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Cover Story
A Change Agent and I.T. Business Builder

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Waleed Hanafi, as a CIO, is an agent of change and definitely way more a businessman than a technician. When he came into the Global Refund Group, it did not have a specific IT department and he has since been focused on building one from the ground up.

By Ross O. Storey & Jack Loo
CIO Asia


Waleed Hanafi, CIO, Global Refund Group

Global Refund is an international supplier of financial services for the merchant market and its interactions with foreign customers. The Group now has local presence in 37 countries, with more than 200 international Cash Refund offices on four continents, supporting clients in Europe, Asia and the Americas.

They serve more than 30,000 travellers each day with tax refund and dynamic currency conversion services. More than 250,000 merchants around the globe use Global Refund in their interaction with international customers.

The Group maintains that its dynamic currency conversion system, First Currency Choice, is the first credit card payment system that allows international shoppers to pay in their own currency at the point of sale.

Illustrious IT career

Canadian-born Hanafi has had an illustrious IT career, having founded CompuServe Hong Kong, Hutchison Information Services, and having previously served as a Director of Hutchison Telecom, responsible for wireless data and information services.

He was recruited by ABN Amro in July 1999 as Chief Information Officer - Asia Pacific, becoming EVP, Global Head - Technology Operations and Infrastructure in January 2001, with responsibility for the Bank's IT infrastructure in the wholesale strategic business unit.

From 2002 to 2005, Hanafi served as Chief Operating Officer of Behringer Holdings, a designer and manufacturer of professional audio equipment, being responsible for logistics, information technology, internet communications and business intelligence (BI).

Now, as SVP and CIO for the Global Refund Group, Hanafi is heading a major transition in technologies, fitting people into roles and creating organisational structures that will survive the mid to long term.

Creation before development

“In the first year when you're doing that, you're doing mostly creation rather than development activities,” Hanafi states.

“I need to bring people along so that they are able to continue to function,” he said. “Currently, there's enough of the technology shift that will render some skills that people learned over the past 10 years useless. If you don't keep learning you don't actually have a job.”

“My responsibility is to help them do that (keep learning), failing which, would be to replace everybody, which is not feasible. I would lose the inherent business knowledge of the IT staff and I would be openly competing for the same resources as everybody else, which is not an attractive proposition,” he explains.

“Development is the key part of keeping the team smart and knowledgeable enough to make use of the tools that we're bringing in. As we mature as an organisation, the next step is about recruiting, retaining, and motivating,” he declared.

Business before technology

Hanafi supports the findings of the CIO Asia magazine State of the Asian CIO 2007 survey which showed that more than half the senior IT executives (about 51 per cent) felt that key business management skills, such as effective communication, strategic thinking and planning, was far more important than having a thorough knowledge of technology options and technical proficiency (9 per cent).

“The purely technical CIO would make a very poor one. In fact, I think the balance is quite the opposite. You can be a very good business person and understand technology, but you can't be an excellent technologist and not understand business,” he opines.

In the 2007 survey, IT governance only ranked number seven as a key management priority but has been taking up more of Hanafi's work time. “This year's very much about finding the appropriate IT governance model that works for both the business model and for IT,” the CIO claims.

Too “busy being busy”

Hanafi believes that businesses sometimes get very busy “doing what [they're] doing”.

“Things which require you to think months or years in advance tend to be low on the priority list because you're getting beaten to make the next quarter results,” he says.

“So you have this mismatch in time frame and in the reward process. Most sales guys trying earn their bonus, which is fixed to financial goals, will see nothing since they may not even be in the company in that time frame.”

But it is dangerous, Hanafi says, to have an IT department determine longer time frames.

“The danger is that IT tends to have its own view and it's not close enough to the customer to have a valid view,” he says. “And if you're not selling the customers you really aren't on the street.”

“So, you have to make that marriage work,” he continues, “by persuading the business to think strategically and to work with you over time frames that they're not used to. I wish I had the magic bullet to fix that but I think it's structural. It really takes a lot of work.”

Consumed by the status quo

An easy trap for enterprises to fall into, says Hanafi, is to be 100 per cent “consumed by simply maintaining and changing what already exists”.

“The real challenge is to make way for people to create something new. It's a classic case, and a fairly common situation, where you're too busy to use a tool to make you less busy,” he explains.

“A writer, for instance, will end all e-mails with his name, address and telephone number. He knows that there's probably a macro feature that puts all that to a key, but he's too busy to ever figure out how to use macros and so for 10 years he's been retyping his name every day. So, that's a classic case of ‘too busy to become less busy',” he illustrates.

“And I think most IT shops suffer from that. If you actually had somebody who had no other duties other than to figure out how to automate or reduce repetitive tasks, most shops would be able to recover 30 per cent of their time, but they're too busy to do that so…it's an ironic situation,” Hanafi concludes.