



A Monthly Bulletin for Entrepreneurs
bizpulse

Issue 26
 March - April 2018
 Complimentary Copy

PP18996/04/2016(034470)

INSIDE THIS ISSUE

COVER STORY

A Looming Trade War: Impact On Malaysia

..... by *Datuk Dr Ghaz*

The US-China economic conflict is on the rise. Late 2017 saw the release of US strategy documents on national security, defense and trade, all of which for the first time defined China as a strategic competitor and disavowed America's long-standing policy of constructive engagement.

Most economists believe that there will be no full-scale trade war between China and the US. But even trade frictions could have a long-term impact on global trade, investment flows, and the political power balance in the Asia-Pacific region. The short-term effects would likely be unevenly distributed across global markets. The impact on China may be far less than US President Trump expects, but the collateral damage to Asia's regional economies could be significant and would have asset allocation implications for the region's financial markets.

steel and aluminum. China is the world's largest producer of both commodities.

The Collateral Damage

Financial markets see these moves as evidence of President Trump's protectionist policies. Gross trade data can be misleading, however, because over one third of China's exports, including those to the US, are goods that China has added value to, and that were mainly produced in other Asian countries.

This means that rising US protectionism, as manifested in US-China trade frictions, could hurt other economies that supply parts and components to

continue on page 2

POINT-OF-SALE:

3 Ways to Dramatically Improve Your Sales Funnel Page 4

URUS BESTARI:

6 Tip Mengurus Kewangan Perniagaan Kecil Page 5

BUSINESS ALERT Page 6-7

PENGURUSAN SUMBER MANUSIA

Bagaimana Pengurusan Sumber Manusia Memanfaat Perniagaan Kecil Page 8

SEMBANG USAHAWAN:

Wan Zaki Wan Taib Page 9-11

KNOWLEDGE SPA:

Currency Wars: The Making of the Next Global Crisis Page 12

ENTREPRENEURS' EVENT CALENDAR

Page 12

America's Stubborn Trade Deficit With China

The pressure point of US-China trade frictions lies in the stubborn trade deficit that the US has with China. It is more than five times larger than the US' second-largest bilateral trade deficit, with Mexico. China's trade surplus with the US has climbed to record highs while its surplus with the rest of the world has declined.

President Trump believes he has strong justification for pursuing a tough trade stance against China, and things seem to be moving in that direction. After imposing import duties in late January this year of 30% and 20% on solar panels and washing machines, respectively, the US Commerce Department proposed in mid-February to impose high tariffs or quotas on imports of



Adviser

Dato' Razman Mohd Noor
Chief Operating Officer
(Operations & Group
Corporate Management)

Editor-In-Chief

Datuk Sheikh Ghazali Abod, Ph.D
Director
Entrepreneur Development Division

Editor

Norhisham Hamzah

Contributors

Khairil Anuar Mohammad Anuar
Wan Zainuddin Wan Muda
Rusydan Hamedy Rusli
Hayati Abu Seman

Design & Layout

Haja Sharoni Shah
Rafiq Asyraf

Published By

Small Medium Enterprise
Development Bank
Malaysia Berhad (49572-H)
Menara SME Bank
Jalan Sultan Ismail
50250 Kuala Lumpur
Wilayah Persekutuan
Tel: +603 2615 2020
Fax: +603 2698 1748
Customer Service Centre:
1-800-88-3131
www.smebank.com.my

Project Management

Centre For Entrepreneur
Development And Research
Sdn Bhd (CEDAR) (1042601-M)
Level 6, Menara SME Bank
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel: +603 2615 2063
Fax: +603 2692 5916
www.cedar.my

DISCLAIMER

The views and opinions expressed throughout this newsletter are those of the authors and do not necessarily reflect the official position and views of the SME Bank.

Copyright © Small Medium Enterprise Development Bank Malaysia Berhad. All rights reserved. This publication is not to be reproduced in part or whole without the express permission of the copyright holders. Materials on this publication are protected by copyrights law. Unauthorised reproduction or distribution of copyright materials, or any portion of it, may result in severe civil and criminal penalties and will be prosecuted to the maximum extent possible under the law.



For Business • For Growth • For Life

SME Bank Group of Companies



continue from page 1



China. The potential collateral damage can be estimated by stripping out the added-value portion of China's gross exports and reassigning it back to its original source countries to assess their ultimate export exposure to the US.

The point is clear. An escalation of US trade protectionism would be quite damaging to most of Asia-Pacific's export-oriented economies, with six of the top 10 most-exposed countries being Asian. The damage to China should be somewhat limited. From an asset allocation perspective, it would appear that China would be the least-affected Asian market should frictions in US-China trade increase.

A market study also finds that in the Asian countries most exposed to the US, the industries that could be hit hardest by US trade measures are textiles, leather and footwear in Vietnam, computers and electronics in Taiwan and Malaysia, and chemicals and petroleum products from Singapore.

Complications For Asian Currencies

In broad terms, Asian currencies would be exposed to the risk arising from the US protectionism. They would face depreciation pressure as trade slows and local policymakers shift to expansionary policies to protect growth. If, alternatively, the US dollar remains weak despite the expected Fed rate increase, it would mitigate the protectionism risk for Asian currencies and would even allow Asian central banks to lag the Fed in raising interest rates. The relative strength of these two forces is unknown. Much depends on the direction the dollar takes which, in turn, depends on whether the Fed raises rates by more, or faster, than currently expected.

Impact On Malaysian SMEs

Malaysia, known as an export-reliant economy, could also be hit with unfavorable impacts, both directly and indirectly, if the trade war escalates into a global scenario. Nomura, in a special report, projects Malaysia's "ultimate exposure" to the United States – including via intermediate goods to China for assembly into final products destined for the United States – at 10% of gross domestic product (GDP), about half of which is in electronics products. Malaysian SMEs contribute about 45% of total exports of electronic products to the China market, hence, the US-China conflict could pose a risk to our SME exporters to China in the short to medium term if the issue escalates.

On the other hand, 8% of Malaysia's GDP is exposed to China's final demand. With the United States and China being two of Malaysia's largest trading partners, will the country turn out to be an unlikely victim of the US-China trade war? Economists have pointed out the

“After imposing import duties in late January this year of 30% and 20% on solar panels and washing machines, respectively, the US Commerce Department proposed in mid-February to impose high tariffs or quotas on imports of steel and aluminum. China is the world’s largest producer of both commodities.”

Malaysian economy is not expected to experience any immediate brunt on the back of the US-induced trade war.

However, in the event of further trade spat escalation between the two countries, economists warn about significant negative repercussions that may impede global growth and overwhelm smaller trading nations such as Malaysia. In short, the real implications are yet to be seen.

Echoing a similar stance, International Trade and Industry Minister Datuk Seri Mustapa Mohamed expects the United States’ wide-ranging tariff imposition on Chinese goods to have minimal impact on Malaysia. He says that the move by Trump can have a huge impact on other countries. Malaysia is concerned that this would trigger a trade war and China will undertake counter measure against the decision made by Trump.

This is an unhealthy development, as Malaysia has a process established by the World Trade Organisation which has to be complied with, according to Datuk Seri Mustapa. In 2017, China was Malaysia’s second largest export destination, constituting nearly 14% or RM126.2 billion of total exports of the year. On the other hand, the United States, which represented

9.5% or RM88 billion of Malaysia’s total exports, was the third largest export destination. However, economists say that Malaysia could be hit significantly if the United States and China engage in a full-scale trade war.

The Domestic Solar Panel Industry Will Be Affected

The United States and China alone make up 40% of the world’s total gross domestic product and almost a quarter of world trade. Economists estimate that for every 10% drop in US-China trade, it can shave up to 0.7 percentage point of the world’s economic growth. In the immediate term, the domestic solar panel industry will be affected as Malaysia is facing 30% tariff imposed by the United States on imported solar panel and components and Malaysia is the largest source of US imports on this.

Malaysia’s photovoltaic cells and modules production industry is the third largest in the world after China and Taiwan, accounting for 8% of the global output. According to the Malaysian Investment Development Authority (MIDA), the country’s solar manufacturing companies’ total exports were worth nearly RM11.1 billion in 2016. Up until 2015, 48 solar projects have been implemented with total investments of RM28 billion, which have created more than 26,700 job opportunities. The escalation of the trade war, moving forward, could be detrimental to the sector’s performance, which has grown robustly in recent years. The implications on Malaysia via global supply chains will be manageable for now, if the resulting trade US-China impact is mild. Malaysian SMEs presently

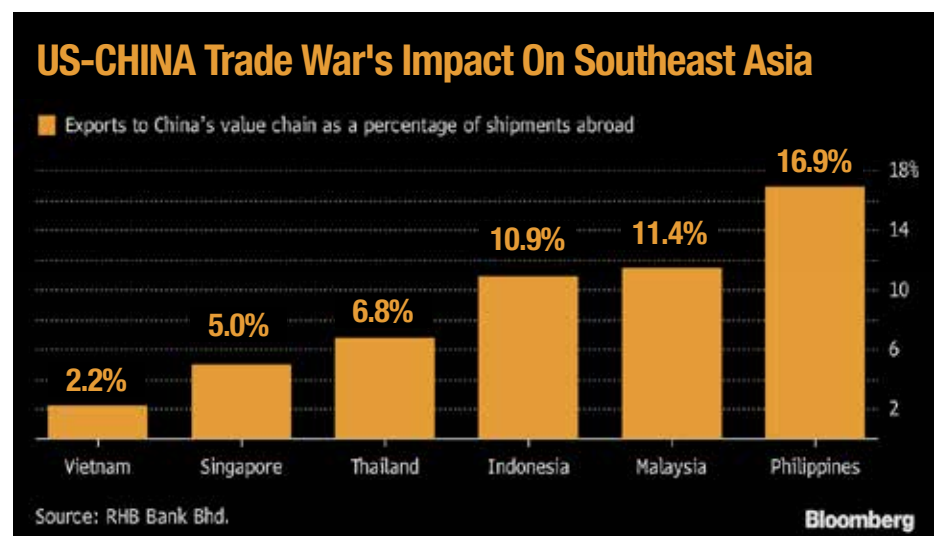
constitute roughly 70% of the total exports of solar panel and components and given this latest development, our SMEs in this particular industry could be badly affected should the US impose stricter tariffs on solar panel imports.

Positive Impact

Other industries affected will be electronics and electrical products as well as machinery. However, on a positive note, China may buy more palm oil from Malaysia if China retaliates to consume less soybean from the United States. Thus, Malaysian SMEs, especially the small planters of oil palm may benefit from this situation. Trump administration may further scrutinize the list of countries that are enjoying huge trade surpluses, which includes Malaysia. The US government claims that the trade surpluses came about from unfair trade practices or unfair trade agreement.

The base case remains that most economists do not expect an all-out trade dispute but this is clearly a non-zero potential risk. They opine that the US tariffs and China counter tariffs are measured and restrained – for now. Values of products affected by the trade spat are 10% of US imports from China and 2% of US total imports. Besides, only 2% of China imports from the United States and 0.2% of China total imports will be affected.

Nevertheless, concerns remain for both the banking industry with sizeable loan exposure to the SMEs involved in the affected sectors, as well as the whole supply-chain of those related business operators. It is imperative for them to be cautious and wary of the ongoing developments.



Datuk Dr Sheikh Ghazali Abod is the Director of Entrepreneur Development Division, SME Bank. He can be reached at sheikh.ghazali@smebank.com.my

3 Ways to Dramatically Improve Your Sales Funnel

by CEDAR Research Team

When it comes to marketing your business, you can't just focus on one technique or area to improve. No one change will do everything you need: find new customers, sell your product and keep existing people happy. Businesses are often looking for that one magic fix to their marketing plan that can come in and save the day. That's hoping for too much.

Your whole customer journey and marketing funnel won't come together to grow your business unless you give each part equal attention and provide a consistent experience to customers at every stage. By optimizing every stage of your customer journey, you can take advantage of every opportunity to maximize revenue and minimize the costs associated with your marketing. Here's how you can tighten each stage of your buyer's journey.

■ Improve Lead Acquisition Efficiencies

The two main problems businesses run into at the top of the marketing funnel are lead quality and quantity. It doesn't matter what lead generation tools and tactics you favour – either your acquisition efforts aren't producing enough leads, or the leads are low quality and don't convert. To understand which is hampering your efforts, you need to analyse your full funnel to see what happens to the leads you're generating. Are your current leads converting poorly, or is the problem just not having enough of them? Once you've diagnosed that, you can start making fixes. If your problem is lead quality, compare acquisition costs for different

sources against how much money they make you in the long run. You could be paying lots of money to generate low-quality leads, in which case you'll want to adjust or eliminate those sources. If you need more leads like the ones you're bringing in, improving your brand's true reach might be a better focus.

■ Personalize The Middle Stages

Once you've captured a lead for your marketing funnel, you need to continue providing excellent messaging and targeting through each step of the buyer's journey. This phase is when they're learning more about your business and considering your product or service. Here, a major problem businesses often run into is not getting specific enough when speaking to a prospect's objections or how they could benefit from your product. Different types of leads will come to you for different reasons, and you need to address and appeal to each of them. The best way to address this and nurture leads is to provide education on your business's value; not just the product itself but with content segmented and personalized to each main customer group. For example, sending emails based on a customer's buyer persona or behaviour on your brand's website can make a big difference in this regard. With more personalized marketing, you can often convert more customers at a lower cost.

■ Be Persistent With Conversion

Finally, once you've optimized acquisition and nurturing, you need to clinch the final close. This is the most important step, the part everything else leads up to, yet so many businesses have holes and missed opportunities at this stage of their sales funnel. The biggest mistake? Only pitching the sale to each lead once, and then giving up on them. In reality, if someone's made it this far into your process, they're likely to be truly qualified and can, therefore, be convinced to close. Try multiple times to make that happen until you find the right timing or messaging.

For example, you can use remarketing with a cross-channel ad platform to target leads who were "lost" in other stages of the marketing funnel, to start guiding them back towards conversion. Or, if someone is engaging but not converting, continue nurturing them at the conversion stage instead of cutting off marketing after one try. The key is to fix your funnel. When your funnel is leaking business, and you're spending inefficiently to try and plug it up, you're losing twice over. What business can afford that mistake for very long? Take a look at your own customer journey. Where are the leaks that need tightening?



6 Tip Mengurus Kewangan Perniagaan Kecil

oleh CEDAR Research Team

Setiap syarikat, besar atau kecil, sentiasa prihatin terhadap satu perkara - menguruskan wang. Pengurusan kewangan yang betul adalah sangat penting untuk bertahan dalam ekonomi yang tidak menentu dan persaingan industri. Perniagaan kecil, terutamanya, perlu berhati-hati dengan keputusan kewangan mereka dari awal lagi. Ia memerlukan lebih daripada sekadar idea yang baik untuk menjalankan perniagaan. Setiap perniagaan memerlukan struktur kewangan yang menjana keuntungan untuk tetap berwibawa. Keperluan usahawan perlu dilengkapi dengan kebolehan pengurusan wang yang baik untuk menjadikan usaha mereka menjadi kisah kejayaan. Tidak semua pemilik perniagaan kecil mahir di dalam pengendalian kewangan. Namun, pengusaha kecil masih mempunyai peluang untuk mempelajarinya.

Berikut ialah 6 petua untuk menguruskan kewangan perniagaan kecil:

1 Mendidik Diri Anda
Salah satu perkara pertama yang perlu anda lakukan adalah mendidik diri anda tentang pelbagai aspek kewangan. Sebagai permulaan, pelajari cara membaca penyata kewangan (jika anda tidak tahu bagaimana). Ini adalah satu pernyataan penting mengenai wang anda - dari mana asalnya, berapa banyak tangan yang berubah, dan di mana ia berada. Penyata kewangan mengandungi 4 butiran penting - penyata aliran tunai, penyata pendapatan, lembaran imbalan dan penyata ekuiti pemegang saham. Kenyataan aliran tunai menganalisa aktiviti operasi, pelaburan, dan aliran masuk / keluar kewangan. Lembaran imbalan menyediakan maklumat yang berkaitan dengan aset, liabiliti dan ekuiti pemegang saham syarikat. Pernyataan pendapatan mencerminkan pendapatan yang diperoleh dalam tempoh tertentu. Ekuiti pemegang saham mewakili amaun yang membiayai syarikat melalui saham biasa dan pilihan.

2 Asingkan Kewangan Peribadi dan Perniagaan

Sentiasa pastikan kewangan peribadi dan perniagaan anda berasingan. Anda memerlukan kad kredit perniagaan dan meletakkan semua perbelanjaan yang berkaitan dengannya. Ini akan membantu anda menjejaki perbelanjaan anda dan memastikan anda mengawalinya. Anda juga perlu membuka akaun simpanan yang didedikasikan untuk perniagaan anda, di mana anda boleh memindahkan jumlah wang tertentu dari setiap pembayaran yang anda terima. Anda boleh menggunakan wang ini untuk membayar cukai.

3 Memotong Kos

Adalah penting agar para usahawan, terutamanya yang berskala kecil, bersungguh-sungguh untuk mengekalkan kepuasan pelanggan. Setiap perniagaan menanggung 2 jenis kos - tetap dan berubah. Walaupun kos tetap perlu ditanggung tanpa mengira sama ada perniagaan anda menghasilkan wang atau tidak, terdapat ruang untuk penjimatan kos berubah. Contohnya, daripada membeli perisian berjenama yang mahal, anda boleh bekerja dengan perisian berasaskan awan, yang sama baiknya. Anda juga boleh melakukan panggilan dan persidangan video dalam talian percuma daripada melakukan perjalanan jarak jauh yang berkos tinggi.

4 Melabur dalam Perisian Perakaunan berasaskan Awan

Walaupun anda boleh muat turun perisian perakaunan biasa untuk menguruskan kewangan anda, ia tidak akan memberikan anda semua ciri perisian perakaunan yang berasaskan awan. Perisian berasaskan web memberikan anda maklumat real-time kerana kebanyakannya hanya mempunyai ciri-ciri menyimpan, mengemas kini, menjejaki, dan mengakses data dari mana saja pada bila-bila masa. Sama ada anda berada di

rumah, pejabat atau melancong, dengan mudah anda boleh bekerja dengan data anda dari mana sahaja yang anda suka. Ia bebas daripada kesilapan, tanpa kerumitan dan boleh dipercayai.

5 Memantau dan Mengukur Prestasi

Adalah penting sebagai pemilik perniagaan, anda memantau aliran wang anda, terutamanya apabila jumlah yang besar terlibat. Bandingkan prestasi kewangan syarikat dengan penyata kewangan masa lalu untuk meramal pendapatan masa depan, perbelanjaan dan aliran tunai anda. Ambil kira aspek-aspek ini yang akan membantu anda membuat keputusan bijak untuk perniagaan anda.

6 Mendapatkan Bantuan Profesional

Setiap orang memerlukan bantuan, terutama usahawan yang berminat untuk menempa kejayaan besar. Kadang-kadang, ianya perlu untuk menggunakan perkhidmatan pakar, walaupun secara separuh waktu. Mereka boleh membantu anda menentukan di mana perniagaan anda, di mana ia menuju dengan menggunakan dan menganalisis data anda. Pastikan anda mengupah seseorang yang anda percayai. Sama ada perancangan cukai untuk tahun kewangan yang akan datang, atau pembayaran untuk tahun semasa, kepakaran mereka adalah perlu dalam membimbing anda dan memberikan anda ketenangan fikiran.

Kesimpulan

Walaupun memiliki dan menjalankan perniagaan anda sendiri adalah agak menarik, ia juga boleh menjadi agak sukar, terutama di dalam mengendalikan pengurusan kewangan. Jangan biarkan perniagaan anda menderita kerana pengurusan kewangan yang lemah. Sila ambil maklum tip-tip di atas dan berikan usaha anda masa depan yang cerah.

BUSINESS ALERT

..... by Corporate Planning, SME Bank Malaysia

OIL, GAS AND ENERGY



RECENT DEVELOPMENT

- **Oil prices (April 2018)** – Crude slid the most in almost two months as fears of a trade war prompted investors to dump commodities and other risky assets. Brent for June settlement fell by USD1.70 to USD67.64.
- **Petroleum Nasional Bhd (Petronas)** raises its capital expenditure (capex) for upstream exploration to RM26 billion this year as it aims to maintain a tight fiscal discipline within its operations. The exploration allocation includes drilling wells and acquisition of seismic data. Petronas planned to drill between 110 and 120 wells this year and maintain exploration at 23 to 25 wells in Malaysia. The oil company was looking at exploration in Southeast Asia and wanted to develop assets in the region with partners.
- **International Energy Agency (IEA):** Global energy demand rose by 2.1% in 2017, more than twice the rate recorded in the previous five years. The robust global economy pushed up energy demand, which was mostly met by fossil fuels – accounting for 81% of total energy demand in 2017 - while renewable made impressive gains.

- » Oil demand increased by 1.6% in 2017, more than twice the average annual rate seen over the past decade, and driven primarily by the transport sector and rising petrochemical demand.
- » Natural gas consumption increased by 3%, the most of all the fossil fuels, with China accounting for nearly a third of this growth and the buildings and industry sectors contributing 80% to the increase in global demand.
- » Global demand only increased by 1%, but this still nevertheless reversed the declines seen over the last two years.



OUTLOOK: NEUTRAL

- **Malaysian Rating Corp Bhd (MARC):** O&G players expect some recovery this year supported by improved economic conditions and recovery in O&G players' order book. Moreover, upstream players are likely to see lower impairment as well as Petronas is predicted to award more contracts this year.
- » Analysts anticipate the average crude oil price to be USD62 (RM241.80) to

- USD63 per barrel this year. However, the likelihood of the average price hitting as high as USD65 to USD70 depending on how the global trade developments pan out, especially the US trade tariff policy.
- **Moody's Investors Service** raised its medium-term price band for crude oil to USD45- USD65 per bbl from USD40-USD60/bbl. The revision underpinned by continued Organization of the Petroleum Exporting Countries (OPEC) production restraint and strong global demand growth help excess global inventories to decline.
- » The rating agency noted that oil prices will likely stay range-bound and possibly volatile as the surge in U.S shale production will continue to suppress price gains whenever prices rise in the upper half of the USD45-USD65 price band.
- » The emphasis on a range of outcomes within the price band helps to assess the resiliency to price

HEALTHCARE



RECENT DEVELOPMENT

- **AffinHwang Research:** Analysts have upgraded the healthcare sector to overweight as the companies within the sector reported satisfactory earnings growth.
- » Going into year 2018, hospital operators should deliver robust earnings growth on the back of new hospitals openings, recovery in private healthcare spending, lower start-up losses and benign competition.
- » The pharmaceutical outlook remains positive supported by secular demand for prescription drugs and strong monthly exports numbers.
- » Analysts also reported that KPJ's inpatient admissions registered +2.4% YoY growth in 2017 after 2 years of flattish growth, while IHH's inpatient admissions in its Malaysia operations grew by +2.3% YoY.

- » This may signal a recovery in private healthcare spending after seeing the private hospital's inpatient market declined from the peak of 32.1% in 2013 to 29.4% in 2016.



OUTLOOK: NEUTRAL

- **Malaysian Healthcare Travel Council (MHTC):** The Malaysian medical tourism industry's revenue broke through the RM1 billion marks for the first time in 2016. By 2020, the national target is to double the figure.
- » Healthcare tourists from China are already Malaysia's second-fastest growing market in 2016. Arrivals from China grew by 20% YoY, behind Vietnam at 83% YoY during the year.

- » Fertility and cardiology treatments are among the top five treatments sought after by healthcare travelers to Malaysia, alongside orthopedics, oncology and aesthetics.
- » In 2016, Malaysia welcomed 921,000 healthcare travelers, which generated RM1.123 billion in revenue. The medical tourism sector has sustained a CAGR of 15% between 2011 and 2016.
- » MHTC aims to rev up the CAGR higher to 20% between now and 2020. It estimates that for every ringgit spent by medical tourists, the multiplier effect for the larger tourism sector is between RM3 and RM4 across transportation, accommodation and food, among others.

WHOLESALE AND RETAIL



RECENT DEVELOPMENT

- **Ministry of International Trade and Industry (MITI):** The e-commerce sector has recorded significant growth in 2016 and contributed RM74.6 billion or 6.1% to the GDP from RM68.3 billion or 5.9% in 2015. To ensure the e-commerce sector continues to grow, the government has implemented the National E-Commerce Strategic Plan (NESR) Plan 2016- 2020. The Plan is projected to double the rate of e-commerce growth in Malaysia to 20.8% by 2020 from 10.8% in 2016.
- » Among the government's initiatives to

- promote e-commerce growth included the launch of the DFTZ in 2017 to increase the involvement of more entrepreneurs in global e-commerce transactions.
- » To date, 2,072 businesses have registered in the DFTZ to export their products through the Alibaba platform.



OUTLOOK: NEUTRAL

- **Retail Group Malaysia (RGM)** is estimating a +4.7% growth for the retail sector in 2018 to RM104.4 billion

- (+2% in 2017). However the Malaysia Retail Association (MRA) members consider this projection optimistic.
- » RGM expects retail sales to rise to 5.4% YoY in 1Q2018 (+3.1% YoY in 4Q2017) due to Chinese New Year and pointed to the upcoming GE14 as one of the main reasons consumers have been taking a wait-and-see attitude towards spending.
- » The prospect of retail industry this year is still highly dependence on the economic performance and consumer confidence.

TOURISM



RECENT DEVELOPMENT

- **Hotel.com.:** Average accommodation prices paid in six prominent travel destinations in Malaysia have increased by 4% to 19% YoY in 2017, in line with a global uptrend last year. The latest Hotel Price Index (HPI) revealed that overnight accommodation prices (including taxes and fees) Malaysian travelers paid had risen 2% globally in 2017, after three years of flat growth.
 - » On the Malaysian front, the significant increases in prices paid recorded in six top domestic destinations – Langkawi (19%), Sabah (12%), Petaling Jaya (8%), Kuala Lumpur (6%), Penang (5%) and Ipoh

(4%) – with exception in Johor (-10%) and Sarawak (-3%).

- » Travelers paid the most for accommodation in Langkawi and Penang last year - an average of RM292 for the former and RM250 for the latter.



OUTLOOK: POSITIVE

- **Tourism Malaysia:** Malaysia has increased its tourism promotion efforts in India to achieve its target of attracting at least one million tourists per year from India. The council expects 20% to 30% growth in tourist arrivals from India this year as a result

of new marketing efforts in major Indian cities. India is one of the top 10 sources of foreign tourists for Malaysia, with 638,578 Indian arrivals recorded in 2016. Meanwhile, total arrivals from India from January to October in 2017 were 449,559.

- » The promotion of Visit Malaysia Year 2020 would ensure a greater awareness of Malaysia as an ideal holiday destination for Indian tourists. The initiative, part of achieving the Malaysia Tourism Transformation Plan goals, seeks to welcome 36 million foreign tourists and RM168 billion in tourist revenue by 2020.

COMMUNICATIONS CONTENT AND INFRASTRUCTURE



RECENT DEVELOPMENT

- **Department of Statistic Malaysia (DoSM):** Household having access to the internet have increased by 15.6 percentage points to 85.7% in 2017 as compared to 70.1% in 2015. In 2017, household with computer and mobile phone access rose to 74.1% and 98.1%, respectively, compared with 67.6% and 97.9% in 2015.
 - » Among the popular internet activities were participating in social networks such as Facebook, Instagram, Twitter and others (86.3%); downloading images, films, video or music; playing or downloading games (81.2%); getting information about goods and services (80.4%) and downloading software or applications (74.5%).
 - » Other activities carried out by internet users were internet banking (37.6%) and purchasing or ordering goods or services (23.2%).

- **iPrice Group:** Lazada is the most visited e-commerce site in Malaysia, recording a 13.8 million increase in the number monthly average visitors between the 3Q and 4Q2017. This was followed by 11street (5.9 million average visitors) and Shopee (5.3 million average visitors) over the same period.
 - » The most popular online sales periods last year were during #MYCyberSale (October 9-13), 11.11 Sale (also known as 'Singles Day' on November 11), Black Friday (November 24) and 12.12 Sale (December 12).



OUTLOOK: NEUTRAL

- **HSBC Bank Malaysia Bhd (HSBC)** predicts that consumer spending in South-East Asia's online economy will rise six and a half times or 500% from USD30 billion currently to USD200 billion by 2025,

fuelled by consumption of electronics, clothing, household goods and groceries as well as increased travel within the region. The findings include:

- » South-East Asia is the world's fastest growing internet with nearly four million new users coming online every month for the next five years, translating into a user base of 480 million by 2020.
- » For Malaysia, the Digital Free Trade Zone (DFTZ) would provide physical and virtual zones for SMEs to capitalize on the internet economy's exponential growth and cross-border e-commerce activities.
- » The mobile wallet segment has been growing and has the potential to drive Malaysian to leverage mobile payments and spur the shift towards a cashless society.

BUSINESS SERVICES



RECENT DEVELOPMENT

- A report by Courier and Express Delivery UK 2017 stated that the growth of e-commerce has certainly boosted the courier services industry not only in Malaysia but also globally. The number of items delivered has soared driven a boom in the value of the courier and express delivery market, increasing by 63% from £6.2 billion in 2012 to £10.1 billion in 2016.
 - » Value sales grew by a speedy 11% in 2017 and the market is forecast to grow by 22% to reach £13.2 billion in 2021, with market volumes expected to increase by 33% to reach four billion packages in the same period.
 - » For Pos Malaysia Bhd, the courier division's revenue rose to RM561.1 million in December 2017, mainly driven by the increase in demand for e-commerce last-mile delivery services and online business customers.



OUTLOOK: NEUTRAL

- **IATA** expects a healthy 4.5% growth in air cargo demand this year, following a 9% growth in 2017. The association opined that there are great opportunities in e-commerce and the movement of time and temperature sensitive goods such as pharmaceuticals.
 - » IATA has highlighted four priorities for the future success of the air cargo industry, namely accelerating the digitalization of the supply chain, enforcing regulations for lithium batteries, more efficient trade facilitation and developing the next generation of air cargo leaders.
 - » On the digitalization process, the industry has been pursuing the e-freight for over a decade. A key element of e-freight is the market adoption of the e-air waybill (eAWB).
 - » Global penetration has nearly reached.

Bagaimana Pengurusan Sumber Manusia Memanfaat Perniagaan Kecil

Oleh Wan Zainuddin Wan Muda



Pekerja adalah komponen teras dalam mana-mana perniagaan. Adalah penting untuk menguruskan aspek sumber manusia dengan cekap, walaupun untuk perniagaan kecil. Lagipun, dalam ekonomi perkhidmatan, pekerja adalah sebahagian daripada penyampaian produk dan perkhidmatan. Prestasi, komitmen dan kesetiaan mereka terhadap pekerjaan adalah kritikal dan dapat dirangsang melalui pengurusan sumber manusia (HR) yang berjaya.

1 Mematuhi Peraturan

Salah satu fungsi penting HR ialah memastikan syarikat mematuhi peraturan yang memberi kesan kepada semua aspek hubungan pekerja – pengambilan, keselamatan, pentadbiran faedah pekerja dan penamatan pekerjaan. Malah syarikat mikro, iaitu mereka yang mempunyai kurang dari 5 pekerja tidak terkecuali - mesti mematuhi Akta Buruh dan lain-lain Akta berkaitan.

2 Amalan Rekrut Berkesan

Prosedur pengambilan pekerja yang baik adalah mengenalpasti dan memadankan calon-calon yang berkemahiran, berpengetahuan dan berkebolehan dengan keperluan pekerjaan dan budaya perniagaan kecil. Pengurusan Sumber Manusia boleh memanfaatkan perniagaan kecil melalui pembangunan dan pentadbiran proses yang dapat membantu meminimumkan risiko pengambilan pekerja yang tidak sesuai. Di samping itu, proses pengambilan pekerja boleh dipengaruhi oleh risiko dari segi tuntutan diskriminasi, soalan yang tidak sesuai yang ditanya semasa proses pengambilan pekerja dan juga semasa pengesahan rujukan. Fungsi HR boleh membantu menguruskan risiko ini.

3 Pentadbiran Manfaat Pekerja

Walaupun syarikat kecil mungkin tidak dapat menawarkan tahap faedah yang boleh diberikan oleh syarikat yang lebih besar, syarikat kecil masih

perlu mentadbirkan faedah tersebut dengan sebaiknya. Pengurusan Sumber Manusia dapat memberi manfaat kepada perniagaan kecil dengan melakukan penyelidikan untuk menentukan manfaat mana yang dapat disediakan dengan pembiayaan yang paling efektif dan menguruskan penyediaan manfaat tersebut dengan berhemat. Di samping itu, HR boleh memanfaatkan syarikat dengan menyelaraskan faedah yang pekerja paling perlukan.

4 Latihan dan Pembangunan

Latihan dan pembangunan adalah penting dalam mana-mana firma, tetapi perniagaan kecil mungkin mendapati ia lebih kritikal bagi mereka, terutamanya dari segi cross-training pekerja untuk menampung lebih dari satu fungsi atau tugas. Pengurusan Sumber Manusia boleh memberi manfaat kepada perniagaan kecil bukan sahaja dengan menyediakan latihan untuk pekerja tetapi dengan mengambil kira opsyen tanpa kos atau kos rendah yang mungkin tersedia.

5 Pengiktirafan Pekerja

Perniagaan kecil yang tidak mempunyai bajet yang besar boleh mendapat manfaat daripada pengurusan sumber manusia dari segi program pengiktirafan pekerja dan aktiviti yang memberi nilai dan memastikan pekerja melibatkan diri dan komited kepada pekerjaan tersebut. Bahkan perkara *simple* seperti “program berterima kasih” boleh menjana hasil. Mengambil masa untuk bertanya kepada kakitangan apa yang penting kepada mereka dan membangunkan program dan aktiviti untuk memenuhi keperluan tersebut dapat membantu meminimumkan perletakan jawatan dan ketidakhadiran pekerja, yang boleh mengakibatkan kos kakitangan yang tinggi.

Wan Zainuddin Wan Muda adalah Pengarah Kumpulan Modal Insan, SME Bank Malaysia. Beliau boleh dihubungi di wanzainuddin@smebank.com.my.

Temubual oleh Nursyafiqah Mohd Rafee

SEMBANG USAHAWAN bersama

Wan Zaki Wan Taib Pengarah Urusan

Nama Syarikat

Jelitasara Corporate Sdn Bhd

Bidang Perniagaan

Jenama Tudung Online
Eksklusif No.1 di Malaysia

Alamat Perniagaan

No.45, 45-1,
Jalan Lagenda 1,
1 Lagenda 75400,
Melaka

Telefon

1-300-880-116

Email

admin@jelitasara.com

Web

www.jelitasara.com



ialah sebagai QA Engineer di Melaka. Kakak saya pula ketika itu bekerja di kilang fesyen berdekatan Senawang. Kilang tersebut ada mengadakan jualan murah kepada staff mereka. Kakak saya menyarankan agar saya cuba menjual stokin. Pada pandangan saya ia merupakan cadangan yang baik memandangkan stokin itu berkualiti tinggi serta dieksport ke Eropah. *Selling point* stokin itu ialah ia merupakan stokin anti-bakteria. Tetapi kawan saya menyakat dengan memanggilnya stokin *antibiotic*. Hasil jualan stokin itu dapat memberi saya tambahan pendapatan RM300-RM400 sebulan. Rakan pejabat memanggil saya dengan gelaran 'Zaki Stokin' pada ketika itu.

S : Apakah cabaran yang dihadapi anda sebelum menubuhkan perniagaan ini?

Dalam tak sedar, apabila sudah setahun saya bekerja di Melaka, saya mula mengumpul hutang melalui kad kredit. Hidup terasa semakin terikat dengan bebanan hutang.



JELITASARA diasaskan pada tahun 2009 dan bermula dengan konsep bisnes Small Office Home Office (SOHO) di Melaka oleh pasangan suami isteri - Wan Zaki dan Erven Sarasendy. Wan Zaki membangunkan sendiri website Jelitasara kerana minat beliau yang sangat mendalam di dalam bidang pemasaran internet. Beliau merupakan lepasan ijazah dari USM di dalam bidang Aerospace Engineering dan mempunyai pengalaman 10 tahun dalam bidang Aerospace Manufacturing. Disebabkan minat beliau yang mendalam di dalam bidang pemasaran internet, beliau bermula dari kosong pada tahun 2008 dan hampir *'give up'* kerana tidak berjaya menjual satu produk pun pada tahun pertama beliau sehinggalah tertubuhnya Jelitasara pada Julai 2009.

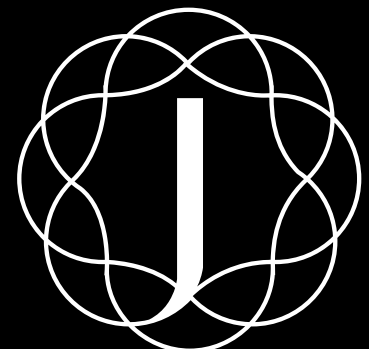
Wan Zaki telah berkongsi pengalaman, pengetahuan dan pendapat beliau dalam dunia keusahawanan dengan BizPulse.

S : Apakah yang mendorong anda untuk memulakan perniagaan ini?

Saya bermula tanpa latar belakang pendidikan formal tentang perniagaan. Saya mula berminat untuk menceburi bidang perniagaan seawal umur 18 tahun sewaktu cikgu saya mengadakan lawatan ke Langkawi menaiki kapal terbang. Ketika itu saya sedang melanjutkan pelajaran di USM, Pulau Pinang. Memandangkan

saya belum pernah menaiki kapal terbang, jadi keterujaan itu Allah sahaja yang tahu. Bagi mencari duit untuk membeli tiket penerbangan, saya mula berniaga menjual kacang, kerepek dan float. Alhamdulillah, akhirnya saya mempunyai cukup duit untuk mengikuti lawatan dengan menaiki kapal terbang.

Setelah menamatkan pembelajaran di Universiti, bermulanya kehidupan bekerjaya pada sekitar tahun 2003. Pekerjaan saya



Saya terca-cari jalan keluar. Ditakdirkan kawan rapat saya mendekati saya suatu hari untuk menyertai MLM. Saya bersetuju untuk menyertainya dan positif 200% bahawa saya akan berjaya. Ketika dalam bisnes MLM, saya belajar lebih lanjut mengenai perkongsian yang berkesan dan bagaimana untuk menghasilkan jualan. Saya juga belajar mengenai kepimpinan, *networking*, khidmat pelanggan, dan yang paling penting belajar mengenai bisnes secara bersistem. Malangnya ada rakan-rakan yang tidak setuju dan menjauhi saya kerana saya menyertai MLM. Sudah tentu saya rasa sedih dan terkilan.

Namun ia tidak sekali-kali mematahkan semangat saya kerana saya masih ada rakan-rakan yang mahu berjaya bersama-sama dengan saya. Bermula tahun 2007, bisnes MLM saya semakin menurun. Saya tenggelam punca. Memandangkan saya telah berkahwin dan mempunyai anak kecil tambahan pula isteri tidak bekerja, saya merasa semakin tertekan. Saya tetap bersabar. Wang dibelanjakan secara berhemah dan kami sekeluarga mengamalkan kehidupan bersederhana. Saya mula semula dari bawah. Saya tidak menafikan kehidupan ketika itu membuatkan saya betul-betul tertekan.

S : Bolehkah anda ceritakan secara ringkas tentang sejarah permulaan perniagaan anda?

Setahun setelah kematian emak, kakak saya menyarankan kepada saya untuk menjual tudung kerana ia merupakan trend buat masa ini. Kakak mempunyai 20 helai tudung ketika itu dan memberikan kepada saya untuk dijual. Saya hanya memandang isteri saya dan menyuruhnya untuk mencuba tudung tersebut. Tudung itu kelihatan cantik dan saya pun bersetuju untuk menjualnya. Memandangkan saya tidak mempunyai wang, saya minta kebenaran kepada kakak untuk mengambil dahulu tudung dan bayar kemudian setelah tudung habis terjual.

Saya mula menjual tudung melalui bonet kereta depan kilang saya bekerja.

Kemudian saya terfikir mengapa tidak saya menjual tudung secara online. Saya membeli domain www.jelitasara.com dengan kos RM50 termasuk hosting. Seperti kata pepatah Inggeris, *the rest is history*. Saya bersyukur dengan perkembangan JelitaSARA sekarang. Tidak sangka sambutan diterima sangat menggalakan ekoran rekaan yang menepati cita rasa wanita muda berkerjaya sehingga memaksa mereka menjual menerusi dalam talian. Perkembangan jualan yang pesat itu mendorong saya membuka butik pertama di Melaka pada 2012, diikuti *Bangi Gateway* pada 2013 dan kemudian 2016 di *Bangi Sentral*. Hingga kini, kami masih memberikan tumpuan kepada produk yang mampu membuatkan wanita tampil anggun dalam masa singkat.

S : Bolehkah anda kongsi landskap industri anda dan apakah tips yang boleh anda kongsi?

Sebagai seorang usahawan, saya harus melakukan evolusi tudung mengikut peredaran semasa, daripada tudung sarung, kami mula beralih kepada selendang segera dan labuh yang mempunyai ramai pengikut. Antara yang menjadi kegilaan ramai adalah selendang segera Sara Kate yang dihasilkan menggunakan fabrik sifon polos berkualiti. Koleksi tersebut adalah inspirasi isteri saya yang menggambarkan wanita muda berkerjaya yang sentiasa mementingkan penampilan. Selain menguruskan anak dan urusan rumah tangga, wanita memerlukan tudung yang boleh dipakai pantas, pada masa sama

“... kawan saya menyakat dengan memanggilnya stokin antibiotic. Hasil jualan stokin itu dapat memberi saya tambahan pendapatan RM300-RM400 sebulan. Rakan pejabat memanggil saya dengan gelaran ‘Zaki Stokin’ ...”



kelihatan anggun dan memikat. Kelebihan koleksi kami terletak pada perincian yang ditampilkan. Setiap helaian diterapkan unsur keindahan sekali gus menampakkan penampilan moden seseorang wanita. Bagi menampakkan tudung kami lebih eksklusif saya bercadang menggunakan batu permata Swarovski sebagai elemen tambahan pada rekaan akan datang. Gabungan fabrik polos dengan perincian manik mewah akan memberikan lebih nilai dan keanggunan yang diinginkan wanita.

Pada tahun ini, kami ingin memberikan tumpuan kepada padanan busana seperti baju kurung, kebaya moden, blaus dan gaun sebagai melengkapi gaya harian. Kehadiran busana adalah sekadar ingin memberikan sesuatu yang bernilai kepada peminat yang tidak pernah putus memberikan sokongan. Sejak tahun lepas Jelitasara agresif melakukan jualan untuk busana. Permintaan menggalakan membuatkan saya tidak mahu ketinggalan menceburi rekaan baju. Pelanggan juga boleh memadankan dengan tudung pilihan mereka.

Bagi mengekalkan momentum dalam keadaan ekonomi yang tidak menentu ia bukanlah sesuatu yang mudah. Banyak cabaran terpaksa dilalui. Tetapi saya percaya keikhlasan dan kejujuran dalam menghasilkan produk akan memandu jalan ke arah yang lebih baik. Saya akui ketika ingin memulakan perniagaan saya mengalami kekangan modal, namun semuanya dapat diteruskan dengan lancar. Malah perkembangan setiap cawangan sangat membanggakan.

S : Apakah pencapaian terbesar syarikat anda dan aspirasi perniagaan anda di masa akan datang?

Jenama Jelitasara telah mula berkembang dan dikenali ramai sebagai antara pelopor *Muslimah Online Brand* di Malaysia. Produk



Jelitasara di pasarkan secara global melalui platform *e-Commerce* dan telah dianugerah sebagai *Top Online Brand Who Received Highest Transactions by Paypal Asia Pacific* pada tahun 2013. Satu pengiktirafan dari Syarikat *Payment Gateway* peringkat Antarabangsa yang sangat bermakna kepada Jelitasara. Jelitasara mempunyai *customer base* yang ramai; 340 ribu *followers* di Facebook *page* dan juga 156 ribu *followers* di Instagram dengan purata *engagement rate site* yang sangat aktif. Jelitasara juga berkembang dengan pesatnya melalui program *Dropship*, Agen, Stokis dan juga *Personal Shoppers*.

Saya juga berazam membawa jenama ini ke peringkat global sebagai menyahut seruan kerajaan dalam kempen Zon Perdagangan Bebas Digital Malaysia (DFTZ) yang diasaskan oleh Perdana Menteri Datuk Seri Najib Razak. Malah pihak kami sudah memulakan langkah apabila menerima pelawaan untuk memasarkan tudung di Lazada. Tampil dalam portal Lazada sememangnya memberikan kelebihan kepada kami untuk lebih dikenali. Kami juga berharap mampu

memasarkan jenama ini ke peringkat lebih tinggi pada masa akan datang. Kami mempunyai ejen jualan di setiap negeri termasuk di luar negara seperti Thailand, Filipina, Singapura dan Brunei.

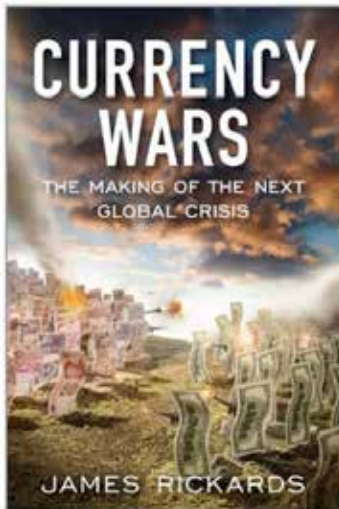
Walaupun jenama ini sudah mula dikenali ramai dan saya bertindak sebagai CEO, masih banyak lagi perkara yang saya perlu belajar dan banyak lagi cabaran yang perlu dihadapi di kala jenama-jenama baru muncul dengan lebih gah dan kreatif. Hingga ke hari ini saya masih lagi membuat perkara-perkara asas seperti mengangkat tudung dan kain kesana sini. Saya tidak merasa kekok kerana saya sedar akan asal usul saya. Jika saya perlu mengangkat 100 gulung kain sekalipun untuk tudung Jelitasara, saya masih akan membuatnya dengan penuh bersemangat. Saya tidak banyak merungut. Saya hanya memohon kepada Allah agar mengurniakan saya kesihatan yang baik. Akhir sekali, nasihat saya kepada usahawan di luar sana,

'Jangan mudah berputus asa'.



Currency Wars: The Making of the Next Global Crisis

Reviewed by Norhisham Hamzah



Author : James Rickards

Pages : 320 pages

Publisher : Portfolio

In 1971, President Nixon imposed national price controls and took the United States off the gold standard, an extreme measure intended to end an ongoing currency war that had

destroyed faith in the U.S. dollar. Today we are engaged in a new currency war, and this time the consequences will be far worse than those that confronted Nixon.

Currency wars are one of the most destructive and feared outcomes in international economics. At best, they offer the sorry spectacle of countries' stealing growth from their trading partners. At worst, they degenerate into sequential bouts of inflation, recession, retaliation, and sometimes actual violence. Left unchecked, the next currency war could lead to a crisis worse than the panic of 2008.

Currency wars have happened before—time and again, paper currencies have collapsed, assets have been frozen, gold has been confiscated, and capital controls have been imposed. And the next crash is overdue. Recent headlines about the debasement of the dollar, bailouts in Greece and Ireland, and Chinese currency manipulation are all indicators of the growing conflict.

As James Rickards argues in *Currency Wars*, this is more than just a concern for economists and investors. The United States is facing serious threats to its national security, from clandestine gold purchases by China to the hidden agendas of sovereign wealth funds. Greater than any

single threat is the very real danger of the collapse of the dollar itself.

Baffling to many observers is the rank failure of economists to foresee or prevent the economic catastrophes of recent years. Not only have their theories failed to prevent calamity, they are making the currency wars worse. The U. S. Federal Reserve has engaged in the greatest gamble in the history of finance, a sustained effort to stimulate the economy by printing money on a trillion-dollar scale. Its solutions present hidden new dangers while resolving none of the current dilemmas.

While the outcome of the new currency war is not yet certain, some version of the worst-case scenario is almost inevitable if U.S. and world economic leaders fail to learn from the mistakes of their predecessors. Rickards untangles the web of failed paradigms, wishful thinking, and arrogance driving current public policy and points the way toward a more informed and effective course of action.

Norhisham Hamzah is a Senior Manager at the Centre for Entrepreneur Development and Research (CEDAR), a wholly owned subsidiary of the SME Bank Malaysia. He can be reached at norhisham@smebank.com.my.

ENTREPRENEURS' EVENT CALENDAR

23-26
May

**THE 24TH INTERNATIONAL
MACHINE TOOLS
AND METALWORKING
TECHNOLOGY EXHIBITION**

Venue:

Putra World Trade Centre, Kuala Lumpur

METALTECH is Malaysia's one and only exhibition in the metalworking and machine tools industry and this year, will once again showcase the latest products and services as well as providing an unrivalled opportunity to meet and network with key suppliers and industry leaders. With ASEAN markets beginning to spearhead international standards in innovative manufacturing, it to revolve around the modern trends of Industry 4.0, the Internet of Things (IoT) and the implementation of Smart Factories in a comprehensive series of free-to-attend seminar and business discussion.

26
June

SME CEO Forum 2018

Venue:

Sime Darby Convention Centre,
Kuala Lumpur

Are you a business owner or entrepreneur looking for ways to take your business to greater heights? The SME CEO Forum returns in 2018 with a focus on the LEAP market. With a history of bringing together business owners and thought leaders from both the public and private sectors, the SME CEO Forum 2018 is a must-attend for every business owner and entrepreneur! Other than our carefully curated panel of speakers, SME CEO Forum 2018 is a platform for business-matching and quality networking in a one-day back-to-back event! Visit our website ceoforum.asia for a comprehensive account of the event!

27-29
June

**THE 19TH
INTERNATIONAL FOOD &
BEVERAGE TRADE FAIR
(MIFB)**

Venue:

Kuala Lumpur Convention Centre,
Kuala Lumpur

MIFB is the largest Food and Beverage Focused Trade event in the country which offers a platform for businesses from the industry to showcase their products and services at an international level. MIFB 2018 will be offering 4 specialised segments; F&B – Natural and Healthy Produce, Halal, Food Technology & Seafood. Exhibitors will also be offered a highly focused event which caters to their needs and bring them the best ROI. Over 500 exhibitors from 45 countries will be hosted and more than 20,000 trade visitors from around the world are expected to visit MIFB 2018.