

An Interview with Mr. Plew Trivisvavet

By LR Staff

This interview was conducted on July 27, 2005

America is watching the rise of Southeast Asia. Thailand is among the most developed of the countries in this region. Mr. Plew Trivisvavet, the Chief Executive Officer of one of Thailand's largest general contractors, has provided vision and implemented a number of major projects that help increase the infrastructure required for economic growth of his country.

Question *Leadership Review:* Your company, CH. Karnchang Public Company Limited, has been active in building roads, the subway and massive water projects that have aided Thailand in its economic development. How did you get started?

Answer *Khun Plew:* I earned Bachelor's and Master's degrees in Engineering from Osaka University in Japan and then returned home to Thailand. At first, I worked for a major glass manufacturing company. As a secretary to the MD and later on an administrative manager, I learned a great deal about business and management concepts during this period, and was able to apply them to help the family business on nights and weekends. After a few years, I decided to go into the family business full time. Both the mentoring I had received and the hands-on experiential components were important factors in developing business acumen.

Q: Can you tell us about best practices over your thirty years in business?

A: We started small, yet now employ three to four thousand people. Our business strategies were based on competency, good and fair teamwork, and integrity. Early on, we saw advantages in bringing together the various parts of the business, such as engineering know-how, information technology (IT), and good human resources (HR). It was our goal to let both employees and business partners know, "we are in this together."

Q: How have international business partnerships played a role?

A: There are decisive advantages in partnering with established businesses from other countries. For example, while one business may have a long history of successful completion of certain kinds of projects, the other may be able to provide other strengths as well as familiarity with local needs, regulations and labor resources. We have developed international business partnerships with companies from Japan and Europe by trying to negotiate win-win solutions. A great deal of research goes into identifying the right foreign companies to work with as strategic partners. We then develop these important relationships by building trust over the years, demonstrating consistently fair treatment, and valuing long-term relationships.

Q: Can you tell us about a current project?

A: We are currently working on a hydropower dam in Laos. We are now at the stage of financial closing. We first worked with the Laotian Government to learn about their needs and worked out the project details. Once we had more ideas about the project, we sent our staff to work with the local Laotian communities to learn their culture and necessities before the actual project development and construction phase could begin. This project requires relocating some of the local people. Therefore, it is important to build new houses and schools as part of the project. We have already relocated some local temples and cemeteries, in keeping with the local culture and respecting how the Laotians feel about honoring their ancestors.

Q: In speaking with you, it has become clear that this is a partnership-based form of leadership in which the value of teamwork and fairness are set at the top. What do you see as the bases of your leadership style at CH. Karnchang?

A: Competent engineering know-how, combined with sound financial practices and team cooperation. I don't believe that a person can work alone. You can be very good at what you're doing but you can be even better with a good team. A sum of the parts is greater than the whole.

We encourage and support staff to be able to reach their potentials and professional development. They are given plenty of opportunities to demonstrate their skills, to participate and voice their opinions. Staff who have proven their competence and ethical understanding are sent on various new projects and given good career paths. We are interested in steady, sustainable business growth, which we believe can be best achieved through good human capital and participative teamwork.

Q: One of the most well known studies about leadership across countries and cultures is called the Globe Project and was conducted by Robert J. House and associates. They studied 62 societies to see how global business interactions might be affected by different cultural dimensions and attributes. Their results implied that Thai managers valued future orientations, but did not feel their society was future-oriented, and they also scored high on risk avoidance.

How do you manage a company that is by its very nature involved in long-term projects that involve some risk and uncertainty?

A: First of all, we accept that risk and uncertainty are part of business. So, with this fact, our goal is not to avoid them but to manage them wisely. To deal with risk and uncertainty, my first strategy is to have a varied portfolio. Our construction work is short-term, our turn-key projects are short to medium-term, and our concession projects are mostly medium to long-term. So with diversification, we reduce risk. The second strategy is project selection. We always select projects that benefit the public and are basic necessities, thereby tremendously reducing the risk. Most importantly, at CH. Karnchang, we've built our core strength of know-how in engineering as well as

management. So even when we face business risk and uncertainty, we can tap our core strength, mobilize it and apply it to different conditions.