

## Kampar girl to millionaire CEO



Olivia Lum

Olivia Lum is a well known businesswoman who serves as the founder, executive chairman and group chief executive officer of Singapore-based Hyflux. However, her grand stature today belies her humble origins. Born in Kampar, Perak, Olivia never met her biological parents, being abandoned at the hospital after birth. She and other children were adopted by an old woman they called “grandmother” who while being financially incapable of providing for the children, adopted them in the hopes of being looked after in her old age.

They lived in the Walong area of Kampar, a seedy area occupied by gangsters, drug addicts, and squatters, where quarrels and fights were common and the resulting bloodstains evident the next day. Thus began her difficult childhood caught in the vicious cycle of poverty and disadvantage.

The children had to be resourceful to survive. She always asked her teachers how she could escape the hardships of her life, their answer was, “study hard”. But there was still the quandary of the three daily meals. She earned money by setting up a fruit stall in the school’s canteen selling fresh fruits gathered in the neighbourhood, her first entrepreneurial foray. Her income was also supplemented by gathering food handouts from temples and community organisations, and by working in a rattan factory.

She vividly remembered how excited and happy she was when she got her first pay of RM5 for work in the rattan factory. She went home to iron the treasured note and kept it in a book, taking

it out from time to time to admire until it was finally given to “grandmother” to solve financial problems.

Faced with the daily struggle of survival, only Olivia in the family was able to further her education beyond Standard three. During her early secondary education in SMK Pei Yuen, the school principal told her “Kampar is too small for you”. She was advised to further her studies in Kuala Lumpur or Singapore, but as she knew no one in Kuala Lumpur, she opted for Singapore where she lived with fellow Kamparian women who worked as construction workers.

Getting accepted to a school was in itself a trying experience. Most schools she applied for rejected her on the basis that approval from the Ministry of Education (MOE) was first required as a foreigner. Finally she convinced the principal of Tiong Bahru Secondary School to allow her to take the entrance test. She was tested on Mathematics, Science, and English, and to the surprise of the principal, she did very well. The school agreed to admit her but needed time to get the MOE’s approval, a process taking a month. In the meantime 15 year-old Olivia requested to be allowed to sit in for classes, which was granted. Because she did well in her studies her teachers arranged for her to give tuition to younger students as a means to make a living. Olivia would forever remember and be grateful for the opportunity given her by Singapore to further her studies there.

Olivia later enrolled in Hua Chung Junior College and graduated with a BSc (Hons) Chemistry degree from the National University of Singapore in 1986. She soon began working for Glaxo Pharmaceutical as a production chemist focusing on recycling industrial wastewater from large companies. Her job kept her in the laboratory without direct exposure to the industry, but it made her wonder how SMEs/SMIs handled wastewater. Reflecting on her early life, she clearly remembered hating carrying water home in pails because the house did not have water supply.

After long deliberation and consultation with her university professors, Olivia left her lucrative job after three years in 1989 to set up Hydrochem, the precursor to Hyflux. This was by far not an easy decision; the world was still recovering from the recession of the early 1980s and jobs were limited. All were puzzled by her bold decision.

She was unfazed. She said that her vision at the time was based on the idea that, “Water is finite. Business in water treatment must be a sunrise business”.

She sold her car and apartment to raise SG\$20,000 in capital, half of which was used to set up the office. Initially, she went round on a motorcycle seeking business, and would park some distance away and walk to the factory or company entrance. Things were tough then as hers was a new company with no track record to speak of.

The harsh conditions influenced Olivia to freelance and distribute products of reputable MNCs to gain some experience. She returned to Malaysia and succeeded in making some business based on positive perceptions of Singaporean companies, selling products to a number of textile

factories in Johor, concentrated around Muar. She also conducted business in Jakarta, selling products for water treatment to textile factories.

In 1994, her company expanded to China. This was on the heels of the 1989 Tiananmen Square protests when foreign companies were wary of China. Hyflux's entry was much welcomed, but the venture still nearly bankrupted the company. Environmental awareness was low; interests laid in economic growth, not in wastewater treatment.

Olivia however persisted, describing herself as "an eternal optimist." Whatever problems she faced, she would "get a good night's sleep - always optimistic that tomorrow will be better, and wake up strong again to overcome the problem."

She targeted MNCs in China who were more mindful with industrial waste. The MNCs likewise responded positively, preferring to work with a Singaporean company which could communicate well in English.

Olivia's decision would prove to be the lifeline of the company when the 1997 Asian Financial Crisis struck. Many competitors closed, but the China operation kept Hyflux afloat. This allowed Hyflux to become the largest water treatment company in Singapore.

In 2001, Hyflux won its first government contract when it was awarded Singapore's first NEWater project by PUB, the national water agency. This was a major milestone for the company. Hyflux played an important role in recycling used water mainly for industries by providing the technological know-how. The purified wastewater was branded as NEWater by PUB. Hyflux's later projects include Singapore's two seawater desalination plants, which can meet up to 25% of current water demand, thereby increasing the nation's self-sufficiency in water.

Today, Hyflux is listed on the Singapore Stock Exchange and employs around 2,400 employees worldwide. It operates some of the world's largest seawater reverse osmosis plants in Algeria, China and Singapore, and has won numerous awards including the Water Company of the Year at the Global Water Awards by the Global Water Intelligence in 2006 and Frost and Sullivan Asia Pacific Water Technology Company of the Year in 2014.

"26 years on, water treatment is still a sunrise industry, because water is a basic human need and it is scarce", Olivia mused.

Since her humble beginning, Olivia has amassed great success for herself. In 2005, her net worth was over US\$240 million, which made her the only woman on *Forbes'* Southeast Asia Rich List. She has also occupied various positions in public service such as the president of the Singapore Water Association and a nominated Member of Parliament of Singapore from 2002 to 2005. In 2011, she became the first female to win the Ernst & Young World Entrepreneur of the Year.