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## SPECIAL FEATURE

COVERAGE OF THE  
CONSTRUCTION  
INNOVATION  
FORUM 2019

# TRANSFORMATION AT ITS BEST



# CONSTRUCTION BUSINESS NEWS

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CEO

Wissam Younane  
wissam@bncpublishing.net

Director

Rabih Najm  
rabih@bncpublishing.net

Group Publishing Director

Joaquim D'Costa  
jo@bncpublishing.net  
+971 50 440 2706

Sales Manager

Vishvanath Shetty  
vish@bncpublishing.net  
+971 52 119 3077

Business Development Director

Rabih Naderi  
rabih.naderi@bncpublishing.net  
+966 50 328 9818

Deputy Editor

Kasun Illankoon  
kasun@bncpublishing.net

Art Director

Aaron Sutton  
aaron@bncpublishing.net

Photography

Dhananjay Shekar Poojari

SUBSCRIBE

subscriptions@bncpublishing.net  
PO Box 502511 Dubai, United Arab Emirates  
P +971 4 4200 506 | F +971 4 4200 196

For all commercial enquiries related to *Construction Business News ME* contact [sales@bncpublishing.net](mailto:sales@bncpublishing.net) T +971 50 440 2706  
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If I have to look at the biggest transformation, I wanted to make in EFS is to see the young people succeeding and creating a good ecosystem to strengthen their overall life perspective..”



# TRANSFORMATION AT ITS BEST

*Kasun Illankoon* spoke with **Tariq Chauhan**, Group CEO of EFS Facilities Services Group, about how his leadership and key strategic approach that has led to EFS's transformation.

All business leaders have diverse experiences and perspectives on the approach and qualities necessary for effective leadership. And not all situations require the same type of leadership style. Great leaders adapt to their surrounding environments and empower the team to succeed together.

EFS Facilities Services Group is a regional leader in delivering integrated facilities management services. Their global presence spans across the Middle East, Africa, South Asia, and Turkey and is among the top-ranking facilities management companies in the UAE.

Leading this charge is Tariq Chauhan, Group CEO of EFS Facilities Services Group, who has transformed the way facilities management is seen in the market. Tariq Chauhan is a Harvard Business School graduate and a professional entrepreneur with close to thirty years of experience that includes various executive-level roles at multinational banks and leading some of the largest businesses in the region.

## LEADING THE WAY

Tariq, who is celebrating his 10th year as the Group CEO at EFS, explains how in the past decade through his

leadership and a dedicated workforce upholds EFS as the regional leader in facilities management. Despite the challenging market downturn, Tariq has an innate ability to predict how the market hurls nuances.

"I saw an opportunity in the market, and I saw it working. When you see it working you become more and more stubborn and emphatic in what you want to accomplish.

From 2010 to 2019 we have learned to make EFS more resilient rather than staying in the complacent mode which is the most significant need in this type of market. Being resilient doesn't mean you cannot expand, so we expanded, we maintained our core credentials, and we were still able to see a future through introspection, learning and positive actions against market turbulence".

Part of EFS's and Tariq's transformation involves working closely with millennials and gen z. The makeup of leadership teams in the workplace is rapidly changing in big organisations. When people are hired, they are working in an environment where they're trained to climb the corporate ladder and to take more responsibility. This is happening at a fast rate in EFS where the prime focus is given to

learning and development, investing in the adoption and implementation of technology and people. Ultimately the company knows that investing in their workforce will pave the way for a new group of leaders in the future, making EFS a sustainable enterprise.

Transformational leaders inspire and motivate their workforce without micromanaging — they trust trained employees to take authority over decisions in their assigned jobs. It's a management style that's designed to give employees more room to be creative, look to the future and find new solutions to old problems. Employees on the leadership track will also be prepared to become transformational leaders themselves through mentorship and training.

"If I have to look at the biggest transformation, I wanted to make in EFS is to see the young people succeeding and creating a good ecosystem to strengthen their overall life perspectives."

In doing so, EFS has decided to place these young individuals to core leadership positions in the company. By placing them in key leadership roles at an early stage, they are quick to learn about the company values.

Tariq comments, "We first ensure

that the company found its values and everybody in the organization can connect with it. The values include honesty, diversity, and integrity."

A leader's legacy is much less about who or what they lead and much more about how they lead. Title and responsibilities do not make a leader but your natural style can. Tariq does not remain stagnant and has consistently learnt and adapted his style of leadership to fit the current needs of EFS. People fear that by changing that it is a sign of regress, but Tariq does not see that way, with his ambidextrous leadership traits. It is viewed more favourably as an essential investment for individuals. Being a prudent leader who has to cut costs, work on lean business approaches, and win projects through optimised and lean structures is not enough. Tariq's ambidextrous traits even stretch to being actively engaged, innovative and dynamic by investing in people and technology to creating an ecosystem to think, collaborate, introspect and learn.

#### **EFS'S STABILITY**

Since he became the Group CEO, the company has seen a tremendous rise to the top with a compound annual growth of 20%.

"The moment you talk about a compounded annual growth of 20% in these markets everybody is surprised. Although in the context of facilities management, I believe that we could have grown much bigger should we have not gone through the last many years of market turbulence," said Tariq.

"Our industry is going through a major transformation. Transformation is coming from the need because everybody was looking to cut cost, so when you need to cut cost, you need to find efficiency for that you need multiple inputs. These inputs were cost rationalisation, innovations, and being more transformative in the mindset where you are prepared to take a little bit of risk to align your cost to a level



that you can build a sustainable model against different kinds of market trends," explained Tariq.

Since its inception, EFS has set new benchmarks through quality service delivery and innovation in maintenance and cleaning capabilities. EFS' legacy has accredited with a sustained track record of 97% in client retention and accolades for high customer satisfaction.

Tariq points out that the reason for this success is due to EFS's consistency and transparency that it portrays to its clients.

"Clients want to look at consistency, and ultimately that creates trust, they see consistency and our ability to be

connected. Consistency in service delivery, focus and proactive client engagement. As every client is concerned with the stability and ability to grow and meet future needs, we provide them patience, transformation, and transparency in our growth. Through this, we can achieve their long term goals by helping them to align with their budgets.

Over the last three to six years, they have considerably reduced their shared services, and they were looking for partners who can help them to align. In our case, we were able to do so with all our oil and gas clients who are amongst the top 7 global names within the industry. We have worked



with them to reduce 20% to 30% costs in baseline.”

In the past decade, EFS has tripled its backlog to an incredible figure of \$1 billion that would sustain the company’s business for the next seven years, according to Tariq.

“Most of EFS’s contracts run between three and half years to five years, but we also have some large mega contracts that are running for ten and twelve years. We have brought up a relatively strong core business based on our backlog.”

But Tariq also comments on the downside of the market, “What is troubling us is the market at large, even though competition does not

hurt us directly but starts hurting when everybody is looking for a critical mass which means people are prepared to take a much lower margin to do business. Now when you are against such a trend, you still cannot ignore them.”

#### **TECHNOLOGICAL & SUSTAINABLE FOREFRONT**

However, with a substantial backlog, it has allowed EFS to focus more on the quality of their work than the number of projects or contracts it has acquired.

Furthermore, to overcome that, EFS has had to make transformative changes to the way they conduct business.

One of the steps highlighted by Tariq is the technological aspects of

facilities management.

“Today, technology helps boost productivity by almost 20% to 30%, and it is reducing our shared services cost by almost 15% to 17%. At the same time, it gives us much more access to information; this transparency not only helps us in terms of cost but has improved our operations.”

Apart from the technological front, EFS has also made changes when it comes to sustainable practices. The benefits of sustainability and green building practices in facility management are well established. Reduction in energy consumption, productivity increases, waste reduction, and many other beneficial effects of sustainability can be quantified and presented to an organisation’s leadership to defend sustainable practices and their positive impact on the bottom line.

“Our engagement from a facilities management perspective is that we have a limited role in maintenance side but don’t have control on the capital expenditure side of what our clients make. They have already bought the equipment before we come in.”

“As facilities managers, we can significantly impact the way we manage the energy in these buildings. By enforcing better-planned maintenance, introducing certain additional tasks in the business process management. Things like air quality control for increased productivity within the office or for that matter waste management for creating awareness to recycle. In facilities management by changing the culture of how people operate within the building, we become the influencers,” explains Tariq.

#### **LASTING LEGACY**

Tariq’s legacy in EFS is a by-product of the historical decisions one makes driven by his values. In other words, a solid legacy plants the seeds from which consistency and expectations sprout that, in turn, become the organisational funnel for future performance and impact.