LEADing industry growth

As Singapore shifts towards productivity-driven growth, trade associations and chambers play a key role in helping businesses upgrade their capabilities through the LEAD programme.

HOT IDEA FOR A COLD CLIMATE

Recognising the need for a cold-weather solution for touchscreen device users, FIETT developed ISGloves to take the chill out of typing messages in subzero temperatures.

BALANCING PRODUCTIVITY WITH QUALITY

Noel Gifts raises productivity while ensuring product quality and customer satisfaction with its Enterprise Resource Planning system.
As Singapore shifts towards productivity-driven growth, trade associations and chambers play a key role in helping businesses upgrade their capabilities through the LEAD programme.

SPRING Singapore is an agency under the Ministry of Trade and Industry responsible for helping Singapore enterprises grow and building trust in Singapore products and services. As the enterprise development agency, SPRING works with partners to help enterprises in financing, capability and management development, technology and innovation, and access to markets. As the national standards and accreditation body, SPRING develops and promotes an internationally-recognised standards and quality assurance infrastructure. SPRING also oversees the safety of general consumer goods in Singapore.
Trade Associations and Chambers LEAD in Industry Upgrading

Trade Associations and Chambers (TACs) are stepping up efforts to support upgrading at the sectoral level. Eleven new industry-upgrading projects by nine TACs are being supported under the Local Enterprise and Association Development (LEAD) programme. The nine TACs received their certificates of award from Mr Lim Hng Kiang, Minister for Trade and Industry, at the LEAD Forum on 20 March. Launched in 2005, the LEAD programme is jointly managed by SPRING and International Enterprise (IE) Singapore to enhance industry and enterprise competitiveness through the TACs. Including this year’s new projects, the LEAD programme has supported 28 TACs on 37 industry-upgrading projects worth some $120 million, benefitting close to 38,000 local enterprises.

Enterprise Development Centres Help SMEs Stay Competitive and Productive

Mr Teo Ser Luck, Minister of State for Trade and Industry, said at the fourth Enterprise Development Centre (EDC) Conference on 27 March that the government is committing more resources to the Enterprise Development Centres to help SMEs improve productivity and develop innovative products that can meet market needs more efficiently.

The five EDCs, located at the Chinese, Indian and Malay Chambers of Commerce and Industry, the Association of Small and Medium Enterprises and the Singapore Manufacturers’ Federation, have experienced business advisors to diagnose and provide information and advice to SMEs.

Last year, the EDCs assisted some 2,200 SMEs on productivity through the Productivity Management Programme and provided business advisory services to about 12,000 SMEs.

SPRING will be intensifying its outreach by conducting free Productivity and Innovation (PIC) scheme clinics from May to October at the five EDCs and IRAS premises, which is expected to benefit about 500 SMEs. It will also launch an iPhone application for SMEs.

New Singapore Standards to Improve Safety and Health in Workplaces


The GESSC will be developing a new Singapore Standard on Mobile Elevating Work Platform and reviewing six Singapore Standards currently adopted as Approved Codes of Practice (ACOP) by the Workplace Safety Health Council (WSHC) in 2012/2013.

SMa will be introducing a new training programme to encourage the adoption of Singapore Standards to reduce downtime from workplace incidents and raise productivity. The first training on SS 568: 2011 – Code of Practice for Confined Spaces, an Approved Code of Practice under the Workplace Safety and Health Act, will be held on 15 May.
As Singapore shifts towards productivity-driven growth, trade associations and chambers play a key role in helping businesses upgrade their capabilities through the LEAD programme. While a sound business strategy can create a competitive advantage for small and medium enterprises (SMEs), this alone is insufficient to ensure long-term growth. With uncertainty rattling the global economy, SMEs must step up their game by innovating, restructuring, and improving their productivity.

Besides assistance from the government, trade associations and chambers (TACs) play a vital role in helping Singapore businesses to develop their overall capabilities. Led by industry champions and experts, the TACs are familiar with the challenges that their industries face, and are in the best position to address their development needs.

To drive industry upgrading and growth, SPRING Singapore and International Enterprise (IE) Singapore launched the Local Enterprise and Association Development (LEAD) programme in 2005. Through LEAD, TACs are given funding support to embark on development projects to accelerate capability building, manpower development and internationalisation for their respective industries.

**CAPABILITY UPGRADING**

Through initiatives such as certification and productivity techniques, LEAD TACs have helped to move their industries up the value chain and spurred them to raise productivity.

The Association of Aerospace Industries (Singapore) (AAIS), for instance, has leveraged the LEAD programme to upgrade the capabilities of aerospace parts manufacturers through the establishment of internationally-recognised certification. The AS9100 certification, which is recognised by original equipment manufacturers (OEMs) and Tier 1 suppliers around the world as a supplier-qualification prerequisite, enables companies to meet the rigorous standards of the aerospace industry.

The Restaurant Association of Singapore (RAS) is also doing its part to boost the local food industry through initiatives, such as the 5S (Structure, System, Sanitise, Standardise and Self-discipline) methodology. This system helps restaurants to improve kitchen processes, optimise space utilisation and reduce wastage. So far, 10 companies have implemented the 5S system.
The AAIS and RAS are just two of the 28 associations that have undertaken industry upgrading projects. Since the launch of the programme, these LEAD associations have embarked on 37 capability improvement projects worth $120 million, benefiting close to 38,000 local enterprises.

**MANPOWER DEVELOPMENT**

Besides building capabilities, manpower development is also critical to SMEs seeking to move up the value chain. The TACs offer a wide variety of professional training to develop a qualified talent pool.

Launched by the Singapore National Shippers’ Council (SNSC) in 2010, the Singapore Shippers’ Academy (SSA) aims to provide specialised training for logistics and shipping service professionals through short-term courses and longer-term certificate and diploma courses.

SSA has also established strategic partnerships with internationally-recognised organisations and academic institutions such as the American Society of Transportation and Logistics and Ngee Ann Polytechnic to develop a customised curriculum and practical training for course participants.

To ensure a pipeline of talent to meet future manpower needs, the Singapore Logistics Association (SLA) offers scholarships to individuals who are keen to pursue supply chain and logistics studies in local universities. A total of 11 scholarships have been awarded so far.

**DRIVING SME INTERNATIONALISATION**

Thanks to the LEAD programme, venturing overseas may not be as daunting as it sounds. The overseas missions and trade fairs organised by LEAD TACs give Singapore companies more exposure to global markets and players.

The Medtech Manufacturing Tradeshow 2010, which was organised by the Singapore Precision Engineering & Tooling Association (SPETA), enabled 53 manufacturing companies to showcase their capabilities to the global market. The event attracted more than 1,500 trade visitors and potential deals worth $27.4 million.

In addition, strategic overseas missions led by TACs provide an opportunity for SMEs to access foreign markets. The Association of Process Industry (ASPRI), for example, has led 25 companies in trips to emerging markets such as the Middle East, China and Vietnam since 2009.

LEAD also encourages associations to promote industry branding to reach out to new markets. Industry brands such as Tasty Singapore, Mozaic and Apparel SG have enabled the food, furniture and apparel industries to leverage the Singapore brand name to attract key buyers for companies.

**PREPARING FOR THE NEXT PHASE**

The LEAD programme will continue to focus on five key development areas: Productivity & Capability Improvement; Know-How and Managerial Expertise; Technology Adoption & Business Collaboration; Targeted Internationalisation Efforts; and Upgrading of Associations’ Secretariat Capabilities.

Some of the initiatives under each development area include:

**PRODUCTIVITY & CAPABILITY IMPROVEMENT**
- Outreach to member enterprises and industry players to facilitate the adoption of sector-wide productivity initiatives
- Industry certification and training programmes
- Comparative studies on industry skills and capabilities

**KNOW-HOW AND MANAGERIAL EXPERTISE**
- Infrastructure support for manpower upgrading
- Consultancy services for mass adoption of business strategies by enterprises

**TECHNOLOGY ADOPTION & CAPABILITY IMPROVEMENT**
- Facilitate innovation, and catalyse the adoption of technology and automation
- Encourage business collaborations to catalyse solutions

**TARGETED INTERNATIONALISATION EFFORTS**
- Delegations to international trade fairs and business missions
- Develop an industry branding roadmap and foster a common industry brand identity for Singapore businesses

**UPGRADING OF ASSOCIATIONS’ SECRETARIAT CAPABILITIES**
- Overseas missions to identify best practices for trade associations and chambers
- Engage experts to upgrade local associations’ secretariat skill sets
- Provide relevant training courses for association secretariat staff

Read on to find out how industry associations such as the Singapore Manufacturers’ Federation (SMa), Singapore Precision Engineering Tool Association (SPETA), Waste Management and Recycling Association of Singapore (WMRAS) and Singapore Furniture Industries Council (SFIC) have helped the SMEs in their industries improve their capabilities through the LEAD programme.
Driving manufacturing growth

With its wide network, resources and capabilities, the Singapore Manufacturers’ Federation is well-positioned to drive the manufacturing community towards higher productivity and sustainable growth.

For eight decades, the Singapore Manufacturers' Federation (SMa) has been spearheading the growth of the local manufacturing industry. Apart from representing the interests of 2,800 member companies, SMa plays a vital role in steering the sector to take on higher value-added activities.

While SMa’s programmes have been well-received by its members, it sees the need for a new strategy to ensure sustainable growth. "The association must constantly evolve to meet industry requirements. We were concerned that Singapore might lose this competitiveness without a new strategy to upgrade our manufacturing capabilities," says Mr Gwee Seng Kwong [above right], Secretary-General of SMa.

Addressing the needs of the industry
To better align its programmes to industry needs, SMa commissioned Frost & Sullivan to conduct a study on the sustainability and growth of the manufacturing sector. This was supported by the LEAD programme.

"The survey gave us a good snapshot of the gaps, opportunities and competitive issues facing the industry," says Mr Gwee. It found that while firms are venturing into new markets, more than 40 per cent of local SMEs do not have any form of skills training. More could also be done to raise productivity.

"It was clear that we lacked many things and there was an urgent need for us to develop a roadmap to upgrade the sector," he adds.

The LEAD grant also enables SMa to improve its internal capabilities. Besides sending its secretariat staff to courses to upgrade their skills, SMa also hired programme managers with industry experience to carry out capability upgrading programmes.

"It will be difficult for us to help our members move into high value-added activities if we don’t have the capabilities or capacity to implement the solutions we have put in place," says Mr Gwee.

Enhancing productivity and innovation
To boost productivity and innovation, SMa has set up the Singapore Innovation & Productivity Institute (SiPi) this year. Its key functions include providing tools and customised coaching to help enterprises implement their productivity roadmaps.

Instead of relying on more training or automation to raise productivity, Mr Gwee believes that business owners should be constantly looking for ways to improve quality and efficiency. "Many companies are not sure how to get started on productivity improvements, and think investing in a machine is the answer to their problems. Sometimes, all they need is to improve their processes by streamlining and reducing waste," explains Mr Gwee.

"We are here to help companies know exactly where they stand against the competition and understand productivity concepts, such as the Lean Six Sigma concept, through case studies," he adds.

Leading global business growth
Besides tapping business opportunities through local and international trade fairs and missions, SMa also brings companies in specific industries together to venture into new markets through the Working-In-Partnership (WIP) initiative.

The programme delivers cost advantages by enabling companies to consolidate their products into a single container for shipment. For example, through the WIP initiative, SMa’s food and beverage industry group successfully presented their products to overseas buyers through the Tasty Singapore Food Fair, which was held in Thailand’s TOP supermarket.

As partners under the WIP programme, these companies will be in a stronger position to negotiate for better deals, such as a waiver of product listing fees and collective joint promotions of all their products. The programme, which started out with only four companies and 24 products, has grown to include another 14 companies and 114 products.

Future plans
Looking ahead, SMa will focus on creating value through innovation. "Many companies are focused on day-to-day survival instead of developing innovative products, which is necessary for them to compete in the new economy," says Mr Gwee.

The manufacturing sector has moved beyond simply “making things”, and its future growth lies in the provision of “manu-services”. Companies are now focused on selling experiences and solutions, rather than simply offering goods. Using Apple as an example, Mr Gwee explains that product innovation and customer experience are the main driving forces behind the phenomenal sales of its iPhones and iPads. By combining goods and services, manufacturers can meet customer needs more efficiently and break into new markets.

In addition, SMa plans to boost environmental sustainability in the manufacturing sector. He notes that many overseas buyers now require manufacturing companies to have environmental policies in place.

"We want to encourage companies to go green. Businesses that differentiate themselves through sustainability management will have a competitive advantage," says Mr Gwee.
On the cutting edge

With support from the LEAD programme, the Singapore Precision Engineering and Tooling Association aims to help its members achieve growth through capability building, manpower development and overseas expansion.

Just three years ago, Singapore’s precision engineering industry was hammered hard by the global economic downturn. Declining consumer confidence, coupled with increasing cost pressures, translated into dismal factory orders.

Yet, despite the slump, the Singapore Precision Engineering and Tooling Association (SPETA) continued its efforts to promote Singapore as a leading precision manufacturing hub in Asia. As the industry gradually recovered with a steady pipeline of investments, SPETA is now in a stronger position to help the industry move into the next phase of growth.

“The LEAD programme has provided us with a suitable platform to raise issues that affect our competitiveness and enable us to develop and implement initiatives that will enhance our industry competitiveness and open new markets for our companies,” says Dr Ricky Souw (above right), Chairman of SPETA.

Developing a skilled workforce

As precision engineering companies move beyond the mass production of simple parts to the development of technology-intensive components, the suppliers also need to strengthen their capabilities to meet new requirements for operations of greater complexity.

To help local players improve their operational efficiency, SPETA started its 3D CAD/CAM training unit, which enables local tool design and manufacturing companies to boost productivity and reduce time-to-market.

Manpower development is also critical to meet the growing complexity of Singapore’s manufacturing activities. Besides deepening the capabilities of its workforce, SPETA aims to create a pipeline of younger talent to meet the future needs of the industry. Therefore, SPETA collaborated with the Economic Development Board and SPRING Singapore to roll out scholarship schemes and training courses to attract, develop and retain talent. These include the National Precision Engineering Scholarship and Specialist Programme, as well as the Precision Engineering Master Craftsmen Programme.

Exploring beyond the local market

Besides organising missions to overseas exhibitions and fairs, SPETA plans to move local precision engineering companies into higher value-added sectors by showcasing their capabilities to and connecting them with medical technology players in the region and beyond.

For example, the inaugural Medical Manufacturing Asia trade show, jointly organised by SPETA and Messe Dusseldorf Asia (MDA), will showcase the complete process chain for medical devices and a comprehensive array of components, materials and solutions for the industry. The event, which will be held in September, is expected to attract 150 exhibitors from more than 20 countries and 5,000 trade visitors.

“Through this partnership, SPETA is able to tap the expertise of MDA’s parent company, Messe Düsseldorf GmbH. It is the organiser of Compamed, the world’s leading international trade fair for suppliers in the medical manufacturing industry,” explains Dr Souw.

This partnership has also opened doors for SPETA to collaborate with IVAM, an international association of 300 companies and institutes in microtechnology, nanotechnology and advanced materials. “With support from IVAM, we can secure leading speakers in these fields to provide insights into the application of these technologies in medical devices and medical-related equipment,” he adds.

International buyers can also source for products and services, ranging from end-to-end precision engineering to supply chain and distribution services, at GATE 12 – Medical Technology, another trade event organised by SPETA and IE Singapore that will run concurrently with Medical Manufacturing Asia.

“Through these efforts, SPETA hopes to promote Singapore as the preferred location in Southeast Asia for the manufacturing of medical devices and medical-related equipment,” Dr Souw says.

Encouraging member feedback

Dr Souw believes that SPETA must develop initiatives that can meet the needs of its members. The success of these programmes, he says, hinges on the association’s ability to communicate effectively with its members. He adds that positive feedback from member companies has encouraged the association to execute its development plans for the industry.

“It is important for us to communicate with our member companies as well as government agencies, as all of us need to work together to identify solutions to the issues the industry faces. It is only through good communication that the initiatives can be implemented effectively.”

“The LEAD programme has provided us with a suitable platform to raise issues that affect our competitiveness and enable us to develop and implement initiatives that will enhance our industry competitiveness and open new markets for our companies.”

Dr Ricky Souw, Chairman, SPETA
Boosting green business

The Waste Management and Recycling Association is leveraging LEAD to enhance the professionalism and capabilities of the industry.

With the cost of solid waste management in Asia expected to increase to US$50 billion by 2025, the old adage that one man’s trash is another man’s treasure rings true for the waste management and recycling industry in Singapore.

Despite being perceived as a low-growth sector, the seemingly ‘dirty’ business hides great growth potential. Established in 2001, the Waste Management and Recycling Association of Singapore (WMRAS) aims to help its members tap into the opportunities of this expanding sector by providing professional development opportunities.

**Boosting the industry with LEAD**

As WMRAS’ industry upgrading efforts intensified in recent years, it saw the need for more resources and funding.

“There are many plans for the industry, but we were limited in our reach due to insufficient funds and the lack of full-time staff. As all of our executive committee members were volunteers who had to run their own businesses, there was only so much we could do,” says Mr Guah Eng Hock (above right), Chairman of WMRAS.

With support from LEAD, the association embarked on plans last year to take the industry to the next level. It set up a full-time secretariat, which enabled the association to execute its development plans more effectively. This has led membership to effectively. This has led membership to more than triple, from just 30 in 2001 to 104 in 2012.

“We are also seeing more interested parties, including non-members, participating in our activities and programmes, such as networking events and workshops,” says Mr Guah.

**Raising service standards**

In addition, WMRAS has established a training framework to raise service standards and productivity. So far, the association has collaborated with the Workforce Development Agency (WDA) to launch three training modules for waste collection workers and drivers.

WMRAS has plans to provide different levels of training to support career progression. “We want to attract more Singaporeans to consider the waste management industry as a viable career and to professionalise our workforce, which will help them build a career in the industry,” he explains.

Skills upgrading, says Mr Guah, will also lead to an overall increase in the service standards in the industry. “When the staff are better trained, they are more mobile. Employers who want to retain their staff will have to offer better benefits. Companies will be encouraged to raise their service standards and will no longer compete on cost alone,” he adds.

WMRAS will continue to roll out more courses and provide training for workers at the managerial and executive levels. “We want to attract talent into our industry and reduce the reliance on foreign labour,” says Mr Guah.

**Gaining entry into new markets**

While capability upgrading is crucial for the growth of the industry, WMRAS is also constantly on the lookout for ways to help its members grow their network and gain entry into new markets.

The inaugural WasteMET Asia exhibition and conference, which is co-organised with NEA and will be launched this July, will provide a platform for manufacturers and solutions providers to showcase their capabilities. It will also bring together market leaders to discuss best practices and trends in solid waste management and recycling. The event will be part of the Clean Enviro Summit Singapore (CESS).

“This is a show that we can finally call our own. WasteMET Asia comes at a time when the Asia Pacific market is booming. This event will focus on the various issues and opportunities in the waste management sector in Asia, which is home to the world’s fastest-growing cities,” says Mr Guah.

He believes that Singapore’s global connectivity, strong ties with our Asian neighbours and expertise in effective waste management will attract foreign players seeking to enter the Asian market. “Through WasteMET Asia, we can help local companies partner bigger players and reach out to the Southeast Asian market.”

**Looking to the future**

With the increasingly urgent need to tackle solid waste problems in Asia due to rapid urbanisation, WMRAS hopes to play a strategic role in establishing Singapore as a regional hub for environment and waste management-related innovations and technologies.

“We want to match more businesses with companies outside Singapore, and develop the capabilities of our companies,” says Mr Guah. WMRAS is also in discussions with research centres such as the Residues and Resource Reclamation Centre (R3C) to develop applied research projects.

“We aim to develop intellectual property that the companies can own and start exporting overseas by facilitating industry projects,” he adds.
Taking the furniture sector to new heights

The LEAD programme has enabled the Singapore Furniture Industries Council to transform the furniture industry into an international success story.

With more than 1,700 companies and operations in over 16 countries worldwide, the Singapore furniture industry is fast emerging as a force to be reckoned with. Once regarded as a declining industry, local furniture companies have the Singapore Furniture Industries Council (SFIC) to thank for transforming the sector from one that used to focus on manufacturing, to the design-led model today.

“The SFIC enhances the vibrancy of Singapore’s furniture industry. Our objective has always been to add value to our members’ businesses and help them remain competitive,” says Mr James Goh, President of SFIC.

To achieve these goals, SFIC embarked on the LEAD programme in 2006. The funding support enabled SFIC to increase the furniture industry’s global market share from 0.5 to 0.97 per cent in 2010, and raised the value-added output from S$654 million to S$878 million.

Encouraged by the results, SFIC went on to participate in the second phase of the LEAD programme in July 2011 to further drive industry growth.

Raising design standards
Recognising that design is the key factor to building a competitive furniture industry, SFIC launched SingaPlural, the inaugural Singapore Furniture Design Week in March 2012 to advance the design capabilities of local furniture companies and designers.

Held in conjunction with the annual International Furniture Fair Singapore/ASEAN Furniture Show (IFFS/AFS), the week-long SingaPlural features exhibitions and seminars for local designers to display their works and learn from and exchange ideas with renowned international designers. The IFFS/AFS attracted a total of 512 companies from 26 countries, and 23,552 trade buyers from more than 100 countries this year.

“SingaPlural is not confined within an exhibition hall, and thus brings design closer to the public. This allows them to connect with the consumers and create more awareness in design,” says Mr Simon Ong, Chairman of Design Development at SFIC.

Aspiring furniture designers can also showcase their works to the international market through the annual Furniture Design Award (FDA) competition and PLATFORM, an initiative under SFIC’s Design DNA programme for new and promising designers to launch their prototypes into the international marketplace. Design competitions such as the FDA are platforms to identify up-and-coming young designers, and for more design-centric furniture companies to find fruitful partnerships with the design talents, “says Mr Ong.

In addition, the SFIC Institute provides certified training programmes aimed at develop human resource capabilities in the industry. To date, more than 2,000 industry professionals have benefited from training courses covering a range of topics, from furniture product knowledge to manufacturing technology and design.

Expanding globally
In the area of internationalisation, SFIC has been instrumental in helping the industry attract new investment through Singapore Mozaic, a B2B industry brand that brings together outstanding local furniture companies.

Other than presenting Singapore furniture’s finest at well-known international fairs such as imm Cologne and Index Dubai, SFIC also organises business development missions to key furniture markets regularly.

“LEAD enabled us to bring our members to new markets such as Brazil, Russia and China to gain first-hand knowledge and study the best practices there.”
Mr James Goh, President, SFIC

“LEAD enabled us to bring our members to new markets such as Brazil, Russia and China to gain first-hand knowledge and study the best practices there. At the same time, the Singapore furniture companies gain some exposure in the international market,” notes Mr Goh.

SFIC is also committed to increasing the pool of furniture exporters in the global market through its New Exporter Mentoring Programme. So far, 88 companies have been mentored under this programme.

Future plans
SFIC has set its sights on developing the industry’s capabilities in sustainable design, through promoting eco-friendly products and manufacturing practices, for example. For a start, SFIC has released its first electronic Green Handbook on International Green Certifications and Standards, which aims to help local furniture manufacturers prepare themselves for international trade and export, especially to the EU and US.

“Good design is not just about the aesthetics or the use of materials. We hope to encourage more members to think about sustainable design and to incorporate eco-friendly practices in their processes,” says Mr Mark Yong, Vice-Chairman of SFIC’s Green Initiatives committee.

Looking ahead, SFIC aims to lead the industry towards greater heights and achieve a global market share of 1.5 per cent by 2015.
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Fun in Ecological Tech Textiles.

An innovation. To reflect this, Ms Tan decided on an environmentally-friendly technological

recycled Thinsulate from 3M, ISGloves are outer mitten made of recycled polyester and

conductive polyester and bamboo and an touchscreen-friendly gloves inside.

The result was ISGloves – mittens with touchscreen-friendly gloves inside. Designed with an inner glove made of conductive polyester and bamboo and an outer mitten made of recycled polyester and recycled Thinsulate from 3M, ISGloves are an environmentally-friendly technological innovation. To reflect this, Ms Tan decided to call her company FIETT, which stands for Fun in Ecological Tech Textiles.

In just eight months, from April to December 2011, FIETT set up operations and ‘soft launched’ the gloves – just in time for Christmas. We were too late to get on the retailers and distributors’ radar for the winter season, but still managed to sell 100 pairs in the three weeks leading up to Christmas through our online shop and retail boutiques in Sweden!” says Ms Tan.

During this time, FIETT managed to secure support under SPRING Singapore’s Young Entrepreneurs Scheme (YES! Startups) to defray part of the cost of product development. NUS Enterprise also pitched in by providing office space and mentorship. “Our mentors have been very helpful,” explains Ms Tan. “Sometimes, our ideas get a bit crazy and we need somebody experienced to tell us what is workable and what is not.”

Funding the next step
One of the key challenges FIETT faces is access to more funding. “We are fairly capital intensive given that we need to hold inventory, and product sampling and prototyping also require funds,” says Ms Tan. “On top of that, the international nature of our business means we are flying quite often, whether to trade shows, or to our target markets, which now include Sweden, Norway, Canada and the US.”

Securing additional funds is, therefore, critical for FIETT to step up its marketing efforts. For example, FIETT’s team travelled to ISPO, a European outdoor products trade fair that was held in Munich, Germany, in January 2012. “As we are just starting out, we couldn’t afford a booth there because it would have cost almost our entire year’s budget. So we just went to network and introduce our products to whoever we could,” Ms Tan explains. “But if we could afford it, a booth would have helped to increase our visibility at the fair.”

Therefore, Ms Tan has made it a priority to raise her company’s profile with investors. FIETT’s recent win of the Alpha Pitch category at Demo Asia 2012, a tech entrepreneur event, was a boost to its visibility. “It has led to some good contacts, including one investor who is considering investing in the business,” says Ms Tan.

That FIETT has garnered investor interest is not surprising. This young startup is also a Red Dot Design Award winner – a testament to its strong product design. Ms Tan sees this as the foundation to building FIETT’s brand. “Many retailers and distributors are quite particular about branding, so a globally-recognised award will help us to get a foot in the door,” she says.

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Ms Charmain Tan, CEO, FIETT

More than gloves
While FIETT’s current focus is on growing the market for ISGloves, Ms Tan is quick to point out that there are bigger plans on the horizon. “The reason we called the company FIETT, and not simply ISGloves, is that we want to produce more than gloves,” she explains. “We want to expand the market for tech textiles and bring in new products – what we call ‘wearable technologies’,” says Ms Tan. “At ISPO, we saw that applying technology to apparel and textiles is an area that is growing quickly in Europe. However, we realised that it’s a relatively unknown concept in Singapore and much of Asia, so we see potential in this region.”

Developing a great product or service is the first step for any business, but building a brand around your offering is also critically important for opening up opportunities and getting noticed. Visit www.ace.sg/acestartups to find out how ACE Startups can help you get your new business up and running.
Small Changes
Help to Make Exceptional Organisations

In his book, *The Extra One Per Cent*, Rob Yeung (right) says it is necessary to rise above everyone else and be exceptional. This article looks at how an individual can be exceptional and influence those around him. It discusses ways for small and medium enterprises to tap these individuals and become extraordinary in their own right.

Small and medium-sized enterprises, SMEs, are usually not the first choice for employment for most fresh graduates. Many of them dream of working for a famous multinational corporation (MNC), like Google, Microsoft or a big local bank like DBS.

If they are unable to get a job at these big companies, then they will start looking at the larger SMEs as an alternative. SMEs need to stand out so that they will be considered the choice employer for these graduates. This will help them keep good employees loyal to the company too.

SMEs can consider promoting innovation. Innovation will not only benefit the organisation but it will be an attractive aspect for graduates too. Graduates are looking to learn new skills and to apply what they have learnt to their job. They come with fresh ideas that they are willing to share.

Internally, with these employees, SMEs can encourage innovation. They should try to mould their employees into becoming people with “T-shaped minds”. In his book, *The Extra One Per Cent*, Rob Yeung points out that a person with a T-shaped mind has a depth of knowledge in a specific subject (the vertical part of the T) and a breadth of information across many areas (the horizontal part of the T).

Rob says: “Being inventive in your field is unlikely to come only from growing your knowledge about your particular subject or discipline, that is, by increasing the length of the vertical pillar of your knowledge T. The creative ideas are likely to come from meshing together disciplines such as politics, computer gaming, history, science, military strategy, and art. And that happens by broadening the horizontal bar of your knowledge T.”

The best way to encourage creativity, according to Rob, is for leaders to walk the talk. Leaders should hold fewer brainstorming sessions. Many do not realise this but brainstorming sessions may be more of a hindrance than a help. You can still meet in teams but instead of having some people dominate the discussion while others sit back and relax, do it differently. Get everyone to contribute ideas by writing them down individually on paper. Do this before there is a chance for anyone to be influenced by someone else’s thoughts or ideas on the topic.

Learning is about experiencing new topics via various means, ranging from watching video presentations to hands-on experience and engaging in vigorous debates. Rob suggests that you give yourself tasks to expand your depth and breadth of knowledge. For depth, he suggests considering two or three actions to take in order to expand your technical knowledge. For breadth, he says to look at well-read or knowledgeable people around you. Consider what they do in terms of reading, talking to people, and so forth. Then decide if this is something you can do in order to expand your knowledge and build up potential ideas.

He says: “Ideas are just like an infection like the swine flu. Go out and infect others with your ideas. Learn from ex-colleagues, friends, even friends of friends. Research is key to getting creative.”

Rob points out that employees who get RAT feel more engaged and challenged. They feel more appreciated as their bosses trust them enough to empower them to make decisions by not micromanaging. Autonomy makes the employees feel happier with the tasks assigned to them as they feel that they have more control. Happier employees result in increased productivity.

One of the key advantages of working with an SME over an MNC is the level of flexibility and opportunity to learn. For both fresh graduates and current employees, there are numerous opportunities to learn and develop individually. Rob feels that there is higher flexibility for employees to want to explore areas outside of their current job scope as there are fewer boundaries in place.

This means that the organisation has a high level of trust as they allow for flexibility in the job that encourages learning. This further enhances the level of creativity for each individual who is willing to learn beyond his job scope, which relates back to the T-shaped mind. Employees who feel that
their company gives them RAT are likely to work harder and more effectively.

**Be Exceptional**
SMEs that are exceptional in the way they approach business tend to employ exceptional staff too. The most effective way to be exceptional, according to Rob is to enjoy what you are doing. Fresh graduates and executives alike need to learn the importance of having fun at work.

He points out that those who want to be an entrepreneur, don’t do it with a mindset of just making money. If you love what you do, and have fun doing it, the likelihood of making money with your ideas is higher. Talk to people and gain more exposure. This increases your knowledge and you may be able to learn from others’ mistakes.

**Opportunity for Growth**
There are numerous opportunities for growth within an SME. An executive can take ownership of his own future. Ask people for ideas or opinions about various ideas you may have. Debate with them or have open discussions. The more you learn, the more knowledge you have.

If you have the opportunity, ask if you can participate in tasks outside your job scope. Alternatively, Rob suggests that you find out if there are other means for you to contribute. Being a part of a project outside your comfort zone increases your level of learning and introduces you to new contacts who have skills you can tap. What many executives forget is that every contribution an individual makes will influence the organisation. Do a good job so that the organisation will be positively impacted.

**Rise Above the Crowd**
The only person who can help make you become extraordinary is yourself. It is critical to get a positive mindset as this helps high achievers to generate ideas. Positivity and self-motivation play a big role in helping you press on with what you hope to achieve in your career or personal life.

It is important to cherish not just yourself, but the people around you. Do this by putting yourself in another person’s shoes. Imagine what it is like to walk in their shoes. Rob advises that everyone should try to do this often. The more you practice this, the better you will be at it. By cherishing those around you, people will feel more inclined to help when you ask them as they will see you as being humble and sincere.

Find the courage to act on your goals or ambitions. There are some who are born risk-takers, while others fear what may happen if they take the risk. Rob advises that you find the middle ground between the two, balance between thinking and acting. Give yourself a chance to consider the opportunities that you have been given. Do this by looking at where these opportunities fit on your five- or 10-year plan.

**Take Time to Learn**
Rob feels that the powerful new ideas for doing things come about when we set aside some time out of our busy schedules to learn and reflect. If we look at the small changes we can make, we find little ways to improve our ideas and make them more creative. When we are in a hurry or have too many things on our plate, we tend to lose focus. When this happens, we lose track of which ideas may be good ones. We may lose the ability to make better decisions as we may be flustered.

Time allows us to increase our knowledge. Find time to learn more about other fields outside of what you already know. Expand your horizons. Learn from the new experiences you have had and link them to what you know. It is important to engage, observe, learn, and encounter.

He says: “Aim to work smart rather than hard. Whether you have hours to brainstorm fresh ideas or only 60 seconds to consider alternative options, you may be more productive in the long term. Aim to link new experiences to what you already know. We get the most benefit from experiences when we make a conscious effort to engage with and question what we’re observing, learning, or encountering.”

Whether you are a fresh graduate or an up and coming executive, you are on your way to making your mark in the organisation due to your exceptional ways.

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**About SPRING’s High-Potential Leadership Programme**
High-growth enterprises often face the challenge of developing a strong middle management team to meet the demands of business expansion. SPRING collaborates with partners such as SIM on High-Potential Leadership Programmes to strengthen the knowledge and skills of high-potential middle managers by equipping them with the necessary competencies to catalyse the growth of their enterprises. Qualifying SMEs are eligible for 50-70% support under SPRING’s Management Development Scholarship. For more information, visit www.spring.gov.sg/mds.
To raise the productivity levels in Singapore, the government has enhanced the Productivity and Innovation Credit (PIC) Scheme to increase productivity levels; encourage local firms to invest in structures and processes which would lead to an increase in innovation and productivity.

For YA 2011 to YA 2015, the PIC scheme allows up to 400% tax deduction or allowance (up to S$400,000) on each of the six qualifying activities:

- Purchase / lease of automation equipment
- Training
- Investment in R&D
- Approved design
- Acquisition of intellectual property
- Registration of intellectual property

For YA 2012, businesses may claim tax deduction on in-house training (up to S$10,000 per YA) without the need for external certification. From YA 2013 to the extended period of YA 2015, the rate of cash payout will be increased to 60% (from the previous 30%), capped at S$100,000 of qualifying expenditure.

In addition, from July 2012, businesses will also enjoy faster cash payout as they will be able to apply for claims quarterly.

**How Can You Benefit from PIC?**

**Example:** If you spend $10,000 on training your staff

<table>
<thead>
<tr>
<th>Without PIC</th>
<th>With PIC (YA 2013 – YA 2015)</th>
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<tbody>
<tr>
<td><strong>$10,000</strong></td>
<td><strong>$10,000</strong></td>
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<tr>
<td>Tax Deduction</td>
<td><strong>$40,000</strong></td>
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<tr>
<td><strong>$1,700</strong></td>
<td><strong>$6,800</strong></td>
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<td><strong>$1,700</strong></td>
<td><strong>$6,800</strong></td>
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</tbody>
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*Based on the prevailing corporate tax rate of 17%*

Source: MOF Singapore Budget 2012 brochure
Noel Gifts: The Art of Balancing Productivity with Quality

From running a family-owned construction business to building a brand synonymous with festive hampers, the team behind Noel Gifts has come a long way. While the 36-year-old company was a recent winner at the 2011 Singapore Prestige Brand Awards, its managing director Mr Alfred Wong is quick to point out that the company is not planning to rest on its laurels.

“We are constantly thinking about how to grow – be it through seeking new markets or expanding our product lines and services,” says Mr Wong. “To achieve this, one of our strategies is to raise productivity while ensuring the quality of our products and customer satisfaction.”

Making Goodwill Available Online
To keep up with changing customer requirements, Noel Gifts has launched four e-commerce sites to better meet the needs of specific customer segments, from corporates who place orders for Noel’s trademark festive hampers to individuals looking for birthday gifts, Valentine’s Day presents, and more recently, wines. This strategy has paid off for Noel Gifts, with revenues generated from these four sites growing by 40 per cent since the first site, www.Noelgifts.com, was launched in 2010, and the other three sites launched over the past six years. Mr Wong intends to intensify marketing efforts to this base of younger, internet-savvy customers. “In addition, regular online promotions help ‘automate’ a part of the sales cycle,” shares Mr Wong.

Managing Sales Traffic with an ERP System
With numerous points of sale, Noel Gifts knew it needed to ensure customer satisfaction in order to maintain its competitive edge. To facilitate communication between its production lines and points of sale, the company implemented an Enterprise Resource Planning (ERP) system to better manage resources by tracking the real-time progress of each order.

“Each order is entered directly into the ERP system. So, if a certain gift hamper is selling fast, the purchasing department is immediately alerted,” explains Mr Wong.

“Before we went ‘paperless’, we relied on paper documentation which was time-consuming and prone to human error, especially during peak periods. By automating the process, we are able to cope better with the increased volume during festive seasons. The ERP system has not only helped us to cut down the use of paper, but also raised our productivity. We have plans to link the systems across our offices in Singapore, Malaysia and China,” he adds.

The automation of processes has allowed Noel Gifts to reduce the cost of manpower by about 30 per cent and the staff to be re-deployed to perform higher-value jobs in other work units.

Work-life Balance – the Key to Sustaining Productivity
While we want to be as productive as possible, we think this is only possible if we value our people as the most important asset. At Noel Gifts, we take good care of them so they can do their best and be productive at work,” he shares.

Besides work-related training, such as customer service, the company also provides regular courses on managing stress and personal care. Mr Wong also advocates work-life balance. While his people work hard during the peak season, no time is wasted during the off-peak seasons either – which provide opportunities to re-charge while preparing for the upswing.

“While others are celebrating during festive seasons, we’re working overtime to meet demand for gifts and deliveries – that can’t be helped because it’s the nature of our business. We affirm our people’s contributions by introducing activities to promote well-being. These include introducing pilates at work and inviting an ergonomics expert who helped our people improve their posture so they can work more comfortably and productively,” he says.

“Productivity is about balancing and getting the most out of our limited resources. Only by taking good care of our production capabilities are we able to produce quality products.”
<table>
<thead>
<tr>
<th>DATE / TIME</th>
<th>EVENT NAME</th>
<th>VENUE</th>
<th>ORGANISER</th>
</tr>
</thead>
<tbody>
<tr>
<td>17 – 18 April</td>
<td>Poka Yoke (Mistake Proofing)</td>
<td>2 Bukit Merah Central, SPRING Singapore Building, Singapore 159835</td>
<td>Singapore Manufacturers’ Federation (SMa)</td>
</tr>
<tr>
<td>19 April 9am to 5pm</td>
<td>Seminar on Productivity and Innovation Credit Scheme and Budget 2012 Highlights for Businesses</td>
<td>Revenue House 5th Floor Auditorium 55 Newton Road Singapore 307987</td>
<td>IRAS</td>
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<tr>
<td>19 – 20 April</td>
<td>Process Mapping &amp; Analysis</td>
<td>2 Bukit Merah Central, SPRING Singapore Building, Singapore 159835</td>
<td>Singapore Manufacturers’ Federation (SMa)</td>
</tr>
<tr>
<td>24 April 9am to 5pm</td>
<td>New TPM: Total Productive Maintenance / Manufacturing</td>
<td>2 Bukit Merah Central, SPRING Singapore Building, Singapore 159835</td>
<td>Singapore Manufacturers’ Federation (SMa)</td>
</tr>
<tr>
<td>26 – 27 April</td>
<td>WSQ Apply Failure Mode Effect and Analysis (FMEA) Techniques</td>
<td>2 Bukit Merah Central, SPRING Singapore Building, Singapore 159835</td>
<td>Singapore Manufacturers’ Federation (SMa)</td>
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</table>

Solution to the Creativity Test on page 13

**Solving the Duncker Candle Problem**

ONLY ABOUT 50 PER CENT of people identify the right answer to the Duncker candle problem. The correct solution is to empty the box of tacks and then affix the box to the wall with the tacks. You can then put the candle inside the box so that any beads of wax stay inside the box rather than dripping on either the floor or table.

The Duncker puzzle is considered a classic measure of creativity because it tests the ability to see objects as performing functions different from how they may typically be used. So the box may be used not only to hold tacks but also as a tray for the candle.
Raising Productivity: Help for SMEs

Productivity@Work: www.enterpriseone.gov.sg

Assistance

- Productivity & Innovation Credit (PIC)
  400% tax deduction on up to $400,000 or cash payout up to $60,000

- Innovation Voucher Scheme (IVS)
  $5,000 grant to adopt technology and tap expertise

- Increase SME Productivity With Infocomm Adoption & Transformation (iSPRINT)
  Up to 50 – 70% grant for adopting infocomm technology

- Inclusive Growth Programme (IGP)
  Up to 50% grant for business operations improvements and skills training

- Local Enterprise Finance Scheme (LEFS)
  Loan to purchase / upgrade factory and equipment

- Micro Loan Programme
  Loan for small businesses to fund operational improvements and automation

Training

- Productivity Initiatives in Services & Manufacturing (PRISM)
  Productivity training programmes
  - WSQ Certified Productivity and Innovation Manager Programme
    Productivity and business innovation concepts and applications
  - Certified Productivity Practitioner Programme
    Productivity tools and techniques
  - Productivity Manager Programmes
    Productivity concepts and applications for retail, F&B and hospitality sectors
  - SME Quality Initiatives to Assist, Nurture and Grow (SME QIANG)
    Productivity training contextualised for SMEs

Productivity Tools and Services

- Productivity@Work
  (www.enterpriseone.gov.sg)
  Productivity information and self-help tools

- Productivity Management Programme (PMP)
  Workshops, free diagnosis and advice

- Integrated Management of Productivity Activities (IMPACT)
  Productivity framework and diagnostic assessment tool

Seek help at:

- EDC@ASME
- EDC@SCCCI
- EDC@SICCI
- EDC@SMa
- EDC@SMCCI

Association of Small and Medium Enterprises
Singapore Chinese Chamber of Commerce and Industry
Singapore Indian Chamber of Commerce and Industry
Singapore Manufacturers’ Federation
Singapore Malay Chamber of Commerce and Industry
2012 Business Excellence Sharing

A unique conference featuring CEOs and Practitioners from Business Excellence (BE) Award Winners and Certified Organisations sharing their best practices in Productivity and Business Excellence. The winners include:

2011 Singapore Quality Award with Special Commendation
Institute of Technical Education and Subordinate Courts

2011 Singapore Quality Award
Inland Revenue Authority of Singapore, Nanyang Polytechnic, National Library Board, Raffles Institution Ltd, Teckwah Industrial Corporation Ltd and Yokogawa Electric Asia Pte Ltd

2011 People Excellence Award
Maybank Singapore

Date: 18 & 19 April 2012     Time: 9am – 5pm
Venue: SUNTEC Singapore Ballroom 3
Registration Fee:
S$310 + 7% GST per person per day for up to 5 staff
S$290 + 7% GST per person per day from the 6th staff onwards

CEO Leadership Exchange 2012

This CEO Leadership Exchange directly addresses the plethora of threats companies contend with today, against the backdrop of the Eurozone debt crisis. This exchange will equip business leaders with the necessary knowledge and insight to combat challenges with versatility, enabling them to embrace the new norm with increased confidence and foresight. In addition, this exchange will also extend opportunities for knowledge sharing and networking among business leaders and domain experts. Our knowledge partners include senior representatives from Centennial Group Inc, Rolls Royce Singapore Pte Ltd, AB Sciex, XM Asia Pacific Pte Ltd.

Date: 23 & 24 May 2012     Time: 8.30am – 5.30pm
Venue: Grand Copthorne Waterfront Hotel
Registration Fee:
$400 per pass (nett of GST)
$250 for 2nd participant from the same company (nett of GST)
For enquiries, please contact Ms Brenda Wong at Brenda@businessleaders.sg or call 6338 2321

BUILDING LEADERS AT EVERY LEVEL

UPGRADE LEADERS • CEOs & Senior Management

STRENGTHEN MANAGEMENT • Middle Managers

BUILD FUTURE LEADERS • Young Graduates & Tertiary Students

SPRING Singapore’s Business Leaders Initiative (BLI) aims to build leaders at every level. It is a comprehensive effort to upgrade Singapore SME bosses, strengthen middle management and build a pipeline of future leaders for SMEs. A suite of supported programmes targeted at each level of the organization is available for eligible SMEs.

For more information, visit www.spring.gov.sg/bl
Useful Contacts

Enterprise Development Centres (EDCs)

**Association of Small and Medium Enterprises (ASME)**
EDC@ASME
167 Jalan Bukit Merah
Tower 4 #03-13
Singapore 150147
Tel: (65) 6513 0388
Email: enquiries@edc-asme.sg
Website: http://www.edc-asme.sg/

**Singapore Chinese Chamber of Commerce and Industry (SCCCI)**
EDC@SCCCI
47 Hill Street
#09-00
Singapore 179365
Tel: (65) 6337 8381
Fax: (65) 6339 0605
Email: edc@edc-sccci.sg
Website: http://www.edc-sccci.sg/

**Singapore Indian Chamber of Commerce and Industry (SICCI)**
EDC@SICCI
SICCI Building
31 Stanley Street
Singapore 068740
Tel: (65) 6508 0147
Email: edc@edc-sicci.sg
Website: http://www.edc-sicci.sg/

**Singapore Malay Chamber of Commerce and Industry (SMCCI)**
EDC@SMCCI
15 Jalan Pinang
Singapore 199147
Tel: (65) 6293 3822
Fax: (65) 6293 3905
Email: gadvisory@edc-smcci.sg
Website: http://www.edc-smcci.sg/

**Singapore Manufacturers’ Federation (SMa)**
EDC@SMa
SPRING Singapore Building
2 Bukit Merah Central
#08-00
Singapore 159835
Tel: (65) 6826 3020
Fax: (65) 6826 3021
Email: edc@edc-smma.sg
Website: http://www.edc-smma.sg/

**Singapore Accreditation Council**
1 Fusionopolis Walk, #01-02
South Tower, Solaris
Singapore 138628
Tel: (65) 6279 1855
Fax: (65) 6659 0640
Email: sac@spring.gov.sg
Website: http://www.sac-accreditation.gov.sg

**Sales of Standards**
Toppan Leefung Pte. Ltd.
1 Kim Seng Promenade, #18-01
Great World City East Tower
Singapore 237994
Tel: (65) 6826 9691
Fax: (65) 6820 3341
Email: singaporestandardseshop@toppanleefung.com
Website: http://www.singaporestandardseshop.sg

**Standards Collection**
National Library Board
100 Victoria Street
Lee Kong Chian Reference Library, Level 7
Singapore 188044
Hotline: (65) 6332 3255
Email: ref@nlb.gov.sg
Website: http://libguides.nl.sg/standards

**Standards Development Organisations**

**Singapore Manufacturers’ Federation Standards Development Organisation**
2 Bukit Merah Central, #03-00
SPRING Singapore Building
Singapore 159835
Tel: (65) 6826 3088
Fax: (65) 6826 3113
Email: tan_jinsoon@sma-sdo.org.sg
Website: http://www.sma.sg

**Singapore Chemical Industry Council Standards Development Organisation**
8 Jurong Town Hall Road
#25-04, The JTC Summit
Singapore 609434
Tel: (65) 6267 8930
Fax: (65) 6267 8893
Email: terencekoh@sxic.sg
Website: http://www.sxic.sg