

AS TIMES change, operating environments morph with it, and so too must business priorities and processes. Which is why companies that want to remain at the top of their game must continue to keep their eye on the ball and be open to changing their game plan.

As the rules of the game change, so too do guidelines and frameworks. In 2014, the 20th anniversary of the launch of the Business Excellence (BE) Framework, Spring Singapore conducted a review to ensure that the framework remains relevant and impactful.

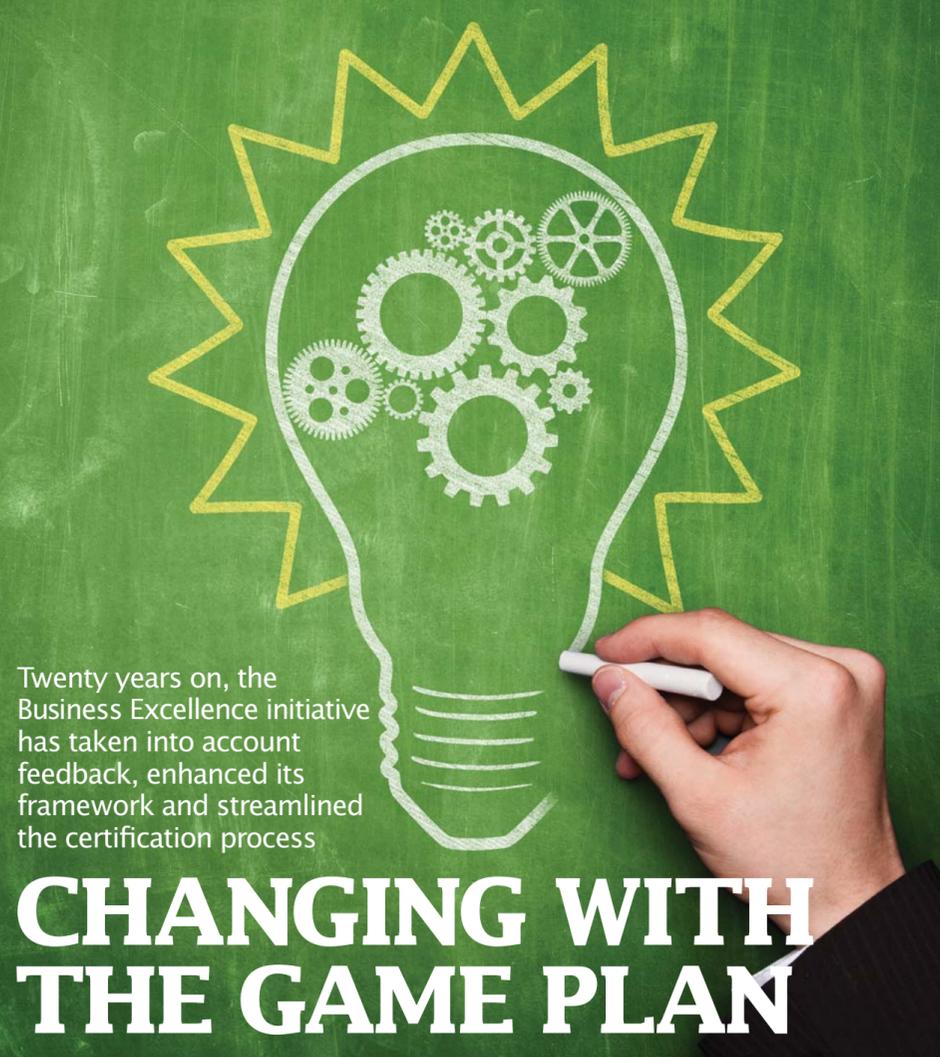
The intent of the framework – to serve as a management tool to help organisations improve their management processes and practices to achieve better results – has not changed. But some of its focus has.

“Organisations have given positive feedback that the BE framework is holistic and structured, and guides them in implementing sound management practices and operations. They liked the fact that the BE framework ensures internal alignment of the organisation, provides a structure for continuous improvement, and helps in talent management,” says Patrick Lim, deputy director, business and service excellence, at Spring Singapore.

According to a 2014 study commissioned by Spring and conducted by the National University of Singapore Business School, profits of organisations certified to BE standards grew by 14 per cent compared to the industry average of around 7 per cent. The study, which covered some 470 BE-certified organisations, showed that those on the journey for five to 10 years benefited most, particularly in terms of revenue and profit growth. They achieved 7.5 per cent revenue growth compared to the 5.4 per cent industry average, and a 25.5 per cent jump in profits against the industry’s 6.3 per cent.

More specifically, SMEs were found to have derived high impact from being on the BE journey, notes Mr Lim. SMEs that participated in the study reported that the BE framework was instrumental in helping them put in place structured management practices such as setting of quantifiable targets, and encouraging staff to innovate, improve processes and efficiency. They also noted that being certified to BE standards provided greater assurance on the quality of their products and services to their customers which led to increased business volume. The profits of SMEs that are certified to BE standards grew by 19.2 per cent against the industry’s average of 6.1 per cent.

While the previous framework worked well, some of the organisations that took part in the review suggested that the seven categories of the framework – while still relevant – had scope for improvement. Specifically, there was a need to incorporate a focus on the future as one of the attributes



Twenty years on, the Business Excellence initiative has taken into account feedback, enhanced its framework and streamlined the certification process

CHANGING WITH THE GAME PLAN

of excellence, simplify the language used in the criteria, and review the process for applying for certification.

“Taking all these feedback, Spring has streamlined the BE certification process, acknowledging the resource constraints faced by many organisations, especially SMEs. On-site assessments with live demonstration of systems, operational processes and conversations with the management and staff (or even customers and suppliers) will take precedence over hard copy documentation review,” says Mr Lim.

“Similar to the public sector interpretation guide introduced a couple of years ago, we have also contextualised the BE framework to cater to specific natures of selected sectors. This allows companies within the sectors to have a

better appreciation in implementing the BE framework and reaping its benefits.”

The enhanced BE framework, which kicked in earlier this year, centres on better understanding customer needs and engaging customers in the co-creation of products and services. It also highlights the importance of developing a culture of empowerment where staff are valued and engaged, and staying ahead of market trends and developing strategies that are future-oriented.

Since the launch of the BE initiative in 1994, more than 1,500 organisations of different sizes and industries have been certified to the various BE standards, notes Mr Lim. Together, they employ more than 600,000 of Singapore’s workforce; about a quarter of the organisations are SMEs. ■



PEOPLE FIRST
Mr Ng says that business excellence is about people, leadership and management

REVAMPING ITSELF

Markono aligned its corporate goals to its mission and vision statement, resulting in staff who are clearer about what is expected of them

HAVING been exposed to the requirements of large international information technology (IT) companies since the 1990s, Markono Print Media is no stranger to rigorous certification processes and international standards. That was a help when the company decided to get re-certified to Singapore Quality Class (SQC) in 2014 after a long lapse (Markono has been on the business excellence journey since 1999).

“Because we had the processes in place, we didn’t have to start from zero. But you still have to refine some of the areas, and it not only focuses on processes – a lot of it is about people, leadership and management,” says Markono’s managing director, Edwin Ng.

One of the key things that Markono did following the audit was to revamp its mission and vision statement. A new mission and vision statement along with core values was installed in the first half of last year.

“What we learnt from the process is that the whole mission, vision and core values has to cascade down to the entire organisation. It is not only about having a plaque on the wall. So we got a consultant in to revamp our human resource (HR) appraisal system, and now our employees are appraised based on the core values of the company.”

Aligning corporate goals to the mission and vision statement has resulted in staff who are clearer about what is expected of them and what they want to set out to achieve as they can see how every member of the team and department contributes to the end goal.

The printing firm, which focuses on books with high content value such as scholarly textbooks and journals, remains positive that printing is not a sunset industry.

“I’m not discounting the fact that the pie is shrinking. But if the pie shrinks, and you do well, you can get a bigger share of the pie. There’s been a huge growth in electronic books (e-books) a couple of years back but now, I think the growth has plateaued. . . . It works for fiction books but if you are talking about a medical book that costs S\$200, people don’t want to pay S\$200 and get a book in e-format.”

To keep ahead of the pack, Markono has embarked on many enterprising projects including working with publishers to directly receive orders, print, package, and send books that are ordered through e-commerce channels.

It is also part of the gps Global Print Solutions, the world’s first truly integrated global manufacturing network which includes CPI in the United Kingdom, Edwards Brothers Malloy in the United States and Griffin Press in Australia.

“There is no printer with a global footprint. . . . A publisher for example can send an order to any one of the printers, the order is split electronically and we can fulfil it depending on where the end-consumer is. This not only saves time, it saves warehousing cost, reduces obsolescence and it’s also environmentally friendly because you don’t have to ship books around the world.” ■

A SIMPLIFIED CERTIFICATION PROCESS

SINCE the beginning of this year, the process for organisations – especially small and medium-sized enterprises (SMEs) – to be certified to Business Excellence (BE) standards has been greatly simplified.

For a start, greater emphasis is now placed on on-site assessments, where live demonstration of systems, operational processes and conversations with management, staff and even customers and suppliers, have reduced the need for hard copy documentation review and audit. This halves the time and effort required by SMEs to fill in an application for any BE certification.

In addition, one-on-one coaching by principal BE assessors better guide organisations in adopting the BE framework to identify gaps in existing management practices to improve their business processes.

Since the start of the year, more than 20 companies have benefited from this initiative and have provided positive feedback, says Patrick Lim, deputy director, business and service excellence, Spring Singapore.

“Companies appreciate this arrangement where a principal assessor provides one-to-one guidance on how to understand and apply the BE framework, and the certification process.”

This is in addition to the BE workbook for SMEs that Spring rolled out in 2013, which allows companies to conduct self health checks. An easy-to-use guide leveraging the workbook was launched last year which guides SMEs through the process in three easy steps. The three steps comprise:

- Conduct an organisational health check using the BE Workbook
- Submit the BE Workbook for BE Certification
- Embark on improvement initiatives to close gaps identified in their management systems based on the assessment feedback report from BE assessors.

At any point in the journey, SMEs can tap the Innovation & Capability Voucher to kick-start their BE journey and perform a basic health check. They can also tap the Capability Development Grant, which covers up to 70 per cent of the certification fees, manpower and consultancy costs, to prepare for certification. ■

GETTING THE FUNDAMENTALS RIGHT

Putien Holdings focuses its training on creating service champions and simplifying the service flow through a mix of external and in-house training

PUTIEN Holdings, the people behind popular Chinese restaurant chain Pu Tien, may have been aware of the importance of training and upgrading before, but since it embarked on the Business Excellence (BE) journey in 2010, it has been more stringent, ensuring that the courses it chooses fills specific gaps in the organisation.

“Previously, our training for staff was more basic and largely revolved around the types of courses recommended for F&B (food and beverage),” says Fong Chi Chung, chief executive of Pu Tien. “With the BE process, we also began to identify the learning gaps we have as an organisation, and learnt to be more forward looking in recognising the types of training areas we might need in the future, based on the growth and trends of the industry.”

To champion its service from the heart culture, it now focuses its training on creating service champions and simplifying the service flow through a mix of external and in-house training.

“The training not only increases the productivity of the staff, it



PHOTO: JAMIE KOH

also shows them that we are willing to invest in our human capital and want them to continue growing with us,” says Mr Fong.

Going through the certification process was an important learning journey as it allowed the team to assess their organisation against an internationally benchmarked framework, and glean insight into the organisation’s strengths and areas for improvement. “Although it was tedious, this also enabled all our staff to be more engaged and involved in the business and also to understand why we needed to embark on this journey,” he says. The company is also leveraging automation to increase productivity and ultimately free staff to focus on skilled functions within the kitchen. In its central kitchen for instance,

Putien has invested in a German vegetable processor that has reduced the

vegetable cutting time from

HUMAN INVESTMENT
Training shows staff that the company is willing to invest in them, says Mr Fong

45 minutes to 15 minutes.

Moving forward, Putien is looking to purchase sauce packing and meat processing machinery. “With higher productivity and more engaged staff, everyone is willing to put in their best effort – and this also translates to happier customers. For example, the management helps out at the outlets on the eve of Chinese New Year, and the outlet staff appreciate that and see the organisation not just as a workplace but also a big family, with everyone chipping in to help each other,” says Mr Fong.

Having attained Singapore Quality Class and Singapore Service Class certification in 2014, Putien credits the BE journey for ensuring that it got its fundamentals right. “So when we set up stores outside Singapore, by adapting to the localisation business model, Putien is able to strike the right balance between local market relevance and a cohesive cross-border business strategy.” ■

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