

# *Singapore Government*

## ***MEDIA RELEASE***

Media Division, Ministry of Information and the Arts, 140 Hill Street #02-02 MITA Building  
Singapore 179369. Tel: 837 9666

---

---

### **EMBARGO INSTRUCTIONS**

The attached press release/speech is **EMBARGOED UNTIL AFTER DELIVERY**.  
Please check against delivery.  
For assistance call 837 9666

---

---

**SPRInter 4.0**, Singapore's Press Releases on the Internet, is located at:  
<http://www.gov.sg/sprinter/>

---

---

**EMBARGOED UNTIL AFTER DELIVERY  
PLEASE CHECK AGAINST DELIVERY**

**OPENING ADDRESS BY MR LIM BOON HENG, MINISTER  
WITHOUT PORTFOLIO; SECRETARY-GENERAL, NATIONAL  
TRADES UNION CONGRESS; AND CHAIRMAN, SINGAPORE  
PRODUCTIVITY AND STANDARDS BOARD, AT THE OPENING OF  
THE 17TH INTERNATIONAL EXPOSITION OF QUALITY CIRCLES  
(IEQC) ON WEDNESDAY, 22 NOVEMBER 2000 AT 9.00 AM AT THE  
SINGAPORE INTERNATIONAL CONVENTION & EXHIBITION  
CENTRE**

## National Archives of Singapore

Distinguished guests,  
Overseas delegates,  
Ladies and Gentlemen,  
Good morning

1. I am pleased to be here this morning to officiate at the opening of two major events on the calendar of all quality circle practitioners - the 17th International Exposition of Quality Circles (IEQC) and the 25th International Convention on

Quality Control Circles (ICQCC). This is the first time that the two conventions are held together in Singapore. This occasion marks a major milestone in Singapore's Quality Circle Movement, as it is the first time that the two events are held here. The Singapore Productivity and Standards Board (PSB) is honoured to play host to the more than 1,200 delegates from 24 economies.

### **The QC Movement in Singapore**

2. This large turnout testifies to the world-wide recognition of Quality Circles (QCs) as an effective tool to encourage employee participation in productivity and quality activities. Since 1981 Singapore organisations have implemented QC activities and achieved savings totalling S\$550 million. Besides the monetary benefits, QCs have contributed to increased efficiency, better quality products and services, and more motivated employees. Today, the QC Movement in Singapore has become a mass movement, involving some 199,000 QC members, or 11% of the workforce. Nearly one out of ten in the workforce is a QC member.

3. One of the critical success factors of the QC Movement is our tripartite culture of cooperation in Singapore. Employers invest in training workers to equip them with problem-solving tools and techniques and to help them realise their potential. Employers also consult union leaders and representatives when new programmes and changes are made at the workplace. The National Trades Union Congress (NTUC) encourages greater employee participation at the workplace and runs training programmes for workers to ensure that they have the requisite skills. The government supports the various training initiatives by providing funding.

4. Because of this culture of cooperation among employer groups, trade unions and the government, the whole is much greater than the sum of the parts. Like all other assets, our tripartite culture is constantly nurtured. That in brief, has been Singapore's experience in promoting QCs to the workforce. I am sure

many of the delegates from other countries can also speak volumes about the good progress made in the QC Movement in their respective countries.

### **Relevance of QCs in the New Economy**

5. What about the future? The new economy – the knowledge-based economy – that is before us will be vastly different from the old industrial economy that we are all used to. All of us will have to cope with several simultaneous paradigm shifts. Instead of getting more output from sweat and toil, we will now have to depend more on innovative ideas. Instead of depending and being constrained by our own resources, we must now tap the abundance of knowledge and other resources in an interconnected world. And instead of working in a stable environment, we will now have to contend with discontinuous change where speed is the essence.

6. What are the implications of all these changes for QCs? Are QCs still relevant in the new economy? No doubt, this is a subject that will be debated by both academics and practitioners. I firmly believe that QCs are still relevant – provided some changes are made to their present form.

7. In the past, QCs were encouraged to solve problems as this was the quickest way to achieve tangible results. However, the results achieved were usually incremental improvement. Today, organisations need quantum jumps in value-added, or new wealth creation. QCs should therefore move from problem-solving to innovation and value creation for their organisations. It means getting every individual in the workforce to think and do new things all the

time. In this way, new values and wealth will be created for the organisation.

8. In a world of discontinuous change, perfecting the known may not be good enough as we may be solving a problem, which is no longer relevant. QCs need to shift from corrective actions to continuous process improvement. Rather than wait for problems to surface, QCs should take the lead to be more proactive, to constantly examine and question work processes and not just look for ways to improve the processes.

Continuous improvements can be accelerated through benchmarking against world-class standards and best practices, identifying opportunities beyond the known, and then imperfectly seizing what is unknown ahead of others.

9. The Internet speed with which changes are taking place has a direct impact on the time taken for the completion of a QC project. Previously, most QCs took about 6 months to a year to complete their projects. This is too slow compared with the current speed of business. QCs must keep pace with the shortening of the product life cycle and the acceleration of technological change. They have to learn faster, think faster, innovate faster, and act faster to help their organisations stay on top of the competition.

10 The increasing extent of connectivity in the new economy also has a bearing on QCs. Unlike in the past where QCs comprised mainly members from the same department, they should now be extended across functions. To fully exploit the vast reservoir of knowledge that exists within the organisation, cross-functional circles and stakeholder circles should be formed to tap internal and external knowledge for the creation of value. This is especially important in the workplace of the future, which calls for multi-tasking and increasing interaction among departments.

In fact, the composition of QCs should even be extended beyond the confines of the organisation. The new economy requires greater collaboration at many different levels. The most successful organisations are those that work with their partners to develop constructive business relationships, and are receptive to new ideas from outside and within the firm. Through stakeholder quality circles, with joint participation from suppliers or customers, cross fertilisation of ideas from different perspectives can be achieved. Such partnerships across organisations in a seamless manner should become the norm in the new economy.

11 The paradigm shifts that I have sketched are radical for QCs, but they are necessary. Only then will QCs continue to be relevant and make a difference to their organisations. On this part, the management must pave the way for QCs to reposition themselves and to continue playing a useful role in their organisation. Getting every employee to actively look at ways to improve his performance and that of his section, department or division is extremely important. It requires the employee to come up with new ideas on the way we work, taking pride and commitment in every task we do, streamlining processes, and simplifying procedures to get better results for the organisation.

Solving problems and generating new ideas will be useless, if the top management is not actively driving the QC Movement and supporting the implementation of QC projects.

### **Exemplary QC Models**

12. Let me cite two examples of the vast difference that QC projects can

make to the organisation and which should therefore receive the attention of management. These examples are taken from this year's QC Award winners in Singapore.

13. The first example is a team from Citibank's Regional Cash Process Management Unit. This team is one of the circles that will be presented the Million Dollar Project Award - an award that is presented to circles that have achieved more than one million dollars in savings from a single QC project. The team streamlined Citibank's traditional cash management process and transformed it into an innovative and customer-focused service. By introducing Straight-through Processing, the team was able to ensure that customer's electronic banking transactions were automatically processed without any manual intervention. As a result, the team helped Citibank save some S\$4.3 million.

14. The second example is a QC from the Singapore Civil Defence Force. Comprising officers from the various units and branches of the Singapore Civil Defence Force, the circle embarked on a project to improve the mode of fire-fighting. The team found that critical time was often lost when the fire engine could not readily gain access to the scene of the fire and had to find alternative routes. Furthermore, it was not cost-effective to deploy the traditional fire engines to tackle the increasing number of small-scale fires. The team members then pooled their expertise to design and build a smaller fire engine, called the Light Fire Attack Vehicle. This compact, highly manoeuvrable and lightweight vehicle can easily enter multi-storey car parks and overcome physical obstructions like drains and slopes to gain swift access to the location of a fire. It is no wonder that the circle is one of this year's Eureka Awards,

presented to circles for innovative projects.

15. An example of an organisation where the management is fully behind the QC Movement is the Informatics Group, one of this year's recipient of the Outstanding Newcomer QC Organisation Award.

The Informatics Group is a Singapore-based multinational corporation providing training and educational services in information technology and business management in Singapore, Malaysia, Hong Kong, China, the Philippines, India and the UK. So important are QCs to the organisation that the Group Chairman and Chief Executive Officer, Dr Wong Tai, personally leads the company's quality movement. He chairs a high-level TQM Steering Committee to set stringent service standards and communicate and deploy quality values to all levels of staff. The Senior Managers participate actively, serving as facilitators to guide the QCs in their projects and to align all quality efforts to overall business goals. To ensure that the knowledge from all QC projects is shared, Informatics has an on-line Knowledge Centre which can be accessed on-line round-the-clock.

16. The success of quality circles in Singapore is also due in no small measure to the strong support from individuals. There are the many QC activists and enthusiasts who have put in much time and effort to cultivate and sustain Quality Circles over the years. One of the many is Mdm Tan Choo King from the Housing & Development Board. Mdm Tan was appointed as her department's QC coordinator in January 1998.

Since then, she has played a pivotal role in developing new strategies to sustain staff interest and awareness in HDB's quality movement. The participation rate in QC and HDB's staff suggestion scheme has been maintained at 100%.

17. Under Mdm Tan's stewardship, the HDB has won a large number of awards. The most recent examples are Readycast QC winning PSB's Top QC Award this year; and Vision Excel QC winning the Million Dollar Project Award twice – last year and again this year. In recognition of her unceasing efforts to help promote QCs, Mdm Tan will be presented the Outstanding QC Manager Award today.

### **Conclusion**

18. The future holds tough challenges but also vast opportunities for the global QC community. Many of the issues that I have raised today are not specific to Singapore; rather, they apply to the QC Movement world-wide. As we move into the knowledge-based era, QCs will continue to play an important role and perhaps an even more vital role than in the past.

19. The IEQC and ICQCC will continue to be major international platforms for information sharing and showcases of the successes and breakthroughs of quality circles. I hope that this event will prove to be a rewarding and enriching experience for all of you. I would also like to thank the ICQCC Coordinating Committee for choosing Singapore as the host for this year's event. I wish our friends from overseas a pleasant and memorable stay in Singapore.



20. On this note, it is my pleasure to declare the 17th IEQC and the 25th ICQCC 2000 open.

.....

/21 November 2000

National Archives of Singapore