges and laying a strong foundation for future success. Through meticulous planning and implementation of a change management model, Kokojarshake is navigating toward a future marked by resilience, innovation, and a lasting impact in the snacking industry.

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EXHIBITS



TUAH OIL BHD: WITHSTANDING THE STORM

Alisa Ibrahim and Che Rosmawati Che Mat wrote this case solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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SUMMARY

2020 proved exceptionally challenging for Tuah Oil Bhd, a prominent oil and gas industry player. The global outbreak of COVID-19 wreaked havoc across various sectors, including services, manufacturing, catering, and, notably, the oil and gas industry. Kee et al. (2021) noted that COVID-19 inflicted substantial economic losses, affecting companies worldwide. Tuah Oil Bhd was no exception and struggled to withstand the sudden and massive impact of the pandemic. A significant factor contributing to Tuah Oil Bhd's challenges was the sharp decline in oil prices during the first quarter of 2020. According to Schneider and Schartz (2020), oil prices plummeted by approximately 33% during this period due to reduced demand, global economic shutdowns, decreased travel, and shifting consumer behaviours. This volatility in oil prices directly affected Tuah Oil Bhd's income. This case study explores the impact of COVID-19 on Tuah Oil Bhd and the strategies it employed to navigate these turbulent times.

KEYWORDS: Covid-19, Organisation Change, Strategic Management, Post Pandemic

COMPANY BACKGROUND

Tuah Oil Bhd is a prominent oil and gas corporation. It operates as a wholly-owned entity responsible for enhancing and enriching the country's oil and gas sector, including acting as its steward. Tuah Oil Bhd, boasting a workforce of over 30,000 employees, made its mark on the global stage as one of the key players in the oil and gas industry. In 2019, it secured the top 200th position among the world's largest companies. The company has diversified commercial interests spanning 35 countries, with investments and operations reaching places like Argentina, Egypt, and Russia.

Mr. Hakim, the CEO of Tuah Oil Bhd, characterised 2020 as the toughest year in the company's history. It was marked by uncertainties stemming from the COVID-19 pandemic and persistent imbalances in the energy market, which profoundly impacted global energy demand and oil prices. In response to these formidable challenges, Tuah Oil Bhd adopted a strategy to ensure business continuity and preserve value through digitalisation. The company recognised the need to equip its workforce with essential digital skills and competencies, leveraging cutting-edge technologies to adapt to the changing landscape.

Withstanding the turbulent and unprecedented economic conditions, Tuah Oil Bhd implemented innovative approaches to work, creating a safer and more efficient work environment to ensure an uninterrupted energy supply. The company harnessed the power of digitalisation to achieve these goals. This included adopting new technologies and methodologies to transform the way employees worked.

ORGANISATIONAL DIAGNOSIS

A thorough diagnosis was carried out to gain a deeper understanding of the prevailing challenges and issues faced by Tuah Oil Bhd. This analysis aimed to identify and elucidate Tuah Bhd's challenges in sailing through the aberrant squall. The criteria for selecting these challenges were determined by considering influential factors capable of instigating industry-wide transformations, a concept commonly referred to as the "megatrend framework" (Boumphrey & Brehmer, 2017).

Table 1 Megatrend Identifications (Pre vs post-Covid)

MEGATRENDS	
Pre-COVID 19	Post COVID 19
Market Dynamics	Pandemic Factor
Economic Climate	Economic and Geopolitical Climate
Technology	Technology
Conscious Consumption	Consumer Values
Demographics	Demographics

The megatrends observed before and after the COVID-19 pandemic exhibit striking similarities. Notably, technology and demographics continue to play pivotal roles, albeit with varying degrees of impact. Post-COVID, technology has experienced a significant boost, leading to an even greater reliance on digital solutions and increased influence in various sectors. Conversely, demographics exhibit relatively consistent effects, with minimal deviations pre and post-COVID.

It is essential to recognise that while the pandemic factor holds substantial sway, it is not the sole determinant influencing decisions and industries. In addition to its direct impact, the pandemic has triggered geopolitical effects, most notably in the race for vaccine development, which has significant implications for economic growth and recovery. Furthermore, consumer behaviours have transformed significantly. Some individuals continued to receive their salaries during the pandemic, accumulating disposable income for many. Consequently, consumers are now more discerning, emphasising value and comprehensive packages that encompass safety, well-being, and future benefits. This shift in consumer priorities reflects the evolving landscape after the pandemic.

The data presented in Table 2 provides insights into how the Tuah Oil Bhd company has been affected by the pandemic. The organisation has experienced shifts in consumer values, and it is noteworthy that economic and geopolitical climate factors significantly influence the company. In contrast, demographic factors have a relatively modest impact on the company. The importance of technological advancements is a prominent aspect of the organisation. As a response, the company has proactively undertaken initiatives to intensify its emphasis on software, systems, and innovative solutions. This strategic adjustment underscores the company's dedication to adapt and excel within an evolving business environment, leveraging technology as a driving force for advancement.

Table 2 Analysis of Challenges

Challenges	Description	XYZ
Pandemic COVID 19	Uncertainty surrounding current and future outbreaks and vaccination	√
Economic and Geopolitical Climate	Energy market imbalance – thinning return on oil and gas sector	√
	Accelerated renewable energy and more sustainable practices transition	√
	Cross border issues	√
	Transnational security issues, including climate change and resource scarcity, may add new layers to pandemic induced challenges.	
Technology	Inequalities in access	
	Digital securities	√
Consumer Values	Middle class consumers are likely to be more price cautious	√
	Attention to the impact of their spending on the environment and society	√
	Spending reflecting awareness of personal health and well-being	√
Demographic changes	Increase in number of retired people, but those with means will travel and mobility issues at destinations	
	Increase of B40 & M40 due to market situation	

Tuah Oil Bhd has taken several significant initiatives to ensure its sustainability in the future. Key among these initiatives is strategically reorganising its business portfolio and pursuing a three-pronged growth strategy. Portfolio reshaping represents a crucial step in positioning the company for a more relevant and resilient future, ensuring long-term sustainability. Tuah Oil Bhd views technology as a "disruptive enabler" that can drive innovation and provide future-oriented solutions while maximising value. Several vital areas underscore the importance of technology in Tuah Oil Bhd's approach. Firstly, technology enables safe and sustainable business continuity, as exemplified by utilising digital infrastructure for remote operations in both plant and offshore settings through robotics and automation. Secondly, technology supports cost optimisation by facilitating data integration for quicker decision-making and reduced resource development costs. Furthermore, Tuah Oil Bhd embraces Carbon Capture, Utilization, and Storage (CCUS) as a technological innovation to mitigate carbon emissions. Lastly, technology is pivotal in Tuah Oil Bhd's pursuit of the next generation of carbon-neutral energy sources and green chemicals, such as algae-based fuels, hydrates, and bio-based petrochemicals. These technology and innovation initiatives are poised to create unique consumer value and ensure the sustainability of the business. In addition to its technological endeavours, Tuah Oil Bhd has demonstrated its commitment to responding to the challenges posed by COVID-19 by actively participating in corporate social responsibility (CSR) activities and relief efforts.

CHANGE IMPLEMENTATION

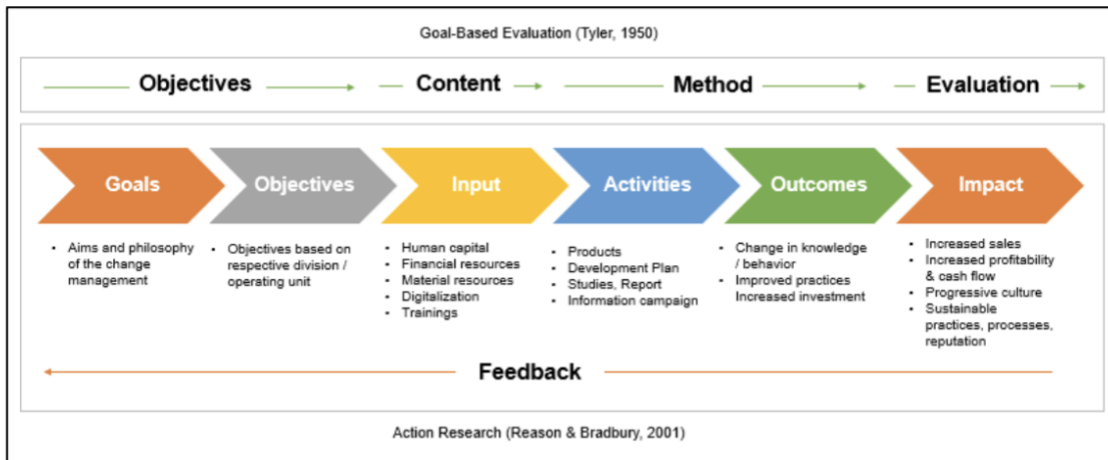


Figure 1 Tuah Oil Bhd Evaluation Model

Action Research, as defined by Reason and Bradbury (2001), serves as a means to bridge the gap between theory and practice, facilitating human engagement, fostering a culture of problem-solving, and driving practical solutions. It initiates with a focus on change and transitions towards addressing specific problems. Throughout this process, the organisation collects evidence, reflects on its alignment with the initial goals, and plans additional activities for improvement. This iterative approach helps identify system gaps and the effort required for effective change management.

Figure 3 illustrates how Tuah Oil Bhd employs action research, encompassing six stages of evaluation: 1) setting goals, 2) defining objectives, 3) gathering input, 4) planning activities, 5) measuring outcomes, and 6) assessing impact. This framework enables Tuah Oil Bhd to analyse its large-scale change management initiatives. It creates practical knowledge to enhance economic, cultural, and procedural aspects while ensuring a more sustainable relationship with its broader growth strategy and ecological context.

Applying Tyler's Goal-Based Evaluation framework offers an alternative perspective on these six stages of Action Research. Tyler's framework involves four main components: 1) defining objectives, 2) determining the content of these objectives, 3) organising activities or methods to achieve them, and 4) evaluating the outcomes. Action Research and Tyler's framework are relevant in this case, as are Tuah Oil Bhd's comprehensive change management efforts.

Tuah Oil Bhd's integrated approach to performance review, aimed at delivering effective change management, is outlined in Table 4 below. Tuah Oil Bhd aims to accelerate its growth trajectory by consistently assessing its progress and becoming a forward-thinking global energy and solution partner.

Table 4 Performance Review

Element	Description
<p>Goals</p>	<p>The following growth aspiration follow a thematic strategic approach to enable Tuah Oil Bhd to operate safely, reliably and cost effectively, seize growth opportunities, and create positive impact to all stakeholders.</p> <p>Three-Pronged Growth Strategy</p> <ol style="list-style-type: none"> 1. Maximizing Cash Generators 2. Expanding Core Businesses 3. Stepping Out <p>This growth strategy is complemented with the company’s Cultural Beliefs and Shared Values.</p>
<p>Objectives</p>	<p>The following objectives are further defined to each of growth strategies to maximize value creation.</p> <p>1. Maximizing Cash Generators</p> <p>Implementing measures that strengthen Tuah Oil Bhd operation and core business, both in domestic and international integrated value chain to generate strong and stable cash flows.</p> <p>2. Expanding Core Businesses</p> <ul style="list-style-type: none"> ● Promote opportunities in domestic exploration and production (E&P) sector ● Increase investments via greater industrial engagements, opportunity matching and data sharing. ● Secure new E&P acreages and assets as well as maximise value from existing assets via commercial excellence. ● Create new monetisation route for domestic gas resources. ● Pursue new supply nodes for LNG. ● Extend value chain into higher margin chemical products. ● Achieve full Euro 5 compliance domestically. <p>3. Stepping Out</p> <p>Pursue growth in non-traditional businesses to capture opportunities in the energy transition space:</p> <ul style="list-style-type: none"> ○ Specialty chemicals. ○ Renewable energy and storage. ○ Hydrogen ○ Green mobility. ○ Carbon capture and storage ○ Non-fuel retail

<p>Input</p>	<ol style="list-style-type: none"> 1. Financial Capital <ul style="list-style-type: none"> ○ RM350.9 billion shareholders' equity ○ RM635 billion in total asset value 2. Manufactured Capital <ul style="list-style-type: none"> ○ Property, Plant and Equipment of RM282.9 billion 3. Intellectual Capital <ul style="list-style-type: none"> ○ RM361.8 million investment in technology ○ 178 R&D laboratories 4. Human Capital <ul style="list-style-type: none"> ○ A diversified workforce of 46,884 employees across the globe ○ RM111.9 million invested in training and development 5. Social and Relationship Capital <ul style="list-style-type: none"> ○ More than RM163 million invested in Education Sponsorship Programme ○ RM100 million invested in community/nation-building initiatives. 6. Natural Capital <ul style="list-style-type: none"> ○ 2% CAPEX spent on renewable energy
<p>Activities</p>	<p>The activities are carried out by four portfolios: Upstream, Downstream, Gas & New Energy, and Project Delivery & Technology. The focus of the respective portfolio framework governs the planned activities:</p> <ol style="list-style-type: none"> 1. Upstream Blueprint 2030 2. Downstream Focus Framework 3. Gas & New energy Business Strategy 4. Sustainability Agenda 5. Technology & Digital Agenda
<p>Outcomes</p>	<ol style="list-style-type: none"> 1. Upskilled talents in cultivating a high-performance culture with Diversity and Inclusion 2. Continued commitment in philanthropic activities, safeguarding domestic industry ecosystem and developing human capital 3. Reduced environmental impact by transitioning to lower carbon energy solutions, deploying innovative operations and technologies 4. Financially resilient which enabled an agile response to protect our Balance Sheet against volatility and market uncertainties 5. Ensured resource supply by sustaining production and increased accessibility to products and solutions 6. Increased efficiencies and responsible resource management with reduced carbon footprint through technology and digitalisation

Impact	<ol style="list-style-type: none"> 1. Financial <ul style="list-style-type: none"> ○ 82% growth in EBITDA ○ RM25 billion dividend pay-out 2. Manufactured <ul style="list-style-type: none"> ○ 98.1 in G+NE Overall Equipment Effectiveness (OEE) ○ 93.3% in Downstream Overall Equipment Effectiveness (OEE) 3. Intellectual <ul style="list-style-type: none"> ○ 30 hours of average training received per employee ○ 3 proprietary chemical formulation ○ 33 patents secured 4. Human Capital <ul style="list-style-type: none"> ○ More than 31,000 upskilled through online programmes ○ More than 2,100 technical expertise developed 5. Social and Relationship <ul style="list-style-type: none"> ○ RM15 million contributed to flood relief efforts ○ 343 scholarships awarded to students 6. Natural <ul style="list-style-type: none"> ○ 2,321.2 MWh of solar PV energy generated resulting in 1,352.8 tCO₂e Scope 2 GHG emissions reduction ○ 17.5 MtCO₂e per annum cumulative GHG emission reduction
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Source: Tuah Oil Bhd Annual Report 2020 and 2021

THE CHALLENGES

An organisation's resistance to change is often considered a pivotal factor in determining the success or failure of a change initiative (Chiung-Hui & Ing-Chung, 2009). While resistance is a natural human response to change, change management strategies can be deliberately employed to address and mitigate it. Organisations must maintain ongoing communication and actively solicit input to enhance the quality and clarity of their change goals and strategies (Matos & Esposito, 2014).

Tuah Oil Bhd has established a team of 400 change agents to address this challenge. The appointed agents serve as catalysts, amplifying the enthusiasm and optimism accompanying change management efforts. Tuah Oil Bhd's top leadership teams have organised a series of engagement events and participation activities to gather input from these change agents and learn from their experiences in overcoming obstacles throughout the change process. These collaborative efforts create a supportive and cooperative environment complemented by continuously refined control mechanisms. This collective approach fosters and facilitates collaborative change, ensuring a more successful implementation of organisational change initiatives.



Figure 2 Tuah Oil Bhd Change Resistant Feedback

Change management is inherently challenging. As illustrated in Figure 2, Tuah Oil Bhd encountered resistance as predominant feedback during their change process. Below is a concise list of key elements that have contributed to this resistance:

1. Lack of trust and respect
2. Convoluted processes
3. Competing priorities
4. Limited line of sight
5. Lack of cohesiveness
6. Lose sight on end-result

However, the existence of resistance is not seen as a hindrance to effective change management at Tuah Oil Bhd. On the contrary, Tuah Oil Bhd recognises the value of this employee's feedback and views it as an ongoing source of improvement and fresh perspectives. This feedback is embraced as a means to intimately connect with resistance to change. The engagement with change agents serves as a crucial indicator of alignment between the organisation's change strategies and its employees' perceptions.

Tuah Oil Bhd has devised a new short-term target focused on boosting employee participation and communication to enhance alignment between their growth strategy and goals. As suggested by Matos and Esposito (2014), active participation becomes a challenge when an organisation fails to receive and integrate counterarguments into the content and process of change. To address this, Tuah Oil Bhd has implemented the following measures to mitigate the impact of this challenge:

1. Clearly communicating priorities to employees, outlining their role in contributing to the organisation's growth.
2. Establishing a transparent reference and consultation framework for change and innovation.
3. Creating a culture of clear ownership and accountability among line managers.
4. Emphasising more efficient and streamlined processes and operations, with employees encouraged to suggest simplifications.
5. Committing to focused execution in building a customer-centric workforce.
6. Aligning talent with organisational priorities.
7. Strengthening cohesion between employees and departments through engagement programs and sharing sessions.
8. Encourage employees to share success stories and provide recognition for their contributions.

ROLES, RESPONSES AND STRATEGIES

Irrespective of the scale of change, the involvement of one or more change agents is essential. A change agent is an individual who possesses the capacity to inspire, facilitate, and orchestrate a project's transformation. These change agents can be developed internally by utilising existing employees and managers or externally engaged as change management consultants. Each option presents its unique advantages and disadvantages (Anderson, 2011). The decision regarding the source of change agents depends on the quality and compatibility of the relationship between the change agent and the organisation's top decision-makers (Loannidis et al., 2019).

Tuah Oil Bhd has harnessed the talents within its organisation to serve as internal change agents, supporting the implementation of its newly introduced three-pronged growth strategy and cultivating its new organisational cultural beliefs. These internal change agents have been categorised into four distinct roles, which include thought leaders (Fulkerth, 2009), consultants, trainers, communicators, and advocates (Malik, 2019). The specific contributions of these roles are detailed in Table 5.

Of particular significance among Tuah Oil Bhd's change agents are the Communicators and Advocates. Tuah Oil Bhd has appointed over 400 internal change agents, referred to as R2C2 Champions, who are entrusted with the responsibilities of communication, promotion, listening, guidance, and feedback collection regarding any challenges or resistance. This underscores the role of human agency within the organisation and emphasises a rational perspective on management evolution. This approach validates their practices and fosters continuous improvement in processes and the innovation culture for the betterment of the organisation.

Table 5 Tuah Oil Bhd Change Agent

Role and Who?	What They Do
<p>Thought Leader</p> <ul style="list-style-type: none"> • President / CEO • Leadership Team 	<ul style="list-style-type: none"> • Define a specific vision for the company • Build responsibility into the strategy and core business • Communicate with various stakeholders – both internal and external <ul style="list-style-type: none"> ○ Conduct yearly engagement “On the Move” with Change Agents ○ Emphasize on the prevailing issues and the importance role to be support spine to leaders during Townhall ○ Make public statement on change management and performance
<p>Consultant</p> <ul style="list-style-type: none"> • Change Management, • Human Resources Department • Corporate Strategy • Department 	<ul style="list-style-type: none"> • Understanding employee reactions to change and reducing resistance to change • Actively engaging with employee by conducting change management exercise • Encouraging and supporting employees to become change champions and promote it • Identifying and leading other change agents to success
<p>Trainer</p> <ul style="list-style-type: none"> • In-house Leadership Centre 	<ul style="list-style-type: none"> • Build knowledge and development expertise • Create and organize dedicated training on Cultural Beliefs, sustainability, process enhancement tools such as Lean Six Sigma

<p>Communicator & Advocate</p> <ul style="list-style-type: none"> • R2C2 Champion <ul style="list-style-type: none"> • Line Managers 	<ul style="list-style-type: none"> • Communicating on how change is beneficial e.g., Conducted sharing session such as: <ul style="list-style-type: none"> ○ “Continuous Improvement in Me” / “Open Mic” / “Story Telling Competition” • Listening to the involved team members and employees to gain feedback and incorporate it in the implementation process • Act as role model and rally others on Petronas Shared Values, Culture Beliefs and Statement of Purpose <ul style="list-style-type: none"> • Encourage everyone to “Speak Up” to address elephant in the room and “Seek Feedback” • To have Culture Conversation with R2C2 Champion on “What else can I do”
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CONCLUSION AND RECOMMENDATIONS

In summary, Tuah Oil Bhd has demonstrated commendable proficiency in managing change, a journey that began well before the global pandemic, COVID-19. However, the pandemic acted as a pivotal accelerator, driving its transformation efforts into overdrive to ensure the organisation's sustainability during this unprecedented crisis.

Upon closer examination of its performance in the context of the pandemic, it becomes evident that Tuah Oil Bhd's adept management of change enabled it to navigate turbulent waters, successfully averting potentially significant losses. This highlights the organisation's agility and resilience in the face of adversity. Furthermore, Tuah Oil Bhd also adopted a strategic path, making optimal use of its abundant financial and human resources to fortify its business foundations. This approach underscores its ability to remain robust and adaptable despite the most formidable challenges.

Significantly, Tuah Oil Bhd has weathered the storm and emerged with renewed strength. The resilience and forward-thinking approaches position the company for sustained growth and success well beyond the COVID-19 pandemic. By effectively managing change, Tuah Oil Bhd has fortified itself to face future uncertainties with confidence, ensuring its continued evolution and progress in a rapidly changing world.

Top of Form

Moving forward, Tuah Oil Bhd should prioritise the development of comprehensive contingency plans and risk mitigation strategies well in advance. This proactive approach will better equip the company to navigate market uncertainties effectively, ensuring its ability to respond swiftly to unforeseen challenges. In parallel, fostering a culture of innovation should be a top priority. The organisation must expedite the implementation of optimised and efficient solutions across their entire value chains. Embracing innovation will enhance their competitiveness and enable them to adapt to the ever-evolving market landscape with agility.

Lastly, the organisation should continue reinforcing and communicating their refreshed Cultural Beliefs. Engagement and communication initiatives should be utilised to ensure that these beliefs are well-understood and deeply ingrained within the organisational culture. This will foster a strong sense of shared

values and purpose, contributing to a motivated and cohesive workforce.

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ELLE-R BEVERAGE: ROSELLE JUICE POUCH

Nooraini Mohamad Sheriff and Siti Zaleha Sahak wrote this case solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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SUMMARY

Roselle has historically been known for her remarkable health benefits and is found worldwide. With all the scientific discoveries Roselle has attracted the attention of food and beverage manufacturers and pharmaceutical concerns who are keen to exploit the potentials of Roselle. ELLE-R BEVERAGE Sdn Bhd an agro-based manufacturing company saw the potential of Roselle as a business venture. From a humble beginning the company embarked on Roselle planting, production and commercialization and has continued to improve productivity and product quality. Among product development initiatives of the company are Roselle cordial, halwa, juice, sauces, jellies, Roselle powder and ready-to-drink (RTD) beverage to meet the growing needs of their domestic and global market. A landmark achievement of the company was an innovation of pouch-based packaging to offer Ready-To-Drink Roselle juice. With plenty of guidance from various government agencies in areas relating to product development, labeling and packaging of their Roselle based products the company continued to prosper. Nevertheless, as the Malaysian beverage market continues to grow driven by rising incomes, increasing urbanization, growing demand for healthy and innovative beverages, technology and legislation, ELLE-R BEVERAGE Sdn Bhd need to proactively strategize to safeguard the sustainability of the company.

KEYWORDS: Roselle, Natural Ready-To-Drink Juice, Beverage Preference, Industry/Strategic Collaboration, Market Expansion, Sustainable Growth

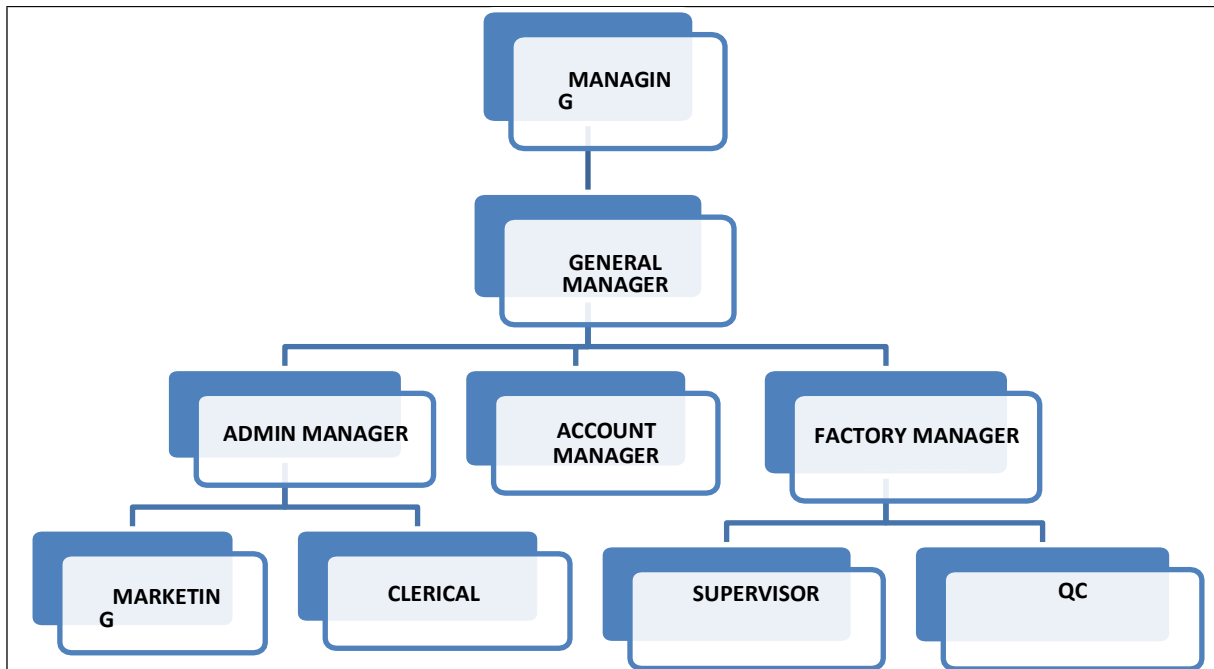
ELLE-R BEVERAGE SDN BHD: PIONEERING AN AGRO BASED VENTURE VIA ROSELLE

As global evolvments surround Roselle, ELLE-R BEVERAGE a Malaysia based company was intensely experimenting with this plant. Immersed with a deep passion for Roselle, the plant was cultivated to produce Roselle based cordial, juice and halwa Roselle, predominantly for the owner's family consumption. Realizing the potentials of Roselle, ELLE-R BEVERAGE embarked on a pioneer project of Roselle planting over a 0.5-hectare land in 1990 in Kelantan. This was a turning point for ELLE-R BEVERAGE where initiatives were instituted to commercialize Roselle based products. At this juncture the owner's strong drive was instrumental in propelling the company forward. Armed with an initial capital of RM1,000 and limited know-how on Roselle planting, production and commercialization, there was no turning back. Hard work and perseverance paid off as they reaped opportunities to supply Roselle to the military personnel, Department of Social Welfare (KEMAS), orphanage and homes for the elderly

up till 2004.

Continuous and concerted efforts were instituted to assist the company's growth. This necessitated the design of a proper organizational structure to ensure clear division of duties and responsibilities (Figure 1). With a functional based structure adopted, employees are expected to be multi skilled as the company's workforce totaled only ten. The company's vision is to continuously improve productivity and product quality through the use of high-tech equipment and to engage in global marketing. It is also the company's mission to provide quality and safe product efficiently and effectively. The company's charter emphasizes on providing value-added products, beneficial to customers with the best service.

Figure 1: ELLE-R BEVERAGE Sdn Bhd Functional Based Organizational Structure



With a paid-up capital of RM99,000 and an authorized capital of RM110,000 the company registered continued growth, as an agro-based company. The company aimed to help boost the national agricultural productivity particularly in the production of food and beverage. It is also aimed at heightening the awareness among Malaysians on the importance of production and consumption of local Halal food and beverages. Although there has been no concrete data to substantiate, ELLE-R BEVERAGE Sdn Bhd firmly believes that 85 percent of their customers are in the East Coast of Peninsular Malaysia and they are aware of the company's Roselle based products.

ELLE-R BEVERAGE Sdn Bhd business activities focus largely on planting, processing, and marketing of products derived from Roselle. Roselle trees are planted on 6 acres of land that approximately churns 12 tons of Roselle fruit monthly. Ten farmers' families have become the company's partners responsible to harvests this crop and reaps incomes exceeding RM5000 per month, to supplement their income. Another five families work from their home to separate Roselle seed. This is ELLE-R BEVERAGE's way of responding to the government's call to reduce poverty among farmers, reduce unemployment among youths and ultimately improve the living standards of farmers.

Following this, ELLE-R BEVERAGE's next move was to embark on product development. Their product line was stretched by introducing Roselle cordial, halwa, juice, sauces, jellies, Roselle powder and ready-

to-drink (RTD) beverage to meet the growing needs of their market. At the moment annual productivity of cordial stood at 42,000 bottles while Roselle beverage was 36,000 bottles. ELLE-R BEVERAGE Sdn Bhd too has the capacity to produce 15 tons of halwa and 6,000 bottles of Roselle sauce annually targeted at customers in Kelantan as well as East Coast of Peninsular Malaysia. Efforts to enlarge their product portfolio were viewed with great importance to improve the company's revenue stream and eventual sustainability. The company strongly attributed their success to their early entry, hence being a pioneer in the production of Roselle based products. Such early entry is usually characterized by low or absence of competition hence making the market entry a more manageable one.

Roselle's fruits are processed into cordial, juice, sauce and halwa for the domestic and export market. The company's product portfolio comprises of Roselle 1 liter cordial, Roselle 250ml pouch ready to drink juice (RTD), Roselle sauce packed in easy to hold glass bottles of 300 grams and Halwa Roselle in 100 grams soft packs. These products are processed by using the semi auto machine in the factory area of 1500 square meters. To date the company has invested RM50,000 for the purchase of mixer and packaging equipment to enhance production (Adilah, J., Nor Sazrina, S. and Raja Adyani, R. H., 2012).

ELLE-R's ANCHOR PRODUCT: ELLE-R'S ROSELLE JUICE POUCH

Initiatives to improve and reform various aspects of their manufacturing process as well as marketing of products, has led ELLE-R BEVERAGE Sdn. Bhd. to gain strength as a manufacturer within the Roselle industry. This was attested when the company won the rights to supply POUCH to MyMAVORS (MyMalaysian Flavors). Previously this pouch was known as Fruit2O and was supplied to MyMAVORS (MyMalaysian Flavors) through collaborative efforts between ELLE-R BEVERAGE and MyMAVORS. The pouch is widely used for juice, beverage, drink, water and other liquid packing. There is a spot on the top, and bottom gusset to stand upright, compared to bottles the cost of pouch is lower, and is convenient to handle. This pouch is also high in oxygen, lighter and has suitable low temperature. However, Roselle is very sensitive and requires careful observation. During the packaging process a temperature of 90 degrees Celsius must be maintained to preserve its nourishment. Care must be taken to ensure that the pouch is in good condition. Otherwise, it will reduce the nourishment of Roselle juice (Figure 2) https://packsmart.com.my/industries_beverages.

Due to the strong trust in ELLE-R BEVERAGE, MyMAVORS gave them the right to use the package to market ELLE-R BEVERAGE's brand of Roselle based beverage using the same POUCH. ELLE-R BEVERAGE wasted no time in reaping this opportunity by coming up with a new design, color and labeling for their own brand of pouch Roselle juice. The drink is available in a standard pouch of 250ml targeted at kids. ELLE-R BEVERAGE's Roselle juice pouches are distributed at ELLE-R BEVERAGE outlets and selected hypermarkets in Kelantan such as Lotus, Giant, and Mydin. The unique selling proposition of this pouch Roselle juice is its rich source of vitamin C. Other ingredients of the juice included water, Roselle extract, sucrose citric acid and contains permitted preservative.



Figure 2: Sample of Pouch Packaging for Roselle Juice

Benefits of the Pouch:

- **Convenience**

Flexible beverage packaging allows for easy on-the-go consumption as it is lightweight and not cumbersome to carry around.

It is also a plus that, unlike bottles, pouches do not break.

- **Product Shelf-life**

Beverages require high-barrier packaging to ensure that they remain fresh and uncontaminated.

Impermeable beverage

pouches full-fill this role perfectly by maintaining beverage quality as effectively as rigid alternatives like glass.

- **Pleasant User-experience**

Drink pouches are compact which makes them easy to store. Easy-to-use dispensing methods like spouts and taps are equally very handy in curbing spills when serving beverages like bag-in-box wine.

- **Custom Printed Drink Pouches**

Branded drink pouches are the way to go when you want your product to stand out in the market.

Fortunately, pouches handle printing well and maintain all embellishments without fading.

STRATEGIC COLLABORATION WITH GOVERNMENT AGENCIES

ELLE-R BEVERAGE Sdn Bhd is one of the food and beverage manufacturing companies which sits on the Coordinating Council of Industrial Management Roselle. This council was established in early 2002 aimed to improve and further develop the Roselle industry. The Ministry of Agriculture and Agro-based industry act as the main body and are aided by other statutory bodies such as MARDI, FAMA, Department of Agriculture and professional entities such as UKM, UPM, UM, FRIM and SIRIM. These entities are assigned to conduct research and product development for the eventual commercialization of agriculture-based products. FAMA has been specifically earmarked to plan and conduct promotional activities across the country, through schools, hypermarkets, supermarkets, hotels and exhibition sites. It is worth mentioning here that ELLE-R BEVERAGE Sdn Bhd has received plenty of guidance from MARDI, the Agriculture Department, SIRIM, Unitec, SMIDEC, FAMA and the MPC in areas relating to product development, labeling and packaging of their Roselle based products (Utusan Malaysia: Agro Mega, p 8-9).

MALAYSIAN BEVERAGE INDUSTRY: KEY DRIVING FORCES

Basing on this recent market performance, the future of the Malaysian beverage market seems promising. It is anticipated that the coming years would be marked by strong growth prospects. Market experts have identified a number of cumulative factors as potential drivers of the beverage market's growth namely rising incomes, increasing urbanization, growing demand for healthy and innovative beverages, technology and legislation.

According to the Department of Statistics Malaysia (DOSM), their latest Household Income Survey Report and Household Expenditure Survey Report (HIES) 2022 has revealed that the average household income in Malaysia has increased by 2.4% from RM7,901 in 2019 to RM8,479 in 2022 (DOSM, 2022). Additionally, the median household income too increased from RM5,873 in 2019 to in 2022, representing a moderate annual growth rate of 2.5%. Four states recorded an average household income that is above the national level of RM8,479, namely Putrajaya (RM13,473), Kuala Lumpur (RM13,325), Selangor (RM12,233), and Johor (RM8,517) while a total of six states surpassed the national median income level of RM6,338: Kuala Lumpur (RM10,234), Putrajaya (RM10,056), Selangor (RM9,983), Labuan (RM6,904), Johor (RM6,879), and Penang (RM6,502). Among the later states, Selangor recorded the highest median income growth at 6.5% annually from 2019 to 2022. It was also uncovered that the average monthly disposable household income of Malaysian's has increased by 1.7% from RM6,764 in 2019 to RM7,111 in 2022. Above all, on the expenditure note, DOSM reported that the average household in Malaysia spent RM5,150 per month in 2022 primarily on four major necessities such as. utilities like water, electricity, and gas (23.2%); non-alcoholic food and beverage (16.3%); restaurant and hotel (16.1%); and transportation (11.3%) (Figure 3) (Table 1) (Cheong, 2023)

As incomes rise, consumers have more disposable income to spend on premium and innovative beverages. This leads to a shift towards higher-quality products, such as organic juices, craft beers, and artisanal sodas similar to roselle based beverage offered by ELLE-R's. Additionally, higher income levels too often correlate with greater health awareness. Consumers may opt for healthier options, like low-sugar drinks, functional beverages (e.g., those with added vitamins or probiotics), and plant-based drinks as in the case of roselle based beverage. Undeniably affluent consumers are generally more willing to try new flavour's, brands, and products, which leads to a diversity of beverage choices in the market, a move ELLE-R could emulate to enhance the company's range of roselle based beverage.

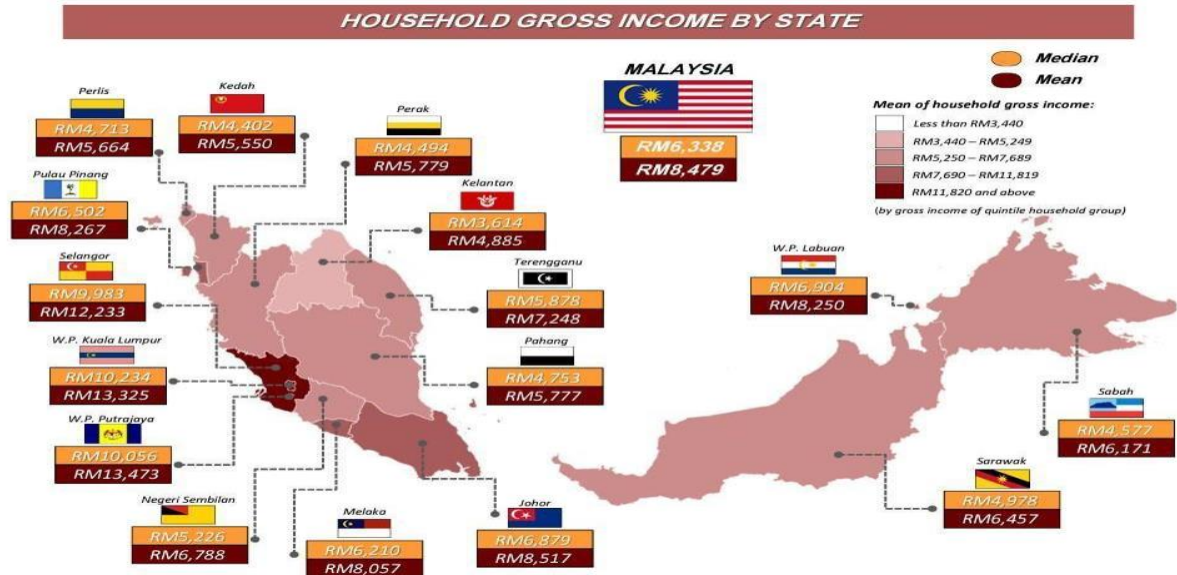
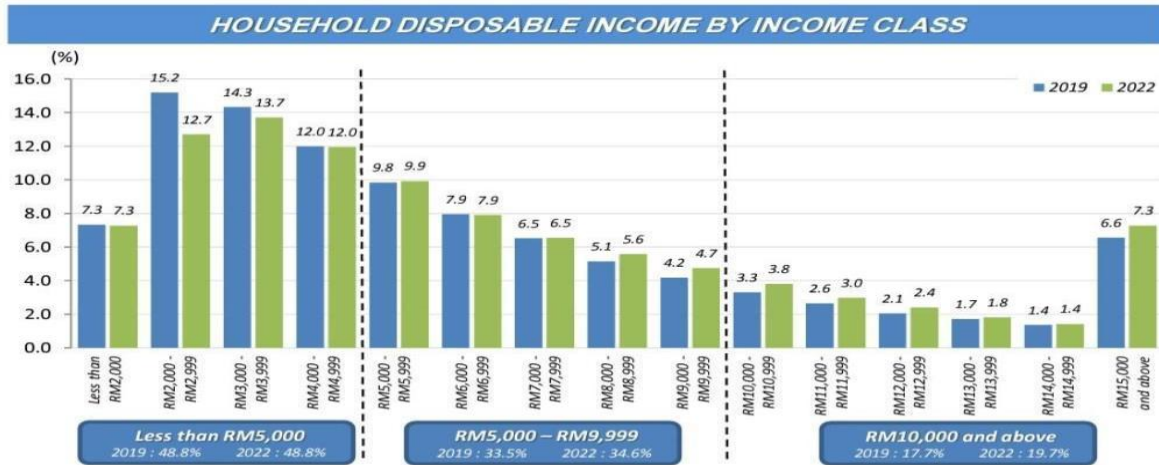


Figure 3: Household Gross Income by States in Malaysia

Table 1: Malaysian Household Disposable Income by Income Class



Source: Household Income Survey Report 2022, Department of Statistics Malaysia (DOSM)

Malaysia has braved a magnificent level of urbanization spanning over 40 years, which has significantly transformed the urban landscape of Malaysia. From an urbanization level of 26.8% in 1970, Malaysia's urbanization level reached 70.9% in 2010, and is expected to rise to 75% in 2020 (Mazlena, 2014). By 2050 90% of Malaysians will live in cities, according to an estimation postulated by the United Nations. To date, the state of Selangor (95.8%), Penang (92.5%) and Melaka (90.9%) have achieved more than 90% urbanization, while the Federal Territories of Kuala Lumpur and Putrajaya have been fully urbanized where 100% per cent of their population are living in urban areas. The number of towns has also increased rapidly, from 72 towns in 1980 to 228 towns in 2010. The swift growth was largely due to the policy of dispersing economic activities throughout the country. Following this the urban population enlarged by 21.4 million from 3.0 million in 1970 to 24.4 million in 2020. This drastic increase signifies the creation of a vast potential market for a variety of food products (including beverage) and services (DOSM, 2022).

Urbanization can lead to lifestyle changes. Notably urban living is often associated with faster-paced lifestyles, leading to a demand for convenience, such as Ready-to-drink beverages, single-serve packs, and on-the-go options become more popular. ELLE-R has been very responsive to these demands and has introduced the conveniences yearned by these urban dwellers for their roselle based beverage. Urban areas are often melting pots of cultures, which can lead to the introduction and acceptance of international beverage trends, such as natural, healthy plant-based beverage. Urbanization too has prompted access to diverse retail outlets. With more retail options, ranging from specialty shops to supermarkets that carry a wider variety of beverage choices, encouraging exploration and experimentation by consumers. Initiating this first-time purchase, is important to drive subsequent purchase on a regular basis leading to loyalty.

UNESCO's Institute of Statistics (UIS) reported, Malaysia has accomplished a remarkable literacy rate of 94.64% in 2023 from a modest 69.52% in 1980 Thus, indicating the nation's priority on education from pre-school, primary, secondary until tertiary level education to improve the literacy among Malaysian's (Nurul, 2023). On the same note, the emphasis on tertiary education is evident with a total of 595 higher education institutions directly under the purview of the Ministry of Higher Education. In 2021, a total of 1,207,131 enrolments were recorded attesting to the priority attached to higher education. Out of that number, 590,254 students enrolled in public universities; 517,580 in private HEIs; 84,566 in polytechnics and 14,741 in community colleges. On average, Malaysia receives over 400,000 new student enrolments annually into HEIs and produces approximately 300,000 graduates for the same period. In 2021, the number of graduates produced by HEI's totaled 320,174, an increase of 26% per cent compared to 254,688 graduates in 2020. According to the Department of Statistics Malaysia (DOSM), in 2020 the number of graduates in Malaysia totaled 5.36 million persons, an increase of 4.4% from 5.13 million persons in 2019 (Table 2 & Table 3) (Policy Planning and Research Division, Ministry of Higher Education Malaysia, 2022).

As much as education at early levels are important, tertiary level education has been recognized as pivotal to facilitate entry into the employment market, which in turn would implicate livelihoods and economic well-being. As graduates, their employability opportunity would improve and so would the economic power of their purse, hence allowing them to purchase a myriad of products and services to meet their changing needs and lifestyle particularly food and beverage consumption pattern. It is worth noting that with education Malaysians have increasingly become health-conscious, and this is reflected in the growing demand for healthy beverages. According to the Euromonitor report (2023), 57% of Malaysian look for healthy ingredients in food and beverages. This presents an attractive opportunity for roselle fruit juice to be positioned as a natural, healthy and delicious fruit juice targeted at the health-conscious Malaysians. Health-conscious consumers are increasingly looking for beverages that are made with natural ingredients, meaning they are unprocessed and free of artificial flavors, colors, and sweeteners. As such the beverage would be low in calories, fat, or sugar, and can be a good source of vitamins or minerals. All these important health benefits and nutritional information should be highlighted on the products label clearly and concisely so as to be well understood.

Education has indeed driven consumers to become more health-conscious, resulting in an increasing demand for beverages that offer health benefits. Products such as functional drinks, low-calorie options, and personalized nutrition beverages are on the rise. Roselle fruit juice can adopt a product positioning strategy emphasizing on natural and healthy fruit juice to cater to this growing health-conscious segment of the beverage market. In addition, as consumers become more learned they have demonstrated increasing concern about the environmental impact of their product choices. This has led to a growing preference for brands that offer eco-friendly packaging, transparent sourcing, and sustainable practices. ELLE-R may seriously consider this avenue to align their commercial practices along these newly emerging preferences. Consequently, education too seems to be a catalyst for flavor innovation, where there is a growing demand for innovative flavours and ingredients that can drive brands to constantly experiment with new beverage formulations, catering to adventurous consumers.

Table 2: The Number of Enrolment in HEIs from 2010 to 2021

YEAR	PUBLIC UNIVERSITY	PRIVATE HEIs	POLYTECHNIC	COMMUNITY COLLEGE	TOTAL
2010	462,780	541,629	87,642	18,200	1,110,251
2011	508,256	428,973	89,292	6,319	1,032,840
2012	521,793	454,616	92,148	22,380	1,090,937
2013	560,359	484,963	89,503	21,468	1,156,293
2014	563,186	493,725	92,181	17,985	1,167,077
2015	540,638	580,928	96,069	18,529	1,236,164
2016	532,049	695,026	99,551	20,232	1,346,858
2017	538,555	666,617	99,606	20,921	1,325,699
2018	552,702	668,689	96,370	26,069	1,343,830
2019	567,625	633,344	96,362	26,118	1,323,449
2020	584,576	537,434	85,936	16,152	1,224,098
2021	590,254	517,580	84,556	14,741	1,207,131

Table3: Number of Yearly Output from 2010 to 2021

YEAR	PUBLIC UNIVERSITY	PRIVATE HEIs	POLYTECHNIC	COMMUNITY COLLEGES	TOTAL
2010	108,331	80,605	32,503	7,460	228,899
2011	104,291	54,397	33,310	6,624	198,622
2012	113,239	107,288	27,286	23,470	271,283
2013	126,027	94,528	25,853	27,485	273,893
2014	135,166	106,203	23,181	6,483	271,033
2015	122,454	134,374	25,388	7,578	289,794
2016	138,626	199,246	24,522	9,541	371,935
2017	119,558	149,857	26,960	10,433	306,808
2018	119,345	149,270	20,076	11,150	299,841
2019	128,418	142,945	29,527	6,928	307,818
2020	114,709	104,018	28,924	7,037	254,688
2021	157,866	132,238	28,117	1,953	320,174

The growth of retail channels in Malaysia has been promising in 2023 with value sales displaying strong growth for the same year. Three main offline channels for beverages in Malaysia are hypermarkets, supermarkets, and convenience stores. Supermarkets and hypermarkets have evolved into the largest distribution channel for beverages in Malaysia offering a wide range of beverage products from a variety of brands. Convenience stores on the other hand, due to their principle of operation in convenient locations and long operating hours have evolved into becoming equally important for beverage distribution in Malaysia. However, convenience stores by virtue of size and function offers a limited range of products. Additionally, beverages too are also distributed through other offline channels such as, traditional groceries, restaurants, petrol stations, drink specialists, pharmacies, vending machines, and bars. On the same note, the onset of retail technology has prompted growth of online retailing as a distribution channel for beverages in Malaysia. They offer a wide range of products from a variety of brands. Although the target group of online channel cuts across numerous age group, the older generation has returned to their old habits of shopping in physical store as the fears of Covid-19 dwindles. Nonetheless, the younger generation has shown a strong preference towards online shopping and would likely continue to support

e-commerce. Accelerating growth in cashless payment transactions is a major catalyst driving online shopping among these youngsters. In 2022 Shopee and Lazada dominated the retail e-commerce in Malaysia stemming from their platform's easy-to-use features which attracted a large volume of local and international sellers actively seeking to list their products on their platforms. Distinctive promotional activities such as Shopee and Lazada's free shipping and discount vouchers, continuous promotions such as "9.9", "10.10", "11.11" deals, "payday" deals and festivities deal have successfully attracted shoppers to purchase products from their marketplace. Besides these impactful promotional activities both platforms too have creatively designed impeccable marketing campaigns on social media together with reviews from past buyers to assist consumers with their purchase decisions. Collectively, all these initiatives have helped sustain the much subscribed and popular e-channel and to remain at the top of the rankings.

Food commercialization in Malaysia is governed by two main legislations, The Food Act 1983 and the Food Regulations 1985. One of the highlights of these act is food labelling that need to comply with all provisions of food labelling as stipulated in the Food Regulations 1985. Labels for beverages sold in Malaysia must be written in Bahasa Malaysia or English and must include information regarding the product's designation, ingredients, allergens, and nutritional content. In addition, certain types of claims are permitted on food labels, such as nutrient content claims, nutrient comparative claims, and nutrient function claims. The nature of information and their placement are both equally important to assist potential customers assess alternative brands on display at all channels (AT Center Kuala Lumpur, 2023) The rapid growth of E-commerce particularly the proliferation of online shopping has expanded access to a variety of beverage products, allowing consumers to discover and purchase niche brands that may not be available locally to the benefit of ELLE-R who may consider adopting the omni channel strategy to provide good access of their beverage to consumers. The advancement of retail technology too has enabled retailers to gather and analyse consumer data, leading to more targeted marketing efforts. Retailers can now provide personalized recommendations and loyalty programs that may influence consumer preferences and brand loyalty. Lastly the introduction of smart packaging via advances in packaging technology such as QR codes and augmented reality can enhance the consumer experience, provide extensive information on product benefits, sourcing, and even offering interactive features that engage consumers. All of these may strengthen consumer preference and eventual loyalty.

Additionally, the halal status of beverage sold too may impact its sales performance in Malaysia. Halal products are defined as those that meet Islamic dietary requirements, of high quality in nutritional value and are safe for consumption. These requirements are met through the fulfilment of hygienic, sanitation and safety requirements. Furthermore, during the preparation, processing, packaging, storage or transportation, the food should be physically separated from any other food that does not meet the Halal requirements. Although halal certification is not mandatory in Malaysia, but it is a critical mechanism business can utilize to reach out to the Muslim and non-Muslim market in Malaysia and worldwide. The agency tasked for Halal certification in Malaysia is the Malaysian Department of Islamic Development (JAKIM) (Halal Malaysia Portal, 2024).

The halal status of beverages significantly influences beverage choice among Malaysia's Muslim population. For practicing Muslims, consuming halal products is a matter of faith. Halal certification ensures that beverages comply with Islamic dietary laws, impacting their efficacy in everyday life. It is important to recognize certain ingredients or methods of production may be prohibited in Islam (haram). For example, alcohol and certain animal-derived additives (like gelatine) are not permissible. Hence, beverages that are halal certified are preferred by Muslim consumers to avoid inadvertently consuming haram substances. Additionally, with the presence of a significant Muslim population, there is a strong market demand for halal-certified beverages. This demand encourages producers and retailers to expand their offerings of halal options, leading to a diverse range of drinks, including fortified juices, soft drinks, and dairy products that meet halal standards. The presence of halal certification too drives brand loyalty

among Muslim consumers. Brands that are prominently advertised as halal may attract more customers and establish a loyal following due to their adherence to Islamic values. In short, halal certification provides assurance to consumers that a product has been vetted by a credible authority, reinforcing trust in the brand. This is particularly important in a multicultural country like Malaysia, where transparency regarding product content and sourcing is vital for consumers. The presence of halal symbols or certification on beverage packaging serves as a quick reference for consumers, influencing their purchasing decisions at the point of sale. It simplifies the decision-making process and can sway choices in favour of those products. In view of this, the Malaysian government has instituted regulations and standards for halal certification (managed by bodies like the Department of Islamic Development Malaysia, JAKIM). This regulatory framework facilitates a structured approach for businesses looking to enter the halal market, influencing their production and marketing strategies and ultimately increases the availability of authentic halal beverages in the market. Companies that falsely advertise their products as halal may face legal penalties, leading to a greater emphasis on obtaining genuine halal certifications. A point worth reiterating is, Malaysian halal certification is also recognized internationally, allowing local businesses to market their halal beverages worldwide, particularly to Muslim-majority countries. Consequently, with an increasing focus on educating consumers about the importance of halal products, the demand for halal certified beverages will be amplified. Collectively with campaigns promoting halal awareness can lead to a more significant influence on consumer choices. In a nutshell the halal status of beverages plays a crucial role in influencing consumer choices among Malaysians, particularly among the Muslim population. From cultural and religious adherence to market demand and consumer trust, halal certification shapes the beverage landscape in Malaysia, driving brands and producers to prioritize halal compliance in their offerings. As awareness and preferences evolve, the influence of halal status on beverage choice will likely continue to grow in significance.

Overall, with trends such as rising incomes, increasing urbanization, improved education levels, innovative beverages, innovative retail technology and legislation surrounding halal certification of food and beverages, the Malaysian beverage market has demonstrated strong growth prospects in the coming years ahead. It would be imperative that ELLE-R BEVERAGE monitor these trends closely as they pose immense opportunities capable of propelling the growth of the company. Pursuing the necessary and timely internal changes within the company would be imperative to adapt to these external changes. Only then, the company would be equipped to leverage on emerging opportunities brought about by these changing trends.

LANDSCAPE OF MALAYSIAN BEVERAGE MARKET: UNFOLDING EMERGING OPPORTUNITIES

Beverage can be classified into alcoholic and non-alcoholic. Roselle juice is a non-alcoholic beverage. The market segment for non-alcoholic beverages comprises of five categories namely juice, water, milk, carbonated drinks as well as hot drinks (Table 4). Roselle juice falls within the classification of fruit juice in the beverage market. Fruit juices are in turn classified based on their storage method, flavor, and juice content. The storage methods include refrigeration, shelf-stable bottled, frozen concentrate, aseptic, canned, frozen fruit juice bars, and shelf-stable liquid concentrates. Flavor classifications include orange juice, fruit drink, cranberry juice, apple juice, fruit juice blends, grapefruit juice. The juice content classifications include 100 percent fruit juices and fruit drinks. Juices specifically is popular in Malaysia because it is commonly perceived as a healthy and refreshing drink, offering a good source of vitamins, minerals, and antioxidants. Juices too harbors enriching characteristics as they are produced from the extraction or pressing of natural liquid in fruits and vegetables and contains nutrients such as carotenoids, polyphenols, and vitamin that offer health benefits. These could be the very reason prompting the favorable market growth of juice (10.15) next to carbonates (13.27) and water (12.14) (Table 4).

Table 4: Market Size by Beverage Types (Unit: MYR, Million; %)

Index	2018	2019	2020	2021	2022	YoY (21/22)
Coffee and tea	2,921.8	3,052.9	3,196.2	3,204	3,382.8	5.58
Packaged water	900.1	973	902	829.5	930.2	12.14
Milk	1,751.5	1,880.1	2,029.6	2,135.8	2,249.9	5.34
Carbonates	2,334.1	2,305.6	1,985.2	1,799	2,037.7	13.27
Juice	834.4	864	861.3	799.3	880.4	10.15
Total	8,741.9	9,075.6	8,974.3	8,767.6	9,481	8.14

*Source: Juice in Malaysia, Drinking Milk products in Malaysia, Hot Drinks in Malaysia, Bottled Water in Malaysia, Carbonates in Malaysia (Euromonitor, 2023.06.)

As beverages are meant for human consumption and fulfils human’s daily need the beverage industry’s market share has surged significantly. This has certainly drawn a growing number of players in the Malaysian beverage business as it poses lucrative opportunities. As at Q4 2022 the Malaysian beverage market size was valued at 9,481 billion MYR (2.64 billion litres) while the juice market size was valued at 880.4 million MYR in 2022, representing a sales performance growth of 10.15% YoY compared with 2021. Euromonitor projected the market for beverages in Malaysia to reach 11,961.50 million MYR in 2026, representing a growth at a CAGR of 4.42% between 2023 and 2026. This growth is in tandem with heightened consumer demand for organic and healthy beverages which in turn is expected to increase the sales of both drinking water and juice to a total of MYR 2,404.5 million by 2026.

EVOLVING BEVERAGE PREFERENCE AMONG MALAYSIAN CONSUMER’S: A DYNAMIC CHALLENGE

Heightened consumer interest and spending on fresh fruit has had positive effects on the fruit juice market. Fresh fruits have often been perceived as healthier than processed fruit products, including juices. The increasing availability of specialty fruits too has encouraged higher consumer spending in the fresh fruit section of food stores. Besides the prevailing wellness and health trend, an understanding of the importance of balanced meals is also instrumental in increasing the consumption of fruit juices. Today’s fast paced modern lifestyle is characterized by meals that come in the form of fast food with no fruit portions. This has encouraged fruit juice providers or manufacturers to promote the nutritional aspects of their fruit juices and their necessity in offering a balanced meal. Additionally, governmental and medical organizations have accentuated this health trend by issuing guidelines recommending the consumption of fresh food. In Malaysia, there are few popular brands with extensive coverage in the country. Among others, Malaysia Milk through its well-known Marigold and Peel Fresh brands and F&N Dairies through its Sunkist and Fruit Tree Fresh brands. These brands are well liked by local and regional households, giving them a competitive edge over other brands. These two significant market contenders pose absolute challenge to ELLE-R BEVERAGE Sdn Bhd to market their Roselle based beverage and products to Malaysian consumers at the national level.

ISSUES AND POTENTIAL SOLUTIONS FOR DELIBERATION

There is no doubt that the company has flourished well over the years through the hard work, perseverance cum well conceptualized and instituted initiatives. ELLE-R BEVERAGE Sdn Bhd as it is today is in good shape. Nevertheless, what the future holds seems rather uncertain. There is a definite need to chart the future growth of the company, at least in the next 3-5 years. New market opportunities as well as target market, needs to be enlarged and redefined. Product innovations must be in place as the existing ones move through their life cycle where their sales and profit growth rate begin to wither. This is critical to ensure that a balanced and strong product portfolio is maintained at all times. As innovative products and markets are introduced their impending positioning strategies, product, promotion, placing and pricing strategies too

needs due consideration. ELLE-R BEVERAGE needs to revisit some of these critical areas as their preparatory measures to maintain continuous growth, competitiveness and sustainability of the company vi-a-vis a strong product portfolio.

STRATEGIC IMPLICATIONS FOR IMPLEMENTATION

ELLE-R BEVERAGE Sdn Bhd through their reforms and improvement in various aspects of the company's key operations from their manufacturing process up to the marketing of their product mix has gained them a strong foothold as a manufacturing entity within the Roselle industry. Being awarded as one of the top 50 successful entrepreneurs under the flagship of MARDI and securing the rights to supply the POUCH to MyMAVORS are among the company's landmark achievements to name a few. To date the company has displayed remarkable progress from its onset to where it is now.

However, more can be done to ensure the sustainability of the company in the long term. Serving predominantly the regional market of the East Coast of Peninsular Malaysia alone may not be enough in time to come. Moving on to serve the national market may be the next thing to focus on as part of the company's market expansion program and ultimately embarking on the global reach. National and global market expansion could encompass segments within the end user and institutional market. The company's existing product portfolio too needs continuous innovation to ensure continuous strength and stability of the portfolio. New applications of Roselle, innovative flavors and forms need to be explored and quickly capitalized. As studies have discovered the multiple applications of Roselle, ELLE-R BEVERAGE may need to assess these applications to the benefit and long-term survival of the company.

Consequently, as the Malaysian beverage industry is continuously plagued with newly emerging trends such as rising incomes, increasing urbanization, growing demand for healthy and innovative beverages, technological innovation and reforms in the legislative framework, there is an imperative need for ELLE-R BEVERAGE Sdn Bhd to assess them and decide on mitigation plans in reciprocating to these changes may they be opportunities or threats to the company as their survival may be at stake.

SUMMARY

To date ELLE-R BEVERAGE Sdn Bhd has grown steadily reflecting a firm posture in the company's financial performance as well as market reach. However, as much as being successful in leveraging on applications of Roselle to grow in a niche market, much is left to be pondered on the company's future sustainability. As the company's product portfolio as well as market grows and eventually matures, new opportunities must be explored and tapped profitably. Only then the company's product portfolio can remain strong and sustainable. The role of research and development is undeniably pivotal to facilitate the company's endeavor in reaping new product development opportunities in future. In addition to this organic mode of developing new products, outsourcing through patents and franchise agreements too could be considered. Market research too must assume an equally important role to identify the emergence of new market opportunities in terms of new segments or new types of market stemming from competitive forces, changes in consumers beverage consumption pattern, education levels and earning capacity. Cumulatively an integrative as well as synergistic effort among these two key functions are critical in driving the company's competitiveness and future sustainability.

MOVING FORWARD: WHAT NEXT?

In charting the company's survival in the long term, concerted efforts are needed among key functional areas (marketing, R & D, market research, finance, production) in the company. Prior to instituting conceptualized measures deemed fit to continuously grow the company, monitoring and evaluating the

company's current product and market performance is a must. Both the sales performance and profit performance are critical indicators of the product's life cycle stages, which in turn would prompt decisions for growth or development. The adoption of selected product portfolio models such as BCG, matrix, GE matrix, Shell Directional Policy matrix or the Abel Hammond 3x3 matrix are all essential to monitor the overall status of the company's product portfolio, which in turn would precisely demonstrate how balanced is the company's portfolio at a specific point in time. Close monitoring and evaluation of the company's product portfolio could trigger the need for ELLE-R BEVERAGE Sdn Bhd to revisit and reformulate their product's marketing mix strategies to sustain or accelerate their market growth in their life cycle stage. The timeliness of new product introduction and new market penetration too would ensue from the evaluation of current product and market performance. Additionally, close macro and micro environmental and market monitoring too would furnish important inputs in facilitating decisions on what, when and where new products should be diffused into the market. These concerted and collaborative approach to product management encompassing both the internal and external realm would assist to propel the company to greater heights and in turn ensure sustainability.

CONCLUSION

In summary, ELLE-R BEVERAGE Sdn Bhd has demonstrated impressive growth and resilience within the Roselle beverage market, leveraging its niche to establish a solid regional presence. However, the company's future sustainability hinges on its ability to navigate a rapidly evolving landscape marked by shifting consumer preferences, rising health consciousness, and increasing competition from established brands. To sustain and build upon its success, ELLE-R BEVERAGE Sdn Bhd must focus on several strategic imperatives: expanding its market reach nationally and globally, innovating its product portfolio, and maintaining a robust R&D framework. Additionally, the company should continuously monitor market trends and adapt its strategies to align with emerging opportunities and challenges. By integrating these efforts with strategic market research and development initiatives, ELLE-R BEVERAGE Sdn Bhd can enhance its competitiveness and secure long-term growth in the dynamic beverage industry.

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We are thrilled to celebrate a significant milestone with the publication of the first AAGBS Casebook. This accomplishment marks an important step forward for Arshad Ayub Graduate Business School (AAGBS) in its mission to enhance academic resources and contribute meaningfully to the field of business education. Congratulations to AAGBS for this remarkable achievement!

Special recognition goes to Dr. Suriana Ramli for her exceptional leadership in spearheading this project. Her dedication and vision have been instrumental in bringing this casebook to life. Heartfelt congratulations are also extended to all the contributing authors, whose hard work and expertise have enriched the content of this publication.

This casebook is designed not only for AAGBS's MBA students but also for post-graduate students and business practitioners seeking practical insights and scholarly perspectives. It stands out as a comprehensive and valuable resource, offering a collection of diverse and impactful cases. The topics covered include human resource management, virtual innovation, leadership, patent litigations, organizational sustainability, change management, integrity, and supply chain. These cases provide real-world scenarios and challenges, fostering critical thinking and problem-solving skills.

We believe this casebook will serve as an excellent learning tool and a source of inspiration for its readers. Congratulations once again to everyone involved in making this initiative a success. Let this be the first of many more contributions from AAGBS to the academic and professional community.

With warm regards,

Prof. Dr. Syed Jamal Abdul Nasir bin Syed Mohamad
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