

Chan helps novaMSC keep focus

Right environment and right attitude

By S. Jai Shankar

Going to government hospitals can be a tedious affair, what with the long waiting lines, mazy corridors, misplaced files etc. But this scenario is set to change with the arrival of e-healthcare related solutions developed by companies such as novaMSC Group Bhd.

novaMSC is one of the region's leading application software service companies

targeting the healthcare and e-government sectors, according to its founding chairman and CEO, Steven Chan. Besides Malaysia, the company also has customers in Indonesia, Hong Kong, Vietnam and Singapore.

novaMSC's strength lies, among others, on the development and commercialisation of its Total Hospital Information Systems,

better known as 'Vesalius'. Its notable customers include the Singapore General Hospital, Singapore National University Hospital, Puteri Specialist Hospital in Johor, and Penang Adventist Hospital.

novaMSC's e-government suite of solutions is deployed in various governmental establishments in Singapore, Malaysia and Thailand. They include Putrajaya Corporation, Singapore's Urban Redevelopment Authority, Building & Construction Authority and Land Transport Authority.

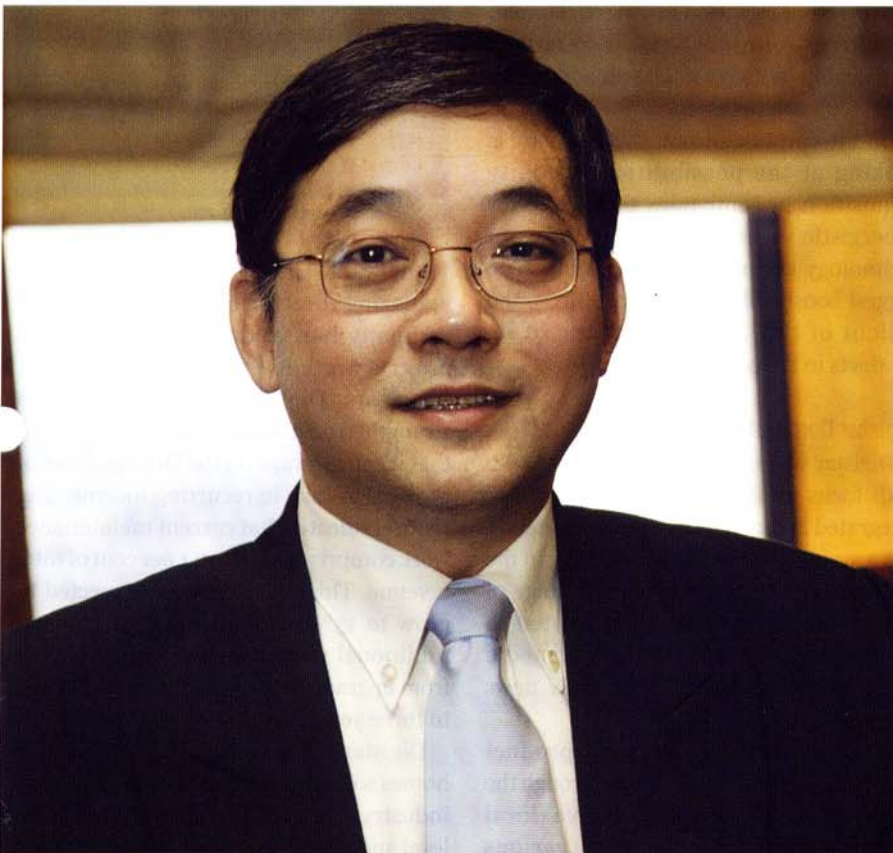
The driving force behind novaMSC's rapid growth is Chan who managed to obtain public listing status for the company in less than four years. Chan, 45, has a degree in surveying from Australia's University of Newcastle and a Masters from University of Queensland. He has over 20 years' experience in management and business in the ICT industry.

Chan served as a consultant for foreign MNCs while lecturing at the Singapore Polytechnic from 1981 to 1989. Eventually, the corporate lure was too tempting and Chan made the inevitable transition into the business world. He was the general manager of Siemens-Nixdorf Information Systems (Singapore) from 1989 to 1995 before starting novaSprint Pte Ltd, the precursor of NovaMSC.

Chan recently took time off his busy schedule to speak to *mb-e* on his plans and ideas.

Tell us about your move from the academic to corporate world.

The jump into the corporate world was pretty smooth as I was already doing much consulting even as an academician. I think it was a natural progression in terms of career growth. As the general manager of Siemens-Nixdorf Information Systems (Singapore), I was responsible for the strategic planning, research and development, and sales operations of its IT business in Singapore and the region. My foray into the technopreneurial world began when I started novaSPRINT in 1995 along with five other key management staff from Siemens. In 1999, novaSPRINT decided to better capitalise on its strength in the provision of application software and services to the healthcare and e-government sectors by spinning off a new



Chan: Local IT graduates must be more industry relevant.

subsidiary called novaHEALTH. Similarly in 2000 another new subsidiary called novaCITYNETS was spun off to focus on e-government.

I did this because after many years in the IT industry, I realised that there is a lack of local companies in the region that specialised in application software, especially for the healthcare and e-government sectors. Furthermore, there was an increasing demand for such web based application software as both these sectors are under huge pressure to reduce cost and improve efficiency. In 2003, novaMSC Sdn Bhd acquired both novaHEALTH and novaCITYNETS through an internal restructuring exercise.

Can you share with us the best and worst moments of your professional life?

The best days would be during our successful IPO exercise on Mesdaq recently. It was a rewarding exercise for all of us who have been with the company through thick and thin. Since our inception in 1995, our staff turnover has been comparatively low. Most of the founding members and shareholders stayed together through numerous trials and tribulations. Even the Asian economic downturn in the last five years had not wavered my team's spirit.

The toughest time was when the dotcom meltdown happened during early 2000. Although we were not a dotcom, we were similarly tarred and suffered the negative fallout from the meltdown. There was then a certain amount of prejudice against technology companies, irrespective of whether they were a dotcom or otherwise. We struggled to get additional funding to sustain our business. The need was very acute as we grew very fast during the dotcom era.

How did you overcome the hurdle above?

It was through leadership. Leadership by example is a good way to overcome problems because the employees would appreciate any boss who is willing to roll-up his sleeves and work hand-in-hand to solve the problem. Besides that I also constantly strive to provide a conducive working environment as well as constantly improve teamwork and provide unending support for our R&D work.

How are you going to position your company amidst the increasingly challenging business climate?

Four steps have been identified. We are constantly upgrading our staff's skills. We are also pushing for the formation of new partnerships within regional territories. Currently we have partners in Thailand, Vietnam and China. The need to maintain product leadership is also not overlooked. Our strength compared to competitors is that we are able to offer specialist modules within the e-healthcare and e-government sectors. Finally, the company will continue to retain its core strength, which is in the e-health and e-government sectors.

Can you outline some of the key areas to achieve the goals set for the year?

Not necessarily in order of importance, I would like to see a more extensive marketing outside of Malaysia to promote brand awareness to set a springboard for international expansion; continued investment in R&D to maintain product leadership; retention of key personnel; hiring of new talents and skills upgrading of existing staff.

Has the company developed indigenous technology?

Yes, novaMSC from its inception, has focused on the development of its own products. Today, we have a wide range of application software products in two main sectors, e-government and healthcare. Our e-government solutions enable the Government and the private sector to collaborate and carry out transactions on the Internet. We have also developed OCTANS, a product which supports the functions, carried out by local government organisations, such as city councils, municipal councils and district councils, in controlling and managing land planning and development. The third e-government solution in our stable is FORNAX, which is a solution developed to check electronic building and development plans.

Our flagship e-health solution suite is VESALIUS, which currently contains a Hospital Information System (HIS) and Clinical Information System (CIS). HIS supports the administrative functions within a hospital, including scheduling, patient registration, operating theatre

management, pharmacy, inventory and billing. CIS meanwhile supports the patient health management functions within a hospital, including physician support systems, nursing care, disease-management, and specialist modules.

How would you categorise knowledge workers and what percentage of your employees fall under this category?

Most of our employees fall into this category as they have professional qualifications. A more critical yardstick than the academic qualifications is actually the employee's knowledge of the industry. Our professionals are domain experts in their areas of specialisation. This approach ensures that our solutions always remain relevant to industry. I estimate that over 80% of our staff fall in this category.

Many CEOs fail to exploit the full potential of the employees. What are your comments?

Firstly, they should not fail to recognise the talents of employees. This happens quite often, especially if the CEO doesn't mingle with his staff and depends solely on the feedback of a select few. To exploit the full potential of employees, we need to encourage staff to think creatively, rather than merely complete assigned tasks, and empower the qualified staff to make decisions within their authority. Delegation and trust create a sense of ownership. And this sense of ownership is a powerful motivator for employees to give their best.

What are the areas in which the Malaysian Government can help to ensure that the country retains its competitive advantage?

In my view, there should be a three-pronged strategy. Firstly, the Government should fine-tune the education sector to produce more industry relevant ICT graduates. It seems that the current batch of students are theory heavy but lack practical experience. Secondly, there must be greater emphasis to re-train government staff on basic computer skills to ensure that no one is left behind at this age of computerisation. There should also be a strong drive to promote ICT innovation within the Government and private sector and ensure ICT utilisation remains on a constant high. 