

PLEASE EMBARGO TILL AFTER DELIVERY

2 DEC 1985
85-4E-8

**SPEECH BY MR EUGENE YAP, SENIOR PARLIAMENTARY SECRETARY
(LABOUR AND ENVIRONMENT) AT YOKOGAWA ELECTRIC SINGAPORE PTE
LTD "QUALITY OBSERVANCE DAY AND PRIZE-GIVING CEREMONY" ON
THURSDAY, 28 NOVEMBER 1985 AT 9.15 AM.**

Ladies & Gentlemen,

I am happy to join you in your "Quality Observance
Day and Prize-Giving Ceremony".

2 By now, most of us, especially Yokogawains, would
have heard of the term Total Quality Control (TQC). We know
that Total Quality Control (TQC) requires total commitment
and dedication of all. It requires teamwork throughout the
company, including the suppliers and consumers. To
succeed, Total Quality Control (TQC) should not be another
management jargon, it should be part and parcel of our
life-style.

3 I have often wondered, what we should do next in
order that the "Made In Singapore" label and other services
we provide can become a household word? We want to do our
best to make sure that the world knows and trusts in the
things we sell to them. How do we do this?

4 First of all, we want to ask ourselves the question: Are we sure that what we sell is really what the consumer wants? Some quality managers were once asked to put down in writing what they understood by the term "QUALITY". Here are some of their answers:-

- * QUALITY is conformance to minimum requirements in producing a product.
- * QUALITY is a set of specifications which tells the manufacturing plant what to produce.
- * QUALITY is a set of specifications which a salesman uses to sell his product.

Are we sure this is what Quality is all about? And are we sure specifications that are used are what the consumers want? To my mind, if we want to move another step higher and reach our goal, then we should make sure we really listen very very carefully to what our consumers want and give them what they want; and remember what they want, changes with the times. I think this is what quality is all about. It is about taking into account the consumers'

perception of excellence, and quality is our response to this perception. It is for this reason that the Total Quality Control (TQC) culture requires everyone to be involved. If sales are not on talking terms with production, or suppliers supply something production cannot use, then at the other end, the consumer receives a product which he does not want. If the product does not sell, sales as well as production are equally to be blamed because everyone is responsible.

5 One carpet manufacturer once suffered a rather rude awakening. The company was a very large one and thought that it had all the answers and knew what its customers wanted. One fine day, this company discovered that it was losing some important customers. The experts in the company got together and looked at the tests they carried out on their carpets. They looked at foam stability, they looked at molecular weight distribution, they looked at particle-size conformity, they looked at percentage of unreacted monomer, adhesion strength and so on. They

concluded that these tests were indeed comprehensive and reliable, and their carpets were good quality carpets.

6 One day, the Managing Director met one of the company's customers and tried to find out why they have stopped dealing with them. Said the Managing Director: "We do all kinds of test on our carpets to ensure quality. I am therefore very surprised why you should switch over to lower quality carpets." Said the customer in response: "Ah! But there is one very important requirement which you have not considered." "What is it?" asked the Managing Director. Replied the customer, "Your carpets have failed the roll-stool test". The Managing Director was taken aback. He was not aware of what this simple roll-stool test was all about. The customer said, "Just take the bottom half of an office chair with carriage and casters, put a weight on it and move the carriage and casters over and over again, and see how long it lasts. This is all we require."

7 We can learn one very important lesson from here. The important thing to remember is that we should learn to

listen to what our consumers want. Don't have the "better than thou attitude", if you want to keep your customers.

Listening to what your consumers want, forms a very important part in the Total Quality Control (TQC) concept. In fact, Total Quality Control (TQC) starts from exactly this point. If you don't listen and study very carefully the needs of your consumers, then, right from the very word "GO", you are already producing an unwanted product. Then, why waste all that money producing all those unwanted products? Why waste all that money employing so many people to check those products? Why waste some more money to correct those products that cannot sell anyway.

8 Yokogawains can be very proud of yourselves because you work for a company that believes and practises Total Quality Control (TQC). Your company was officially designated as a Model Company in Singapore by the Economic Development Board in 1981. Your company's success in achieving product-quality is also reflected when it was awarded the SISIR Mark as early as 1977. Your company was

the first overseas factory in the world outside Japan to be approved by Japan's Ministry of International Trade and Industry (MITI) to use the prestigious JIS Mark in 1981. A second JIS Certificate was awarded to your company in 1983 and recently in October 1985, your company was among the first to be awarded the SISIR's Good Manufacturing Practice Certificate. I congratulate all of you and your Company on these excellent achievements.

9 I have been told that 1985 is an important year for Yokogawa. This year marks the 10th anniversary of your company in Singapore. It is also a year which commemorates your Company's achievement in producing one million sets of Yokogawa's well-known circular scale switchboard meters. Both management and workers of Yokogawa can look back at the Company's achievements over the past 10 years with pride and into the next decade with greater confidence.

10 In closing, may I congratulate recipients of prizes for the "Quality Slogan" Contest organised by your Company. Finally, I also wish to extend my best wishes to all in this company for your continued success.