

## SINGAPORE BUSINESS AWARDS

# 'People before profits' motto wins this year's SBA

## RMG and Income chiefs show revenue at all costs is not the only way to success

By FELDA CHAY

[SINGAPORE] It isn't always the case that successful firms are only those that focus on maximising profits. Two winners of the Singapore Business Awards 2013 (SBA), unveiled yesterday at a gala dinner at Shangri-La hotel, show that running a sustainable business while having a heart can make for a top enterprise.

Loo Choon Yong, executive chairman of Raffles Medical Group (RMG), can attest to this. Dr Loo started RMG with schoolmate Alfred Loh in 1976, with two clinics.

The practice grew rapidly, and in 1997 it became the first full-fledged healthcare service provider in Singapore to go for a public listing. And, many doubted the group could balance the needs of providing quality patient care and meeting shareholders' demand for profits.

Sixteen years on, RMG appears to have struck that fine balance. In a sign that it has been able to retain the trust of the masses, the number of patients has trebled to more than 1.5 million annually from 500,000 in 1997.

RMG has also been delivering on the financial front. In 2012, the group reported a 12.8 per cent

year-on-year jump in net profit to \$56.8 million. Revenue grew 14.2 per cent to \$311.6 million.

Yesterday, Dr Loo was named the Businessman of the Year for 2012. The accolade, he said at a press conference for the SBA, was a bit of a misnomer.

"I'm a doctor, you know, but still ... The most important thing is how do we stay true to looking after our patients properly. That's the most important thing about being a doctor, being a nurse, and being a healthcare manager."

Like Dr Loo, NTUC Income CEO Tan Suet Chieh is not one to gun for profits at all costs. As head honcho of the cooperative, a role he took on in 2007, Mr Tan decided that the way forward for Income would be to sell "honest insurance" – where insurers honour the intent of the agreement and not try to dodge payouts – and become the world's most ethical insurer.

Income has grown rapidly under this model. The insurer's premium revenues have risen 61.5 per cent to \$3.4 billion in 2012, from \$2.1 billion in 2006. Total assets rose to \$30.8 billion last year from \$18.8 billion in 2006.

Complaints against Income have fallen to 71 each month from the 274 recorded in 2007.

"Our motto is people before profits," said Mr Tan.

He was named Outstanding CEO of the Year 2012 last night.

Two other awards were handed out as well. One



**Dr Loo:** *For the Businessman of the Year patients come before anything else*

was the Outstanding Chief/Senior Executive (Overseas) 2012, and the Enterprise Award 2012. Clinching the former was Tham Khai Meng, the worldwide creative officer of Ogilvy & Mather, the third-largest advertising agency in the world. He is also the first worldwide Asian chief creative officer of any Western international holding company or global agency network.

Super Group, known for its three-in-one CoffeeMix, was awarded the Enterprise Award.

Education Minister Heng Swee Keat, who was guest of honour at last night's awards dinner, reiterated the government's emphasis on improving productivity and stressed that restructuring is essential to assuring sustainable growth for Singapore.

"We have to work doggedly at this to make the breakthroughs," he said.

"There will be many

things we have to do – keeping our economy open, having a flexible and stable labour market, investing in R&D, investing in infrastructure, deepening the capabilities of companies and economic sectors and so on. We will have to deploy a range of tools to do so.

"But beyond tools, our success will ultimately depend on the mindset and culture of our business leaders and our people."

Some of the SBA winners are good examples of companies who have tried to deal with Singapore's manpower crunch and rising costs by embracing productivity and innovation, and relocation overseas. Super, which has 15 manufacturing facilities across Asia, moved its coffee production out of Singapore so that it could meet rising demand at lower cost.

Said Super's chairman, David Teo: "We are facing a little bit of problem in Singapore, so we have been trying to move overseas..." Super's biggest operations are now in Malaysia and China.

At RMG, the group focuses on training its staff. Singapore, like much of the world, is facing a shortage of doctors and nurses, Dr Loo said.

"So we concentrate on training them well and managing them well, so that they are as productive ... as they can be. We take away from nurses those things that, say, assistants can do. So we leave the nurses, who are highly trained, skilled manpower, to do those things that only they can do.

"So that's how we reorganise our work processes, and reorganise our staff," explained Dr Loo.

Ogilvy, too, has a strong focus on talent development – which is perhaps not surprising given the global war for talent seen in the creative industry.

Said Mr Tham: "Creativity is a rare commodity around the world ... and we lack talent in every country. And when you have the talent, the competitors want your talent.

"We grow the talent, we train it, and we compete with each other, but the industry is going through a talent war throughout every country we visit."

The SBA is organised by *The Business Times* and DHL Express Singapore.

Alvin Tay, BT editor and chairman of the SBA organising committee, said this year's winners possess key attributes such as business vision and acumen, as well as an entrepreneurial spirit.

"We congratulate all of them as we welcome them onto the honour roll of the Singapore Business Awards fraternity."

Said Herbert Vongpusanachai, managing director of DHL Express which worked with BT to organise the event: "Each year, we honour business leaders who have made an impact and contributed to ensuring the vibrancy of Singapore's business environment. This year is no exception, where the most befitting are recognised at the prestigious 28th Singapore Business Awards."