

# EMPLOYING OUT OF THE BOX

**A**MID a climate of rising costs and a decreasing influx of foreign labour, manpower is shaping up to be one of the biggest challenges for small and medium-sized enterprises (SMEs) in Singapore. Attracting and retaining good employees in the current climate of high costs and global competition is no easy feat, but the two companies that *The SME Magazine* spoke to have managed to work around the tough situation by tapping into less conventional labour resources. Although the two firms are hardly similar in terms of scale and the nature of their business, they are united in circumstance. Both are, by nature of their industry,

limited in their powers to attract talent.

Designers and editors, who form the core of Epigram's business, are its niche resource. Meanwhile, the food and beverage (F&B) industry, of which Han's is a part, remains one of the industries hardest hit by manpower challenges with its high demand for lower-skilled workers in an increasingly over-qualified Singapore. To work around their difficult circumstances, both companies have turned to hiring family-first mums and dads, retirees and even persons with disabilities.

We speak to them about how, in their own small ways, they have found their space and remain strong in their respective industries.



## FLEXI-HOURS, SOLID WORK

LABOUR pains are not stopping local book publisher Epigram Books from churning out thought-provoking titles from local writers weaving tales of Singapore and Singaporeans.

Epigram Books was founded three years ago by Edmund Wee, who is also managing and creative director of Epigram, a design house that he founded in 1991. The two companies hire about 30 employees combined, but have already managed to build a solid reputation.

Epigram Books has produced several high-profile titles by well-known local writers such as *A Certain Exposure* by Jolene Tan and *Durians Are Not The Only Fruit* by Wong Yoon Wah. Several titles by writers, playwrights and poets active in the local literary scene such as Edwin Thumboo, Kirpal Singh and Tan Tarn How are also under the publishing house. Mr Wee also has a penchant for resurrecting out-of-print books,



putting them back onto local bookshelves and into public consciousness. An example would be Goh Poh Seng's *The Immolation*.

Meanwhile, the design house Epigram has built a reputation for being able to turn boring corporate annual reports into creative gems, presenting them in forms such as coffee table books or card games. This allows for corporate annual reports to function as a form of marketing as well, instead of just a financial document. Mr Wee's work with his design agency won him the President's Design Award in 2008.

The two companies' 30 employees are mainly designers and editors, aside from administrative staff. Mr Wee admits that the headcount of 30 means that the companies are rather small SMEs, despite how prolific they have been.

Like other firms of the same scale, Epigram finds it hard to attract and retain talent. A modest turnover means that high salaries and a consistent wage increment might not always be possible. "I know we cannot keep our employees' salaries stagnant, but sometimes it's not possible (to increase) because of rising costs such as rent and not enough profits," Mr Wee explains.

Instead, the company opts to retain staff through a flexible and relaxed work environment.

It is not averse to hiring staff with heavy family commitments and indeed works around their schedules. Three editors who have child-rearing responsibilities work only half-days and an average of 20-22 hours per week. The flexible arrangement keeps these editors from leaving the firm completely to care for their children, and allows Mr Wee to retain the staff strength that he needs.

Mr Wee also credits the generally laid-back, less rigid working environment that emphasises work-life balance as a factor for retaining staff. "We have pretty flexible working hours. You can come in and start any time between 8am to 10am," he says. "The employees here also rarely work weekends. Once in a while, someone might come in on a weekend but that's not very common."

The approach seems to have worked well. "Epigram (the design agency) has quite a low attrition rate... Epigram Books is only three years old so it's too early to tell."

Employees might be persuaded to stay due to the more comfortable work culture. However, attracting talent who have yet to experience working in the firm is a different issue. Mr Wee says, somewhat resignedly: "As a small SME, we don't get the top brains. Most of them will go to the MNCs (multinational companies)." ■

Despite the challenges, Epigram Books gets a healthy number of applicants due to its young age, which contributes to its vibrant and hip image.

Things are not quite the same for the design agency, however. "I think 10 years ago, Epigram really had quite a good reputation... but it's 2014 now, and I think we're no longer regarded as that young and hip anymore."

To combat this, Epigram is considering undergoing a re-imagining of its image to re-invent itself, both for its clients and potential employees, Mr Wee reveals. "We have some plans to make it a little bit more different... to re-position ourselves to look for different businesses and clients."

Although thinking of ways to combat such labour challenges can be frustrating, Mr Wee's belief and pride in what he is doing with both his companies keep him going.

He says: "One of the reasons that I started my own company, aside from being my own boss, is that I'm very proud of the fact that I can provide employment. We SMEs may not be very big but in our own small ways, we provide employment and together, I think, we account for quite a large number of the local workforce." ■

## ALL ARE WELCOME



**A LOOKING AHEAD**  
Mr Han is optimistic about his business despite the numerous challenges that it faces

ABOUT 16 per cent of Han's almost 500 employees are people who are classified as disabled in some way. Some suffer from hearing disabilities, some are intellectually handicapped while others struggle with autism. A total of 66 of such persons with disabilities (PWDs) are formally employed by Han's while others are undergoing training.

These employees generally come from schools which cater to students with special needs. The schools approach Han's to help integrate their students into the workforce, says Han Choon Fook, managing director of the Han's chain of food and beverage (F&B) restaurants.

All Han's employees, including PWDs, go through rigorous training programmes – covering orientation, customer service and basic food hygiene – to provide them with the fundamental know-how to work in the F&B industry.

Mr Han acknowledges that one must be patient when helping PWDs to cultivate the appropriate skills and confidence to be an effective member of the workforce.

"As long as you can contribute to the business, Han's will allow you (to do so) and help you to contribute," says David McCall, customer service manager at Han's.

In a nation known for its love of food, the F&B industry is extremely competitive. That Han's has managed to thrive in this environment over the past 30 years is testament to the F&B company's ability to be creative in its hiring practices.

Aside from PWDs, Mr Han says that the company's strongest set of workers are its mature workers. These workers are generally aged above 40 years, and are mostly locals. Mr Han says: "Our mature workers are very important to us, and very good. They are more patient, more hardworking and more productive because they take less MCs, are on time and have flexible working hours since they don't need to commit as much time to their children."

To help this set of workers (who account for about 40 per cent of Han's staff strength) perform more effectively, Han's has implemented a range of no-frills, easy-to-use technology. For instance, when they receive an order, employees need only key it into the system, and it is relayed



## ◀OLD IS GOLD

Mr Han (second from left) says that the company's strongest workers are the mature ones

to the kitchen. In addition, the font sizes on the computer screens are larger to aid them.

Despite its various methods to cope with the labour crunch faced by the F&B industry, Han's is still shackled by a lack of manpower. The dearth of workers who are willing and able to serve in an F&B organisation has limited the company's growth. "Our biggest challenge now is that we are all set to open more new outlets, but we are lacking people that we can put in these outlets," Mr Han admits.

The government's minimum quota for local workers has amplified the problem, given that most locals view F&B positions as less desirable compared with white-collar office jobs. Admitting that perhaps university degree holders might not be too interested to work in the F&B sector, Mr Han has set his sights on Institute of Technical Education (ITE) and polytechnic graduates. "A lot of them have studied the F&B industry before," he explains.

Echoing the sentiments of Prime Minister Lee Hsien Loong's National Day Rally speech which touched on giving non-degree holders more leeway for career advancement, Mr Han feels that a degree is not essential for advancement in his company. He says: "With or without a degree . . . as long as they like this industry . . . who knows, they can even one day become Han's CEO or CFO – I think that's very possible!"

Mr Han's optimism extends to his business as well, despite the numerous challenges faced by the company, including rising wages and operational costs. "I'm not worried because my belief is that if we can establish a strong team of good people who can help generate good revenue and can increase productivity, then it's worth it to pay them more." ■

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