

# Hardwired for change

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**K**OH Hock Seng, the founder and managing director of Exceltec, has transformed the business from a small subsidiary of the International Merchandising Mart (IMM) Mall, into an established integrated property and facilities management company in Singapore today.

Back in 1991, Yaohan International formed Exceltec to manage the facilities in IMM Mall. Unfortunately in 1997, the Asian Financial Crisis caused Yaohan to run into financial difficulties and thus had to exit Singapore. Mr Koh, who was the head of Exceltec back then, took the courage to buy out the subsidiary and founded Exceltec as an independent entity.

Under Mr Koh's stewardship, Exceltec has grown exponentially and now employs more than 300 staff, serving a sizable group of clients that includes an international postal service company, a prominent convenience store chain, public transport players, tertiary education institutions and some of the largest real estate companies in Singapore. Mr Koh was also the driving force behind Exceltec during trying times such as the SARS period and Global Financial Crisis, through the diversification into new services such as environmental engineering services and green technology.

## A people's leader

The leap of faith that Mr Koh took to buy out Exceltec was not a decision made alone. Mr Koh attributed this courage to his people as much of the motivation came from his employees who gave him "their full support and confidence to buy out Exceltec".

Mr Koh noted that all of these employees are still with him today.

Power distance in Exceltec is consciously kept to a minimum. Mr Koh strives to be an approachable leader by adopting an open-door policy in his office to encourage open communication between himself and his employees.

"I tell my people to welcome anyone who wants to speak to me into my office, regardless of position. I want to listen to any issues they have," Mr Koh said.



"Not a single employee has been retrenched in the 21 years of operations," says Mr Koh, founder and MD of Exceltec. He keeps checks on "power distance" and encourages an open-door policy.

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When it comes to service for customers, Mr Koh is a firm believer of "going the extra mile". Exceltec has implemented the Letter of Appreciation (LOA) as an initiative that empowers managers to recognise and reward employees who earned positive customer feedback. In collaboration with the client, these employees will be presented with an LOA to appreciate their hard work and effort. This encourages employees to always strive for the best and go the extra mile for customers.

"Not a single employee has been re-

trenched in the 21 years of operations," Mr Koh stated. He recognises that employees are the main drivers of Exceltec, and therefore puts heavy emphasis on organisational bench strength development. Exceltec does this by developing their own in-house training programmes. This in turn ensures consistent and quality service delivery to customers.

Moreover, Mr Koh pays particular attention to the interests of his employees. When a new employee feels a mismatch between his role and his interest, Mr Koh will encourage him to

switch to a department that suits his interest.

Not only would this open up opportunities for the new employee to explore more career paths and discover his potential, but it also helps with employee retention. In all, such a measure alleviates Exceltec from the labour crunch in the industry.

Instead of grieving over the poor economic environment during the 2008 global financial crisis, Mr Koh actively sought new opportunities. On his business trip to Beijing for a trade exhibition, Mr Koh came across a cutting-edge technology in Indoor Air Quality (IAQ) management and was immensely inspired by it. Upon his return to Singapore, he quickly acquired the technology and introduced Mechanical Ventilation Duct Cleaning as a service Exceltec could provide. This subsequently became an added line of service known as IAQ.

As part of embracing innovation and commitment to continuous improvement, Exceltec constantly gathers feedback from its operations team. However, feedback showed that the IAQ system was not suitable for kitchen ducts as it could not deliver degreasing agents for cleaning.

To tackle this problem, the company modified their IAQ system to enable full cleaning of the kitchen ducts, giving birth to the Kitchen Exhaust Duct (KED) Cleaning System in 2013. The innovative success of the KED Cleaning System has turned Exceltec into an industry leader of KED, serving 60 per cent of the fast food chains in Singapore today.

Acknowledging that technology is radically changing industries, Mr Koh felt that it was vital for the company to adapt. Excel-Ann Technology was established to provide digital solutions to customers. This joint venture develops in-house technologies such as the Fault Reporting Application and the Fleet Management System.

Clients are now able to use the Fault Reporting Application via their smartphones to report – unlike in the past – and monitor as well as analyse any incidents in real time, thus streamlining the fault reporting process. The Fleet Management System complements the fault reporting process by providing Exceltec's headquarters with a macro view of the location of all its vehicles on the island, such that when an incident is reported, the vehicle closest in proximity can be deployed to the scene.

These technologies have effect-

ively helped Exceltec better manage clients' emergencies and defects by improving response time, thus increasing customer satisfaction. "Although it is still in the infancy stage, we have seen improvements in operational efficiency," commented Mr Koh. "We will continue to bring in new technology that will add value to our customers."

## Overseas expansion

Given the saturated market in Singapore, Mr Koh recognises the need to internationalise and look beyond the shores of Singapore for fresh opportunities. Therefore, Exceltec has taken a resolute step into Myanmar in 2017. Mr Koh believes the expansion will put Exceltec in a strategic position as rapid industrialisation in Myanmar unveils new opportunities that create growth in demand for Exceltec's services.

For Exceltec, Myanmar is also a stepping stone to the two most populous countries and fastest growing economies globally – China and India. Access to these two markets will translate into significant competitive advantages that will put Exceltec on a trajectory of exponential growth.

Exceltec's entrance to Myanmar ap-

pears much aided by the name of Singapore Inc. "We chose to establish our presence in Myanmar, as the Singaporean brand name is well-received by the local market, particularly for our high safety standards and quality. We want to champion a local brand that signifies the enduring ties Singapore shares with Myanmar," said Mr Koh.

Besides business expansion, Mr Koh also explored philanthropy in Myanmar. During his business trip in 2017, Mr Koh identified an orphanage in Yangon, Myaing Nunery School, and pledged to support them as part of Exceltec's Corporate Social Responsibility (CSR) initiative.

To overcome hurdles and be able to thrive in a competitive marketplace, Mr Koh recommends that "entrepreneurs should adopt a positive mindset, be confident, and take pride" in what they do.

"It is also vital to choose a niche area to focus on," Mr Koh said. In doing so, it creates a unique competitive advantage for the business.

He added: "It is all right to fail, so long as one is able to learn from it and not repeat the mistakes."

■ The writers are students at NUS Business School.