



## A Case Study on Excel Hardware Pte Ltd

Starting in 1998 with only two people at the helm, Excel Hardware Pte Ltd, a wholesale distributor of furniture hardware for commercial and residential use, has since come a long way with its current staff strength standing at 70 and with 5 offices littered over Asia. In the process of developing the business and managing it, certainly various processes or practices have to be altered. SMF's editorial team sat down with Mr Kaden Choa, Excel Hardware's Marketing Director, for a chat on how SMF has contributed in easing some of his company's challenges in their business expansion.

"We are very lucky to have assistance from SME Centre@SMF", said Mr Choa. Having worked with SME Centre's officers since he first joined the company seven years ago, he shared that the most valuable take-away from this partnership is the close relationship he has forged with the officers. Naming Mr Raymond Wong as someone he has worked with closely, he said, "There is this relationship of understanding where he knows my business needs. For example, when my business was expanding, he recommended certain assistance plans. He also introduced the ICV voucher to

me, something that will not cost a bomb, yet will increase the rate of productivity for my business. Even now, he regularly introduces programmes or schemes he thinks will be helpful to my company."

The Innovation and Capability Voucher (ICV) that Mr Choa refers to is a funding programme to encourage SMEs to develop their business capabilities. It offers consultancy services and supports SMEs in the adoption and implementation of simple solutions to improve business efficiency and productivity.

### *On improving their inventory system*

Whilst expanding their business overseas, they faced the challenge of accessing overseas accounts from Singapore. When it came to invoicing, they had to issue about 120 invoices to various locations using a computerized system which required a physical server. It became extremely tedious work issuing invoices manually when the server was down, and it became clear that they needed a central system whereby access to invoices from various locations could be easily obtained. SME Centre then introduced a vendor who helped build a web-based inventory, payroll and accounting system. Now, three years on, they have not looked back since and are still using the same software. "Although this is common nowadays, four years ago it was not so. I think we must have been the first in this industry to use it," said Mr Choa. While he acknowledges that it was a hefty sum of money to build the system, the cost was defrayed by a grant that SME Centre introduced.

### *On improving their warehouse system*

Mr Choa also shared that via an introduction to SiPi – another centre of excellence in SMF – they completed a 6-month long project to enhance their warehousing system. Initially finding themselves frequently out of warehouse space and looking to expand it, SiPi's consultants diagnosed the issue as them not having proper zoning instead of a space constraint problem. We are more familiar as to the most appropriate placement of our warehousing, but with the consultant's knowledge and expertise, they were able to advise how to prevent product wastage, and therefore improving our productivity," said Mr Choa.

When asked what sort of advice he can give to fellow companies facing similar issues, he said: "There are still a lot of traditional companies or traditional bosses who have the mindset that they know their business the best and do not require external help, whether it is in the form of schemes or grants, or advice. In a sense, there is some skepticism towards third party 'interference'. However, there are really some good officers out there who can fill you in on the best practices, and



*Mr Kaden Choa has benefitted from SME Centre @ SMF's business advisory service*

I am lucky that I found a good one when I first joined the company. So, source for the good one, build a good, strong relationship with him/her, and from there listen to what the officer can suggest for you to level up your business. The officer will have enough knowledge or experience to advise, but you will still have to filter these on your own. My experience with them has been really helpful, and to this day I am still working with them to explore possible areas where I can further enhance my business.