



Olivia Lum

LUMINARY ENTREPRENEUR

BY GWENDOLINE SIM

The girl who grew up in a hut without running water now heads one of the leading water management companies in the world. Meet Olivia Lum, the lady who rose above the waters.

When the creaky bus screeched into People's Park in Outram, Olivia Lum alighted and gazed up in wonder at the tall buildings around her. With the soil of her hometown in Malaysia still fresh on her rubber soles, she promised herself that this would be where she'd become successful.

Growing up in the sleepy town of Kampar, Perak, home for Olivia was an illegally built tin roof hut with no running water. When it rained, the hut was always flooded. Kampar was a former mining town, and when the mines closed, so did the livelihoods and hopes of the town's residents. Options were few, if any.

Coming into the waters

Olivia never knew her mother. Abandoned from birth, she was adopted by an elderly lady she called "Grandma". Amidst jostling for space with her four other adopted siblings, the family of six had barely enough to make ends meet. The only comfort was in knowing that they had enough to spare for the next few meals.

In order to supplement the family's income and to put food on the table, she peddled anything she could get her hands on. From mangos to homemade ice-lollies and kaya toasts, she demonstrated her entrepreneurial knack at an early age.

"Growing up, I dreamt about having a successful business. So it was always at

the back of my mind that I would set up my own business one day," she said.

Today, she heads one of the leading water treatment companies in the world, and is also the first woman to win the 2011 Ernst & Young World Entrepreneur of the Year Award (WEYO), which is the world's most prestigious award for business entrepreneurs. In clinching the award, she triumphed over 48 other country finalists in the competition, and set a new record in the award's 25-year history.

"I was rather surprised to win as the other 49 country finalists in the competition were winners from their own countries. I'm grateful and humbled to be recognised for this global award," said Olivia.

"I hope that my winning will inspire more women to step forward to participate in this competition. With encouragement and a good support system, we'll see more women business leaders."

Then and now

"In my early days, wealth was more important as I grew up in poverty," she said. Now, wealth to her is seen as "an avenue to create opportunities for others in order for them to fulfill their full potential, in the same way that I was given opportunities while starting out."

She attributes her success to the grit and tenacity her poor and humble background has given her, saying, "I learnt

to be resourceful and innovative in finding ways to earn money. I also learnt self-reliance, resilience and determination. Most of all, I learnt the value of hard work.”

Turn of the tides

No stranger to overcoming obstacles, her fondest childhood memory would be winning races at her school’s sports day. Being sickly as a child, she was barred from participating in physical education classes. Showing dogged determination to win at the races, the nine-year-old Olivia tied plastic bags bogged down with stones, to her legs, and walked for hours day after day, to train up her strength.

“I wanted to be able to win something at sports day so I trained hard on my own and eventually won prizes,” she reflected.

It was either live or die, and staying in Kampar was not an option then. Her principal advised her to further her studies in Kuala Lumpur or Singapore. She chose Singapore, seeing how many of her neighbours had moved there to work, mainly in the construction industry.

At the age of 16, she packed her bags and made her way to Singapore, with only \$10 in her pockets. Initially living off the kindness of neighbours who shared their food and rented lodging with her, she paved her way through secondary school, junior college and finally university, all by her own means. Juggling various jobs such as a tuition teacher and even an insurance agent at one point, she saw herself through those years.

Water works

Upon graduating with a chemistry degree from the National University of Singapore, she joined Glaxo Pharmaceutical as a chemist. This was her first job after graduation and would be the one and only time where she worked for someone else.

While at Glaxo Pharmaceutical, she saw the potential that wastewater treatment held, and taking a leap in the dark, she sold all that she had, her apartment and car for S\$20,000 worth of seed money, to start Hydrochem, the precursor to Hyflux.

Seeing a need for wastewater management, especially in developing

countries, was behind her decision in setting up Hydrochem. “I thought that with increasing industrialisation and urbanisation, there would be ample opportunities in water and wastewater treatment. I was inspired to enter into the water business, convinced that this would be a sunrise business,” said Olivia.

More than one in six people globally, around 894 million people, do not have access to the prescribed daily amount of 20-50 litres of safe freshwater to fulfill their basic living needs. These findings were taken from a World Health Organisation (WHO) and the United Nations Children Fund (UNICEF) Joint Monitoring Programme on Water Supply and Sanitation.

Disturbingly, an estimated 2 million tons of human waste are dumped into watercourses, as reported by the World Water Assessment Programme (WWAP). In developing countries, 70% of industrial outflow are being allowed to run off into waters where they will pollute the main water supply.

Over the next three decades, these figures are set to rise, with the projected increases in fertilizer use for food production, which will bump up the volume of wastewater effluents being discharged into the main waterways. The importance of wastewater treatment is highlighted when there is less than 1% of all freshwater resources being usable for ecosystems and human consumption.

On high tides

Back then, Olivia sold water filters and treatment chemicals off the back of her bike, ferrying the goods between Singapore and Malaysia. “Being an entrepreneur is tough and requires a lot of hard work and commitment,” she remarked. “Having had nothing, I was determined to succeed.”

Originally called Hydrochem, Hyflux was initially a trading business that sold local water treatment services to other companies. Commission-based, Olivia did start to make money, selling her company’s services across the region. However, she realised that if she wanted to bring her business further, it would have to go beyond brokering and trading.

Singapore’s first seawater desalination plant: SingSpring Desalination Plant at Tuas. Hyflux was awarded the project to design, build, own and operate the plant in 2003. The plant started operations in 2005 and Hyflux is operating and maintaining the plant on a 20-year concession.





THERE IS NO SHORT CUT TO SUCCESS. TO ACHIEVE YOUR DREAM OF SUCCEEDING IN BUSINESS, YOU MUST BE PREPARED TO WORK VERY HARD AND TO PERSEVERE BECAUSE THERE WILL BE MANY CHALLENGES AND DIFFICULT TIMES.

Always enterprising, she worked together with her university lecturers in research and development, and revamped her company, from being merely a trading company to an innovation centre that specialises in membrane technologies.

When Singapore decided to tap into its fourth water source, desalination, Hyflux won its first municipal contract from the Public Utilities Board (PUB) to build the Bedok NEWater plant, the first of Singapore's desalination plants. In September 2005, in a public-private partnership project with PUB, Hyflux opened the SingSpring Desalination Plant in Tuas. One of the region's largest seawater reverse-osmosis plants, the plant can yield 30 million galls of water a day.

For Olivia, this was one of three pivotal points in her career, as it placed her company under the spotlight of the global water industry.

"It was our first desalination project and a springboard into the international

desalination market. We have since progressed to become one of the world's leading desalination suppliers."

Leaving a global footprint

In 1993, just four years into her business, Olivia ventured into China, opening in Shanghai, as a bigger market meant that more growth could be sustained. Today, Hyflux generates 20% of its business in China.

From a three-man firm to 2,300-strong today, Hyflux has now become a company with a market value of about \$1.8 billion, as of the end of June 2011. Listed on the Singapore Exchange, it has delivered total annualised shareholder returns of an estimated 32% or 21 times over the last 10 years, since their public listing in 2001, a remarkable performance for a young listed company.

A company with a global presence, Hyflux operates in South-east Asia,

China, India, the Middle East and North Africa, and its membrane products and systems are installed in more than 400 locations around the world.

Along with winning the Bedok NEWater project which signalled Hyflux's entry into the municipal market, the public listing and being first awarded the government contract to build Singapore's first desalination plant formed the three pivotal points in Olivia's career.

"Each landmark win was special because we had to overcome different challenges," she said. "The award of the Magtaa Desalination project in Algeria against international competition was also rather special as the desalination plant is the world's largest seawater reverse osmosis plant."

Luminary leadership

As a leader of a company that functions like a family, one lesson Olivia has learnt is the knowhow to inspire and invigorate her team in the company's vision. "Part of that communication process also involves listening to the feedback and suggestions of my staff."

While her successes have taken her to great heights, Olivia is aware and grateful for the help that brought her to where she is today. "Along my entrepreneurial journey, I have been fortunate to meet people who gave me invaluable advice and encouragement and mentored me, as well as those who provided me opportunities, such as my first few customers who took the risk by appointing a small, unknown company with no track record."

Adding on, she said, "To me, a successful journey is not one that is taken alone, so my success is due also to the support and hard work of my staff at Hyflux." Hard work is something Olivia says is essential in being a successful entrepreneur.

"There is no short cut to success. To achieve your dream of succeeding in business, you must be prepared to work very hard and to persevere because there will be many challenges and difficult times." ▲