Gaining a **Service Edge** through Technology

Leveraging technology and redesigning processes to deliver customer-centric service can help businesses to stay ahead.

**CHECKING OUT SATISFIED CUSTOMERS**

SPRING’s Customer-Centric Initiative supported the Amara Sanctuary Resort Sentosa’s service excellence goal to exceed every guest’s expectations.

**SPORTS LINK: A CUSTOMER-CENTRIC STORE**

To speed up its in-store processes and improve its service standards, Sports Link leverages technology and provides rigorous training for its staff.
Gaining a Service Edge through Technology

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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.
Food Services Companies Continue to Reap Productivity Gains

TungLok showcased its 1,400 sqm central kitchen at Bukit Batok to Senior Minister of State for Trade & Industry and National Development Mr Lee Yi Shyan (left in photo) on 14 Sep. The company presented the benefits of consolidating much of its food preparation process from procurement to logistics, resulting in better quality control, higher productivity, cost savings and better use of manpower.

Mr Lee also shared at the event that Singapore’s food services companies have continued to reap productivity gains through the Food Services Productivity Plan which was launched last April. Some of the projects supported under the plan include technology adoption, workflow redesign and concept innovation. In particular, food services companies with many outlets such as TungLok achieved substantial productivity gains through the setting up of central kitchens.

Inaugural Supply Chain Challenge Attracts 194 Students

The inaugural Supply Chain Challenge 2012 culminated in a finale on 14 September, with the finalist teams pitching to a panel of judges. Organised by the Singapore Logistics Association (SLA) and supported by SPRING Singapore, this year’s competition attracted 57 teams comprising 194 students from the five polytechnics.

The competition rode on the success of the “We Can – Singapore Logistics Makes Everything Possible” campaign, which was launched in 2010 to enhance the branding of the logistics industry and attract young talents to join the sector. The competition is a platform for students to interact with the SME bosses and apply innovative solutions to real-life challenges in supply chain management.

Sustainable Energy Association of Singapore (SEAS) Sets Up Office in CleanTech Park

The Sustainable Energy Association of Singapore (SEAS) has relocated its premises to CleanTech One in CleanTech Park. The park is the first eco-business park developed by JTC with an emphasis on retaining the natural environment and biodiversity of the area and to create a cleantech cluster in Singapore. The park aims to provide a one-stop for cleantech companies to interact and collaborate in different areas such as research and development, and commercialisation projects. SPRING Deputy Chief Executive, Mr Tan Kai Hoe, graced the opening ceremony of the new office.

100 Aspiring Entrepreneurs to Get Help from ACE Partners

The Action Community for Entrepreneurship (ACE) will help 100 aspiring entrepreneurs to start their business through 12 appointed partners in the next three years. The partners, who will come from the universities, polytechnics and privatesector companies, will provide first-time entrepreneurs with funding support and access to networks and mentors to grow their ideas into sustainable businesses. ACE Chairman Mr Teo Ser Luck, who is also Minister of State for Trade and Industry, announced this at ideas.inc., an accelerator programme organised by the Nanyang Technopreneurship Centre (NTC), on 22 Sep.

SPRING and NTUC Collaborate on ‘Core Executive Programme’ for Food Services and Retail Sectors

SPRING Singapore and the National Trades Union Congress’ (NTUC) Hospitality and Consumer Business Cluster launched the Core Executive Programme to strengthen the ‘Singaporean core’ in the food services and retail sectors on 12 Sep. The programme aims to attract, place and train Singaporean professionals, managers and executives (PMEs) to fill supervisory and managerial positions in these sectors.

NTUC Deputy Secretary-General Mr Heng Chee How said 50 SMEs will be participating in the programme during his visit to Jay Gee Melwani Group’s retail outlets at Bugis+. Also present at the event were NTUC Secretary-General Mr Lim Swee Say (centre in photo) and SPRING Chief Executive Mr Png Cheong Boon.
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In a market where product features and price can be matched – or even bettered – by competitors, a company’s best source of competitive advantage may well be the customer experience it delivers.

While good service is one of the key components necessary to achieve customer satisfaction, being customer-centric is more than just providing good service – it requires organisations to incorporate customer perspectives into their business strategy.

“With more demanding customers and changing habits, the focus is no longer service quality but customer satisfaction,” says Ms Choy Sauw Kook, Co-Chairperson of the Go the Extra Mile for Service (GEMS) Up Committee and Assistant Chief Executive of SPRING. She adds: “You may think you have delivered good service, but if expectations are not met, then customer satisfaction will be affected. An organisation that is constantly improving based on customer feedback will be the one with the competitive edge.”

**Lifting service standards**

To help companies achieve better service quality and improve customer satisfaction, the Customer-Centric Initiative (CCI) was started in 2005. It is part of the GEMS Up movement to improve service quality in Singapore’s retail, food and beverage, hospitality, healthcare, transport and travel sectors.

The CCI is supported by SPRING Singapore, the National Trades Union Congress, the Singapore Workforce Development Agency, the Singapore Tourism Board and the Institute of Service Excellence at Singapore Management University.

**“Organisations that harness technology or redesign service processes are more productive. This will, in turn, translate into higher sales and happy customers.”**

*Ms Choy Sauw Kook  
Co-Chairperson of the Go the Extra Mile for Service (GEMS) Up Committee and Assistant Chief Executive of SPRING*

Companies can receive up to 70 per cent funding under the CCI to develop service strategies, set service standards or conduct service audits to qualify for the Singapore Service Class certification. Support for technology adoption in relevant areas will also be provided if it impacts customer service levels.

To date, the CCI has assisted more than 430 companies, 9,000 establishments and 150,000 service professionals in six service sectors. Results from the Customer Satisfaction Index of Singapore survey, which started in 2007, show that all six CCI sectors have improved over the years. The retail sector, for example, registered a score of 70.6 last year, which is a 3 per cent improvement from 2007.

**Moving beyond Service 101**

While customer satisfaction in Singapore has improved in the recent years, Ms Choy points out that companies must continue to improve their service standards as customers are becoming more sophisticated and discerning.

“The competition for the customer dollar will intensify and organisations have to anticipate customers’ needs to stay ahead, retain customers and attract new customers,” says Ms Choy.

For that to happen, organisations must move beyond Service 101. Delivering a differentiated customer experience requires more than just developing a service culture, investing in staff training and setting service standards.

Companies must adopt a holistic approach and redesign their front-end and back-end systems to improve productivity and transform the customer experience. This includes revamping human resource policies to develop an engaged and motivated workforce committed to raising service levels and customer satisfaction.

**The role of technology**

One way companies can differentiate themselves and enhance customer loyalty is through the adoption of technology. With more consumers looking for fast, efficient and error-free service, technology can help companies meet these needs – which can go hand-in-hand with improvements in productivity and efficiency levels.

“When we launched the CCI, the focus was on setting a foundational level of service, through service training or implementing service standards, so that employees have the right attitude and service mindset,” explains Ms Choy.

“Even though it is still relevant, good service is more than just GST (greet, smile and thank). Organisations are finding it necessary to constantly innovate to deliver service faster and more efficiently.”

She adds that organisations that harness technology or redesign service processes are more productive. “This will, in turn, translate into higher sales and happy customers,” says Ms Choy.

**Be the next success story**

Read on to find out how companies such as Eu Yan Sang Integrative Health and Select Group have taken their service to the next level after embarking on the CCI. If you would like to raise your company’s service standards, please visit www.spring.gov.sg/cci for more information.
Healthier, Happier Patients

The company started its CCI journey with a survey and focus group discussions to better understand patients’ needs. With insights from this research, the team, comprising clinic management, clinic assistants, a consultant and SPRING officers, brainstormed to come up with strategies to improve in specific areas.

Striving for service excellence
“One of our philosophies is to constantly look for ways to anticipate the needs of our patients so that we can stay ahead of the market. When SPRING launched CCI for healthcare we jumped in because it was so relevant,” says Ms Caryn Peh (below), Senior General Manager of Clinic Services at Eu Yan Sang Integrative Health.

The strategies include a service excellence checklist as a training tool and improving dispensing time by reconfiguring of dispensary shelves. Patients waiting for their herbal medication are also educated through a video on how Eu Yan Sang’s computerised clinic management system dispenses their medication. This is done via a two-step authentication process with bar code scanning to ensure the right type of herbs are picked, and a computerised weighing system to ensure the right weight of herbs are being dispensed. To ease waiting times at their busy Chinatown clinic, the company introduced a phone booking service.

The company invested more than $100,000 in technology and training between 2010 and 2011 to implement the service enhancements, part of which were funded under the CCI.

The results have been very encouraging. For instance, waiting time to see a physician on a Saturday at its Chinatown clinic was reduced from over two hours to just 45 minutes. At its clinics with reconfigured dispensaries, the waiting time to collect medicine was cut from 13 minutes to under 10 minutes.

Most importantly, patients are happier: customer satisfaction rose from 70 to 80 per cent, and the proportion of compliments to complaints also went up significantly.

A concept for growth
Innovation is an important part of the business strategy at Eu Yan Sang. One recent approach is concept clinics that are tailored to the unique needs of specific groups of patients.

The first of these is a clinic focused on reproductive health, where its TCM physicians work with Western obstetricians and gynaecologists to complement in vitro fertilisation (IVF) programmes with TCM treatment. Building on this success, the company added several child-friendly clinics and an elderly-friendly clinic.

“CCI has made a difference to our business: customer satisfaction rose from 70 to 80 per cent, and the proportion of compliments to complaints also went up significantly.” — Ms Caryn Peh

The child-friendly clinics feature play areas while at the elderly-friendly clinic, the employees are specially trained to assist elderly patients and the physicians are conversant in dialects.

“These are some of the soft touches that make a difference to our business,” notes Ms Peh.

Service improvement and innovation have a role to play in all industries, even one as well-established as traditional Chinese medicine. Visit www.spring.gov.sg/cci to find out how SPRING Singapore’s Customer (CCI) can help your business deliver service excellence.
As a leading food services provider, Select Group believes that every employee has a role to play in creating a positive customer experience. This has led the group to develop an employee training programme to raise its service standards, with support from SPRING’s Customer-Centric Initiative (CCI).

Established in 1991, Select has an extensive portfolio that includes the Peach Garden Chinese Restaurants, Lerk Thai Restaurants, Stamford and Select catering services, the Hong Kong Sheng Kee Dessert chain and Texas Chicken outlets. It also operates institutional and offshore catering services and develops and manages food retail establishments.

With so many businesses in the group, delivering consistent customer service can be a challenge. The solution, says Mr Vincent Tan (right), Managing Director of Select Group, is to get all employees to understand the vision of serving with excellence.

Equipping staff with service skills
Select’s first step towards service excellence was to engage professional trainers to develop a customised training programme to equip its employees with the skill sets needed to improve service quality. “Providing good service is the bedrock of our success and growth. Superior customer service ensures that we stay ahead in this industry. As we did not have a common set of standards and processes, everyone was trained differently. The funding from the CCI helped us to create a standardised training curriculum,” says Mr Tan.

Besides carrying out mystery shopping audits to track progress at various service touch points, Select also trained its middle management to be in-house trainers to the junior employees. Videos were produced on service standards, professional selling and how to handle difficult situations, which help educate employees on the scenarios they may encounter at work. Such interactive training sessions were also more effective and engaging for the participants.

“We focus on helping them understand the importance of customer service. The trainers would also identify what went wrong in the process of delivering customer service, and discuss ways to address the gaps during these sessions,” says Mr Tan.

CCI success
Select Group’s efforts have produced significant results. It has seen an improvement of 30 per cent in mystery audit results and a 30 per cent jump in customer compliments. Not surprisingly, sales transactions also increased by 30 per cent.

According to Mr Tan, the strong commitment from the management team was instrumental to the success of Select’s CCI project.

“Select’s senior management have been deeply involved in improving service standards. They conduct regular sharing sessions with the employees so everyone is aligned to the company’s focus on service excellence. The passionate and direct involvement of the leadership is one of the key factors that made the CCI a success for Select,” says Mr Tan.

Raising productivity
Looking ahead, Mr Tan aims to establish a stronger presence locally and overseas. He believes that technology adoption will enable the company to achieve its goals and overcome manpower shortages. Early efforts are already bearing fruit: automated woks and noodle boilers are used in some of its outlets, freeing the chefs to perform other tasks and be more productive.

“We have been using automated kitchen equipment to improve our workflow and processes, and have been able to save on manpower while increasing sales. We will continue to develop new capabilities to propel Select Group forward,” says Mr Tan.

“A standardised training curriculum and passionate and direct involvement of the leadership are key factors that made the CCI a success for Select.”

Mr Vincent Tan

Employees are key stakeholders in creating a superior customer experience. Training can equip them with the relevant skills and knowledge to better serve customers. Find out how you can build up your company’s capabilities to achieve service excellence through SPRING’s Customer-Centric Initiative at www.spring.gov.sg/cci.
With rising customer expectations, it is essential for organisations to leverage technology to enhance their processes and achieve service excellence.

Find out how you can transform your service quality through the Customer-Centric Initiative at www.spring.gov.sg/cci.

SPRING’s Customer-Centric Initiative supported the Amara Sanctuary Resort Sentosa’s service excellence goal to exceed every guest’s expectations.

To Ms Cyndi Ng (below), General Manager of Amara Sanctuary Resort Sentosa, excellent service is not just about meeting, but exceeding, customer expectations. “Customer service is all about delighting customers. It is important to provide an individualised experience to impress our guests and build brand loyalty,” says Ms Ng.

For that to happen, organisations must leverage technology to improve efficiency and productivity in order to provide a differentiated customer experience. “It is important to deliver an experience with the ‘wow’ factor. Technology is key to helping us to serve our customers better,” Ms Ng adds.

Transforming processes
Recognising the need to review its internal processes to increase customer satisfaction, the resort embarked on the Customer-Centric Initiative (CCI) last year. With funding support from SPRING Singapore, Amara Sanctuary invested in technology and developed a new call system solution to better manage requests and feedback from its guests.

Amara Sanctuary also introduced a new manpower planning and scheduling system, which replaced the time-consuming way of updating the employee roster manually. The system generates a roster automatically, taking into account the needs of the resort and the abilities and welfare of its employees. For example, the system ensures that all the employees get a scheduled break after working a certain number of hours, which helps to raise productivity and efficiency.

Transforming people
Besides process improvements and innovation, training is also a key priority at Amara Sanctuary. The company conducts training programmes to inculcate a service mindset and the knowledge to deliver good service.

“All our employees go through service training as part of their orientation. We also organise coaching sessions, which include fun role-playing situations with serious messages,” explains Ms Ng. These sessions, which are held every week, cover topics such as effective communication and how to handle difficult situations.

Continuous improvement
While Amara Sanctuary has seen an overall increase in customer satisfaction as a result of the CCI project, Ms Ng believes that service excellence is a journey of continuous improvement and that there is always more that can be done.

“We are looking to introduce passport scanners in the near future. This will reduce the time needed to photocopy our customers’ passports during the check-in process. We are constantly on the lookout to harness technology to help us improve productivity,” says Ms Ng.

In the past, all requests and complaints were recorded in a book. It was very difficult to track the amount of time it took to attend to a customer,” says Ms Ng.

Now, when the guest calls the operator, the request is sent via a text message to the employee in charge for them to respond to. The system also enables the resort to track maintenance and housekeeping issues. Ms Ng explains, “If customers keep requesting the same items, we’ll know what to include in our rooms in the future. It also provides vital information for the resort in planning refurbishments.”

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Checking Out Satisfied Customers

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To speed up its in-store processes and improve its service standards, Sports Link leverages technology and provides rigorous training for its staff.

Nobody likes waiting in a queue and Sports Link knows that. Having been in the sporting goods retail business for more than four decades, it has come to understand that delivering fast and efficient service is just as important as ensuring the quality of its products.

“Customer service can either make or break a business. As the retail industry faces more intense competition and a labour crunch, Sports Link must upgrade its processes in order to exceed customer expectations,” says Mr Teddy Lin (right), Deputy Chief Executive of Sports Link.

Improving efficiency
One area that Sports Link wanted to improve was the waiting time for customers making a purchase. The company enhanced its point-of-sales system with touch screens to speed up checkout processes. As a result, the time to complete a purchase was halved, from two minutes to just one minute.

The enhanced system is just one of the changes designed to raise service quality across 31 Sports Link outlets. The company, which embarked on SPRING Singapore’s Customer-Centric Initiative (CCI) in 2010, also introduced the ‘Q-buster’ to reduce the time needed to complete a transaction during busy periods. The Q-buster is a hand-held scanner used by the staff to scan the goods before the customer reaches the counter, where the cashier only needs to collect payment.

“We have also started using the Q-buster for stock taking. Instead of collecting data with a pen and paper, all we need to do is to scan the item. This saves time while ensuring accuracy,” says Mr Lin.

Raising service quality
The CCI has also changed the way Sports Link handles feedback. The company recently developed a customer rating software that allows for a quick survey of customer satisfaction. Customers can press a button at the checkout counter to rate their satisfaction with the service provided. Feedback forms are also placed near the checkout counter.

“In the past, customers could only call the company’s hotline to give feedback. We have now opened up more avenues to make it easier for customers to tell us how to improve,” explains Mr Lin.

Apart from investing in technology and listening to its customers, Sports Link also developed a training manual to ensure that all its employees are trained on the company’s service standards. The training includes learning how to handle complaints and how to greet customers in a certain way. “Previously, one employee may say ‘hello’, while another would say ‘hi’. Now, the employees are taught to say, ‘Welcome to Sports Link’. It is more structured now.”

Positive results
The company’s efforts in improving service quality have paid off. Besides seeing an improvement of 15 per cent in mystery audit results, it was also awarded the Premium Service GEM by the Singapore Retail Association in 2011.

“We have received positive feedback from our customers, complimenting our employees for their professionalism in responding to their enquiries, as well as the more efficient manner in which transactions are being completed,” says Mr Lin.
Building Networks, Growing Businesses

The Action Community for Entrepreneurship (ACE) set up its Networking Sub-Committee to help local companies gain a head-start in business by building up their networks. SPRINGnews speaks with Mr Clinton Ang (below), Managing Director of Hock Tong Bee Pte Ltd and Chairman of ACE’s Networking Sub-Committee, to find out more about the keys to successful networking and what ACE is doing to help companies get the most out of networking opportunities.

SPRINGnews: Why is networking important in business? What can companies achieve through networking?

Mr Ang: No man is an island. Similarly, in business, companies do not exist in isolation; instead, they are part of the broader business community. Networking provides opportunities to learn from others, both in terms of what to do and what not to do. It also serves as a catalyst for new ideas and new contacts – so much of business can be tied back to networking.

SPRINGnews: Does networking differ for SMEs or family-run companies compared to big corporations? What unique opportunities or challenges do SMEs and family-run companies face?

Mr Ang: It is pretty similar except that the owner/family member is able to apply their contacts for a longer time – even generations. For professionals, it is up to them whether they wish to retain contacts from a prior position.

SPRINGnews: The aim of ACE’s Networking Sub-Committee is to provide platforms for start-ups to network with entrepreneurs, potential investors, mentors and other relevant contacts. How does ACE achieve this?

Mr Ang: We organise various networking events regularly – some are industry-specific, some focus on particular capabilities or market needs, and some are more general in nature. For example, we held an event in September on starting up in the ICT sector. In August we organised an event on fundraising basics, and in June we organised a bowling event offering a more casual environment for networking.

We do not limit our efforts to startups. It is in Singapore’s, ACE’s and everyone’s interest to extend our reach to companies at different stages in their development. The key is to help them improve, grow from good to great, and put Singapore on the world business map. At the same time, they can create jobs and help boost the economy.

SPRINGnews: Networking is more than walking around holding a glass of wine and distributing name cards. What are some of the strategies to get the most out of a networking event?

Mr Ang: Be sincere and genuinely interested in the other person’s thoughts and ideas and be willing to learn from them. You need to ask questions but make sure that you do so with humility.

SPRINGnews: What are some common mistakes that people make while networking? Do you have any networking pet peeves?

Mr Ang: Trying too hard to impress is considered a big no-no. Be humble and sincere and let people discover who you really are. There is no secret to networking except to be brave, make yourself known and seek to learn. Just remember to keep eye contact and be sincere.

SPRINGnews: If you had to come up with three golden rules of good networking, what would they be?

Mr Ang: First, be hospitable. Second, listen and ask questions. Third, follow up. It is important to always follow up, to make a lasting impression.

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Mr Clinton Ang
Chairman of ACE’s Networking Sub-Committee
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Don’t Stand Still

Boston Consulting Group’s Jonathan Sharp argues that not addressing productivity issues can be a fatal error for retailers as cost inflation eats away at profits.

“Standing still on productivity is not an option for retailers. Because of cost inflation, standing still is going backwards,” says Mr Jonathan Sharp, Partner and Managing Director at the Boston Consulting Group, who spoke on the sidelines of the recent Singapore Retail Industry Conference.

Going into further detail, he points out that a retailer’s cost base is relatively fixed, so very small changes make a huge difference to the profit earned. With this in mind, retailers should make every effort to not just keep costs under control, but also reduce them wherever possible.

Mr Sharp highlights that retailers really struggle when the top line is under pressure, if they are not agile enough on the cost side to respond. And that quickly results in a significant impact on profitability. He suggests that the first step to becoming more agile is to measure the right operational and performance metrics.

“I’m often surprised how many retailers can’t quickly tell you the cost of a box moving through their supply chain, the cost per square metre of their different stores, or the labour cost per dollar of sale across their different stores. There are some key metrics that retailers should be collecting, should be talking about consistently, and someone in the organisation should be accountable for measuring them and improving on them,” says Mr Sharp.

It’s important to create some simple metrics that allow you to track productivity, he says. While sophisticated and automated reporting tools are more likely the domain of large retailers, there is room for SMEs to measure and track such information on a more simplified level. “Even in smaller retailers, the data exists. In the cost ledger, you know how much you’re spending on your supply chain provider, utilities and your employees,” notes Mr Sharp.

Getting started
A simple place to start is to take two or three of these metrics and compare them across stores, shifts, days, or areas of the store. For example, if you know how much you are paying for utilities and you have four stores, compare the utilities cost per square foot across the four stores and there’s a good chance you’ll find something that warrants further investigation. Perhaps one store will be higher than the others and there’s something that can be done to change this, such as installing low-energy fixtures.

“There are hundreds of data points for every retailer. It’s just a question of picking a couple to start with and seeing what you find,” says Mr Sharp. He suggests looking at metrics that either will have a big impact on costs, or those that are easy to change. This will help build momentum for further efforts.

Another way to identify areas for productivity improvements is to ask staff what they think should be addressed. They are often in the best position to do this because they are the most involved with the day-to-day operations, and will be most aware of inefficiencies which they spend a lot of time correcting.

Mr Sharp notes that it is important to consult employees in the process, so they will develop a sense of ownership for the productivity efforts. Ultimately, the key is to add value to each employee’s role through productivity improvements. The productivity improvements should mean that employees are doing less of the mundane tasks and more work like customer engagement and sales training. It benefits them as well in terms of making the job a more interesting one.

Made for Singapore
Although there are many ways to enhance productivity, Mr Sharp believes there are two approaches that are tailor-made for Singapore’s retail environment: a version of multi-channel retailing, and measuring and providing incentives for the performance of sales staff.

He believes there is a huge potential for a ‘research online, purchase offline’ model in Singapore, in view of the high level of internet connectivity, a dense population and stores which are limited by space. For instance, shoppers can do their research and make their purchase decision online, then go to the store to pay for and collect the item.

“It is a classic productivity lever in places where it is easy to get to the stores, but retailers are struggling to get everything to fit into the stores and get customers in and serve them properly.”

Mr Sharp explains that the point is not to replicate your store online, but to see what you can pull out of the store and put online, or how you can enhance your overall offering with online features or services that are not possible in the store. This could include in-depth product information, product videos or stock availability information.

“What do you want your staff to be doing in the store? You want them to be spending a very high percentage of their time talking to customers, and ideally this engagement should lead to sales conversion. So letting customers do a lot of their research online has a very high potential benefit,” says Mr Sharp.

The second approach that could have significant productivity benefits for Singapore retailers is designing appropriate measurement, recognition and reward policies for staff. “Given the challenges of a tight labour market, I would expect Singapore retailers to be doing a lot to ensure that manpower is focused on activities that drive positive customer experience, instead of admin and logistics tasks, which are essentially wasted value,” explains Mr Sharp.

“There should be a lot of mystery shopping, measurement, recognition and reward to motivate employees to focus on value-added activities. This will also push staff to look for efficiencies in a store’s operations so that they will have more time to devote to the ultimate value-added activity – sales,” concludes Mr Sharp.
Internal Branding Key to Raising Productivity

Strong internal branding aligns employees with the company’s brand, which results in an improvement in productivity and efficiency.

If you think branding is all about marketing to external customers, think again. Another market is just as important: your employees. Internal branding not only provides a clearer picture to your employees, it also helps them to understand their roles in driving the company forward.

According to Dr Wilson Chew, Group Principal and Chief Executive Officer of B2B branding consultancy StrategiCom, such branding builds a positive work environment which leads to higher productivity.

Speaking at the Think Big Entrepreneur Convention jointly organised by The SME Magazine and the Action Community for Entrepreneurship (ACE) on September 13, Dr Chew advised companies to look into communicating their internal brand to employees, to instil in them a mindset of growth.

Mindset change

He believes that internal brand adoption is a top-down initiative that requires a mindset change. The senior management must engage the team in believing the organisation’s values and delivering the brand promise.

“Productivity starts with a shift in mindset. Organisations need to move away from process productivity and find new ways to achieve a quantum leap in productivity,” he adds. “That’s where internal branding comes into play.”

However, a recent study commissioned by StrategiCom revealed that while most businesses recognise the importance of internal branding, not many have an understanding of what it entails. The study, which polled 50 past Enterprise 50 award winners, investigated the extent of internal branding in local companies, as well as the influence of internal branding on productivity.

The study also found that most firms regarded the development of employees’ capabilities as the purpose of internal branding. But Dr Chew says that internal branding goes beyond that to include the development of relationships and cooperation within the organisation to deliver the brand promise.

“As relationships improve, barriers are reduced. Many departments in a SME don’t communicate, which may result in staff making inconsistent promises to customers. This hinders productivity improvements,” says Dr Chew.

Boosting the brand internally

To strengthen the brand internally, Dr Chew recommends a change in management practices to encourage greater employee engagement. For example, organisations can engage their employees by encouraging them to contribute ideas on how to improve work processes.

Employee training is also key to building a strong internal brand. New employees need to be aligned with the company’s culture, while existing employees need to be updated on the company’s growth and direction. Dr Chew notes that it is only when employees have a true appreciation of the company’s vision and goals that they become motivated to deliver better service.

Firms must attract and hire the right people who resonate with the company’s culture and outlook. To do that, organisations need to move away from the current model of “competency-based recruitment” and hire personnel based on the values of the organisation.

“When you put all these things together, it gives you one outcome – citizenship in an organisation and an understanding of what the business is all about. That is a huge contributor to profitability,” explains Dr Chew.

PRODUCTIVITY HAPPENINGS

Productivity and Innovation Credit (PIC) Clinics 2012*
Date/Time: 18 Oct 2012, 1-5pm
Venue: 55 Newton Road, Level One, Revenue House, Singapore 307987
Organiser: IRAS

Process Mapping & Analysis
Date/Time: 18-19 Oct 2012, 9-6pm
Venue: 2 Bukit Merah Central, SPRING Singapore Building
Organiser: SMa

Productivity and Innovation Credit (PIC) Clinics 2012*
Date/Time: 20 Sept 2012, 1-5pm
Venue: 167 Jalan Bukit Merah, Tower 4 #03-13, Singapore 150167
Organiser: EDC@ASME

Poka Yoke (Mistake Proofing)
Date/Time: 23-24 Oct 2012, 9-5pm
Venue: 2 Bukit Merah Central, SPRING Singapore Building
Organiser: SMa

Productivity and Innovation Credit (PIC) Clinics 2012*
Date/Time: 25 Oct 2012, 1-5pm
Venue: 55 Newton Road, Level One, Revenue House, Singapore 307987
Organiser: IRAS

Value Stream Mapping
Date/Time: 30-31 Oct 2012, 9-6pm
Venue: 2 Bukit Merah Central, SPRING Singapore Building
Organiser: SMa

* For all PIC clinics, venue of rooms will be informed upon confirmation of attendance to the clinic. Walk-ins will not be entertained. For registration of your preferred time slot (45mins per slot), please visit www.spring.gov.sg/pic-clinic
In today’s competitive economic environment, companies face a harsh reality: innovate or lose. While many firms realise the importance of innovation as a means to gain competitive advantage, some are still unsure of where to begin.

“The essence of innovation is that you don’t know what you are going to innovate. It is difficult for many companies to commit resources when they don’t know explicitly what the outcome may be,” says Mr Harry West (right), Chief Executive Officer of design and innovation consultancy Continuum.

To kick start innovation, business leaders must first gain a deeper understanding of customer needs. This approach, an essential part of design thinking, puts the user at the centre of the innovation process.

“Design thinking is about bringing the designer’s ways of thinking into a business. Designers are inspired by a more visceral understanding of the human condition. Their inherent creative abilities allow them to envision new possibilities without constraints, to find new ways to serve consumers better,” adds Mr West.

Thinking like a designer
When it comes to innovation, many traditional businesses resort to what they know best – looking for new ideas by analysing quantitative data. However, by not putting limits on our thinking, new ideas can be generated that may drive the business in a whole new direction.

“In a typical business process, the data comes before the invention. But real value creation comes from using our imagination to solve a problem in unanticipated ways, even though at that moment it may not be possible to prove them correct. With a vision of what the future might be, the next step is to test quantitatively if the new idea does indeed serve consumers well,” explains Mr West.

Designing better products
An example of a company that created an innovative solution inspired by an understanding of its customers is Procter and Gamble (P&G). Working with P&G to find new ways to clean floors, Mr West and his team visited people’s homes and watched dozens of home owners engage in the tedious task of floor cleaning.

“We noticed that mops work mostly by the adhesion of dirt to the mop. People seemed to spend as much time cleaning their mops as they did cleaning the floor,” notes Mr West.

Out of this design research emerged an idea to attach disposable pieces of cloth on a stick to entrap dirt, now known as the Swiffer. The product minimises the inconvenience of cleaning floors. It quickly gained popularity among consumers and has racked up billions in sales for P&G.

Keeping abreast of change
With rising customer expectations, businesses must continue to keep abreast of technology developments and design new business around unmet needs.

“All businesses exist to serve consumers. If you can serve them in a way that is better, then the value that you provide is increased,” says Mr West. “Business leaders must take a hard look at their current processes and ask themselves what they need to do to stay ahead of their customers’ expectations.”

While innovation involves risk, Mr West argues that complacency can be a bigger threat to businesses. He adds that design thinking actually reduces market risks by continually creating more user-centric solutions.

“There is risk in any sort of innovation, but the decision to stay the same can be more risky than the decision to make a change. Companies cannot afford to ignore innovation and design thinking has been proven to give companies an edge,” says Mr West.

As global competition intensifies, differentiation becomes even more important for business survival. Design thinking can help companies gain a competitive edge to deliver human-centric solutions. Find out how SPRING’s Design Engage Programme can help you integrate strategic design thinking capabilities into your business strategies at www.designforenterprises.sg.
Be Part Of The Inaugural TECHINNOVATION 2012!

TECHINNOVATION 2012 provides excellent opportunities for technology seekers and providers to meet and match technology needs and solutions. If you are an enterprise looking for new technologies and innovative solutions, come and see technologies from premier research organisations from the US, Europe, Israel and Asia. More than 150 technologies across four different tracks will be featured. If you are a technology provider, this premier event gives you an opportunity to meet companies and understand their technology needs. Corporations like Covidien, Forefront Medical Technology, Philips, PolyOne Corporation, Reckitt Benckiser, Unisteel and many others will share their experiences and needs in the spirit of Open Innovation.

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Making an IMPACT

Taking the IMPACT assessment allowed Grandwork to identify key areas for productivity improvement and set the company on a path to more sustainable growth.

One of the keys to raising productivity is knowing what to measure. For Grandwork Interior, a leading specialist in interior fitout and custom made furniture for commercial and residential projects, this became clear when it engaged the Enterprise Development Centre at the Singapore Manufacturing Federation (EDC@SMF) in 2011 to carry out an Integrated Management of Productivity Activities (IMPACT) assessment.

“The results took us by surprise. Before the IMPACT results came in, we were monitoring our performance in terms of revenues and profits, which were growing strongly. But the assessment revealed that in terms of productivity – measures such as sales per staff – we were actually on a downward trend. This spurred us to take action,” explains Ms Fion Ng, Grandwork’s General Manager.

Mr Adrian Lee, Business Development Manager at Grandwork, believes that working with the EDC@SMF made the assessment much more effective. “They helped us identify our blind spots, and understand how we were performing in terms of productivity, and which areas we need to work on.”

Better business operations
As a first step to addressing its productivity issues, Grandwork hired an ‘ISO Champion’ who is tasked to measure and look at ways of improving productivity. The ISO Champion is responsible for driving and enforcing ISO standards adoption, and producing studies and analyses of ISO processes. “We needed to understand why sales and profits were rising, but productivity was going down,” explains Ms Ng.

Stricter standard operating procedures (SOPs) and the introduction of new tools have led to gains in several areas. For example, an upgrade from manual measurement to the use of automated laser measurement tools has allowed the quantity surveying team to halve the time required to take measurements and log them into the computer system.

Another area of focus has been ensuring that all the employees understand their responsibilities in raising productivity. “We have changed some of the key performance indicators [KPIs] to incorporate productivity measures. For example, the performance of the contract department used to be measured solely in terms of sales, but now we consider things like the quality of the projects being brought in and how well the team contributes to the overall project flow, in providing accurate and complete information to the team,” says Ms Ng.

As a result of its focus on productivity, the company has seen an increase in profits on all its projects in the first half of 2012.

Introducing technology
Following the success of its initial productivity efforts, Grandwork is now embarking on a new technology-driven productivity project with funding support from SPRING. It will develop a mobile application to help streamline project management, HR management and reporting functions.

“With the mobile app, employees will have the details of the projects in their tablets – helping us to do away with huge files and speeding up the processes. It will also help us to track our manpower usage and give us a clearer picture of how it can be optimised,” explains Mr Lee.

Productivity efforts will also be made at the company’s new factory, which will start operations at the end of 2013. In addition to a $1.5 million investment in new machinery, the production floor is also set up to maximise productivity.

Meanwhile, work on the new factory has already started. Ms Ng shares that they are collecting data on the production process and identifying potential productivity gains right from the beginning. “Without data, you can’t do anything, so we’re starting by getting good data,” says Ms Ng.

Choose Your IMPACT Level

The IMPACT Assessment Tool helps organisations diagnose their productivity performance and identify areas for improvement.

You choose the level of assessment and assistance that you want:

**BASIC PRODUCTIVITY SELF-ASSESSMENT**
Using the online IMPACT Assessment Tool on the Productivity@Work website (www.enterprisesg.gov.sg) you can get a basic diagnosis of your organisation’s productivity performance. It takes less than an hour to complete the assessment and you can save your progress and return anytime you wish to complete it at your own pace. This option is free of charge.

**ASSISTED PRODUCTIVITY ASSESSMENT**
Working with a Productivity Advisor at any of the five EDCs, you can perform a basic diagnosis of your productivity performance to identify strengths and weaknesses and receive broad recommendations on areas for improvement. The Advisor will take around 1.5 man-days to complete the assessment, which is free of charge.

**FULL PRODUCTIVITY DIAGNOSIS**
A consultant will perform an in-depth diagnosis for you to identify productivity strengths and weaknesses, areas for improvement, and a roadmap of specific actions to take. A measurement system will be set up to help you track and monitor your progress. The consultant will take around five man-days to complete the assessment and set up the measurement system. Full funding for this option is available through the Innovation & Capability Voucher, valued at $5,000. For details, visit www.spring.gov.sg/iov.

Assessing your productivity performance is the first step to knowing your productivity strengths and weaknesses and where improvements can be made.

For more information on IMPACT, visit www.productivity.business.gov.sg or any of the EDCs today.
CUSTOMER-CENTRIC INITIATIVE (CCI)

**WHAT IS IT?**
This initiative aims to encourage companies to be committed to service excellence and to take the lead in raising service standards in their industry. It offers an assistance package to help Singapore-based companies upgrade their service standards.

Service improvement plans under the CCI may include service strategies and service blueprints, redesign of service processes, customer service training, customer satisfaction measurement and service audits.

**WHAT LEVEL OF SUPPORT?**
Eligible SMEs will receive funding support of up to 70% of qualifying costs.

**HOW TO QUALIFY?**
The project should involve improvement in service leadership, service agility, customer experience and introduction of new service standards, and measurement of customer satisfaction levels.

SMEs can also apply for the Innovation and Capability Voucher Scheme to work on the following areas: service diagnosis, mystery audits, service blueprint development and understanding customer expectations.

**HOW TO APPLY?**
Contact EnterpriseOne
Tel: +65 6898 1800
Email: enterpriseone@spring.gov.sg
Website: www.enterpriseone.gov.sg

PRODUCTIVITY@WORK (WWW.ENTERPRISEONE.GOV.SG)

**ABOUT THE PORTAL**
The Productivity@Work portal is a dedicated online portal to provide SMEs with information and resources that can help them to improve productivity. The portal helps SMEs to:

- Understand the basics of productivity
- Learn about tools that they can apply to increase productivity
- Select productivity seminars or courses to attend
- Find a productivity consultant
- Access case studies and relevant government assistance programmes
- Assess their productivity using the IMPACT Assessment Tool. The tool helps SMEs to compare their productivity performance against the industry average, and obtain recommendations on areas they should focus on to improve productivity.

**DESIGN ENGAGE PROGRAMME**

**WHAT IS IT?**
This programme is for companies that understand the value of design and are ready to invest effort and resources to build up the company’s design capabilities. They learn how to integrate strategic design thinking into every step of their business process.

The programme consists of two phases.

In Phase 1, a design facilitator will help the company understand the role of design in business and how it can create value for competitive advantage. The company will also learn key design principles and tools to develop an actionable design strategy, critical in unlocking new business-building opportunities.

In Phase 2, companies will create new or improved products, processes and services with the design capabilities acquired in Phase 1 and use design as a strategic differentiator to produce tangible, sustainable output and solutions.

**WHAT LEVEL OF SUPPORT?**
For Phase 1, companies can receive funding support of up to 50% of the design facilitator’s fees.

For Phase 2, companies can receive funding support of up to 50% of the qualifying costs, which include manpower, equipment, materials, consultancy and acquisition of intellectual property rights.

**HOW TO QUALIFY?**
All Singapore-based companies may apply.

**HOW TO APPLY?**
Contact Design for Enterprises Centre
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An economist and renowned expert in the highly competitive Chinese food services industry. Professor Jing will share insightful observations on China’s food industry landscape and its best practices.

Mr. Steve Day
Founder & Chairman, Wowprime Corp
Productivity for Sustainable Business Success
Mr. Day will share how Wowprime has set itself apart from its competitors using its robust operating systems by leveraging on productivity for sustainable business success.

Mr. David Parsley
Senior Vice President of Supply Chain Management, Brinker International, Inc
Integrating Supply Chain for Greater Productivity
Mr. Parsley will share how integrating supply chain for greater productivity has worked for Brinker International in bringing about resource efficiency and optimisation.

Mr. John Budd
Partner and Managing Director in The Boston Consulting Group (Dallas)

Mr. Joydeep Bose
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Useful Contacts

EnterpriseOne
Tel: (65) 6898 1800
Email: enterpriseone@spring.gov.sg
Website: www.enterpriseone.gov.sg

Standards Development Organisations

Singapore Manufacturing Federation Standards Development Organisation
2985 Jalan Bukit Merah
Singapore 159457
Tel: (65) 6826 3000
Fax: (65) 6826 3113
Web: www.smfederation.org.sg

Singapore Chemical Industry Council Standards Development Organisation
8 Jurong Town Hall Road #25-04, The JTC Summit
Singapore 629434
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Fax: (65) 6267 8893
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EDC Development Centres (EDCs)

EDC@ASME
Association of Small and Medium Enterprises (ASME)
167 Jalan Bukit Merah
Tower 4, #03-13
Singapore 150167
Tel: (65) 6513 0388
Email: enquiries@edc-asme.sg
Website: www.edc-asme.sg

EDC@NorthEast
(Managed by EDC@ASME)
Tampines Ave 5, #06-01
NTUC Income Tampines Junction
Singapore 529653
Tel: (65) 6424 4000
Email: northeast@edc-asme.sg

EDC@SCCI
Singapore Chinese Chamber of Commerce and Industry (SCCI)
47 Hill Street, #09-00
Singapore 179365
Tel: (65) 6237 8931
Fax: (65) 6339 0605
Email: edc@edc-scci.sg
Website: www.edc-scci.sg

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

EDC@SMF
Singapore Manufacturing Federation (SMF)
SPRING Singapore Building
2 Bukit Merah Central, #08-00
Singapore 159835 (until mid-Nov 2012)
2985 Jalan Bukit Merah
Singapor 159457 (from mid-Nov 2012)
Tel: (65) 6826 3020
Fax: (65) 6826 3021
Email: edc@edc-smf.sg
Website: www.edc-smf.sg

EDC@SMCCI
Singapore Malay Chamber of Commerce and Industry (SMCCI)
15 Jalan Pinang
Singapore 199147
Tel: (65) 6293 3822
Fax: (65) 6293 3905
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