

SPRINGnews

December 2013

In Pursuit of Business Excellence



The Business Excellence framework helps organisations to assess and improve their performance for long-term success

SUSTAINING BUSINESS EXCELLENCE

Find out from this year's winners how the Business Excellence framework helps them stay at the forefront of market developments and build a sustainable, long-term competitive advantage.

UPGRADING TO MEET MARKET DEMANDS

With the help of the Capability Development Grant (CDG), Microwave Packaging invested in new equipment that speeds up its production of environmentally friendly paper lunchboxes.

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Sustaining Excellence

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SPRING
singapore
Enabling Enterprise

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.

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From left: Mr Freddy Soon, member of the SQA Governing Council; Mr Tan Kai Hoe, Chief Executive, SPRING Singapore; Dr John Keung Kam Yin, Chief Executive Officer, Building and Construction Authority; Mr Pek Lian Guan, Managing Director, Tiong Seng Contractors Pte Ltd; Mdm Heng Boey Hong, Principal, Nanyang Girls' High School; Mr Teo Chee Hean, Deputy Prime Minister, Coordinating Minister for National Security and Minister for Home Affairs; Mr Jagadish C.V., Chief Executive Officer, Systems on Silicon Manufacturing Company Pte Ltd; Mr Kenny Yap, Executive Chairman and Managing Director, Qian Hu Corporation Ltd; Mr Lu Yoh-Chie, Chairman, Biosensors Interventional Technologies Pte Ltd; Professor Cham Tao Soon, Chairman of the SQA Governing Council; and Mr Khoo Boon Hui, Deputy Chairman of the SQA Governing Council and Senior Deputy Secretary, Ministry of Home Affairs

stakeholders, whether shareholders or customers, employees or partners, to move together, in pursuit of excellence," he said.

This holds true at both a company and industry level – leaders must set their companies on a course for excellence, but also need to ensure that their network of stakeholders in the wider industry are able to support the company on this journey.

Reaching out to stakeholders thus plays a key role in ensuring the sustainability of any BE initiative. By supporting improvement in partners and suppliers, and educating customers, an organisation can instil the values needed to create a robust ecosystem of excellence.

To support this approach, the Partnerships for Capability Transformation (PACT) programme was expanded this year to include additional manufacturing and non-manufacturing sectors. PACT encourages large organisations to upgrade the skills and capabilities of their SME suppliers and subcontractors. The programme supports collaboration projects in the areas of knowledge transfer, capability upgrading and co-innovation.

At this year's Business Excellence Awards Ceremony, it was announced that

20 BE-certified organisations, including several past award winners, have formed a group called the PACT Circle. They have committed to projects that aim to benefit some 100 SMEs within the next year. This is an important step, as a recent World Management Survey found that while Singapore ranked 6th among 22 countries for its overall adoption of sound management practices, our SME sector fared less favourably. SMEs showed less developed practices among senior management in instilling a talent mindset, tracking and communication of key performance indicators, and setting goals that strike a balance between financial and non-financial objectives.

The BE journey

Over the years, many of Singapore's leading companies and organisations

have taken part in the BE initiative. This year's Business Excellence Award winners are Systems on Silicon Manufacturing Company Pte Ltd, the Building and Construction Authority, Nanyang Girls' High School, Tiong Seng Contractors Pte Ltd, Biosensors Interventional Technologies Pte Ltd, and Qian Hu Corporation Ltd. Read on to discover what they have done to achieve excellence.

To start your own BE journey, your organisation can consult experienced practitioners or assessors through SPRING's Business Excellence Clinics. Briefings will be conducted to give interested organisations an introduction to BE standards and requirements. More information can be found at www.spring.gov.sg/be.

“The BE framework is a proven enabler for organisations to drive their business strategy effectively through investing in people, technology and sound management processes to deliver higher customer value and business results.”

*Professor Cham Tao Soon, Chairman,
Singapore Quality Award Governing Council*



**Singapore
Quality Award**
with Special Commendation

Constant Transformation

For Systems on Silicon Manufacturing Company, excellence is a journey, not a destination.



In the highly cyclical and competitive semiconductor industry, continuous improvement is a business imperative. For Singapore-based Systems on Silicon Manufacturing Company (SSMC), it is the holistic and nonstop pursuit of operational, service, innovation and people excellence that has enabled the company to become the best-in-class foundry services provider in the world.

SSMC was awarded the Singapore Quality Award (SQA) in 2005 in recognition of its world-class business management capabilities. Eight years on, SSMC was awarded the SQA with Special Commendation this year, reflecting the company's success in scaling even greater heights in its never-ending business excellence journey.

"In our business as a foundry, prices are always eroding because the industry is highly competitive. Therefore, the only way we can remain profitable is to innovate, automate and boost productivity," says Mr Jagadish CV, Chief Executive Officer of SSMC.

Being innovative makes business sense

No matter how well a company is performing, there is always room to raise the bar. Whether it is the result of proactive efforts or a response to external factors, productivity can almost always be boosted with some out-of-the-box thinking.

To illustrate this point, Mr Jagadish provides the example of SSMC's use of nitric oxide, a gas used in the wafer manufacturing process. In 2007, the company was facing difficulties in obtaining a sufficient supply of high-purity nitric oxide to keep pace with



Mr Jagadish CV,
Chief Executive Officer of SSMC

“The only way we can remain profitable is to innovate, automate and boost productivity.”



its increased wafer production. This was a problem. Without access to more nitric oxide – which at the time accounted for about 8–10% of the cost for each specialised wafer produced – the company would be unable to increase production.

Faced with this challenge, Mr Jagadish assembled a team to look at the problem from three different angles. First, is it possible to consume less gas per wafer? Second, is it possible to use gas with a lower level of purity – for instance, 99.99% purity rather than 99.999% purity? Third, can alternate sources be found?

“The team was so innovative that within about six months, we managed to do all three things. As a result, the cost of nitric oxide per specialised wafer was reduced by 80% and today, the gas accounts for less than 1% of our production cost per wafer.

For me, that’s innovation and productivity!” says Mr Jagadish.

A culture of excellence

One key to SSMC’s success is that it has managed to get the entire company involved. Rather than the senior management team being solely responsible for the pursuit of business excellence, all employees are encouraged to suggest innovative ideas and potential productivity improvements. These suggestions are channelled through the company’s Transform Portal, an online platform for capturing and sharing bright ideas.

“For example, employees can use the Transform Portal to submit a ‘10k Idea’, which is an idea for how the company can achieve cost savings of \$10,000. This is a concept that we have learnt from PUB, a winner of the Innovation Excellence Award. In return for successful ideas,

employees are recognised and rewarded by the company. The Transform Portal thus helps to create a culture of productivity, innovation, continuous improvement, sharing and learning, all as part of our business excellence journey,” explains Mr Jagadish.

All of the hundreds of suggestions submitted annually via the Transform Portal are reviewed and assessed to determine whether it is practical to implement them. The best of the best are then showcased at the company’s annual Transform & National Innovation and Quality Circle (NIQC) Convention.

With the entire workforce on the lookout for ways to improve and a company-wide commitment to business excellence, it is no surprise that SSMC continues to grow from strength to strength.