

# enabling ENTERPRISE **SPRING**news

June 2010

## **UP** **YOUR SERVICE**

Quality service is the key to attracting and retaining customers

### **SOMETIMES IT'S WORTH THE WAIT**

JCS-Vanilla, a precision engineering firm, chooses to take on an eight-year project and is now seeing returns

### **BETTER DECISIONS WITH ARTIFICIAL INTELLIGENCE**

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## 313@Somerset Achieves Service Excellence

Just five months into operation, 313@Somerset has received more than 14.7 million visitors, far exceeding its original target of 10 million. Its success is in part attributed to its commitment to customer satisfaction. Recognising that customer satisfaction entails more than just quality service, the mall also focused on the other two drivers of customer satisfaction – customers' expectations and the perceived value of its services.

The mall embarked on the Customer-Centric Initiative (CCI) in February 2009 to maximise its customer experience and meet its vision of becoming Singapore's leading destination for mid-market fashion, food and lifestyle. It adopted a holistic approach by focusing on both the physical attributes of the mall and the interface between staff and customers. These learning points were shared during its CCI Learning Journey on 14 May 2010. Minister for Prime Minister's Office and Secretary-General for NTUC, Mr Lim Swee Say (left), graced the event.

## Inaugural Star Creation Winners Unveiled at Audi Fashion Festival

Audrey Lim from Singapore, Kitty Miao Mei Rong from China and Daniel Ngoo Malaysia, were announced winners of the Star Creation competition at the Audi Red Carpet Night held at the Tent@Orchard at Ngee Ann City Civic Plaza on 27 April 2010. The winners were selected for their interpretation of the competition theme, "Designing The Future" in their ensemble of six garments. The winning pieces were chosen based on creativity, originality, commercial viability.



The judges of the competition were Mr David Wang, Chairman of the Designers & Retailers Group of the Textile and Fashion Federation of Singapore (TaFf); Mr Douglas Benjamin, Chief Executive Officer of F J Benjamin Pte Ltd; Mr Colin McDowell, Creative Director of the Audi Fashion Festival, Ms Juliet Warkentin, the Global Content Director of WGSN and Mr Frank Lamberty, Senior Designer, Audi Exterior Design.

## Small Companies Stand Out in Emerging Enterprise Awards 2010

Small companies with cutting-edge innovations won the hearts of the judges at the Emerging Enterprise Awards 2010. KAI Square, MAJ Aviation and Udders Ice Cream clinched the top three prizes, while Moveon Technologies won the inaugural Best Innovation Award.

The top three winners received prizes worth S\$390,000 comprising interest-free loan, educational and development grants, business consulting services, as well as brand and product development research services.

Best Innovation Award winner, Moveon Technologies, received a S\$150,000 interest-free loan from OCBC and a S\$30,000 infocomm technology package from SingTel. The prizes were presented by the Business Times and OCBC Bank at a ceremony held on 14 May 2010. The award is supported by SPRING, NUS Extension, Acorn Marketing and Research and SingTel.

## CEO Breakfast Talks on Business Excellence

As part of the journey of continuous learning, SPRING is organising a series of CEO Breakfast Talks on Business Excellence (BE) from May to November. These talks provide a platform for business leaders to interact with CEOs on the BE journey and learn about the good business practices which have made their organisations successful.

The series began on 7 May 2010 with Mr Kenny Yap (left), Executive Chairman & Managing Director of Qian Hu Corporation, sharing on the best practices of Qian Hu. Qian Hu is a two-time Singapore Quality Award winner and 2009 People Excellence Award winner. The series will continue with the CEOs of Tru-Marine Pte Ltd, Frasers Hospitality Pte Ltd and TNT Express Worldwide (S) Pte Ltd sharing their BE journeys. They will highlight how the BE journey has been a key business strategy in enabling them to grow their business and stay competitive. Interested CEOs can register for the breakfast talks by emailing [beevent@spring.gov.sg](mailto:beevent@spring.gov.sg).





*Han's Group of Companies*



*Thomson Medical Centre*



*Sheng Siong Supermarket Pte Ltd*



*Swissotel The Stamford Singapore*

# UP YOUR SERVICE

The success of a business depends very much on its customers. The ability to attract and retain customers is a critical factor that could make or break the company. Therefore, quality customer service has become a key business strategy for companies.

## ***Why quality service matters***

The services sector has contributed to two-thirds of Singapore's total GDP and three-quarters of total employment over the last 16 years. Companies now recognise the importance of service as a key factor that differentiates them from the competition. They also see the need to deliver an exceptional experience at every customer touch point.

This fact is evidenced by the Global Competiveness Report, which has seen Singapore rise in the rankings – from 26<sup>th</sup> position in 2006 to 10<sup>th</sup> position in 2008, a position that was maintained in 2009. This improvement is, in part, attributable to the Customer-Centric Initiative (CCI), which aims to raise service standards in Singapore.

## ***CCI – a multi-agency initiative bringing multiple gains***

The CCI was launched in 2005 as part of a multi-agency effort led by SPRING and the National Trades Union Congress (NTUC), with representatives from the Singapore Workforce Development Agency (WDA), Singapore Tourism Board (STB) and the Singapore National Employers Federation (SNEF).

*Singapore saw a rise in the Global Competitiveness rankings – from 26<sup>th</sup> position in 2006 to 10<sup>th</sup> position in 2008, a position that was maintained in 2009*

Part of the Go the Extra Mile for Service (GEMS) Up initiative, CCI was set up to encourage companies across industries to commit to service excellence. The ultimate goal is to transform Singapore's service quality in terms of service leadership, service agility, customer experience and customer delight.

A key feature of CCI is the CCI Learning Journey. Companies which have invested in service upgrading and reaped the benefits share their experiences at these educational sessions.

Companies keen on improving their service standards through CCI may apply for funding of up to 70% of the costs to develop service blueprints, set standards and strengthen service as well as conduct service audits for certification to Singapore Service Class.

## ***Spanning key service sectors***

The CCI, which started with the retail sector, has expanded to cover the food & beverage industry in 2007, the healthcare and transport sectors in 2008 and the hospitality sector in 2009. To date, 203 companies in these sectors have embarked on CCI.

We talk to four of these companies and discover how CCI has helped raise their service levels.



## *Good Service* for Good Business

A customer who had her hands full with her baby and requested an employee to help carry her tray to her table. But she was greeted with the reply that Han's was a self-service restaurant so she had to serve herself.

"I am pleased to say this would not happen today," assured Mr Han Choon Fook, Managing Director of Han's Group of Companies. In fact, a recent incident involving an elderly customer shows how far the restaurant has come. "The café was busy and there was a long queue when an elderly customer walked in. On seeing him, my staff quickly guided him to a seat and took his order to save him from standing too long. This is the kind of personal service we aspire to at Han's," recounted Mr Han.

### The figures tell it all

In a bid to improve service excellence and productivity, Han's embarked on the CCI programme in 2007. The programme helped to create awareness among staff on the importance of good customer service and the difference it makes to the business and working environment.

The results speak for themselves. Before CCI, half of Han's outlets were not doing well. Two years on, almost all are making a healthy profit – sales are up by almost 60% and net profit jumped 387%. The more productive workforce and more efficient workflow generated cost savings of S\$1.5 million in 2009.

### Serving with a positive mindset

"A happy employee makes a happy customer," said Mr Han. "Of course we covered the basics, like serving with a smile and giving a cheerful greeting. But CCI took us beyond that; it helped us analyse productivity and how we could help our employees serve our customers better," Mr Han explained. One improvement was to get employees to share their customer experiences with staff at the other outlets so that they could learn from one another and brainstorm on ways to improve their service.

### Workflow optimised for better service

The CCI also brought about workflow redesign, which enabled staff to deliver better and faster service. Implementing the 5S Workplace Management resulted in a more efficient workflow. This Japanese concept focuses on organising and managing the workspace and workflow in the safest and most efficient manner. As a result, service crews were able to deliver orders faster, reducing the average waiting time from 40 minutes to just under ten minutes.

Recognising that older workers make up most of their frontline staff, Han's made its Point of Sales (POS) system more user-friendly. The system now comes with icons and larger font size in English and Chinese. The manual was also simplified for in-house training.

While the CCI has had a positive impact on the business, Mr Han is not complacent. "Service excellence is a continual journey. We are just at the start of this journey. With a happy workforce, and efficient workflow systems in place, we are now better able to focus on delivering service with a more personal touch," Mr Han reinforced.



*Han's made its Point of Sales system more user-friendly for its mature staff*



*Mr Han Choon Fook,  
Managing Director  
of Han's Group of  
Companies*



## Making Grocery Shopping a *Happy 'Chore'*



Since embarking on the CCI initiative, Sheng Siong Supermarket Pte Ltd has made great strides in improving its customer service – with noticeable results. In the space of a few months, customer compliments had risen by 19%, and staff noticed the change in atmosphere in the stores as well – customers were smiling, and serving them became a pleasure.

Sheng Siong started as a neighbourhood grocery store in Ang Mo Kio in 1985. Today, the supermarket chain, known for its competitive pricing, operates 23 outlets in a number of locations across the island. Despite the recession, the business grew. While the downturn affected many companies, it had a positive effect on the business as consumers turned to home cooking as a more economic option to dining out.

However, Sheng Siong was quick to recognise that the key to long-lasting success is retaining a loyal customer base, and this is all down to good customer service. It saw the need to create a strong service culture among its staff and to set up a solid training platform to ensure that the culture is instilled in every employee.

### Incentivising service excellence

Under the CCI programme, Sheng Siong set up a voucher rewards programme to encourage employees to deliver excellent service. Staff are duly awarded for every compliment they receive from customers.

To equip its employees with the skills to improve their service standards, Sheng Siong engaged the help of a consultant. The supermarket chain has also set up continual in-house training to maintain its service standards in the long run.

### It's all about people

"Our people are an important asset in our business and the avenue through which

we deliver excellent service," explained Mr Tan Cheng Kwan (below), Assistant General Manager, Supermarket Operations. Therefore, looking after its people is a major priority for Sheng Siong. "We try to build a family environment. We hold daily morning meetings so all staff are briefed and receive the same information. Here we share news and updates and use this time to check on the welfare of our staff, and solve their problems," Mr Tan added.

Employees are empowered to deal with complaints on the spot to nip problems in the bud. Its supervisors have the power to make immediate solutions such as goods exchanges. This immediately diffuses potential complaints and ensures that customers leave satisfied. "What makes a complaint worse is if customers can't get immediate redress. By letting our staff deal with matters directly, these complaints don't escalate and our customers get placated," explained Mr Tan.

Sheng Siong's flexible refund and exchange policy is an important step towards greater customer satisfaction. As Mr Tan explained, "If customers know they can return unsatisfactory goods, they are more confident to buy."

### Changing the environment for better service

To help customers shop more efficiently, Sheng Siong has revamped the layout of its stores. Products are now arranged in a more logical manner with clear signages, making it easier for customers to find what they are looking for quickly. "Customers who can't find what they want easily are unlikely to return. With the new layout, it makes grocery shopping more relaxing and enjoyable," Mr Tan added.

By focusing on customer satisfaction, Sheng Siong has not only managed to re-define its customer experience, but has also achieved higher growth through repeat business. Sheng Siong is fast becoming known as the store where grocery shopping is no longer a chore.





# Swiss Hospitality at its Best

With a single focus on quality customer service, Swissotel The Stamford Singapore cultivates an environment where the verbiage, actions and demeanors of its employees revolve around a shared set of convictions – guests' intrinsic and extrinsic needs and expectations are anticipated, met and exceeded at every possible customer touch point.

This uniformity of a singular, passionate service culture throughout the organisation was achieved through CCI. "Having a consistent and guest-oriented service culture gives Swissotel The Stamford the competitive edge it needs amidst an intensely competitive tourism landscape," said Ms Jacqueline Poey, Executive Assistant Manager of Swissotel The Stamford. The service culture was inculcated in each staff member through various training and rewards initiatives.

Swissotel The Stamford believes that each and every team member has a distinct role to play in optimising guest satisfaction. Advocating a culture of individuality, continuous learning and skill-upgrading not only enhances the employees' current knowledge and skills, especially problem-solving techniques, but drives them to further self-actualise and become better, more professional service providers.

## Playing a star role

To inculcate the service DNA in all staff, Swissotel The Stamford initiated its very own internal STAR Service awards campaign. The campaign provides staff with the skill sets needed to deliver engaging service and adapt to individual situations, offering alternative solutions when required. The campaign works by encouraging and recognising the excellent contributions made by outstanding colleagues and their commitment to providing world-class customer service.

STAR champions are identified through cross-departmental and mystery shopping audits which ensure service standards compliance and track improvement at various service touch points. Feedback sessions are also held to review best practices and share success stories for recognition purposes.

This internal campaign is supported by various training programmes with special focus on delivering empathy in

service. "This is achieved through focused training sessions, where staff are asked to describe situations they have encountered. Course participants then brainstorm ways to improve the situation, and practise them through role plays," explained Ms Poey. Staff are also encouraged to go the extra mile, engaging guests in conversation to find out how the hotel can further personalise their experience during their stay.

## Customer service put to the test

Success of the training initiatives was evidenced during the recent Icelandic volcanic crisis. The hotel had to deal with the challenge of accommodating a sudden surge of stranded tourists when flights in and out of Europe were grounded. One significant incident Ms Poey remembered involved turning around a difficult situation for a young couple and their children. They were desperately looking for accommodation as their prior reservation at a smaller hotel could not accommodate them for the longer stay.

Ms Poey empathised with the couple's dire situation and, despite the straining occupancy, was able to offer them accommodation with the help of her team members. With such outstanding customer service, Swissotel The Stamford has certainly left their guests with a memorable impression and a reason to return.



Ms Jacqueline Poey,  
Executive Assistant  
Manager of  
Swissotel The  
Stamford Singapore





## Bringing Service Excellence to *Healthcare*



Mrs Mega Shuen,  
Chief Operating  
Officer of Thomson  
Medical Centre

CCI is not just an abstract concept for Thomson Medical Centre. A year after embarking on CCI in 2008, Thomson topped the rankings in the healthcare sector. The hospital scored 73.3 in the Customer Satisfaction Index for Singapore (CSISG), against an industry average of 68.9. Its patient satisfaction level also improved from 84% in 2007 to a near-perfect 93% in 2009. These figures have translated to better business performance with a 12% growth in revenue last year.

"Participating in the CCI programme has helped us to take on a more systematic approach to analysing customer needs and identifying service performance gaps," explained Mrs Mega Shuen, Chief Operating Officer of Thomson Medical Centre Ltd. "It has enabled us to re-engineer systems and processes that are efficient, seamless and able to support the delivery of quality services."

### Designing workflow around its customers

Thomson Medical Centre extends beyond simply delivering care to create loyalty at every touch point – from the first encounter with the nurses, to the hospital procedures, and to the final bill. "We redesigned our entire workflow around our patients to enhance our service quality," explained Mrs Shuen on the Centre's commitment to service excellence.

From the point of admission, the patient is provided with concierge service the moment she steps into the hospital. She is then welcomed by ward staff who would escort her and her family to the room where a welcome drink and warm towel await them. A fruit basket is an added delight for premium ward patients. The hospital ambience has been taken up a notch to resort-style to create a relaxing and more positive patient experience.

### Using technology to streamline operations

Thomson has also innovatively implemented technology to streamline its processes. One example is the introduction of the touch screen billing to replace the traditional keying-in

method for the delivery suite, operating theatres and wards. This not only helped to reduce the time spent on billing by 50%, but also significantly improved the accuracies of data entry and resulted in cost savings of about S\$2000 per month.

Its suites and premier single rooms are equipped with a special patient bedside terminal. The terminal allows patients to surf, play games, watch movies and shop online for products available in the hospital. One key feature is the interactive nurse call system which utilises Skype to provide visual contact and instant communication with nurses, resulting in greater efficiency and speedier service.

### Information at your fingertips

On top of paying attention to its onsite service, Thomson recognises the need to turn to the online medium to reach out to its young and Internet-savvy customers. "Going online enables us to continue to care for our patients in the comfort of their homes," explained Ms Shuen.

The interactive and personalised parenting website ThomsonBaby.com adds a dynamic element to parenting journeys and enables like-minded parents to network and share parenting experience. Features such as Baby Diary, Baby Scheduler and Baby Supporter allow parents to create virtual baby supporter communities, share photos, blog and streamline their schedules.

The Centre also provides a one-stop baby concierge service via the Thomson Baby Planner. The service takes the hassle out of organising baby showers, finding the right products, and planning for professional courses and workshops to meet the unique needs of each couple.

With these initiatives, it is no wonder that Thomson Medical Centre tops the ranking for customer service and continues to be the hospital of choice in Singapore for expectant couples.

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## Sometimes it's Worth the Wait

**T**he choice: develop and bring products to market in two years or take on a mammoth R&D project that won't see returns for another eight. Mr Jason Yeo (above), CEO of JCS-Group, chose the latter. Mr Yeo started JCS straight out of school in 1990. He now runs four highly successful companies under the JCS-Group.

His latest venture, JCS-Vanilla Pte Ltd, was set up in 2005 to develop and manufacture precision components for aircraft engines. "It was a logical progression as JCS was already involved in precision engineering," Mr Yeo explained. "We chose to develop vanes and turbine blades used in aircraft engines because we have the ready capability to do so in our factory in Singapore." At present, JCS-Vanilla delivers the parts separately to its customers but intends to value-add with customised assembly services.

### No margin for error

With such a long investment timeframe, Mr Yeo knew he had to have a clear and focused plan – and stick to it. As with the precision components he manufactures, there is no margin for error. He developed an eight-year roadmap divided into two distinct phases.

The company has just reached the end of Phase 1 – the five-year ground-laying period. The first two years started with investigations into the viability of the project; obtaining the necessary certifications, including the mandatory AS9100 to supply to the aerospace industry; and approaching potential customers. This was followed by development of their first 10 products over the next two years – a range of vane and turbine blade products,

and precision components for various models of aircraft engines.

"With the products and groundwork in place, I concentrated on grooming both my engineering and management teams with the help of SPRING to prepare the company for the crucial Phase 2 of development," explained Mr Yeo. "This year, we began to market our new products as we continue with R&D into components for a wider range of engine models."

To ensure his plan stays relevant and the company remains on track, Mr Yeo reviews it annually. In this respect, Mr Yeo is very proud of his team. "Every step along our roadmap has been a challenge, but I am pleased to say that so far we have stayed on track," he said.

### The challenge ahead

Phase 2 of the roadmap will see a shift in gear for JCS-Vanilla. The team of 18 will continue to develop new products so that JCS-Vanilla will be in a position to supply to the full range of engine models within the next three years. However, sales and

marketing will be the main priority – and the greatest challenge the company will have to face.

"We have the technology and the capability, of that we have no doubt. Our challenge is proving that capability in the marketplace and translating that into sales," said Mr Yeo.

Singapore is not yet recognised as a location for aerospace manufacturing, and that adds to the company's marketing challenges. To overcome this hurdle, an expert in the aircraft industry was brought on board to help develop a strong sales and marketing strategy.

### Focusing on the prize

Why take on such an ambitious project, given the long wait of eight years before returns are expected? "I knew that if I could pull it off, the time investment would be worth it," Mr Yeo replied. Once fully developed, the components can easily be adapted for marine engines and land turbines, which are JCS-Vanilla's next big market focus.

"We target to reach our first US\$10 million at the eight-year mark. At that stage, funding should be easy to secure. We see returns in the aerospace, marine and land turbine industries bringing in profits for JCS for at least the next 50 years. And when we get to that stage, JCS will be running on its own steam," he ventured. The ultimate goal is to bring the Group to IPO.

As JCS-Vanilla is set on proving, it pays to be patient when the returns are worth the wait.



Vector Scorecard (Asia-Pacific) Pte Ltd

## Better Decisions with Artificial Intelligence

**M**aking decisions is not easy; making sound decisions is even harder when you have to plough through financial reports and data. Imagine this can now be done faster – and better – by a “Manager-in-a-Box”.

That is precisely what Vector Scorecard (Asia-Pacific) Pte Ltd (VSAPAC) has been doing over the last four years. Its Vector Scorecard suite of applications replicates the thinking processes of the human brain to analyse information and make decisions. The result is a set of comprehensive solutions that help companies to strengthen their future business decisions and strategies, with priority factors flagged out for their immediate and long-term attention.

### Customised toolkit

VSAPAC, which is equity-funded by SPRING SEEDS Capital, offers a suite of advisory solutions, training, certification and on-demand reports to companies in both public and private sectors. It helps improve companies’ profitability-risk levels and productivity performance by providing objective diagnostic reports at fast turnaround times. To date, VSAPAC has exported its scorecards to 15 countries via its regional managing agents and plans to set up five regional offices in the next 18 months to support its local distributors.

### Making sound decisions

Founder and Group Managing Director, Mr M. Nazri (above) provides some insight into the company’s success, “We have a unique ability to combine human and artificial intelligence (AI) into a powerful yet meaningful platform that yields much better results than other service providers or consultants in terms of speed, depth and breadth. The Vector Scorecard system is essentially your “Manager-in-a-Box”, churning out on-demand reports in a day.”

The system provides insights to critical areas like the strength of business model, balance sheet strength, internationalisation strategy, bankability status and human resource compatibility audit. By comparison, it would take 10 analysts two weeks to translate 50 cases by conventional means. In short, the AI does the number crunching and intense analysis, leaving users to look at the consequences that the data reveal, and advise on the next steps for the company to take. “As such, the robustness of the diagnosis and prescriptive measures are the key,” Mr Nazri added.

To ensure this, VSAPAC’s data undergoes rigorous back-testing against various financial scenarios and reports data accuracy within 98% of other well-known local and international ratings. This domain knowledge emanated from the team’s exposure to Fortune 500 companies and an international rating agency, along with subject matter expertise in financial and business management of more than 100 years in total. “We have also assembled a solid management team with considerable experience in business and financial management fields, to provide the critical subject matter expertise to deliver our suite of scorecards,” said Mr Nazri.

### Mimicking the human brain

VSAPAC’s proprietary innovative AI technology is able to



identify and process thousands of algorithms and hundreds of scenarios in a matter of seconds using quantitative and qualitative data. The results are then tiered into a set of “thinking boxes” that decision makers typically adopt. These thinking boxes can be customised for individual organisations to support the human decision-making process, covering both financial and non-financial aspects.

As such, VSAPAC is well positioned to meet the needs of its customers and enjoys in an attractive market niche. As Mr Steve Taklalsingh, Vice President, Financial and Business Advisory Services, explained, “Competition is either human substitutes with the obvious limitation of time and decision-making capability, or inferior technologies that process data onto a dashboard and churn out standard reports. Our scorecards continually embrace the concept of revolutionary technology that seeks to change the way we do business at lower costs, faster speed and a greater depth of decision-making.”

### R&D the foundation for global growth

VSAPAC currently offers a suite of six core scorecards. They assess a company’s financial strength and credit risk profile, and creditworthiness; help a company to implement growth expansion plans; provide diagnostic tools; and estimate the risks and returns for a company expanding into any of the 183 countries in the world ranked by World Bank. As part of its overall R&D strategy, it is in the midst of developing more products in the next two years involving human resources, managed healthcare services, education and Halal value chain management, among others.

The company’s R&D capabilities are solidly built to produce more commercially viable systems and solutions that meet the needs of global markets. Within the next five years, the company aims to achieve a market valuation of S\$200 million by building its syndication-agency business and pursuing non-organic growth through joint ventures with large institutional partners in various countries across Asia, ASEAN, the Middle East, US and Europe

Mr Nazri concluded, “To this end, everything that we do, every person that we hire, every collaboration that we enter into, every agent who represents us and every product that we develop must contribute directly or indirectly to this outcome. We’re people with passion, with the view that the global market is like a mountain for us to climb. We keep ourselves fit mentally and physically to reach the top – and when one is done, there are more to climb!”



# My business starts here



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## Business Leadership in the 21st Century

by Lim Si Ting

In today's dynamic and competitive business environment, leaders in SME business have to adopt and adapt to new ways of leadership in order to ace amongst the many strong competitors. By exploring leadership as a style vis-à-vis type, leaders can take yet another step forward in their development for twenty-first century leadership – a view that Professor Patrick A. McNutt, a Visiting Fellow at Manchester Business School (MBS), United Kingdom, believes in.

Professor McNutt is also a business consultant who advocates embracing new paradigms and methodologies in businesses by challenging the way one develop business.

At SPRING's CEO Breakfast Dialogue Series on 29 April 2010, Professor McNutt provided an audience of SME business leaders with insights into leader-

ship today. He purports that leadership can be in relation to the style or the type of management. Professor McNutt explains that possessing the characteristic of the leadership-type would be the right focus.

Professor McNutt commenced the session by giving an anecdote: a man well-trained in chopping trees is thirsty when he is in a rainforest. Instead of cupping his palms together to collect rainwater which is in abundance, he chooses to reside in what he usually does, which is to chop the trees and extract the sap for water.

Through this anecdotal evidence, Professor McNutt showcased the key difference between leadership style and leadership type – vision. "The one with leadership style is a good worker and manager; however, one tends to be myopic, fearful of threats and worries

about transition to new roles. The leadership type is able to see the big picture or perceive the alternatives, and sees the market as a game and is able to inject mystery within the organization," explains Professor McNutt, who has thirty year of experience in business research and consulting.

In Professor McNutt's perspective, to be a better leader, one has to be less associated with the ability to delegate tasks and take control but more with staff "degree of freedom" and inspiration. Unlike a manager, a leader is not only performance-orientated but is able to empower others.

One fundamental aspect of leadership is the ability to communicate the company's strategy to consumers and investors. Leadership also involves another crucial component which is the ability to execute the strategy successfully.

### CEO Breakfast Dialogue with Professor Patrick A. McNutt

Professor Patrick A. McNutt is a Business consultant and academic who will challenge the way you develop your business, allowing you to adopt and adapt new paradigms and methodologies. He is a Visiting Fellow at Manchester Business School, UK with responsibility for two modules, Managerial Economics and Ethics, Governance and Competition Policy. Find out more at [www.patrickmcnutt.com](http://www.patrickmcnutt.com).





To be a better leader, one has to be less associated with the ability to delegate tasks and take control but more with staff **“degree of freedom”** and **inspiration**. Unlike a manager, a leader is not only performance-orientated but is able to **empower** others

He shared, “The company is a player in a game and hence the type of leadership is an indicator to the market of the likely strategies of the company. We have to recognise that leadership per se is a determinant of a company’s financial performance.”

In the future of leadership, Professor McNutt envisions that the new leadership type will relatively gain its importance while the old leadership style gradually diminishes. Ending off, Professor McNutt advised, “A successful leader is one who constantly learns and listens as he or she progresses. He or she has to first learn to learn before learning to listen and finally listen to the learner.”

### Upcoming Business Leadership Programme

Date / Venue	Programme
<p><b>Date</b> 25 June 2010, Friday</p> <p><b>Time</b> 8.00am to 10.30am</p> <p><b>Venue</b> Human Capital Singapore (HCS) Tower 15, Hoe Chiang Road #23-01 Singapore 089316</p>	<p><b>CEO Breakfast Leadership Exchange Series with Mr Liak Teng Lit, CEO of Alexandra Hospital – ‘Service From The Heart’</b></p> <p>At the session, Mr Liak will be sharing on how service can be a key differentiator to propel businesses to a new level. Under his leadership and guidance, he has restructured Alexandra Hospital and turned around the performance of the hospital. Alexandra Hospital has since received a string of illustrious awards.</p> <p>This is a free event. Please register with Ms Norzarina Zakaria at <a href="mailto:norzarina_zakaria@spring.gov.sg">norzarina_zakaria@spring.gov.sg</a> or 6279 3332.</p>
<p><b>Date</b> 6 – 7 September 2010 (TBC)</p> <p><b>Course Fees</b> S\$877.50 (Indicative, includes GST)</p>	<p><b>SPRING-Business Leadership Centre (BLC) Governance and Risk Management Programme for SMEs</b></p> <p>Specially tailored for SMEs who:</p> <ul style="list-style-type: none"> <li>• Aim to become major regional and global players</li> <li>• Are concerned with putting in place fundamental governance structure</li> <li>• Seek to have a strong code of ethics and risk management framework to guide their operations</li> <li>• Want to learn more about how MNCs and big companies deal with governance</li> <li>• Are keen to find out more about setting up a board – the “do”s and “don’t”s</li> </ul> <p>Please register with Ms Jessica Ng at <a href="mailto:jessica_ng@spring.gov.sg">jessica_ng@spring.gov.sg</a></p>
<p><b>Date</b> 20 September – 1 October 2010</p> <p><b>Course Fees</b> S\$9,000 (After SPRING grant, excludes GST)</p>	<p><b>Berkeley-Nanyang Advanced Management Programme (BNAMP)</b></p> <p>A premier four-week residential programme in Singapore/India and US that incorporates the teachings of the best of east &amp; west management ideas through NTU and University of California, Berkeley.</p> <p>Learn from renowned faculty on how to compete in the global economy through Innovation and Customer-centric growth strategies.</p> <p>Please register via email <a href="mailto:amp@spring.gov.sg">amp@spring.gov.sg</a></p>

## Customer-Centric Initiative (CCI)

### ABOUT THE PROGRAMME

The CCI 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 audits, development of service strategies, redesign of service processes and customer service training.

### WHO CAN APPLY

Companies in the Hospitality, Retail, Food and Beverage, Healthcare, Transport and Travel sectors.

The project should involve the introduction of new service standards or lead to an improvement in one of the following areas:

- Service leadership
- Service agility
- Customer experience

### FINANCIAL ASSISTANCE

Eligible companies will receive funding support of up to 70% of qualifying costs.



## SPRING Startup Enterprise Development Scheme (SPRING SEEDS)

### ABOUT THE PROGRAMME

The SPRING Start-up Enterprise Development Scheme (SPRING SEEDS) is an equity-based co-investment financing option for commercially viable Singapore-based start-ups; with innovative products and/or processes, possess intellectual content and strong growth potential across international markets.

To date, SPRING SEEDS Capital has invested in various growth sectors such as in the science and technology, information communications technology and business services space. The SEEDS investment fund is managed by SPRING SEEDS Capital, a wholly owned subsidiary of SPRING Singapore.

### WHO CAN APPLY

To be eligible for investment consideration, interested start-ups must:

- Singapore-based company with core activities carried out in Singapore
- Incorporated as a private limited company and for less than 5 years
- Paid-up capital of at least S\$50,000, but not more than S\$1 million
- Able to evidence its substantial innovative and intellectual content for its products and/or services and/or applications

- Have high growth potential with clear go-to-market plan and scalability for international markets
- Have identified a ready, independent third-party investor(s) who is prepared to conduct due diligence on the company, invest at least S\$75,000 into the business and demonstrates the ability to value-add and contribute to its growth

### INVESTMENT QUANTUM

- For approved deals by the Investment Panel, SPRING SEEDS Capital matches the sum invested by third-party investor(s) dollar-for-dollar, from an initial S\$300,000, and subsequently a potential follow-on of up to a maximum of S\$1 million inclusive (subject to conditions).
- Both SPRING SEEDS Capital and the third-party investor(s) take equity stakes in the company in proportion to their investments.

### DIVESTMENT

- SPRING SEEDS Capital will exit from the investment within a 5-year investment horizon at the earliest of the following:
  - Sale, merger or acquisition of your start-up
  - If SPRING SEEDS Capital receives a third-party cash offer to buy its shares before

- the 5th anniversary of the investment in your company
- Initial public offering of your start-up

SPRING SEEDS Capital will review its exit strategy should none of the above occurs during the 5-year investment period. If SPRING SEEDS Capital decides to divest its shares, it offers your company and third-party investor(s) the right to purchase the shares based on the proportion of shareholding in your company.



To know more about other SEEDS investment details, interested start-ups are strongly encouraged to attend the SEEDS briefing held every first and third Thursday of the month, 11.00am to 12.00pm at SPRING Singapore.



## Quality that Counts

**Specialty coffee and tea retailer The Coffee Bean & Tea Leaf ensures that steps are taken to maintain food safety in its beverages and food**

Customers will be happy to know that The Coffee Bean & Tea Leaf puts effort and care into every cup of beverage it prepares. One example is the milk that is used in hot beverages which has to be steamed to a minimum temperature of 71°C before it is added to the beverage.

Its food items are randomly checked for bacteria count and it keeps a clean slate when it comes to food preparation and food expiry dates.

These count as measures that the company has invested into the Hazard Analysis and Critical Control Points (HACCP) food safety management system. With 46 outlets located island-wide, it has already obtained the HACCP certification for five of its outlets located in Downtown East and the Singapore Changi Airport.

Mr Vincent Chang, Senior Director of Business Development and Controller, The Coffee Bean & Tea Leaf, says, "We are dedicated to providing our customers with excellence both in the products we sell and the services we provide. "Our company strives to constantly maintain high standards within our operations in order to comply with regulatory requirements in food safety, thus the HACCP system and its supporting programmes were adopted."

Since it opened its first store in Singapore in 1996, the company has gained a leadership position for developing the Original Ice Blended drink. In addition to the hand-crafted coffee and tea beverages, it also serves a wide variety of food items ranging from breakfast items, sandwiches, salads, pastas and cakes.

The company selected five outlets to spearhead the HACCP project and took steps to implement and maintain the HACCP system for its food and beverage preparation process in the five outlets. Temperature checks and temperature control is a critical control point (CCP) for the five outlets.

For example, when food items such as cakes are sent from the central kitchen to a Coffee Bean & Tea Leaf outlet, an employee has to measure the temperature of the cake using an infrared thermometer. The optimum temperature should record 6°C for it to be safe for consumption. If the delivered product exceeds the temperature, it is sent back for inspection and to

eliminate the possibility of any food contamination.

This temperature checking procedure is conducted daily and on random batches of food items that are received. The



*Using an infrared thermometer to check the temperature of a cake that was delivered to the store*

cake display fridge is also calibrated at a temperature of 6°C to store the cakes when they arrive at the outlets.

For preparation of hot beverages, an employee has to steam the milk up to a temperature of 71°C before it can be added to the beverage. This ensures that the milk is sufficiently warm to eliminate the presence of any bacteria. It also observes a working rule that each batch of milk can only be steamed twice before it is discarded.

Mr Chang notes that implementing the HACCP system required the full commitment and involvement of the management team and the work force.

"It also requires a multidisciplinary approach which includes a team of employees and expert advice from our appointed consultants to establish a monitoring system for our operations to measure and observe all CCPs," he says.

Constant training and meetings were also held on a regular basis to establish new policies and revised standard operating procedures related to HACCP. He adds that the central kitchen and outlets were required to maintain certain documents, verification activities and handling of any process deviations.

Some benefits of implementing the HACCP system include controlling the



*Mr Vincent Chang, Senior Director of Business Development and Controller, The Coffee Bean & Tea Leaf*

operational cost especially through minimising wastage and food spoilage due to temperature checks which are conducted three times a day for all chilled storage units. In addition, the company conducts regular microbiological testing of the food to manage food expiry dates which in turn leads to better control of production output.

"Food safety is one of the most crucial elements in running any kind of F&B business. Any incidents of food poisoning and its consequence will be disastrous to consumer confidence in the brand," says Mr Chang.

The Coffee Bean & Tea Leaf has plans to implement HACCP for the rest of its other outlets. It is targeting to have HACCP certification for around 10 outlets per year till all its outlets are HACCP certified.

### FOOD SAFETY PROGRAMME

#### ABOUT THE PROGRAMME

A joint effort by SPRING, the Restaurant Association of Singapore and the National Environment Agency, the programme aims to help F&B outlets adopt and implement HACCP, an international food safety management system. The programme is especially useful for F&B businesses which wish to expand into overseas markets that require food safety compliance, such as America, Australia and Europe.

#### WHO CAN APPLY

SMEs in the F&B sector and must meet the following criteria:

- At least 30% of the shareholding is local
- The company's group fixed assets are below \$15 million
- The company has no more than 200 employees (for companies in the services sector)

#### FINANCIAL ASSISTANCE

The Food Safety Programme funds up to 50% of the qualifying costs arising from the implementation of SAC-Accredited HACCP Certification.

Qualifying costs include:

- Consultancy fees
- Training of employees
- Salaries of employees involved in the project
- Certification cost

# Global Acceptance – Opportunities in Emerging Markets

*(Seminar & Exhibition)*



In today's globalised economy, cross-border trade is integral for businesses to remain competitive. However, enterprises face uncertainties in quality assurance and barriers to trade.

To overcome this, accreditation bodies around the world have established mutual recognition arrangement networks. These networks remove the need for products to be re-evaluated, resulting in faster time to market and lower costs. It also gives consumers greater assurance of the capabilities of the companies producing the products.

Join us to find out how you can tap on our networks to bring your business further.

**29 June 2010 (Tuesday) • Shangri-La Hotel • 9am to 2pm**

## Highlights

- ✓ Learn about opportunities for testing and certification services in the China market.
- ✓ Find out how your industry counterparts leverage on accreditation to access new markets.
- ✓ Learn how quality assurance can become your competitive edge.
- ✓ Interact with exhibitors from the Gaming, Medical Devices, Functional Foods and Marine Bunkering sectors who will be showcasing their capabilities.

## Who Should Attend?

- ✓ CEOs
- ✓ Business Owners
- ✓ Quality Professionals
- ✓ Procurers
- ✓ Users of Conformity Assessment Services

## Registration Details

This is a free seminar. Registration is on a first-come-first-served basis. Registration details will be circulated at a later date.

## Speakers

Mr Chan Soo Sen  
Executive Vice President  
SingBridge International Pte Ltd

Dr Thom Kleiss  
Head of Nestlé Quality Audit  
Vevey Switzerland

Dr Chan Boon Kheng  
Chairman  
InnoHeart Pte Ltd

Dr Ho Nyok Yong  
Technical Director  
Samwoh Corporation Pte Ltd





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