

Business and Consumer Markets of George Kent (Malaysia) Berhad: An Overview

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ABSTRACT : Since George Kent (Malaysia) Berhad inception in 1936, the company has come a long way to become an established engineering company engaged in the water infrastructure, rail transportation and hospital construction industry.

KEY WORD : George Kent (Malaysia) Berhad, Marketing, Brand Equity, Business Market, Market Segment and Targets, Brand Positioning, Consumer Market

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I. INTRODUCTION

George Kent began its operation in Penang in the year 1936 as a service branch of George Kent Limited, Luton, England. During the year of 1951, George Kent Limited has a wholly-owned subsidiary, George Kent (Malaya) Ltd which was incorporated in the Federation of Malaya. In 1964, George Kent (Malaya) Ltd changed its name to George Kent (Malaysia) Limited. This company has been set up for manufacturing plant on 4-acre site in Shah Alam in 1968. However, in 1969, George Kent (Malaysia) Sdn Berhad was transformed to a public company under the current name of George Kent (Malaysia) Berhad (George Kent).

It is George Kent's mission to provide their customers with superior metering and engineering solutions based on consistence in quality and excellence in execution, ultimately delivering sustainable growth and profit. In the company's vision, it aims to be the most admired engineering company providing total solutions in the region and beyond as a manufacturer, supplier and distributor of water metering products, a total-capability provider of engineering design, procurement, construction and commissioning in the rail transportation sector, and a specialist in turnkey construction of water infrastructure and hospital projects. George Kent's vision is basically to become an admired Malaysian based engineering company with regional and international operations in 3 areas. The first area is infrastructure investments. Secondly, manufacture and sale of water or water related products including Original Equipment Manufacturer (OEM). Lastly, Mechanical and Electrical (M&E) System and process engineering design and build capabilities, also major civil engineering construction.

George Kent's values serve as an underlying foundation for their actions and define their responsibility and commitment to the stakeholders. At the company, they are part of a global community and will continue to serve their stakeholders with a committed sense of responsibility, conscience, ethicality and integrity. The Company emphasises teamwork and excellence and remain customer-focused in their quest to be one of the foremost players in the metering and engineering fields in the years to come. The Company is committed to a high level of professionalism and personal integrity in their business conduct. The Company is consistently demonstrating teamwork across the organisation, sharing their diverse skills and resources to achieve a common goal for the benefit of the stakeholders. The Company strives for excellence in everything that they do. Going beyond the high standards that they set for themselves and their business will ultimately set them apart and reinforce their position in the industry. The Company understands the needs of their customers and are determined to satisfy them with superior products and outstanding service delivery. The Company focuses on building long-lasting relationships which are mutually beneficial.

George Kent has its own guiding principle core value. The Company's core values are represented by P.E.R.F.E.C.T. The core values are separated into 2 main categories, which are:

i) Corporate; and

P.E.R.F.E.C.T represents Professional, Equitable, Result-Driven, Focused, Environment Conscious, Caring and Trustworthy.

ii) Personal.

P.E.R.F.E.C.T represents Passionate, Ethical, Responsible, Friendly, Efficient, Committed and Teamwork.

The Company's objectives are to firstly generate demand and drive up sales for water metering products by becoming specialist in turnkey construction of water infrastructure. Secondly, to expand the scope of field as total-capability provider of engineering design, procurement, construction and commissioning in the rail transportation sector and hospital projects. Finally, to manage existing customer base to create loyalty and customer referrals. In positioning the Company's objectives for success, George Kent has made significant investments, particularly on the people front where it has built a multi-disciplinary team comprising local and foreign professionals and experts. This gives the team a strong foundation and clear competitive edge on which to bid, win and undertake future technology critical projects locally and regionally.

In 1974, the Company listed its shares on the Kuala Lumpur Stock Exchange (KLSE) through an offer for sale of 20% equity by George Kent Limited and new issue of 20% shares to Malaysians. George Kent committed itself for serving the various stakeholders and it is a world-renowned and leading the manufacturer of water meters, valves and fittings, and brass products, exporting to more than 40 countries for over 80 years. The company supplies its products to Singapore, Hong Kong, Thailand, Vietnam, Cambodia, Australia, United Kingdom and other countries. George Kent underwent expansion when it moved to a 17-acre modern and integrated manufacturing facility in Puchong, Selangor in January 1997.

II. CONSUMER MARKETS AND BUSINESS MARKETS

George Kent is recognized as an engineering-based company that has diversified business interest in various industries. It offers wide range of products, equipment and services and to provide total solutions. George Kent's business can be divided into Engineering and Metering.

Engineering

A) Rail Transportation

i. Ampang LRT Line Extension Project (LEP)

A notable example of this is George Kent's move into the rail transportation sector as the lead member of a consortium that has been commissioned to engineer, procure, construct, test and commission the system works for the Ampang LRT Line Extension Project (LEP). The Ampang line extends 18.1km from Sri Petaling to Putra Heights in Kuala Lumpur and includes 11 new stations. George Kent is the systems works contractor for the Ampang LEP in Malaysia. The scope of work under this contract includes design engineering, procurement, construction of the rail and the Operation Control Centre (OCC), power, communications, signalling and integration, testing and commissioning of all systems. The contract also includes the upgrading and modernisation of the existing Ampang line's systems to enable seamless operations using new modern driverless train technology. This prestigious project is widely considered the most complex railway systems contract in Malaysia to-date.

ii. Light Rail Transit Line 3 (LRT 3) Project

George Kent's venture into the rail transportation received a significant boost when the Company together with its consortium partner, were appointed the Project Delivery Partner (PDP) for LRT Line 3 Project in September 2015. The PDP will assume the risk ownership and accountability for the project delivered, from conceptualisation till date of completion, including specifications to cost, time and quality by integrating all contractors (civil, infrastructure and systems) involved. The 36 km long LRT 3 line which is scheduled to commence works in early 2016 will connect Bandar Utama to Johan Setia with 25 stations and is expected to transport around 70,000 passengers daily when completed by 31 August 2020. The design of this transit hub will be fully integrated with the development within the vicinity which emphasises convenience, accessibility and economic enhancement. As such, around two million people who live along the route will benefit from the spill over effects of commercial businesses springing up like business centres, shopping malls, hotels, colleges, recreational and activity centres.

iii. MRT Sungai Buloh-Serdang-Putrajaya (SSP) Line

George Kent and Joint Venture partner were awarded the System Work Package of the MRT SSP Line valued at RM1.01 billion by Mass Rapid Transit Corp SdnBhd (MRT Corp) in August 2016. The Line is 52.2 km in length with a total of 37 stations, 11 of which are underground. The work package covers the engineering, procurement, construction, testing and commissioning of trackworks, maintenance vehicles and works trains. The Line will stretch from Sungai Buloh to Putrajaya, and will include Sri Damansara, Kepong, Batu, Jalan Sultan Azlan Shah, KLCC, Tun Razak Exchange, Kuchai Lama, Seri Kembangan and Cyberjaya.

B) Water Supply Infrastructure

Over the years, George Kent has evolved with developments in the water industry and has cultivated a wealth of knowledge and expertise in serving local and regional markets. Today, George Kent is a major player

in the water supply infrastructure sector with a proven track record that speaks for itself. Excelling in the turnkey construction of major water supply projects, George Kent's extensive experience has seen the Company successfully complete many water supply-related contracts in the past 20 years. Major water projects are as follows:

- Papua New Guinea (PNG) (Investment) Operation and maintenance of Mount Eriama Water Treatment Plant in Port Moresby, Papua New Guinea.
- Panching Water Treatment Plant in Kuantan, Pahang for the East Coast Economic Region.
- Semantan Intake Package 3A of the Pahang-Selangor Raw Water Transfer Programme.
- Sungai Selangor Water Supply Scheme Phase 1.
- Sungai Selangor Water Supply Scheme Phase 3: Rasa Headworks and Bulk Transfer Works.
- A major distribution pumping station project for the Bangkok Metropolitan Waterworks Authority in 1998.
- Rehabilitation and Upgrading of Sg. Linggi Water Treatment Plant.
- TelukBahang Water Supply Project: BatuFerringhi Water Treatment Works.

C) Hospitals

Hospitals are the most complex of building types and George Kent has the expertise. Each hospital comprises a wide range of services and functional units, from diagnostic and treatment functions such as clinical laboratories, imaging, emergency rooms and surgery to hospital-operations functions, such as food service and housekeeping as well as fundamental inpatient care or bed-related functions. This diversity is reflected in the breadth and specificity of regulations, codes and oversight that govern hospital construction and operations. Projects that have been awarded to George Kent are :

- Hospital Kuala Lipis Phase 1 and Phase 2.
- Hospital TanjungKarang.
- Hospital Endokrin, Putrajaya.

Each of the wide-ranging and constantly evolving functions of a hospital, including highly complicated mechanical, electrical, and telecommunications systems, requires specialised knowledge and expertise. This is why specialised consultants in George Kent play an important role in hospital planning, design, construction, commissioning and maintenance.

Metering

- Water Meters.
- Industrial Products.
- Industrial Process and Manufacturing.
- Original Equipment Manufacturer (OEM).

George Kent engages in the manufacture and marketing of water meters, waterworks fittings, fiberglass reinforced polyester panel tanks, and various hot-stamped brass products and components in Malaysia and internationally. The Company also markets industrial measurement and automatic control products, compressed air pumping and heating equipment, valves, and pipes and pipeline fittings. In addition, it engages in the design, supply, installation, commissioning, and maintenance of instrumentation, process control systems, and Scada systems for industries, as well as building automation and building security systems. Further, the Company involves in mechanical and electrical turnkey water infrastructure project management, as well as operates and maintains a water treatment plant. Apart from these, the Company also provides construction services and installation of communication and signalling systems, also specialised Civil & Structural works. George Kent exports its products to more than 40 countries such as Singapore, Hong Kong, Macao, Australia, New Zealand, South Africa, Kenya, Dubai, Qatar, Vietnam, Indonesia, Cambodia, the Philippines, and Papua New Guinea. The Company also pride themselves on operating the largest hot brass-forging plant in the region for the manufacturing of water meters and other non-ferrous products and components which meant for both local and foreign markets around the world. Furthermore, delivering a considerable number of projects in the country for years, George Kent had become an established provider of Mechanical & Electrical System specialist expertise for various construction projects mainly in water treatment plants and dams in the country. They also diversified into rail transportation and hospital construction industries and these projects had positioned the Company for continuing growth and sustainability as well as opening the vast opportunities in the future for recent years.

III. MARKET SEGMENTS AND TARGETS

George Kent (Malaysia) Berhad (George Kent) is an engineering-based company, based in Malaysia. The company operates through two divisions such as IWC division and MMI division. Its IWC division has three business units such as Infrastructure Investment, Water and Construction (IWC). Its major projects include Papua New Guinea Operation and maintenance of Mount Eriama Water Treatment Plant in Port Moresby, Papua New Guinea. George Kent has three business units include Manufacturing, Meters and Industrial (MMI). It provides infrastructure investment, building, construction, and project management services. The chart below shows the segment that George Kent is involved.

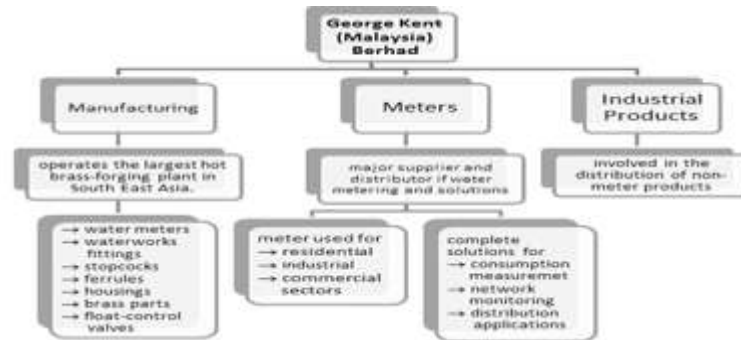


Diagram 1 : George Kent Segment Chart

Industry analysis on George Kent is part of foundation of industry which becomes an important stage that should be done where the investors and analysts may identify the investment opportunities, risks and returns that are expected in the future. Investors will compare the performance from various companies which make them able to know what kind of industry that provides a promising. After analysing the industry, investors will be able to use the information as input to consider the shares from which industry should be included in the portfolio.

The company operates through three sections such as metering and engineering. The main activities of the company contain of the marketing and manufacturing of water meter, water works equipment and a variety of products and components, hot stamped brass, operation of water infrastructure, marketing of industrial measurement and automatic control products, pump compressed air and heating equipment, valves, pipes and pipe fittings, design, supply, installation, commissioning and maintenance of equipment, process control systems and SCADA systems for industrial and building automation and building security systems. Turnkey project management of mechanical and electrical infrastructure, civil engineering construction and investment holding and management company. Water meters and copper products comprising equipment, stopcocks, ferrules, housing, the top brass and the control ball valve float. Year over year, George Kent has increased yield 52.36% from 353.16 million to 538.09 million while net income increased by 79.04% from 28.09 million to 50.29 million.

Marketplace

1. Corporate Governance

Policy/Statement

The board of George Kent has made sure that there are high standards of corporate governance to certify the uniformity of policies of the Group of companies in diverse geographical areas. The statement indicates the extent to which the board has embodied the spirit and principles of the new Malaysian Code of Corporate Governance 2012.

Board Composition

There are five members on the Board in George Kent. These include two Non-Independent Non-Executive Directors, two Independent Non-Executive Directors and one Non-Independent Executive Director. The Board has executed gender diversity on the Boardroom to encourage women representative in the Board composition. Recently, there is only one female Director on the Board out of five.

Transparent Board And Senior Management Remuneration

The remuneration of Directors is decided based on the levels that allow George Kent to catch the attention of and retain Directors with related experience and expertise to administer the Board well. The fees payable to the Non-Executive Directors are subject to the approval by shareholders during Annual General Meeting.

Risk Analysis / Management Framework

George Kent carries out an ongoing process for identifying, assessing and controlling the Company's risks in term of its business objectives. The Board will consider all business risk that have affected or likely to affect the Company and its achievement towards it by developing its business strategy.

The Risk Management Committee (RMC) is formed in order to identify and review the risk profiles of the company. The Risk Management Working Group meets frequently to review the Risk Profiles that recognize the key risks, their possible effect and likelihood of occurrence and also the control strategies. The internal audit team then reports to the Audit Committee about the effectiveness of the risks and control management and suggests the improvements of the controls.

Disclosure Of Non-Compliance With Laws / Legislation / Codes / Listing Requirements

The disclosures of non-compliance are listed obviously in the annual report of George Kent. For example, the Company and its subsidiaries had not entered into any material contracts. Besides, there was no any sanctions and penalties imposed on the Company and its subsidiaries. Others related disclosures include share buybacks, revaluation policy on landed properties, profit guarantee, utilization of proceeds raised from any corporate proposal and etcetera.

2. Community Social Responsibility (CSR) Management / Reporting Policy Statements Or Stated Commitments

George Kent is committed to the principals of Corporate Social Responsibility (CSR) to carry out and administer its business, generate value to its shareholders and boost the long term sustainability of the Company. George Kent develops and implements its CSR policies and practices in the areas of employment, health and safety, environmental management, community support and supply chain management.

Adoption Of A Specific Reporting Guideline

George Kent prepares its financial statements in accordance with the provisions of the Companies Act 1965 and also approved accounting standards in Malaysia in order to ensure true and fair view of the Company's reports. In addition, the Group adopted and applied appropriate accounting policies consistently. From the aspect of management, Code of Ethics is used by Directors as a guideline for standard of ethical behavior. Moreover, the Board of Directors is fully guided by the Corporate Disclosure Guide 2011 which is issued by Bursa Malaysia to make sure accurate, comprehensive and timely disclosure.

Third Party Report Audit / Review

Audit Committee of George Kent collaborates with the external auditors so that they are able to report to shareholders independently in accordance with the statutory and professional requirement.

3. Stakeholder engagement

George Kent aggressively embarks and responds to its stakeholders, which are shareholders, suppliers, customers, fund managers, analyst and also government and non-government agencies in order to have a better relationships and understanding. The Board must make sure that the timely release of financial results on a quarterly basis is given to the shareholders associated with an overview of the performance and operations of the Company. The copies of the full announcement must be given to the shareholders and the members of the public when they request. The Annual General Meeting (AGM) is held to communicate with the shareholders. They are given the chance to ask question during the Question and Answer (Q&A) session before each resolution being proposed for consideration by shareholders. Moreover, the Company attempts to protect the customers' right through responsive customer complaint and meeting with the strictest data protection requirements.

Environment

1. Environmental Policy

George Kent implements the environmental preservation and sustains the higher standards of occupational and health management practices. In addition, the Company had engaged in "resources conservation" since it commenced the transformative initiatives back in 2007. George Kent's manufacturing plant which is located in Puchong remains fully ISO 14001 compliant.

2. Set Targets For Improvements And Significant Initiatives

George Kent has adopted eco-friendly steps which consist of recycling, waste management and air pollution controls. The Company makes sure that the wastes that come from its manufacturing activities are handled appropriately to guarantee safe disposal in order to diminish any negative implication towards the environment. Other than that, the Company also improves the IT infrastructure to shift to a paperless

environment, cutting down the usage of papers via electronic communication and staffs are requested to print double-sided to minimise the usage of papers.

Workplace

1. Human Capital Development

George Kent gives permanent focus and emphasis on the staff training and development to make George Kent Technology Centre a learning organization. This is due to that the Company believes that the employees are important to its long term success for business and reputation for excellent service. In-house training programmes are provided to current and new staff. The training programmes are such as leadership and team development programmes, internships and also management trainee programmes. This is to improve their work skills and capabilities to a higher responsibilities and career growth.

2. Employee Welfare

The welfare that George Kent offers to the employees comprising staff canteen subsidy, local study trips, festival celebrations, sponsorship of Family Day, financial support of staff sports and recreational amenities and also staff loan assistance. Meanwhile, senior management are provided the exposure for overseas study trips. Besides, senior management learning programmes are carried out by well-known institutions to broaden their prospect and endowment.

Community

1. Encouraging Employee Volunteerism

George Kent adds value to the communities by providing support in various areas of social welfare. The employees are encouraged to take part in the community projects such as voluntary works for fund-raising and social welfare. Nevertheless, the Company’s Quality, Health, Safety Environment (OHSE) section cooperates with National Blood Centre to carry out a Blood Donation Drive in George Kent Technology Centre.

IV. BRAND POSITIONING AND CREATING BRAND EQUITY

George Kent is an engineering company based in Malaysia, thus the company will gain from global expansion. However, limited global operations remain a weakness that, along with other issues identified in this SWOT analysis, the Company must address to maintain international competitiveness and corresponding business growth. George Kent must implement reforms that include the Internal Strategic Factors (Strengths And Weaknesses) and External Strategic Factors (Opportunities And Threats) enumerated in this SWOT Analysis. These factors define the environment in which the business operates and develops. Including these strategic factors in reforms can boost business performance and resilience in the global market in the segment of IWC Division and MMI Division.



Diagram 2 : George Kent SWOT Analysis

George Kent’s Strengths (Internal Strategic Factors)

This aspect of the SWOT Analysis of George Kent deals with the business strengths that contribute to organizational growth and improvement. Business strengths are internal factors that empower the Company to compete against other firms, and to ensure profitability, especially in the long term. For example, the company’s strong brand can support strategic expansion in the global market. In this company analysis case of George

Kent, the following strengths shape the capabilities of the business as a competitive player in the metering and engineering industry.

George Kent's Weaknesses (Internal Strategic Factors)

The internal factors that limit organizational performance are identified in this aspect of the SWOT Analysis. These internal factors are weaknesses that can reduce George Kent competitiveness and business growth. In the context of this business analysis, weaknesses are issues that the Company must overcome through strategies, reforms, and initiatives. Despite its strong brand as a manufacturer of water meters, George Kent's performance and potential future growth suffer from lack of advancement of technology to introduce smart water meter.

George Kent's Opportunities (External Strategic Factors)

The company can expand in the global market to support further business growth. George Kent has major opportunities to improve its financial standing and competitiveness in the global markets. This opportunity is based on the significant economic growth of countries where the company has insignificant market presence. For example, the company can increase its revenues through expansion construction and smart water meter. In this SWOT analysis, another opportunity is to expand George Kent's supply chain to support the global expansion of production and sales operations. This external factor puts emphasis on the relatively small extent of the Company's operations. Also, the Company can improve its performance through diversification.

George Kent's Threats (External Strategic Factors)

The external factors that limit or reduce George Kent's organizational performance are covered in this aspect of the SWOT Analysis. These external factors are threats that prevent the Company from maximizing the benefits of its strengths and opportunities. Even though its business has shown considerable profitability, George Kent needs to address the threats to maintain resilience despite the changing conditions of the industry. Based on this aspect of the SWOT analysis, George Kent must maintain competitive advantage to remain profitable despite aggressive competition from large companies.

1. Issues That May Arise In The Industry

- a) Delays in project executions. Delays in the delivery of projects are likely to erode profitability and could jeopardise future contract win rates. However, given George Kent's execution track record and its partnerships with local and international partners in the LRT3 and MRT2 projects, thus that delay risks in project executions are rather low.
- b) Delays in contract awards. The realisation of assumptions of an orderbook replenishment is largely dependent on the timing of contract awards. Mitigating this is George Kent's diversified tenderbook across railway, water and hospital related jobs.

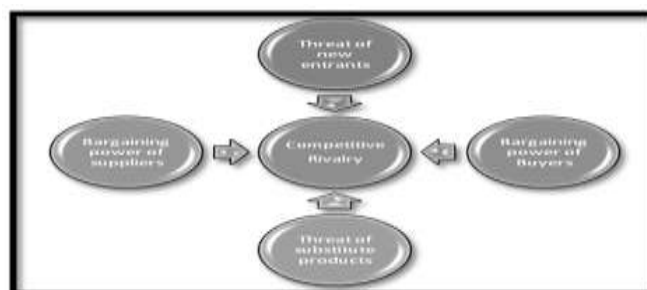


Diagram 3 : Five Porter Forces by Michael E. Porter

i) Threat of new entrants

Since the total cost of production and large construction industry, entry of new domestic threat is less than compare to the foreign countries where there are plenty of them involved into this industry.

ii) Threat of substitute product

Changes in prices of production factors will affect the supply of goods. The price increase means an increase in the cost of factors of production. Producers had to pay a higher cost of production. Some manufacturers will stop operations or reduce production market supply will be reduced. At the same time, the selling price will also change and make the customers switched to other companies.

iii) Bargaining power of suppliers

Comprehend and respond to competitors' business structure and strategies, and capitalize on their weaknesses. Stay up to date on the major developments affecting the Company. The Company's core power and disadvantages and areas of development or decrease are analysed and disclosed in the profile objectively. Latest developments in the Company covered in the profile help to keep track of important events.

iv) Bargaining power of buyers

Not all workers will be employed can carry out the tasks required. There are some workers who often cause problems such as absenteeism, attendance, unsatisfactory work performance, negligence, misconduct, criminal offense, refusal instruction, unproductive and so on. If no action to be taken against these employees, it will not only effect on the productivity, but it can also cause customers to switch to other companies that provide more efficient results.

2. Problem That Exist In The Industry

Marketplace

1. Procurement Policies

George Kent does not state the procurement policies in the annual report. Procurement policies are important for deciding what materials or goods and from which suppliers the Company should purchase to ensure that the materials are purchased in the reasonable price. Besides, it is also vital to make sure that the procurement activity is carried out in a consistent manner with the highest professional, moral, ethical and legal standard. **Recommendation:** George Kent should set and implement the procurement policies. The Company can obtain the price lists for the materials or goods from a few suppliers and compare the prices. Then, George Kent can purchase from the supplier which provides the greatest benefit for the Company. As a result, George Kent could maximize its profit and minimize the cost by making the appropriate decision.

2. Product Responsibility

George Kent, as a well-known Malaysian-based Engineering Company, does not create tangible value for its customers in terms of the quality control for its manufacturing products such as water meters, brass valves and fittings and brass parts and components for the water. **Recommendation:** The employees from manufacturing department of George Kent should follow the necessary procedures in the manufacturing process in order to manufacture good quality products to the users. Moreover, the material purchasing department should purchase good quality of raw materials that are used in the manufacturing process in order to maintain the products standard. This can further help the Company to create and enhance their brand equity, also by continually improving the quality of its products and services.

Environment

1. Measurement Systems In Place

George Kent does not mention the measurement systems that it applies. There is no evidence can be found in the annual report on how the Company measures or what standard the Company based on to measure the environment control. It is important for the society to know whether the measurement systems the Company used have fulfilled the requirements of the particular authorities. **Recommendation:** George Kent should list down specifically and clearly about the measurement systems. The Company should list down which standards it applies on the Annual Report and the reason it chooses to apply them. For example, the Company can state how they manage on the waste production and also the emission of carbon dioxide. Moreover, the Company can also attach the requirements that the authorities have set as evidence so that people will believe on it.

2. George Kent's Impact On Biodiversity and Environmental Impact Assessments

The impacts on biodiversity and environment due to George Kent business activities do not include in the annual report. The shareholders and public have their rights to know what are the effect and the seriousness of the effect. If the Company does not include the implications in the annual report, the society can assume that the Company has the intention to hide it from the public and people might assume that the effect is serious. **Recommendation:** George Kent should come clear when it come to the issue on how their daily business activities will give an impact on the biodiversity and environment. Besides that, the Company should also list down in the annual report about the activities that they will take on action in order to minimize the impact.

Workplace

1. Health & Safety (H&S) issues

Health and Safety (H&S) issues are one of the weaknesses for George Kent in the workplace. H&S issues consist of H&S Management System in the workplace and staff education & training on H&S. Employees in George Kent are lack of awareness and knowledge about the importance of health and safety

issues in their workplace. **Recommendation:** George Kent should concern about their employees' health and safety issues in the workplace. George Kent can organize some H&S campaign or talks for their employees in order to raise their awareness about the importance of H&S in the workplace. Besides, George Kent should implement H&S Policies by ensuring employees wear the safety helmet and appropriate clothing in the workplace. George Kent should conduct regularly checks to make sure employees comply with H&S Policies in the workplace in order to minimize the risk of causing unwanted accidents to happen.

2. Work-Life Balance

George Kent does not offer pensions plans for their employees. The purpose of pension plans is to secure employees' life after their retirement. Besides, employees in the George Kent do not have flexible working arrangement. Thus, they need to work according to the working hours fixed by the company. George Kent does not offer counselling or assistance programmes and sport activities for their employees. The performance of employees will be affected if they do not manage their stress well in the workplace. **Recommendation:** George Kent should offer pensions plans for their employees with the purpose of motivating them to perform better in order to achieve the target and stay longer to work in their company. Furthermore, George Kent should allow their employees to work in more flexible working hour arrangement rather than fixed working hour. The employees can arrange their flexible working hours as well as they are able to complete their jobs on time. On the other hand, counselling or assistance programmes should be offered to assist those employees who face difficulties in performing their jobs or feel stress in the workplace. As a result, employees are able to improve their performances in the workplace by understanding and overcoming their problems better.

3. Diversity In The Workplace

George Kent does not have proper staff composition and also does not provide equal opportunities to their employees in the workplace. The reason is that George Kent mainly employs male workers for their construction and manufacturing projects. **Recommendation:** George Kent should employ more female or disabled people to work in their company. The Company can arrange female employees or disabled people to do paper works in the office whilst male employees involve in construction work. Thus, George Kent will provide equal opportunities for their employees to involve in the job without any gender bias.

Community

1. Employment Of Local Workforce For Its Operation

In the Annual Report 2014, under the Statement on Corporate Social Responsibility, it does not mention that George Kent has employed local communities as its workers. Therefore, it is most probably to indicate that the Company hired more foreign workers compare to local workers. This might be due to the perception that foreign workers may request lesser salary and benefit than local workers and it would directly help the Company to save a lot of money in terms of the employees' salary and compensation. **Recommendation:** George Kent should increase the employment of local workforce instead of foreign workers to ensure that the welfares of local communities are protected. The Company should implement the "Local Hire Programme" to make development work for local residents. This is a crucial element of the community benefits agenda as it makes sure that the investment of public fund in economic development will direct resources into low-income local communities.

2. Internship Or Graduate Placement Schemes

George Kent does not build any relationship with intern students or fresh graduates. This might cause the Company to have difficulty in sustaining growth. The Company needs talented workers for developing and making improvement. Young generations are always innovative and creative. They will come out with a lot of brilliant ideas to improve the Company's performance or to develop new products, services or technology in the course of its operation. **Recommendation:** George Kent should offer internship opportunities to those students or fresh graduates who are interested to intern for the Company and also possesses the minimum qualification required by the Company. This can be done through advertising recruitment notice on the university or college's notice board or on the website. By this, the Company can be able to enhance their capabilities and thus they might have the potential to become a specialist in certain area of the operation in the Company. This may help the Company to become the leader among the industries.

3. Details On The Company's Community Investment Initiatives

George Kent does not execute any community investment initiatives. Actually, it is important for a corporation in sharing its resources to make a positive difference to the wider community. It can facilitate the building of partnerships with mutual benefit to the Company and the community and also provide the opportunities to engage with the key stakeholders. **Recommendation:** George Kent should carry out some

community investment initiatives to contribute to the society. For instance, the Company can distribute its water meters that are designed to provide total solutions for residential sectors. Besides, the Company can also transform the families which are in the poor economic condition through health awareness programmes, skills training and knowledge empowerment, food aid assistant and budget management.

Recommendations

George Kent continues to invest in Research & Development in this segment to maintain its competitive edge. The latest product in the pipeline is its smart meter. This product is aimed at helping water suppliers to cut down on non-revenue water. This product is in the pilot project stage of testing. Pending the final results from these pilot projects, George Kent believes the successful commercialisation of this product would further solidify the Company's status as an important player in the water meter industry.

George Kent efforts towards the commercialisation of its smart meter as a right direction in the embarkation towards the new trend in the water meter industry. Tech Navio's January Global Smart Water Meter Market 2017-2021 market research report, the global smart water meter market is forecasted to grow at a CAGR of 20% during the aforementioned period. This strong growth would primarily be driven by sustainable water management initiatives globally. It has been observed that increasing losses in water pipeline systems through leakages and illegal tapping are the major reasons for water scarcity in several countries around the world. The adoption of smart water meter technology ought to help operators detect leaks in pipelines. This would enable utility firms to reduce water losses, which, in turn, ought to significantly reduce the consumption of water and energy.

iv. CONCLUSION

George Kent has the strengths to remain successful in the business in the years to come. However, as identified in the abovesaid SWOT analysis, there are various issues that the company must address to maintain its competitiveness and improve its profitability. George Kent must improve its multinational presence. Also, the company must continue its significant investments in Research and Development (R&D) to produce technologically advanced products that are competitive. In considering the results of this SWOT analysis, with the goal of improving business competitiveness, growth, and development, it is recommended that George Kent:

1. Expand operations in foreign markets to exploit the global growth of the smart meter.
2. Continue or increase investments for product innovation.
3. Diversify the supply chain to reduce supply-side risks.

For the future of George Kent, it is very optimistic that the company is on the right track to another good year due to all divisions are contributing positively. Moreover, the increases of quarterly revenue as well as profit are the evidence of a positive trend the company is having for the financial year.

Based on analysis prepared above, it clearly stated that the business strategies implemented by George Kent (Malaysia) Berhad are very effective and can be seen as high sustainability for developing the Company in future. By viewing the analysis, we can conclude that it is a Company which has high potential on future development. When looking back the past 5 years, the revenue of the Company is rising steadily over the year 2013 to 2017, although there is a slight drop in revenue in 2015. As a conclusion, the performance of George Kent (Malaysia) Berhad is stable and is growing steadily every year regardless of their revenue, net profit, return on equity, dividends, and shares' performance.

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