

# Team-Metal's foresight and customer-centric approach pay off

The precision metal components maker is constantly seeking new ways to improve its products while forging strong bonds with its customers

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**T**HE disk drive and printer manufacturing industry in Singapore was thriving until the emergence of low-cost competitors overseas in the early 2000s disrupted everything. Many companies were forced to close or relocate overseas.

However, one company, Team-Metal (S) Pte Ltd, managed to ride through the crisis and emerged stronger due to the foresight of its founder and managing director Chan Khai Seng, as well as the management team.

Incorporated in 1988, Team-Metal initially adopted a high-volume business model, engaging in the manufacturing of mechanical components in disk drives and printers.

However, in the face of increasing competition, the management team realised the need for a major revamp in its business strategy.

In 2004, Mr Chan decided to push for a pivotal change to the high-mix low-volume (HMLV) business model to capitalise on the rapid growth of specialised industries.

In line with Team-Metal's shift in focus to HMLV production, it diversified into the medical and life sciences industries.

Its bold venture proved to be a prescient one during the Covid-19 pandemic.

While demand for mechanical parts dropped in certain industries, the medical and life sciences industries required more precision metal components.

Thus, by supplying the necessary components, Team-Metal was "able to play a part in saving lives" as well, said Mr Chan.

Today, Team-Metal focuses on the production of low-volume, high precision, intricate products that support various industries including the medical, life sciences, analytical instru-



Team-Metal founder and managing director Chan Khai Seng (second from left) and members of his senior management team receiving the Enterprise 50 Award in 2019. PHOTO: TEAM-METAL

ments, lifestyle and office automation segments.

With revenue increasing at a compounded annual rate of 7 per cent from 2017 to 2019 and a projected revenue growth beyond 7 per cent for 2020, Team-Metal's HMLV business model has proven to be successful in providing integrated services and capabilities to its customers.

## Positive corporate culture

Team-Metal's current success can be attributed in part to its Key Performance Indicator (KPI) system, which was developed in-house in 2013 and has "allowed the company to achieve consistent progress for the past seven years", said Mr Chan.

The KPI system monitors and analyses key areas in its operations, from

manufacturing and procurement to customer satisfaction.

Team-Metal sets realistic targets and tracks them, boosting overall manufacturing productivity and minimising wastage.

While Team-Metal used to receive customer complaints on late delivery, its KPI system has helped the company achieve 100 per cent on-time delivery performance due to overall improvements in its manufacturing flow.

The company's innate determination and desire to constantly strive for improvement are reflected in its corporate motto: "Passion That Builds Excellence". It seeks to push the company at every level of employment to consistently seek better performance in operational excellence, cost management, customer satisfaction and internal teamwork.



Team-Metal's production facilities are strategically located in Batam and Suzhou. The company stays competitive by continuing to invest in the latest machinery and processes. PHOTO: TEAM-METAL

During the Covid-19 pandemic, teamwork within the company was put to the test. In order to make up for manpower shortages, employees doubled up duties across departments to enable the company to fulfil its commitments to its customers.

When it comes to leadership within Team-Metal, there exists a great belief in the concept of open management.

The two-way communication between management and employees and the receptiveness of management towards employee feedback are embodied in a flat organisational structure which promotes a transparent, healthy and interactive workspace.

## Customer-centric approach

Team-Metal's current success is also directly linked to its customer-centric business approach.

The company places a strong emphasis on customer service, resolving to exceed customer expectations.

Its relationship with customers allows the company to forge strong bonds and be intimately aligned with its customers' mindsets.

Team-Metal pays extra attention to core values such as guaranteed reliability and loyalty to its customers.

The company is also constantly seeking new ways to improve its products while furthering customer relations.

It remains competitive by continuing to invest in the latest machinery and processes to produce products of the highest quality.

Prompted by its desire to remain in close proximity with its major clients and pursue further growth opportunities, Team-Metal strategically relocated its production facilities to Batam and Suzhou to leverage on the reliable and competitive manufacturing environments.

On the other hand, the Singapore corporate office is primarily responsible for value-adding activities that include customer service, engineering, procurement, logistics and business strategy planning to better serve its customers.

For instance, a safety inventory hub is maintained in Singapore to ensure that stock is available to be dispatched to its customers in the event of an upsurge in demand.

Such initiatives demonstrate the company's determination to not only be a reliable supplier but also a solution provider to its customers.

## Plans for the future

Team-Metal intends to grow further through mergers and acquisitions to position itself as a value-added company with an expanded range of products and services.

Additionally, the company will be capitalising on Industry 4.0 to en-

hance its overall manufacturing efficiency and stay ahead of the competition.

"This strategy will position us as a value-added partner with an expanded range of products and services to serve our valued customers," Mr Chan said.

With its business model and customer-centric approach, Team-Metal is poised to push for further growth and overcome any challenges that come its way.

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This series is part of the Enterprise 50 Educational Project between the ESO partners and the NUS Business School. Team-Metal (S) Pte Ltd was among the winners in 2019. The annual ESO ranking is co-organised by The Business Times and KPMG, sponsored by OCBC Bank, and supported by Enterprise Singapore, Singapore Exchange and Singapore Business Federation.