

PROFILE

Nursing a desire to test the limits, a 'crazy girl' won

Sopacha Dhumrongpiyawut talks about leaving her hospital job to embark on a surprising and challenging career at Gunkul Engineering. **By Yuthana Praiwan**

Ms Sopacha's time at Gunkul got off to a rough start, with a language barrier and the 1997 financial crisis testing her resolve. Today she's the CEO of a company that posted 6.4 billion baht in 2018 revenue.

PHOTO: APICHIT JINAKUL

Sopacha Dhumrongpiyawut made her first strides at the head office of Gunkul Engineering Plc as leader of the procurement department in 1997. It was the turning point of her career, shifting occupations from a nurse at Klang Hospital to a company employee in engineering.

Before moving to the new job, Ms Sopacha believed that a person could achieve anything with hard work and by not clinging to what she was familiar with.

She arrived at Gunkul at age 31, just in time for Thailand's financial crisis in July 1997.

Things weren't easy. She was worried about failing her new assignments and having to communicate with overseas suppliers in English.

"I knew that the language barrier was my pain point," says Ms Sopacha, now 52. "At that time, it was very hard and difficult for me, and I did not want to

look foolish to my peers, so I paid attention and struggled to overcome this obstacle."

Her tenure got off to a rocky start until she asked to recruit a new colleague: a native English speaker and engineering expert who could enrich her understanding in both subjects.

In the past, Gunkul focused on electrical equipment trade. Ms Sopacha immediately set about learning the details of every product. The engineering mindset bore little relation to her nursing experience.

Moreover, most of Gunkul's clients were state-run utilities with complex sales contracts.

"My working style as a newcomer at Gunkul was to receive overseas calls from suppliers and take notes, but I did not respond immediately," Ms Sopacha says. "I would call back after consulting with colleagues in order to prepare answers in fluent English. I also studied general knowledge of electrical equipment and the procurement process from the manufacturing lines to end-users. I would read every line of reports from sellers and buyers to avoid any recurring failures."

CHANCE MEETING

Before she left her nursing job, Ms Sopacha had met Gunkul Dhumrongpiyawut, the chairman of the board, and went on a date. After they married, she decided to join Gunkul Engineering.

"So many people stay in their comfort zone, and many of them cannot reach their life goals," she says.

Her lessons learned were put to the test as Gunkul weathered the financial crisis. No business sector could avoid the storm.

"Gunkul's liquidity of more than 300 million baht collapsed when the baht rate fell from 25 to 52 versus the US dollar," Ms Sopacha recalls.

She says Gunkul ran its business stably and made a profit every year, thanks to a rehabilitation programme that kept the firm afloat as many hundreds of companies folded.

Ms Sopacha was also a key figure in changing Gunkul's business direction. The company's revenue used to hinge on sales agents of electrical equipment. She saw that a single revenue channel would not sustain Gunkul in the long term.

"Gunkul had to diversify its business model to other electric-related segments in a bid to gain a better return on investment," Ms Sopacha says.

RENEWABLE RISE

Gunkul entered the renewable power industry after talks with global electrical equipment makers like ABB, Siemens and Schneider.

Gunkul received a good deal of advantageous advice relating to renewable energy as the "blue ocean" sector grew in popularity, Ms Sopacha says.

Renewable energy such as solar was backed by the government with schemes launched in 2009.

"Gunkul was not hesitant to apply for seven licences, combining for a power capacity of 30 megawatts, though Gunkul had limited guarantees to commit to development after being granted the licences," Ms Sopacha says. "Project finance from banks under past solar schemes required a total investment in all projects of more than 6 billion baht, but Gunkul wasn't ready yet."

Renewable energy was new to the Thai market in 2009, so obtaining loans or credit lines from banks proved impossible. Gunkul decided to list on the stock market in order to raise funds from an initial public offering.

"But encouraging stock investors to purchase IPO shares was more difficult than applying for a loan," Ms Sopacha says. "After ending the IPO programme, we had received only 540 million baht in fundraising, which was not enough to develop all solar projects."

After conferring with leading electrical equipment makers, Gunkul looked to acquire more licences at a combined 26MW, despite insufficient funds.



Gunkul sees a future in household solar rooftops developed for on-site power generation, which is a transition towards decentralisation of the power generation system and away from the state grid.

SOPACHA DHUMRONGPIYAWUT

CHIEF EXECUTIVE, GUNKUL ENGINEERING PLC

BIODATA

Sopacha Dhumrongpiyawut

Age: 52

**Education**

- Bachelor of Nursing, Srinakharinwirot University
- Doctor of Philosophy in Business Administration, Western University

**Career**

- 2018-present:** Director, Future Electrical Control Co
- 2013-present:** Director, Gunkul Power Development Co
- 2012-present:** Chief executive and member of risk management committee, Gunkul Engineering Plc
- 2008-present:** Director, Gunkul Engineering Plc
- 1998-2012:** Managing director, Gunkul Engineering Plc

**Family**

Married with one son

BANGKOK POST GRAPHICS

Ms Sopacha says she tried to convince investors of the healthy returns from solar farms while she earmarked every baht in her account to be guaranteed

with the Energy Ministry. Mr Gunkul called her a "crazy girl", but in the end it was worth it.

"Gunkul just showed its commitment to the government that Gunkul would develop all solar projects that were granted by the ministry," she says. "My team made rigorous attempts until many stakeholders saw what Gunkul told them, then the loans came from several banks at the same time."

Nine years after listing on the Stock Exchange of Thailand, Gunkul's business has soared with double-digit revenue growth each year. Revenue rose from 400-500 million baht before the listing in 2010 to 8 billion baht expected in 2019. For 2018, Gunkul posted 6.4 billion baht.

Gunkul's power capacity rose from 30MW in 2010 to 543MW in the first quarter of 2019.

The company plans to double capacity to 1 gigawatt by 2020. "Gunkul is still growing," says Ms Sopacha, who became chief executive in 2012. "But energy policymakers have delayed providing renewable power licences over the next three years, and this means renewable energy may slow down its business expansion in Thailand."

SOLAR FLAIR

To deal with the policy shift, last year Gunkul launched its solar rooftop brand, GRoof, focusing on property owners.

"Gunkul sees a future in household solar rooftops developed for on-site power generation, which is a transition towards decentralisation of the power generation system and away from the state grid," Ms Sopacha says.

Gunkul also secured installation of solar rooftops at 34 factories owned by agribusiness giant Charoen Pokphand Plc at a combined power capacity of 30MW.

Although several energy experts forecast Thailand's renewable energy market to peak, Gunkul executives remain optimistic about room for expansion.

Solar farms were not a part of the national power development plan for 2018-37, but the key development is the 10,000MW solar scheme for households over the next 20 years.

"Gunkul is ready to tap into this solar sector," Ms Sopacha says.

Power generation in Thailand will be deregulated, so many power agencies and companies cannot avoid the changes.

"Apple, Google and Starbucks have announced plans to consume cleaner energy for their workplaces, and this idea is an important signal of the move towards smart-grid, peer-to-peer power trading," she says.

Furthermore, Gunkul spent 650 million baht to acquire a major shareholding in Future Electrical Control Co (FEC), a provider of engineering, procurement and construction services.

FEC is an expert in building underground power transmission lines.

"Gunkul has seen that state utilities plan to bury overhead wires underground during 2019-23 with a total budget of 170 billion baht," Ms Sopacha says. "So this holds future business potential for Gunkul."