

UKIBC Case Study

JOHN MCASLAN

Tell us about your business – its origin, offering and coverage?

John McAslan is an architectural practice that started in 1984. In 1993 we had less than 20 people and we were up to about 100 people before the economic slowdown. The range of work we do is broad from large infrastructure projects such as the concourse of kings cross station to more small scale work in sectors such as education, arts, culture and interiors. We also work on numerous historic buildings.

Tell us about your global geographical footprint?

We have an office in London, Edinburgh and Manchester. We have worked on projects across 30 countries. Internationally, we don't have any project offices but in terms of work we have worked on 140 projects across the globe.

When did you make the first investment in India?

In 1986 we were one of the finalists for the Indira Gandhi National Centre for the Arts competition and that was our first exposure to India. Since then we always wanted to work in India especially since John has a keen interest on India. The first project we worked on was the Delhi metro project in 2004 and since then we have done another 8 projects in India.

What were the main drivers of your decisions to foray into India?

To diversify our market coverage abroad

What was your business strategy for entering India?

We had been keeping our eye on this development and once we realised there were synergies between ourselves and the project requirements we sought to win the contract. We engaged with a local partner called FrischMann Prabhu as projects such as these are usually led by engineering partners. We find that the most effective way of doing any work abroad is to team with a local partner as they have local knowledge; local contacts and they know the local customs.

What business model did you leverage for market entry into India?

We entered into partnership agreements - once we win a project then we seek to find a local partner. Our operations in India are different to our operations in the UK so we need a local partner as subtle differences can have a big effect. Our models are very different.

partnership in action

Our business model works with the design work being done in London and then we hand over responsibility to our partner towards the later stages of projects. During this process we have frequent trips to India and utilise technology where possible.

What have been your biggest challenges of entering and operating in India?

Moving forward, I feel that finding the right partner could be a challenge when the right opportunity arises.

The bureaucracy in India can also be a challenge as there is so much red tape and you don't always know what to do. We hope that with the recent election the Indian government will be more empowered to carry out some of the regulatory reform that has been talked about for some time.

Has the Indian investment met up with your expectations, please state why?

By in large all the projects we have completed have met our expectations

What key factors would you attribute your success in India to?

- We have a personal interest in India; we embrace the culture and are not too precious about doing things "our way"
- We have had a lot of experiences of working with local partners so we know how to work effectively with a partner and what problems we need to avoid

Can you provide perspectives on how your profits, revenues and operating margins have compared between your local UK business and business in India over the past three years?

Revenues in India have grown over the last 2 years by double figures.

What impacts (if any) have you experienced as a result of economic downturn in the UK and India?

We have felt the impact in the UK but we are fortunate that our work is spread across the public and private sector. Whilst the private sector work has dried, public sector has been more stable we haven't been impacted hugely in India as a lot of the work has been public sector.

Do you feel that your company has been more or less severely impacted by the economic downturn in the UK as opposed to India? If so, why do you feel that your operations in India have been more or less effected?

We have been more impacted in the UK than in India as we carry out more public sector projects in India

partnership in action

Does your business operate in China? If so, could you tell us more about how your experiences of doing business in China differ from that of India?

Yes we do operate in China. The scale of development is huge in China and bigger than India. English is relatively well spoken in India and in China even in the bigger cities English is not as well spoken.

What is your candid view on future opportunities within India for your business?

We have high hopes that the new government will push reform. We cannot ignore the growth in India so we will be looking at growth opportunities for us. We are also looking at opening up a project office in India in the next 6 months.

What advice would you give to other mid-cap businesses in the UK looking to do business in India?

Finding the right partner is crucial; it was be foolish to operate without any support. It doesn't necessarily have to be a formal arrangement; just need someone that holds local information and local knowledge. No matter how much research you do, having a local partner is priceless. UKIBC and UKT&I also give good support for businesses looking to break through India.