

Teo Eng Cheong



Mr Teo Eng Cheong is the CEO of International enterprise (IE) Singapore

Mr Teo Eng Cheong was appointed CEO of International Enterprise (IE) Singapore from 1 January 2011. Prior to joining IE Singapore, Mr Teo was the Chief Executive of the Competition Commission of Singapore (CCS) from 2008 to 2010, and the Director-General of Singapore Customs from 2004 to 2007. Mr Teo also served at the Economic Development Board, Monetary Authority of Singapore, and the then-Ministry of Community Development and Sports.

Mr Teo is also the Deputy Chairman of Singapore Cooperation Enterprise (SCE) and he sits on the boards of IE Singapore, IE Singapore Holdings Pte Ltd, Agri-Food & Veterinary Authority, Ascendas Funds Management (S) Limited, ASEAN Infrastructure Fund (AIF) and Council for Private Education.

Journey of a Global Champion

Olam makes internationalisation look easy.

Olam was started in 1989 with one product, cashew nuts, in one country, Nigeria. Over the next 25 years, it has grown into a global company in multiple agricultural commodities with operations in 65 countries. From Africa to South-East Asia, from Latin America to Middle East, Olam has gone where many companies would not dare venture. And it has paid off.

But make no mistake. Internationalisation is not easy.

It is not an easy task to run a good company, what more a global one! Besides the usual qualities of a good company, I believe a global organisation needs to have three key additional success factors compared to a largely domestic entity.

First, a global company needs to have a scalable business model that can be replicated in different markets. All good companies have viable business models. However, for a global company, its business model must also be repeatable in different environments, with different consumer preferences, different government policies and different geographies.

Olam is in the business of managing the supply chain of agricultural commodities from the growers to the table. It has expanded upstream and downstream to ensure maximum efficiency and value capture in the entire value chain. And this business model has been replicated rapidly across multiple agricultural products and multiple countries over the years. It appears to me that Olam has perfected the process of repeatability to a fine art.



Second, a global company needs a globally-oriented corporate structure, culture and people. All good companies have well-aligned organisations with structures, people and cultures that are in sync with the overall strategic direction. For a global company, it needs to further align all these components with a strong global orientation that supports its overseas expansion.

For instance, Olam has a Global Assignee Talent Pool, which comprises hundreds of its top managers who are from different nationalities, trained and aligned to Olam's values and strategies, and expected to work and lead in different countries. I have been to several of Olam's overseas operations in Africa and Latin America. I am amazed at the talent it has in far-flung places. These Olam country managers not only know the local markets very well, but speak the same corporate language across the globe. And they have clearly adopted the same strategies, adjusted for local conditions. It is clear to me that Olam has a strong global culture and globally-oriented internal systems that nurture and encourage its people to be globally minded.

Third, a global company needs to work in harmony with the local communities. For a business to be sustainable and supported, it must be sensitive to the needs and sentiments of the local people in the market. In some countries, it is about creating jobs for the locals. In others, it is about being environmentally friendly. Whatever the case is, the global company needs to be aware of local issues, communicate its intent clearly to the right parties and carry out whatever it does in a mutually beneficial manner.

The Olam Sustainability Standard is a set of guiding principles that helps the company do that. It ensures that Olam's commercial activities contribute to the social well-being of the farmers and local communities and that the risks to the environment are properly managed. Only when the organisation is highly conscious of this and implements it consistently, can there be harmony with the local communities.

Building a global company is possible. Olam has shown the way.

Design a viable business model that is repeatable in different markets. Develop a globally-oriented organisation with the appropriate systems, culture and people. And last but not least, work towards mutual benefits with the local communities.

On the occasion of Olam's 25th anniversary celebrations, let me thank Olam's shareholders, board, management and staff for their contributions to Singapore and the markets they operate in. We look forward to the next 25 impactful years ahead as Olam continues on its internationalisation journey.