

Constructing a bright future

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THE distinctive name of construction company QXY Resources comes from the initials of founder and CEO Patrick Koh's children, and stems from the company's desire to venture beyond the construction business.

Established in 2004 as a five-man building refurbishment contractor, QXY provides a range of services that has increased remarkably over the years.

From basic repair and redecoration, addition and alteration services to building construction and interior fit-out services, QXY has expanded its operations to become a main contractor, as well as earning its spot on the prestigious Enterprise 50 (E50) Award in 2016, 2017 and 2018.

Registered with the Building and Construction Authority (BCA) as a B1-graded contractor for general building, the company has taken on many notable public projects including the PAssion WaVe @ Marina Bay. This project received the BCA Green Mark Platinum certification, exemplifying QXY's environmentally-friendly practices.

Taking a prudent and pragmatic approach to progress

QXY believes that its prudence in project and capital management has helped the company to flourish in the highly competitive construction industry.

Chief finance officer Lynn Koh, who is also Mr Koh's daughter, said: "We are quite strategic in the projects we select . . . tendering for projects that we are either confident to secure, or ones that would boost our brand image."

By ensuring that the company maintains a healthy cash flow and low debt levels, QXY is able to secure a string of notable projects under its belt while still maintaining favourable credit lines.

QXY's practical stance on its business also extends to its attitude on innovation. While QXY is always eager to adopt innovation, it chooses to apply existing technologies instead of spending large amounts of resources on conducting its own research and development (R&D).

Since being an early adopter entails significant implementation risks, QXY takes a sensible approach by learning from the common issues faced by its peers before execution. This has enabled QXY to successfully apply new technologies such as the prefabricated steel systems used in two of its projects – the Tan Tock Seng Hospital Annex building and a mixed development shophouse at Seah Street.

A multipronged-approach to improve efficiency

The company's decision to expand beyond basic construction services into interior fit out is paying off. It has an established collaboration with interior design company id212, which is co-founded by Mr Koh. id212 is one of QXY's top five subcontractors and suppliers, and such partnerships streamline operations as it fulfils both the design and construction needs of a customer in one single contract.

QXY understands the need to improve productivity to attain a more efficient workforce in the labour-intensive construction industry. It adopts the DOKA Formwork that shortens build time and cuts assembly costs, vastly improving productivity and reducing labour dependency.

QXY has also mechanised its workflow, such as adopting the automated skid steer loader which doubled productivity per man-day when implemented during its renovation works at Raffles Girls Primary School.

Other productivity-enhancing initiatives include the Building Information Modelling (BIM) and Enterprise Resource Planning (ERP) System, both of which minimise errors. Due to its commitment to efficiency over the years, QXY's overall construction pro-

ductivity, measured by Value Added Productivity (VAP), almost doubled between 2012 and 2017.

An unyielding pledge to workplace safety

Workplace safety is of paramount importance to QXY. It has put into place systems to promote safety for construction projects, including a strict penalty system that warns and fines workers for non-compliance with safety guidelines.

QXY is also stringent about conducting frequent site inspections and enforcing safety regulations. Staying true to its drive of being unique, it is working on converting the current penalty system into a gamification-based point system that constantly reminds workers to look out for one another's safety.

Building beyond borders

To broaden its business prospects, QXY plans to expand overseas while concurrently widening its service portfolio.

As part of its international expansion plans, the company has entered into strategic partnerships to promote its innovative construction-related products. For instance, it forged an alliance with a negative ion paint manufacturer in Malaysia to manufacture, re-brand, promote and distribute the product which is known for its environmental sustainability.

This has enabled both companies to lower their operating costs. To enhance its talent pool, QXY is also working with overseas partners to conduct training sessions aimed at boosting the skills of interested parties in the construction sector.

Broadening the sphere of service provision

Simultaneously, QXY wishes to widen its local service portfolio as part of its growth plans. It is currently looking to hire more staff and obtain additional technical certificates to meet



The QXY team celebrating their Enterprise 50 Award in 2016 (Ms Koh is at extreme left while Mr Koh is third from left holding the trophy). PHOTO: QXY

the statutory requirements necessary to upgrade its BCA Construction Workhead from B1 to A2.

This upgrade will allow QXY to tender for public sector projects worth S\$85 million, thereby giving it access to a larger portfolio share of the market. In addition, QXY is actively expanding its private client base. To this end, QXY has completed works on two landed residential properties, and recently forayed into the hospitality sector. This will eventually create more diversified revenue streams and enhance business sustainability.

QXY is also looking out for new products and business opportunities as it seeks to grow.

Mr Koh says: "Passion is what has brought us to where we are today, and it is what will carry us forward. Passion for a shared vision to deliver the best for our customers and love for the work we do."

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