

Programme Tapped on: SMART-IMPACT
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SOLUTION

Diagnosis of key business areas to be upgraded and developed by external consultants

BENEFITS

- Identification of key areas for upgrading and development
- Development of roadmap for productivity improvement actions



Lighting the Path to Productivity

Productivity tool SMART-IMPACT rejigs Ideal Electric's old-world business management style.

Older entrepreneurs are known for their wisdom—years of business experience come in most useful—but are sometimes apprehensive when it comes to adopting new methods to rejuvenate their business.

Ideal Electric's senior management turned that fear on its head—conducting a thorough appraisal of the organisation to identify areas for improvement.

"When my son Kevin asked me to consider a rebranding exercise, I said why not. I'm all for new ideas on improving our business," said Mr Charles Koh, the 65-year old Chairman and CEO of the light fittings manufacturing and sales organisation.

Charles and his brother Frederick, who is the Managing Director of Ideal Electric, sought the counsel of SPRING Singapore in December 2011 for a full diagnosis of their 43-year-old enterprise.

Through the SME Management Action for Results (SMART) initiative and Integrated Management of Productivity Activities (IMPACT) assessment tool, they were able to identify key areas in the business that needed to be upgraded and developed.

Bright Ideas From SMART-IMPACT



Ideal Electric is aiming high. Their goal—to provide the highest quality lighting products at the most competitive prices globally—isn't just hollow expectations.

After decades in the lighting industry, they are now experts in the design and development of European-quality light fittings. Their products illuminate the darkness worldwide, from the Marina Bay Sands Integrated Resort and Casino, and Singapore's national parks and HDB housing projects, to high-end department store chains in Europe like Manor and Globus in Switzerland, and Karstadt and KaDeWe in Germany.

CASE STORY II – IDEAL ELECTRIC SINGAPORE

Ideal Electric is also an active player in the field of intelligent and eco-friendly commercial LED (light-emitting diode) lighting. Since 2008, they have embarked on a joint LED lighting technology development project with RD Leuchten AG (Switzerland)—the leading commercial supplier of lightings to the European market. This resulted in the only range of commercial LED spot lightings in the world market suitable for ceiling heights of more than 8 meters. Independently, the organisation is also currently developing a new range of advanced LED light fittings with Philips which will hit the market in July.

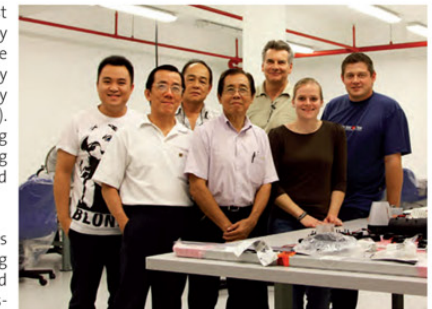
With increased orders from international commercial project developers and large lighting distributors like Koizumi (Japan), the organisation was in need of a productivity assessment to ensure it met the requirements and expectations of its customers. Through the SMART-IMPACT assessment report, Charles and Frederick found three essential areas to work on: productivity management, quality culture and human resource development.

Laying Down an Effective Roadmap

With the help of SPRING's business consultant, a 2-year roadmap was laid out to address productivity gaps and improve overall business operations.

In Q32012, Ideal Electric is set to develop an organisation-wide performance scorecard to monitor their finances, customers and operations.

To acquire product know-how, ideas and latest technological trends in the lighting industry, they are looking at potential collaborations with the Singapore Institute of Manufacturing Technology (SIMTech), a research institute of the Agency for Science, Technology and Research (A*STAR). Ideal Electric is leveraging on R&D and readying themselves for exciting opportunities in emerging applications such as solid-state lighting and photovoltaics.



In order to stay competitive, the organisation is planning to keep their labour force lean, using techniques like mechanisation, automation, and computerisation, in their newly set up Swiss-certified assembly facility in Singapore.

To enhance the organisation's image and visibility, they have already begun revamping their website and updating their portfolio.

Reinforcing Current Strengths

For over 40 years, the organisation has built its reputation on its impeccable quality standards and manufacturing processes. But in the face of technological advancements and changing customer demands, Charles and Frederick are making brave choices that will guarantee Ideal Electric's continued success.

"SMART-IMPACT has given us a more comprehensive picture of our company. We highly recommend this tool to all SMEs. We are learning where we are weak, what to avoid and how to do our business right. Without this roadmap, we will be in the dark," says Charles.

Currently four months into the programme, the organisation is committed to achieve all their goals by mid-2013.